

GULF BREEZE CITY COUNCIL
REGULAR MEETING AGENDA

OCTOBER 3, 2016
MONDAY, 6:30 P.M.
COUNCIL CHAMBERS

1. **ROLL CALL, INVOCATION, AND PLEDGE OF ALLEGIANCE**

2. **APPROVAL OF MINUTES**

September 19, 2016 Regular Meeting Minutes

3. **PROCLAMATIONS AND PRESENTATIONS**

4. **RESOLUTIONS AND ORDINANCES**

PUBLIC HEARING

Ordinance No. 07-16 Amending Code of Ordinance Section 3-2 relative to hours
of sale of alcoholic beverages
(Second Reading)

Resolution No. 27-16 Adopting a Plan of Finance for Covanta Holding Corporation of up
to \$30,000,000 in Capital Trust Agency Bonds and authorizing the
Mayor to enter into Amendment No. 71 to Interlocal Agreement

Resolution No. 28-16 Authorizing the Mayor to enter into a Traffic Signal Maintenance
and Compensation Agreement with the Florida Department of
Transportation

5. **CONSENT AGENDA ITEMS***

- A. Approval of Special Events application for Gulf Breeze Area Chamber of Commerce for the Gulf Breeze Business and Family Expo
- B. Approval of Special Events application for Gulf Breeze Methodist Church for a Church Block Party
- C. Authorizing the Fire Department to procure five portable radios and one mobile radio from Motorola for \$32,910.29
- D. Approval of Interlocal Agreement with Community Redevelopment Agency
- E. Authorization to pay invoice 337471 in the amount of \$19,863.88 to the Galloway/Johnson Law Firm
- F. Authorization to pay invoices 96486 and 96487 in the amount of \$25,532.68 to Smolker, Bartlett, Loeb, Hinds and Sheppard P.A.

**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 AGENDA ITEMS:**

- A. Authorization for Mayor to sign an Authorization with FS Advisors allowing it to make certain investments of surplus funds
- B. Private Attorney-Client Session confined to settlement negotiations or strategy sessions in connection with the lawsuit brought against the City by Lance Reese and Pete and Mitzi Peters

7. **NEW ITEMS**

8. **INFORMATION ITEMS**

9. **PUBLIC FORUM**

10. **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 recognition from the Chair. If you are a person with a disability who needs accommodation in order to participate in a public hearing you are entitled to the provision of certain assistance. Please contact the City Clerk's office at (850) 934-5115 or at 1070 Shoreline Drive, Gulf Breeze at least one (1) week prior to the date of the public hearing.

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

The 1,303rd Regular Meeting of the Gulf Breeze City Council, Gulf Breeze, Florida, was held at Gulf Breeze City Hall on Wednesday, September 19, 2016, at 6:30 p.m.

ROLL CALL, INVOCATION, AND PLEDGE OF ALLEGIANCE:

Upon call of the roll the following Councilmembers were present: Mayor Matt Dannheisser, Councilwoman Renee Bookout, Councilman David G. Landfair, and Mayor Pro Tem Joseph B. Henderson. Councilwoman Cherry Fitch was not in attendance.

The City Clerk gave the invocation and led the Pledge of Allegiance.

APPROVAL OF MINUTES:

Councilwoman Bookout made a motion to approve the minutes from the September 7, 2016 Regular meeting, Gulf Breeze Financial Services Board of Directors meeting, and the Community Redevelopment Agency Board of Directors meeting. Councilman Landfair seconded. The vote for approval was unanimous.

PRESENTATION AND PROCLAMATIONS:

None

RESOLUTIONS AND ORDINANCES:

PUBLIC HEARING

Resolution No. 25-16 Establishing a Final Millage Rate of 1.9723

The Mayor opened the Public Hearing. No comments were made by the public. Mayor Pro Tem Henderson moved for approval of Resolution No. 25-16. Councilwoman Bookout seconded. The vote for approval was unanimous.

Resolution No. 26-16 Adopting a Budget for Fiscal Year 2017

The Mayor opened the Public Hearing. No comments were made by the public.

Councilman Landfair moved for approval of Resolution No. 26-16. Councilwoman Bookout seconded. The vote for approval was 3-1 with Mayor Pro Tem Henderson dissenting.

Noah Berry, 6 Cadiz, spoke against the 12.8% budget increase.

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CONSENT AGENDA ITEM(S):

- A. Approval of an emergency repair of the Live Oak Liftstation and authorize payment to Utility Services Company in the amount of \$58,252.30 to repair the Live Oak Liftstation

Reference: Operations Consultant memo dated August 25, 2016

Recommendation: That the City Council declare the repair as an emergency and authorize payment to Utility Services Company of \$58,252.30 to repair the Live Oak Liftstation.

- B. Approval to declare 2011 Ford Crown Victoria, VIN 2FABP7BV8BX105661, as surplus property and authorize the sale of the vehicle on “Govdeals” auction site

Reference: Police Sergeant Neff memo dated August 3 2016

Recommendation: That the City Council declare 2011 Ford Crown Victoria, VIN 2FABP7BV8BX105661, as surplus property and authorize the sale of the vehicle on “Govdeals” auction site

- C. Approval to declare 2000 Dodge 2500 truck, VIN 3B7KC26Z01M246238 and 2003 Chevrolet S-10 VIN 1GCCS14X138201559 as surplus and authorize the sale of both vehicles on “Govdeals” auction site.

Reference: Operations Consultant memo dated September 7, 2016

Recommendation: That the City Council declare 2000 Dodge 2500 truck, VIN 3B7KC26Z01M246238 and 2003 Chevrolet S-10 VIN 1GCCS14X138201559 as surplus and authorize the sale of both vehicles on “Govdeals” auction site.

- D. Endorsement of Seagrass Restoration / Mitigation Plan – Gulf Power

Reference: City Manager memo dated September 9, 2016

Recommendation: That the City Council approve the proposed Seagrass Restoration Project developed by Gulf Power and direct the City Manager to sign and transmit the letter of support.

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E. Discussion of annual status report for the National Flood Insurance Program (NFIP)

Reference: Fire Chief memo dated September 8, 2016

Recommendation: That the City Council accept the annual NFIP annual status report on the City's Flood Plan Management.

F. Discussion regarding installation of fourth art sculpture

Reference: City Manager memo dated September 13, 2016

Recommendation: That the City Council approve the installation of a fourth art sculpture on site number 2 and that the costs for the installation be paid from the Nutt Estate and not exceed \$15,000. (The cost estimate does not include lighting)

Councilman Landfair moved for approval of consent agenda items A through F. Councilwoman Bookout seconded. The vote for approval was unanimous.

ACTION AGENDA ITEMS:

A. Discussion of Ordinance No. 07-16 amending Section 3-2 of the City Code of ordinances regarding the sale of alcoholic beverages

Reference: City Manager memo dated September 26, 2016

The Council reviewed each section of the memo as it pertained to the Ordinance. The Council requested that section two regarding the sale of beer/wine at a convenience store for off premises consumption be adjusted to stop selling beer/wine at between the hours of 2:00 a.m. and 6:00 a.m. The Ordinance will be adjusted as stated by the Council.

Discussion item, no action taken.

James Campbell, 7214 Lago Vista Court, asked the Council for clarification regarding the hours of sale of beer/wine at a convenience store for off premises consumption.

Noah Berry, 6 Cadiz Street, spoke against the sale of alcohol in the City on Sunday.

B. Approval of Contract and Bylaws with the Public Risk Management of Florida Health Trust

Reference: City Manager memo dated September 9, 2016

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Recommendation: That the City Council approve the Contract and Bylaws for The Public Risk Management of Florida Health Trust and appoint the City Manager as the City's Board Member and the Deputy City Manager as the alternate Board Member.

Councilman Landfair made a motion to approve staff's recommendation. Mayor Pro Tem Henderson seconded. The vote for approval was unanimous.

C. Approval of a Gulf Breeze Septic Tank Elimination Program (STEP)

Reference: Deputy City Manager memo dated September 9, 2016

Recommendation: That the City Council approve the Septic Tank Abatement Program.

Noah Berry, 6 Cadiz, stated he did not feel like it is fair that some residents have pay for their septic tank abatement and others do not.

Mayor Pro Tem Henderson made a motion to approve staff's recommendation. Councilman Landfair seconded. The vote for approval was unanimous.

D. Approval of a Septic Tank Elimination Program (STEP) for 102 Shoreline Drive

Reference: City Manager memo dated September 9, 2016

Recommendation: That the City Council approve a Septic Tank Elimination Program (STEP) for 102 Shoreline Drive

Councilwoman Bookout made a motion to approve staff's recommendation. Councilman Landfair seconded. The vote for approval was unanimous.

E. Authorization Granting FS Advisors permission to act on behalf of the City in accordance with the City's investment policy

Reference: City Manager memo dated September 13, 2016

Recommendation: That the City Council approve the authorization granting FS Advisors permission to act on behalf of the City in accordance with the City's investment policy and authorize the Mayor to sign the documentation to set up the account.

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Councilman Henderson stated that he is not for authorizing FS Advisors until he could review the RFQ and see how much of the money being invested is going to be sequestered.

Councilwoman Bookout asked staff if they had obtained information from Schwab regarding their investment fees. The City Manager replied stated he had not.

Councilman Landfair made a motion to table the item until Council receives information regarding the investment services provided by Charles Schwab Bank. Mayor Pro Tem Henderson seconded. The vote for approval was 3-1 with Mayor Dannheisser dissenting.

- F. Discussion regarding adoption of policy for automatic utility rate increase consistent with the Consumer Price Index (CPI)

Staff recommends that increases for the City Water and Sewer and SSRUS utility rates be automatically increased each year at a minimum of 1.5% or the Consumer Price Index (CPI), whichever is higher. This is for budget planning purposes. The City Council will review the rates each year before any changes are made.

Councilwoman Bookout was not in favor of instituting an automatic increase in utility rates.

Noah Berry, 6 Cadiz, spoke against use of the CPI index.

Mayor Pro Tem Henderson made a motion in favor of instituting an automatic utility rate increase and approving the proposed rates and to give staff direction as to what is to be contemplated at the October 3, 2016, Public Meeting. Councilman Landfair seconded. The vote for approval was 3-1 with Councilwoman Bookout dissenting.

NEW BUSINESS:

- A. Approval of refinancing a small loan associated with the SSRUS System

Reference: City Manager email and verbal report

Recommendation: That the City Council approve the loan refinancing with United Bank at a rate of 1.339 for the remaining four years of the loan, and authorize staff to provide the City Attorney with the financing documents for review.

Councilwoman Bookout made a motion to approve staff's recommendation. Councilman Landfair seconded. The vote for approval was unanimous.

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INFORMATION ITEMS: None

PUBLIC FORUM:

Robert Turpin, 2 Madrid, requested the City Council to approve an advance registration/reservation for the use of the Shoreline Park South gazebo to hold a special event for the “A Hero Foundation”. Mayor Dannheisser advised Mr. Turpin to contact the City Manager to work out the details.

Noah Berry, 6 Cadiz, expressed his displeasure of various actions taken by the City Council in the past few years. Mr. Berry spoke against the City’s pursuit of eminent domain for the Catawba beach.

Jim Cox, 423 Williamsburg, invited the Council to attend Taste of the Beach.

Mary Spear, 322 Pine Tree Drive, expressed her concern over the City’s pursuit of eminent domain for the Catawba beach access and requested the City Council cease this action.

COUNCIL COMMENTS:

Councilwoman Bookout spoke to the audience in reference to the Catawba Beach access dispute and advised that the City Council is exploring all options available to them.

Mayor Pro Tem Henderson inquired on the pipeline system bid. The City Manager affirmed the project was put out for bid.

Councilman Landfair advised that the GBSA Board plans to ban the use of e-sigs and vapes from the ball parks.

Mayor Dannheisser congratulated the City Manager on his son’s upcoming marriage and informed the Council that he would not be in attendance at the September 28th Council meeting.

ADJOURNMENT: Mayor Dannheisser adjourned the meeting at 7:24 p.m.

Leslie A. Guyer, City Clerk

Matt E. Dannheisser, Mayor

The Gulf Breeze City Council held an Executive Meeting at Gulf Breeze City Hall on Wednesday, September 28, 2016, at 6:30 p.m.

ROLL CALL

Upon call of the roll the following Councilmembers were present: Councilwoman Renee Bookout, Councilwoman Cherry Fitch, Mayor Pro Tem Joseph B. Henderson, and Councilman David G. Landfair. Mayor Matt Dannheisser was not in attendance.

PROCLAMATIONS AND PRESENTATIONS:

ACTION AGENDA ITEMS

- A. Approval of Ordinance No. 07-16 amending Code of Ordinance Section 3-2 regarding the hours of sale of alcoholic beverages

Reference: City Manager memo dated September 23, 2016

Recommendation: That the City Council hold a Public Hearing on October 3, 2016, and approve Ordinance No. 07-16 on Second Reading.

Councilwoman Bookout made a motion to approve staff's recommendation and place Ordinance No. 07-16 (with one slight revision) on the October 3, 2016, Regular Council Meeting Agenda for Second Reading. Councilwoman Fitch seconded. The vote for approval was unanimous.

- B. Adoption of Resolution 26-16 approving a Plan of Finance for Covanta Holding Corporation and authorizing issuance of not to exceed \$30,000,000 in Capital Trust Agency Bonds and authorizing the Mayor to execute Amendment No. 71 to Interlocal Agreement (*Please note that this resolution number was incorrect and has been changed to Resolution 27-16.*)

Reference: City Manager memo dated September 22, 2016

Recommendation: That the City Council adopt Resolution 26-16 approving a plan of finance for Covanta Holding Corporation and authorizing issuance of not to exceed \$30,000,000 in CTA Bonds.

Councilman Landfair made a motion to approve staff's recommendation and place the item on the October 3, 2016, Regular Council Meeting Agenda for approval. Councilwoman Bookout seconded. The vote for approval was unanimous.

- C. Approval of Special Events application for Gulf Breeze Area Chamber of Commerce for the Gulf Breeze Community Expo and Taste of Gulf Breeze

Reference: Acting Deputy Chief memo dated August 23, 2016

Recommendation: That the City Council approve the special event application request from Gulf Breeze Chamber of Commerce.

Councilman Landfair made a motion to approve staff's recommendation and place the item on the October 3, 2016, Regular Council Meeting Agenda for approval. Councilwoman Fitch seconded. The vote for approval was unanimous.

D. Approval of Special Events application for Gulf Breeze Methodist Church for a Church Block Party

Reference: Acting Deputy Chief memo dated September 16, 2016

Recommendation: That the City Council approve the special event application request from Gulf Breeze Methodist Church.

Councilwoman Fitch made a motion to approve staff's recommendation and place the item on the October 3, 2016, Regular Council Meeting Agenda. Councilman Landfair seconded. The vote for approval was unanimous.

E. Authorizing the Fire Department to procure five portable radios and one mobile radio from Motorola for \$32,910.29

Reference: Director of Community Services memo dated September 23, 2016

Recommendation: That the City Council authorize the Fire Department to procure five portable radios and one mobile radio to be converted to a base station from Motorola for \$32,910.29.

Councilman Landfair made a motion to approve Staff's recommendation and place the item on the October 3, 2016 Regular Council Meeting Agenda for approval. Councilwoman Fitch seconded. The vote for approval was unanimous.

F. Adoption of Resolution 28-16 authorizing the Mayor to enter into and sign a Traffic Signal Maintenance and Compensation Agreement with the Florida Department of Transportation

Reference: Assistant Director of Public Services memo dated September 22, 2016

Recommendation: That the City Council approve Resolution 28-16 regarding the Traffic Signal Maintenance Agreement with the Department of Transportation and authorize the Mayor to sign the agreement on behalf of the City.

Councilman Landfair made a motion to approve staff's recommendation with one revision to the Amendment and place the item on the October 3, 2016, Regular Council Meeting Agenda for approval. Councilwoman Fitch seconded. The vote for approval was unanimous.

- G. Authorization for Mayor to sign an Authorization with FS Advisors allowing it to make certain investments of surplus funds

Reference: City Manager memo dated September 23, 2016

Recommendation: That the City Council approve the Authorization and that the Mayor sign the document.

This matter was discussed at length. The Deputy City Manager advised the Council that a capital improvement plan work session needed to be scheduled for purposes of determining what the Council's spending priorities are before a request for proposals can be published.

Dan Kopack with FS Advisors answered questions from the Council.

Noah Berry, 6 Cadiz Street, spoke in opposition of conducting business with FS Advisors.

Councilman Landfair made a motion to approve staff's recommendation and place the item on the October 3, 2016, Regular Council Meeting Agenda. Councilwoman Bookout seconded. The vote for approval was 3 – 1 with Mayor Pro Tem Henderson dissenting.

- H. Approval of Interlocal Agreement with Community Redevelopment Agency

Reference: Deputy City Manager memo dated September 23, 2016

Recommendation: That the City Council enter into an Interlocal Agreement with the Community Redevelopment Agency of Gulf Breeze.

Councilwoman Fitch made a motion to approve staff's recommendation and place the item on the October 3, 2016, Regular Council Meeting Agenda for approval. Councilwoman Bookout seconded. The vote for approval was unanimous.

- I. Approval for the City Council to meet as the Board of Directors of the Community Redevelopment Agency on October 3, 2016, and authorize payment of invoice 226790 in the amount of \$2,520.00 to VHB

Reference: City Clerk memo dated September 23, 2016

Recommendation: That the City Council meet as the Board of Directors of the Community Redevelopment Agency on Monday, October 3, 2016, and approve payment of invoice no. 226790 in the amount of \$2,520 to VHB.

Councilwoman Fitch made a motion to approve staff's recommendation and place the item on the October 3, 2016, Board of Directors of the Community Redevelopment Agency Meeting Agenda for approval. Councilman Landfair seconded. The vote for approval was unanimous.

- J. Approval for the City Council to meet as the Board of Directors of Gulf Breeze Financial Services on October 3, 2016, and authorize the payment of invoice 63129 in the amount of \$11,678.03 to Bryant Miller Olive, P.A.

Reference: City Clerk memo dated September 23, 2016

Recommendation: That the City Council meet as the Board of Directors of the Gulf Breeze Financial Services (GBFS) on October 3, 2016, to approve payment of invoice no. 63129 in the amount of \$11,678.03 to Bryant Miller Olive, P.A.

Councilman Landfair made a motion to approve staff's recommendation and place the item on the October 3, 2016, Board of Directors of Gulf Breeze Financial Services Meeting Agenda for approval. Councilwoman Fitch seconded. The vote for approval was unanimous.

- K. Authorization to pay invoice 337471 in the amount of \$19,863.88 to the Galloway/Johnson Law Firm

Reference: City Clerk memo dated September 22, 2016

Recommendation: That the City Council approve for payment invoice 337471 in the amount of \$19,863.88 to the Galloway/Johnson Law Firm.

Councilman Landfair made a motion to approve staff's recommendation and place the item on the October 3, 2016, Regular Council Meeting Agenda for approval. Councilwoman Fitch seconded. The vote for approval was unanimous.

- L. Authorization to pay invoices 96486 and 96487 in the amount of \$25,532.68 to Smolker, Bartlett, Loeb, Hinds and Sheppard P.A.

Reference: City Clerk memo dated September 22, 2016

Recommendation: That the City Council approve payment of invoices 96486 and 96487 in the amount of \$25,532.68 to Smolker, Bartlett, Loeb, Hinds and Sheppard P.A.

Councilman Landfair made a motion to approve staff's recommendation and place the item on the October 3, 2016, Regular Council Meeting Agenda for approval. Councilwoman Bookout seconded. The vote for approval was unanimous.

- M. Approval for the City Council to meet as the Board of Directors of Gulf Breeze Financial Services on October 3, 2016, and authorize the payment of invoice 9372084 in the amount of \$50,445.16 to Jenner & Block, LLP

Reference: City Clerk memo dated September 22, 2016

Recommendation: That the City Council meet as the Board of Directors of the Gulf Breeze Financial Services (GBFS) on October 3, 2016, to approve payment of invoice no. 9372084 in the amount of \$50,445.16 to Jenner & Block LLP.

Councilwoman Bookout asked to be provided with an update on this case. The City Attorney advised that he will prepare a status report with an update on all pending legal issues involving the City.

Noah Berry, 6 Cadiz Street, spoke about the large amount of attorney's fees the City has paid in the last couple months.

Councilwoman Fitch made a motion to approve staff's recommendation and place the item on the October 3, 2016, Board of Directors of Gulf Breeze Financial Services Meeting Agenda for approval. Councilman Landfair seconded. The vote for approval was unanimous.

NEW ITEMS:

- A. Private attorney-client session confined to settlement negotiations or strategy sessions in connection with the lawsuit against the City by Lance Rese and Pete and Mitzi Peters

Reference: Verbal report from City Attorney

The City Attorney requested to hold a private attorney-client session at the end of the October 3, 2016, Regular meeting. There being no objections, the private attorney-client session will be held at the end of the October 3, 2016, Regular meeting.

INFORMATION ITEMS: None

PUBLIC FORUM:

Jim Cox, 423 Williamsburg, provided a brief "year in review."

Noah Berry, 6 Cadiz Street, asked questions about the attorney-client meeting and spoke against the City continuing legal proceedings with regards to the Catawba lawsuit. He asked if the Community Center was making or losing money. Mayor Pro Tem Henderson said staff will look into the numbers.

COUNCIL COMMENTS:

Councilman Landfair wanted to know if staff was working on a golf cart policy. The Deputy City Manager advised that the Traffic Calming Task Force will be holding a meeting specifically to review a proposal on golf carts and ask that they make a recommendation for the Council's consideration.

Councilwoman Bookout advised that she has been having discussions with a property owner on Eufaula who might be interested in a long term lease of a parcel of property for use as a public beach access. She will keep the Council apprised of negotiations.

ADJOURNMENT Mayor Pro Tem Henderson adjourned the meeting at 7:00p.m.

ORDINANCE NO. 07-16

AN ORDINANCE OF THE CITY OF GULF BREEZE, FLORIDA, PERTAINING TO THE HOURS OF SALE OF ALCOHOLIC BEVERAGES; AMENDING SECTION 3-2 OF THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Gulf Breeze has adopted certain rules and regulation relative to the sale, serving and consumption of alcoholic beverages; and,

WHEREAS, these rules and regulations provide certain hours of the day during which the sale of alcoholic beverages shall be allowed; and,

WHEREAS, the City Council now desires to amend these rules to expand the hours of sales to more closely match the hours of sale, serving and consumption of alcoholic beverages in the unincorporated parts of South Santa Rosa County.

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

SECTION 1 - Section 3-2 is hereby amended to read as follows:

Sec. 3-2. - Hours of sale.

- (a) *On Premises Consumption*: Except as otherwise provided in this section, no alcoholic beverages may be sold, consumed, served, or permitted to be sold, consumed, or served by any vendor or at any business or establishment in the city between the hours of 12:00 a.m. and 8:00 a.m. on Monday through Friday and 1:00 a.m. and 8:00 a.m. on Saturday and Sunday.
- (b) *Off Premises Consumption*: Notwithstanding the preceding Section 3-2.(a), a vendor, business, or establishment holding an appropriate license under state law and having received a certificate of compliance from the city for off-premises consumption may sell beer and wine, but not liquor, for off-premises consumption except between the hours of 2:00 a.m. and 6:00 a.m. Liquor sales at liquor stores for off-premises consumption will be between the hours of 8:00 a.m. and 10:00 p.m. every day except Sunday; liquor sales can begin at noon on Sunday.

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 1ST DAY OF AUGUST, 2016.

ADVERTISED ON THE 15TH DAY OF SEPTEMBER, 2016.

PASSED ON THE SECOND READING ON THE 3RD DAY OF OCTOBER, 2016.

City of Gulf Breeze

By: _____
Matt E. Dannheisser, Mayor

ATTESTED TO BY:

Leslie Guyer, City Clerk or
Stephanie D. Lucas, City Clerk

RESOLUTION NO. 27-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA, APPROVING A PLAN OF FINANCE FOR THE REFINANCING OF CERTAIN OUTSTANDING OBLIGATIONS HEREIN DESCRIBED, WHICH OBLIGATIONS FINANCED A PORTION OF THE COSTS OF A CERTAIN PROJECT DESCRIBED HEREIN; APPROVING THE ISSUANCE NOT EXCEEDING \$30,000,000 CAPITAL TRUST AGENCY REVENUE BONDS FOR THE PURPOSES OF FINANCING A LOAN PROGRAM TO ASSIST IN REFINANCING SUCH PROJECT; 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 of Florida (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 (the "Town"), dated as of August 2, 1999, as amended by Amendment No. 1 through No. 70 (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; Chapter 166, Part II, Florida Statutes, Ordinance No. 5-97, as amended, of the City, Ordinance No. 2-00, as amended, of the Town, Chapter 617, Florida Statutes, 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, including through reimbursement, 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 February 16, 2016, take official action by adopting its preliminary resolution (the "Agency Resolution") indicating its intent to authorize the issuance from time to time in an aggregate principal amount not exceeding \$43,500,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the refinancing herein authorized) (collectively, the "Bonds") by the Agency for a loan program for the purposes, among other things, of refinancing obligations more fully described on Schedule I attached hereto (the "Prior Bonds"), which Prior Bonds financed certain improvements to a mass-burn resource recovery facility located at 132 Military Highway, Preston, Connecticut 06365 (the "Project"); and

WHEREAS, as of the date hereof, the Borrower has determined to refund only the 1992 Bonds from the proceeds of the Bonds and not the ARC Bonds (each as defined and described in Schedule I hereto) from the proceeds of the Bonds; and

WHEREAS, the City has been advised that the Agency desires (i) to issue the Bonds in an aggregate principal amount of not exceeding \$30,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the refinancing herein authorized), (ii) to refinance the Project on behalf of Covanta Holding Corporation, whose principal place of business is 445 South Street, Morristown, New Jersey 07960 (the "Borrower") and (iii) to fund a program herein described (the "Plan of Finance"); and

WHEREAS, based upon the representations of the Borrower and the financing documents for the Prior Bonds, the Project is appropriate to the needs and circumstances of the community in which it is located and serves a public purpose by (i) preserving and providing gainful employment and making a significant contribution to the economic growth of the local community, (ii) promoting commerce within the State of Connecticut, (iii) serving a public purpose by providing a solid waste facility and advancing the economic prosperity and the general welfare of the State of Connecticut 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 refinancing of the Prior Bonds and to facilitate and encourage the refinancing of the Project 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, the City Council desires to approve the Bonds and the issuance and sale thereof pursuant to the Plan of Finance, 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. 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 herein described. 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 refinancing of the Project 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 2. AMENDMENT TO THE ENABLING AGREEMENT APPROVED.

Pursuant to the Enabling Agreement, there is hereby approved the execution and delivery of Amendment No. 71 to the Enabling Agreement (the "Amendment") to effect the approvals set forth in Section 1 hereof. Such Amendment shall be in substantially the form attached hereto as Exhibit "A," 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, his execution thereof to conclusively establish such approval.

SECTION 3. 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 4. EFFECTIVE DATE.

This resolution shall take effect immediately upon its adoption this 3rd day of October, 2016.

**GULF BREEZE, FLORIDA
CITY COUNCIL**

(SEAL)

By: _____
Matt E. Dannheisser, Mayor

ATTEST:

By: _____
Stephanie D. Lucas, City Clerk

EXHIBIT "A" TO RESOLUTION

FORM OF AMENDMENT NO. 71 OF THE ENABLING AGREEMENT

This **AMENDMENT NO. 71 TO INTERLOCAL AGREEMENT** (this "Amendment No. 71") is made and entered into as of the 3rd day of October, 2016, 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, pursuant to an Interlocal Agreement dated as of August 2, 1999, as amended by Amendments No. 1 through No. 70 (collectively, the "Enabling Agreement"), the Parties hereto have 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, Covanta Holding Corporation (the "Borrower") has represented to the Agency that, through its subsidiaries, it has ownership positions in over 45 energy-from-waste facilities located primarily in North America; and

WHEREAS, on February 16, 2016, the Agency approved a request by the Borrower that the Agency issue its revenue bonds in a principal amount not to exceed \$43,500,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the refinancing 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 refinancing obligations more fully described on Schedule I attached hereto (the "Prior Bonds"), which Prior Bonds financed certain improvements to a mass-burn resource recovery facility located at 132 Military Highway, Preston, Connecticut 06365 (the "Project"); and

WHEREAS, as of the date hereof, the Borrower has determined to refund only the 1992 Bonds from the proceeds of the Bonds and not the ARC Bonds (each as defined and described in Schedule I hereto) from the proceeds of the Bonds; 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. 71 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 the refinancing of the Project;

NOW, THEREFORE, the Parties hereby agree as follows:

SECTION 1. AMENDMENT OF ENABLING AGREEMENT APPROVED.

This Amendment No. 71 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 Project.

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 series, in an aggregate principal amount of not to exceed \$30,000,000 (the exact amount to be determined by an appropriate official of the Agency to be sufficient to enable the refinancing of the Project). 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 refinancing of the Project 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 guarantor, 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 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, which, by this reference thereto, is incorporated herein.

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. 71 shall be deemed to adversely affect the authorizations in the Enabling Agreement as it existed prior to the effective date of this Amendment No. 71, 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. 71, 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. 71 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

TOWN OF CENTURY, FLORIDA

[SEAL]

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

ATTEST:

By: _____
Leslie Gonzalez, Town Clerk

[Signature Page to Amendment No. 71 to Interlocal Agreement]

SCHEDULE I TO EXHIBIT A

PRIOR BONDS

1. \$30,000,000 original aggregate principal amount of the Connecticut Resources Recovery Authority Corporate Credit Bonds (American REF-FUEL Company of Southeastern Connecticut Project - Series 1992 Series A) (the "1992 Bonds");
2. 13,500,000 original aggregate principal amount of the Connecticut Resources Recovery Authority Corporate Credit Resource Recovery Revenue Bonds (American Ref-Fuel Company of Southeastern Connecticut Project) comprising \$6,750,000 original aggregate principal amount American Ref-Fuel Company LLC - I Series A and \$6,750,000 original aggregate principal amount American Ref-Fuel Company LLC - II Series A (the "ARC Bonds" and, together with the 1992 Bonds, the "Prior Bonds"); and
3. any bonds or other indebtedness issued to refinance the 1992 Bonds or the ARC Bonds.

SCHEDULE II TO EXHIBIT A

Payment to Century

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

SCHEDULE I TO RESOLUTION

PRIOR BONDS

1. \$30,000,000 original aggregate principal amount of the Connecticut Resources Recovery Authority Corporate Credit Bonds (American REF-FUEL Company of Southeastern Connecticut Project - Series 1992 Series A) (the "1992 Bonds");
2. 13,500,000 original aggregate principal amount of the Connecticut Resources Recovery Authority Corporate Credit Resource Recovery Revenue Bonds (American Ref-Fuel Company of Southeastern Connecticut Project) comprising \$6,750,000 original aggregate principal amount American Ref-Fuel Company LLC - I Series A and \$6,750,000 original aggregate principal amount American Ref-Fuel Company LLC - II Series A (the "ARC Bonds" and, together with the 1992 Bonds, the "Prior Bonds"); and
3. any bonds or other indebtedness issued to refinance the 1992 Bonds or the ARC Bonds.



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

September 29, 2016

VIA FEDEX

Mayor Freddie W. McCall
Town of Century
7995 North Century Boulevard
Century, Florida 32535

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

Sandra M. Jackson
124 Maple Street
Century, Florida 32535

Benjamin D. Boutwell, President
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 Issuances for:

1. Covanta Holding Corporation
2. NV Homestead Apartments

Dear Mayor McCall and Members of the Town Council:

I am writing to you in regard to the above bond issuances for which Capital Trust Agency seeks your approval.

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
Benjamin D. Boutwell, President
Ann C. Brooks
Sandra M. Jackson
Annie Savage
Gary Riley
September 29, 2016
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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, the Town of Century will 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.

COVANTA HOLDING CORPORATION

(Century Resolution No. 21-16; Amendment No. 71 to Interlocal Agreement)

CTA is requesting your approval for a bond issuance for the purpose of refinancing prior bonds issued in 1992 by the Connecticut Resources Recovery Authority ("Prior Bonds").

The Project. Covanta Holding Corporation ("Covanta") is a publicly traded corporation headquartered in Morristown, New Jersey. The company operates multiple waste to energy plants. One facility in Preston, Connecticut was financed many years ago and now has the opportunity to refinance the Prior Bonds with improved financing rates and returns.

Specifically, Covanta previously financed certain solid waste disposal assets for Covanta Southeastern Connecticut Company ("Covanta SECONN"), which was opened in 1991 and is located at 132 Military Highway, Preston, Connecticut. The facility receives waste six days a week and disposes of approximately 689 tons of municipal solid waste a day producing approximately 17 megawatts of renewable energy. The electricity generated by the facility is currently sold to Connecticut Light & Power.

Mayor Freddie W. McCall
Benjamin D. Boutwell, President
Ann C. Brooks
Sandra M. Jackson
Annie Savage
Gary Riley
September 29, 2016
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Security for the financing will be the revenues of the Covanta SECONN. Additionally, its parent company, Covanta, will provide a guaranty.

The Borrower. Covanta is a world leader in providing sustainable waste and energy solutions. It completed its first Energy-from-Waste facility in 1986. The Company now has 45 Energy-from-Waste facilities providing communities and businesses around the world with an environmentally sound solid waste disposal by using waste to generate clean, renewable energy. Three of its larger facilities operate in Florida. The facility in Dade County processes 3000 tons of municipal solid waste per day, which generates 77 megawatts of renewable energy. The facility in Lee County processes over 1800 tons of solid waste per day, which generates more than 57 megawatts of renewable energy. And, the facility in Pinellas County processes 3150 tons of solid waste per day, which generates 75 megawatts of renewable energy.

Stephen J. Jones is the chief executive officer CEO and President of Covanta and a member of the Board of Directors for Covanta Holding Corporation. He was named president and CEO of Covanta Holding Corporation effective March 2015.

Mr. Jones joined Covanta from Air Products in Allentown, PA where he had served as senior vice president and general manager, Tonnage Gases, Equipment and Energy since April 2009. In this capacity he was responsible for developing and implementing strategy for Air Products' global tonnage, equipment and energy businesses. In June 2011, Mr. Jones also took on the additional role of Air Products' China President based at the company's office in Shanghai.

Mr. Jones joined Air Products in 1992 as an attorney in the Law Group representing various business areas and functions. In 2001 he was named California area manager for Tonnage Gases with responsibility for the company's West Coast hydrogen activities. In 2003 Mr. Jones was promoted to vice president and general manager of the Industrial Chemicals Division. In early 2007, he was appointed vice president and associate general counsel, and later that year, was promoted to senior vice president, general counsel and secretary. He also became a member of Air Products' Corporate Executive Committee that year. Prior to joining Air Products, Mr. Jones practiced corporate law at Dechert LLP in Philadelphia, primarily in the areas of mergers and acquisitions.

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

Mayor Freddie W. McCall
Benjamin D. Boutwell, President
Ann C. Brooks
Sandra M. Jackson
Annie Savage
Gary Riley
September 29, 2016
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improve prosperity and welfare of the State and its inhabitants. The statute further provides that the purpose is to be achieved by such projects and that 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 of the communities in which they will be located and will serve a public purpose by (i) preserving and providing gainful employment and making a significant contribution to the economic growth of the local community, (ii) promoting commerce within the State of Connecticut, (iii) serving a public purpose by providing a solid waste facility and advancing the economic prosperity and the general welfare of the State of Connecticut and its people.

The Bonds. The financing application reflects an estimated loan amount of \$30,000,000.00. Nevertheless, the developer and CTA request that you approve the authorization of \$43,500,000.00 of CTA bonds and loaning the proceeds thereof to the borrower for the purposes described above.

The bonds would be issued for "private activity" purposes. Further, since the borrower is a for-profit entity, this financing is contingent upon the borrower 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 Covanta Holding Company, it will be necessary that you adopt Resolution No. 21-16, to which a proposed "Amendment No. 71 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 \$43,500,000.00 of bonds are issued, the fee schedule would suggest that the Town of Century would be paid a fee of \$15,400.00; however, if the expected amount of \$30,000,000.00 of bonds are issued, the fee schedule would suggest that the Town of Century would receive \$10,500.00.

NV HOMESTEAD APARTMENTS

(Century Resolution No. 22 - 16; Amendment No. 72 to Interlocal Agreement)

CTA is requesting your approval for a bond issuance to finance or refinance, including through reimbursement, the acquisition, construction, renovation and equipping of a multi-family rental housing facility located in Homestead, Florida.

Mayor Freddie W. McCall
Benjamin D. Boutwell, President
Ann C. Brooks
Sandra M. Jackson
Annie Sayage
Gary Riley
September 29, 2016
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The Project. Coral Gardens is an existing multifamily apartment property consisting of 92 units composed of 40 two bedroom units, 44 three bedroom units and 8 four bedroom units, all of which are revenue producing units owned by Creative Choice Group. Of those units, 90 units operate with an existing Project Based Section 8 rental assistance subsidy and the remaining two units are market rate. The Housing Assistance Payment ("HAP") contract expires in 2018. The apartment complex is located at 250 SW 14th Avenue in Homestead, Dade County, Florida.

NV Homestead Apartments ("Homestead") proposed to purchase the Coral gardens apartment complex and make extensive renovations and upgrades. Specifically, the preliminary scope of work would include a new security monitoring facility, new landscaping, entrance upgrades, new driveways, buffer trees and shrubs, the addition of a playground, upgrades on site lighting, leasing a clubhouse, replacement of: (1) rooves, (2) balconies, (3) windows, (4) gutters, (5) exterior paint, (6) interior paint, (7) new appliances, (8) cabinets, (9) air conditioning system, (10) plumbing fixtures, (11) flooring, (12) blinds and (13) bathtub surround upgrades.

Security for the financing will include a first mortgage on the apartment complex and a first lien on all revenues of the apartment complex.

Project Borrower, General Contractor and Manager. According to its application for financing, Homestead will be the borrower and will purchase the apartment complex from Creative Choice Group. The principal owners of Homestead were involved in the CTA Glorieta Project in Opa Locka, Florida, which closed in September 2015.

The general contractor, Naimisha Construction, Inc. was formed in 1990 and is categorized as Multi-Family Dwelling Construction Contractor.

The property manager will be CT Group, which has provided quality asset and property management services for owners of affordable/moderate income rental housing since 1981. In addition to long term management contracts for both conventionally financed and subsidized housing, CT Group has served as an interim manager to reposition troubled and underperforming multifamily properties prior to sale by owners or lenders. CT Group also has extensive experience managing commercial and mixed-use properties for owners with short or long-term holding period objectives. The CT Group management portfolio extends down the Eastern Seaboard from Connecticut down to Florida and as far west as Kentucky.

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

Mayor Freddie W. McCall
Benjamin D. Boutwell, President
Ann C. Brooks
Sandra M. Jackson
Annie Savage
Gary Riley
September 29, 2016
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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. The statute further provides that the purpose is to be achieved by such projects and that 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 of 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 of the whole community, (ii) promoting commerce within the State of Florida, (iii) providing affordable low-income housing, and, (iv) advancing the economic prosperity and the general welfare of the State of Florida and its people.

The Bonds. The financing application reflects an estimated loan amount of \$9,520,000.00. Nevertheless, the developer and CTA request that you approve the authorization of \$10,500,000.00 of CTA bonds and loaning the proceeds thereof to the borrower for the purposes described above.

The bonds would be issued for "private activity" purposes. Further, since the borrower 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 Homestead, it will be necessary that you adopt Resolution No. 22-16, to which a proposed "Amendment No. 72 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 of \$10,500,000.00 of bonds are issued, the fee schedule would suggest that the Town of Century would be paid a fee of \$3850.00; however, if the expected amount of \$9,520,000.00 of bonds are issued, the fee schedule would suggest that the Town of Century would receive \$3500.00.

Conclusion

Capital Trust Agency appreciates your consideration of this matter at your meeting on Monday, October 3, 2016. 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.

Mayor Freddie W. McCall
Benjamin D. Boutwell, President
Ann C. Brooks
Sandra M. Jackson
Annie Savage
Gary Riley
September 29, 2016
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Sincerely,

MICHAEL J. STEBBINS, P.L.



Michael J. Stebbins
For the Firm

MJS

Enclosures

cc: Leslie Gonzalez, Town Clerk (via email w/ encl.)
Stephanie Lucas, Town Clerk (via email w/encl.)
Ed M. Gray, III Capital Trust Agency, Executive Director (via email w/ encl.)
Dennis McKinnon, Capital Trust Agency (via email w/encl.)
Edwin A. Eddy, Gulf Breeze City Manager (via email w/ encl.)
Kareem J. Spratling, Esq., Special Review Counsel - Covanta (via email w/encl.)
Chauncey W. Lever, Jr., Esq., Special Review Counsel - Homestead (via email w/encl.)

RESOLUTION NO. 28-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA AUTHORIZING THE MAYOR TO ENTER INTO A TRAFFIC SIGNAL MAINTENANCE AND COMPENSATION AGREEMENT WITH THE FLORIDA DEPARTMENT OF TRANSPORTATION.

WHEREAS, the City of Gulf Breeze (the “City”) finds that it is in the best interest of its residents to maintain the traffic signals located within the City along U.S. 98; and

WHEREAS, the State of Florida Department of Transportation (“FDOT”), requires the City to execute and deliver to FDOT a Traffic Signal Maintenance and Compensation Agreement (the “Agreement”), attached hereto as Exhibit A, in order to permit the City to maintain said signals.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA IN REGULAR SESSION AS FOLLOWS:

SECTION 1: The City Council of the City of Gulf Breeze hereby authorizes the Mayor to execute the Traffic Signal Maintenance and Compensation Agreement between the City and FDOT on behalf of the City.

SECTION 2: The City Clerk is hereby directed to send copies of this Resolution and the executed Agreement to the appropriate representative(s) of FDOT and all other persons as directed.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, SANTA ROSA COUNTY, FLORIDA ON THIS 3rd DAY OF OCTOBER, 2016.

Matt E. Dannheisser, Mayor

ATTEST

Leslie A. Guyer, City Clerk or
Stephanie D. Lucas, City Clerk

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION
**AMENDMENT TO THE TRAFFIC SIGNAL MAINTENANCE
AND COMPENSATION AGREEMENT**

CONTRACT NO. _____
FINANCIAL PROJECT NO. _____
F.E.I.D. NO. _____
AMENDMENT NO. _____

THIS AMENDMENT TO THE TRAFFIC SIGNAL MAINTENANCE AND COMPENSATION AGREEMENT ("Amendment") is made and entered into on this 3rd day of October, 2016, by and between the STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION ("Department"), an agency of the State of Florida, and CITY OF GULF BREEZE, FLORIDA, ("Maintaining Agency").

RECITALS

WHEREAS, the Department and the Maintaining Agency on May 18, 2015, entered into a Traffic Signal Maintenance and Compensation Agreement ("Agreement").

WHEREAS, the Parties have agreed to modify the Agreement on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants in this Amendment, the Agreement is amended as follows:

All the terms and conditions of the Agreement are superseded and replaced in their entirety by the terms and conditions contained in Attachment "1", Revised Terms and Conditions for the Traffic Signal Maintenance and Compensation Agreement, attached to and incorporated into this Amendment.

IN WITNESS WHEREOF, the undersigned parties have executed this Amendment on the day, month and year set forth above.

Gulf Breeze, _____, Florida
(Maintaining Agency)

By _____
(Authorized Signature)

Print/Type Name: Matt E. Dannheisser

Title: Mayor

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION

By _____
(Authorized Signature)

Print/Type Name: _____

Title: _____

Legal Review: _____

Attorney: _____ Date: _____

ATTACHMENT 1**REVISED TERMS AND CONDITIONS FOR THE
TRAFFIC SIGNAL MAINTENANCE AND COMPENSATION AGREEMENT**

CONTRACT NO. _____
 FINANCIAL PROJECT NO. _____
 F.E.I.D. NO. _____

The following terms and conditions replace and supersede all the existing terms and conditions contained within the Traffic Signal and Maintenance Agreement:

- A. The Department is authorized under Section 335.055, Florida Statutes, to enter into this Agreement.
- B. The Maintaining Agency is authorized by Resolution 28-16 to enter into this Agreement and has authorized its undersigned representative to enter into and execute this Agreement on behalf of the Maintaining Agency.

NOW, THEREFORE, in consideration of the mutual covenants contained in the Agreement, the sufficiency of which is acknowledged, the parties mutually agree and covenant as follows:

1. The term "Traffic Signals and Devices" is defined as follows: all traffic signals, interconnected and monitored traffic signals ("IMTS") (defined as signals that are interconnected with telecommunications and are monitored at a central location), traffic signal systems (defined as central computer, cameras, message signs, communications devices, interconnect / network, vehicle, bicycle & pedestrian detection devices, traffic signal hardware and software, preemption devices, and uninterruptible power supplies ("UPS")), control devices (defined as intersection control beacons, traffic warning beacons, illuminated street name signs, pedestrian flashing beacons (i.e., school zone flashing beacons, pedestrian crossing beacons, and Rectangular Rapid Flashing Beacons)), blank-out signs, travel time detectors, emergency/fire department signals, speed activated warning displays, and other types of traffic signals and devices specifically identified within Exhibit A, which are located on the State Highway System within the jurisdictional boundaries of the Maintaining Agency.

The Maintaining Agency shall be responsible for the maintenance and continuous operation of Traffic Signals and Devices ("Project"). The Maintaining Agency shall be responsible for the payment of electricity and electrical charges incurred in connection with operation of Traffic Signals and Devices upon completion of installation of each of the Traffic Signals and Devices.

2. The Department agrees to pay the Maintaining Agency an annual compensation amount based on the Department's fiscal year. The compensation amount consists of the cost of the maintenance and continuous operation of the Traffic Signals and Devices as identified in Exhibit A, which is attached and incorporated into this Agreement. Compensation will also be made for costs incurred for the repair and/or replacement of damaged Traffic Signals and Devices as identified in Exhibit C, attached and incorporated into this Agreement. Payments by the Department will be made in accordance with Exhibit B. In the case of construction contracts, the Maintaining Agency shall be responsible for the payment of electricity and electrical charges incurred in connection with the operation of the Traffic Signals and Devices, and shall undertake the maintenance and continuous operation of these Traffic Signals and Devices upon final acceptance of the installation by the Department. Prior to any final acceptance of the installation by the Department, the Maintaining Agency will have the opportunity to inspect and request modifications or corrections to the installation(s) and the Department agrees to undertake those modifications or corrections prior to final acceptance so long as the modifications or corrections comply with the Agreement, signal plans, and specifications previously approved by both the Department and Maintaining Agency. Repair or replacement and other responsibilities of the installation contractor and the Department, during construction, are contained in the Department's Standard Specifications for Road and Bridge Construction.
3. If Traffic Signals and Devices are damaged and the Maintaining Agency did not cause the damages, then the Department shall reimburse the Maintaining Agency for the actual costs incurred by the Maintaining Agency for repairs and/or replacement of Traffic Signals and Devices, once the following occurs:
 - a. The Department has approved a properly completed invoice for reimbursement that was provided to the Department outlining the details of the requested reimbursements; and
 - b. Evidence of the costs incurred were included as an attachment to the invoice.

Exhibit C sets forth additional conditions that apply when the Maintaining Agency seeks to obtain reimbursement for costs incurred for repair and/or replacement of damaged Traffic Signals and Devices. Exhibit C also serves as a form invoice that can be used by the Maintaining Agency. The Maintaining Agency shall obtain written approval from the Department regarding the appropriate method of repair and/or replacement of damaged Traffic Signals and Devices prior to performing repair and/or replacement work. If there is an immediate risk to public safety due to damaged Traffic Signals and Devices and the Maintaining Agency is unable to immediately obtain the Department's written approval regarding the method of repair and/or replacement, then the Maintaining Agency shall immediately repair and/or replace the Traffic Signals and Devices. The Maintaining Agency shall notify the Department within thirty (30) calendar days of becoming aware of any damage to Traffic Signals and Devices caused by third parties. The Department shall be responsible for pursuing reimbursement from individuals and/or the third parties

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who cause damages and are liable for replacement and/or repair costs to Traffic Signals and Devices. If the Maintaining Agency causes damages to the Traffic Signals and Devices, then the Maintaining Agency shall repair and/or replace the Traffic Signals and Devices, and the Maintaining Agency shall be fully responsible for the cost of repair and/or replacement to the extent the damages were caused by the Maintaining Agency.

4. The Maintaining Agency shall maintain and operate the Traffic Signals and Devices in a manner that will ensure safe and efficient movement of highway traffic and that is consistent with maintenance practices prescribed by the International Municipal Signal Association (IMSA) and operational requirements of the Manual on Uniform Traffic Control Devices (MUTCD), as amended.
5. The Maintaining Agency's maintenance responsibilities include, but are not limited to, locates, preventive maintenance (periodic inspection, service, and routine repairs), restoration of services, and emergency maintenance (troubleshooting in the event of equipment malfunction, failure, or damage). Restoration of services may include temporary poles and/or signals, stop signs or other methods to maintain traffic. The Maintaining Agency shall record its maintenance activities in a traffic signal maintenance log, as they occur, and include this as part of the annual report, highlighting the time it took to restore the normal service and number of times such events occurred.
6. Neither the Maintaining Agency nor the Department shall be liable to the other for any failure to perform under this Agreement to the extent such performance is prevented by a Force Majeure Event and provided that the party claiming the excuse from performance has (a) promptly notified the other party of the occurrence and its estimated duration, (b) promptly remedied or mitigated the effect of the occurrence to the extent possible, and (c) resumed performance as soon as possible.

A "Force Majeure Event" means the occurrence of:

- (a) an act of war, hostilities, invasion, act of foreign enemies, riot, terrorism or civil disorder;
 - (b) act of God (such as, but not limited to, fires, explosions, earthquakes, drought, hurricanes, storms, lightning, tornados, tidal waves, floods, extreme weather or environmental conditions, and other natural calamities);
 - (c) or another event beyond the control of the non-performing party and which could not have been avoided or overcome by the exercise of due diligence.
7. The Department intends to conduct a structural inspection of the mast arm structures every sixty (60) months. The inspection report will serve as ninety (90) days notification to the Maintaining Agency that deficiencies exist that require preventive maintenance. Preventive maintenance of the mast arm structures includes, but is not limited to, spot painting, cleaning, all wiring repair and replacement, graffiti removal, all signal related issues (including lighting, signs and connections), tightening of nuts, replacing missing or deficient bolts, replacement of missing cap covers or equivalent, replacement of missing or deficient access hole cover plates, repairing improper grounding, and repainting any painted mast arms installed after April 30, 2015. If the preventive maintenance is not carried out after the expiration of the 90-day notice given to the Maintaining Agency, the Department shall withhold 8.33% up to a maximum of 25% of the total annual compensation amount under this Agreement for the affected signal locations each month.
 8. Any and all work performed by the Maintaining Agency must conform to the current Department Standard Specifications for Road and Bridge Construction as applicable. Mast arms that the Department determines to be at the end of their useful life cycle will be replaced by the Department so long as documented preventive maintenance was satisfactorily performed by the Maintaining Agency. In the case of a total paint failure, as determined by the Department, on a mast arm installed prior to April 30, 2015, the Department may repaint or replace with a galvanized mast arm. The aforementioned requirement does not apply to any mast arm that was installed under a separate mast arm paint finish agreement; in such case, the terms of that agreement shall govern.
 9. The Maintaining Agency may remove any component of the installed equipment for repair or testing; however, it shall only make permanent modifications or equipment replacements and only if the equipment provided is capable of performing at minimum the same functions as the equipment being replaced. The Department shall not make any modifications or equipment replacements without prior written notice to and consultation with the Maintaining Agency.
 10. The Maintaining Agency shall implement and maintain the timing and phasing of the traffic signals in accordance with the Department's timing and phasing plans, specifications, special provisions, Department re-timing projects, and the Department's Traffic Engineering Manual. The Maintaining Agency shall obtain prior written approval from the Department for any modification in phasing of signals and flash times (where applicable). Signal Systems timings (cycle length, split, offsets) are considered operational changes and may be changed by the Maintaining Agency to accommodate changing needs of traffic. The Maintaining Agency may make changes in the signal timing provided these changes are made under the direction of a qualified Professional Engineer registered in the State of Florida. The Maintaining Agency shall make available a copy of the timings to the Department upon request. The Department reserves the right to examine equipment, timing and phasing at any time and, after consultation with the Maintaining Agency, may specify modifications. If the Department specifies modification in timing or phasing, implementation of such modifications will be coordinated with, or made by, the Maintaining Agency. All signal timing and phasing records shall be retained by the Maintaining Agency for at least three (3) years, and will be made available to the Department upon request.

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11. The Maintaining Agency shall note in the maintenance log any changes in timings and phasings, and keep a copy of the timings and phasings, and any approval documentation in a file. A copy of the log shall be provided to the Department upon request. Maintaining Agencies may provide this information electronically.
12. The Maintaining Agency and the Department shall update Exhibit A on an annual basis through an amendment of this Agreement. The Maintaining Agency designates its City Manager as its authorized representative(s), who is delegated the authority to execute any and all amendments to Exhibit A of this Agreement on behalf of the Maintaining Agency. Exhibit A contains a list of Traffic Signals and Devices that identifies their location and type. No changes or modifications may be made to Exhibit A during the Department's fiscal year for compensation. Traffic Signals and Devices added by the Department during its fiscal year must be maintained and operated by the Maintaining Agency upon the Department's final acceptance of installation of the new Traffic Signals and Devices. The Maintaining Agency and the Department shall amend Exhibit A prior to the start of each new fiscal year of the Department to reflect the addition or removal of Traffic Signals and Devices. The Maintaining Agency will begin receiving compensation for new Traffic Signals and Devices that were added to Exhibit A by amendment of this Agreement in the Department's fiscal year occurring after the Traffic Signals and Devices are installed and final acceptance of such installation is given by the Department. In the event that no change has been made to the previous year's Exhibit A, a certification from the Maintaining Agency shall be provided to the Department certifying that no change has been made to Exhibit A in the Department's previous fiscal year. The annual compensation will be a lump sum payment (*minus any retainage or forfeiture*) as set forth in Exhibit B. Future payments will be based on the information provided in Exhibit A, in accordance with the provisions as set forth in Exhibit B, attached to and incorporated in this Agreement. Some of the Traffic Signals and Devices may not be listed in Exhibit A because the cost of operating and maintaining such devices is relatively small. The Department has factored in these costs and the compensation provided through this Agreement also covers the cost of operation and maintenance for Traffic Signals and Devices that are not listed in Exhibit A.
13. Payment will be made in accordance with Section 215.422, Florida Statutes.
14. There shall be no reimbursement for travel expenses under this Agreement.
15. Bills for fees or other compensation for services or expenses shall be submitted in detail sufficient for a proper pre-audit and post-audit thereof.
16. The Maintaining Agency should be aware of the following time frames. Inspection and approval of goods or services shall take no longer than twenty (20) working days. The Department has twenty (20) days to deliver a request for payment (voucher) to the Department of Financial Services. The twenty (20) days are measured from the latter of the date the invoice is received or the goods or services are received, inspected and approved.
17. If a payment is not available within forty (40) days, a separate interest penalty at a rate as established pursuant to Section 55.03(1), Florida Statutes, will be due and payable, in addition to the invoice amount, to the Maintaining Agency. Interest penalties of less than one (1) dollar will not be enforced unless the Maintaining Agency requests payment. Invoices returned to a Maintaining Agency because of Maintaining Agency preparation errors will result in a delay in the payment. The invoice payment requirements do not start until a properly completed invoice is provided to the Department.
18. A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this individual include acting as an advocate for contractors or vendors who may be experiencing problems in obtaining timely payment(s) from a state agency. The Vendor Ombudsman may be contacted at (850) 413-5516.
19. Records of costs incurred under the terms of this Agreement shall be maintained and made available upon request to the Department at all times during the period of this Agreement and for five (5) years after final payment is made. Copies of these documents and records shall be furnished to the Department upon request. Records of costs incurred include the Maintaining Agency's general accounting records and the Project records, together with supporting documents and records, of the contractor and all subcontractors performing work on the Project, and all other records of the Contractor and subcontractors considered necessary by the Department for a proper audit of costs.
20. If, after Project completion, any claim is made by the Department resulting from an audit or for work or services performed pursuant to this Agreement, the Department may offset such amount from payments due for work or services done under any agreement which it has with the Maintaining Agency owing such amount if, upon demand, payment of the amount is not made within 60 days to the Department. Offsetting any amount pursuant to this paragraph shall not be considered a breach of contract by the Department.
21. The Maintaining Agency must submit the final invoice on the Project to the Department within 120 days after termination of the Agreement. Invoices submitted after the 120-day time period may not be paid.
22. In the event this contract is for services in excess of \$25,000.00 and a term for a period of more than one (1) year, the provisions of Section 339.135(6)(a), F.S., are hereby incorporated:

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"The Department, during any fiscal year, shall not expend money, incur any liability, or enter into any contract which, by its terms, involves the expenditure of money in excess of the amounts budgeted as available for expenditure during such fiscal year. Any contract, verbal or written, made in violation of this subsection is null and void, and no money may be paid on such contract. The Department shall require a statement from the Comptroller of the Department that such funds are available prior to entering into any such contract or other binding commitment of funds. Nothing herein contained shall prevent the making of contracts for periods exceeding 1 year, but any contract so made shall be executory only for the value of the services to be rendered or agreed to be paid for in succeeding fiscal years; and this paragraph shall be incorporated verbatim in all contracts of the Department which are for an amount in excess of \$25,000.00 and which have a term for a period of more than 1 year."

23. The Department's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature. If the Department's funding for this Project is in multiple fiscal years, funds approval from the Department's Comptroller must be received each fiscal year prior to costs being incurred. See Exhibit B for funding levels by fiscal year. Project costs utilizing these fiscal year funds are not eligible for reimbursement if incurred prior to funds approval being received. The Department will notify the Maintaining Agency, in writing, when funds are available.
24. In accordance with Section 287.134, Florida Statutes, an entity or affiliate who has been placed on the Discriminatory Vendor List may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity.
25. A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of thirty-six (36) months from the date of being placed on the convicted vendor list.
26. An entity or affiliate who has had its Certificate of Qualification suspended, revoked, denied or have further been determined by the Department to be a non-responsible contractor may not submit a bid or perform work for the construction or repair of a public building or public work on a contract with the Maintaining Agency.
27. The Department shall consider the employment by any contractor of unauthorized aliens a violation of Section 274A(e) of the Immigration and Nationality Act. If the contractor knowingly employs unauthorized aliens, such violation will be cause for unilateral cancellation of this Agreement.
28. No funds received pursuant to this Agreement may be expended for lobbying the Legislature, the judicial branch or a state agency.
29. The Maintaining Agency shall comply and require its contractors and subcontractors to comply with all terms and conditions of this Agreement and all federal, state, and local laws and regulations applicable to this Project.
30. The Maintaining Agency may be subject to inspections of Traffic Signals and Devices by the Department. Such findings will be shared with the Maintaining Agency and will be the basis of all decisions regarding payment reduction, reworking, Agreement termination, or renewal. If at any time the Maintaining Agency has not performed the maintenance responsibility on the locations specified in the Exhibit A, the Department has the option of (a) notifying the Maintaining Agency of the deficiency with a requirement that it be corrected within a specified time, otherwise the Department shall deduct payment, suspend funds, or terminate funds for any deficient maintenance of Traffic Signals and Devices that has not been corrected at the end of such time, or (b) take whatever action is deemed appropriate by the Department. Any deduction in payment, suspension of funds, or termination of funds does not relieve any obligation of the Maintaining Agency under the terms and conditions of this Agreement.
31. The Department shall monitor the performance of the Maintaining Agency in the fulfillment of its responsibilities under the Agreement. The Maintaining Agency shall submit an annual Report prior to June 30 of each year detailing the following:
 - a. Critical Detection device malfunctions: Critical Detection devices include the detectors on side-streets and in left turn lanes on the main streets, and all pedestrian/bicycle detectors. Repairs to the side-street and main street left turn detectors shall be made within ninety (90) days and pedestrian detectors within seventy-two (72) hours of discovery. The Maintaining Agency shall ensure that 90% of all Critical Detection devices system wide are operating at all times. At any time the level drops below 90%, the Maintaining Agency shall notify the Department and correct the situation within a time frame determined in the sole discretion of the Department. Discovery and correction dates for Critical

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Detection device malfunction shall be logged into the annual report. If the repairs cannot be performed within stipulated times, the agency shall document the reason(s) why in the annual report. When the 90% Critical Detection device requirement is (are) not met, a 10% retainage of the total annual compensation amount (as shown in Exhibit B) for the affected Critical Detection device location(s) each month will be withheld after the 90-day period.

- b. Traffic signal preventive maintenance inspections: Traffic signals shall receive a comprehensive preventive maintenance inspection on at least 50% of all traffic signals annually, alternating the remaining 50% the following year. Preventive maintenance inspection shall include verification that all detection is working, the traffic signal is cycling properly, the ventilation system is functioning and filters are clean. Basic traffic cabinet maintenance shall also verify power feed voltages, verify that the vehicle and pedestrian indications are functioning properly, test the effective functioning of pedestrian push buttons, and check hinges and door locks. At least one (1) conflict monitor test shall be performed on 50% of traffic signals annually, alternating the remaining 50% the following year. Each test is to be documented and included in the annual report to the Department. The inspection report shall note the location, date of inspection, and any items noted. If 50% of the traffic signals do not receive at least one (1) comprehensive preventive maintenance inspection during a twelve (12) month period, there shall be a 20% retainage of the annual compensation amount for the affected traffic signal locations until the preventive maintenance inspection is made. If not performed within the state's fiscal year, the 20% retainage of the annual compensation amount for the affected traffic signal locations will be forfeited.
 - c. For any traffic signals that are interconnected with telecommunications and their real-time operation is electronically monitored via software by personnel at a central location and are therefore receiving the higher compensation amount as described in Exhibit B, the name(s) and title(s) of those monitoring those intersections, and the location of the central monitoring facility(ies), are to be documented and contained in the annual report submitted to the Department.
32. The Maintaining Agency may enter into agreements with other parties pertaining to Traffic Signals and Devices including, but not limited to, agreements relating to costs and expenses incurred in connection with the operation of Traffic Signals and Devices on the State Highway System, provided that such Agreements are consistent with the mutual covenants contained in this Agreement. The Maintaining Agency shall furnish a copy of such agreements to the Department.
 33. This Agreement may not be assigned or transferred by the Maintaining Agency in whole or in part without prior written consent of the Department.
 34. The Maintaining Agency shall allow public access to all documents, papers, letters, or other material subject to provisions of Chapter 119, Florida Statutes, and made or received by the Maintaining Agency in conjunction with this Agreement. Failure by the Maintaining Agency to grant such public access will be grounds for immediate unilateral cancellation of this Agreement.
 35. At no additional cost to the Department, the Maintaining Agency shall provide the Department access to all traffic signal data available from the firmware of the traffic signal controllers and other devices covered under this Agreement. The Maintaining Agency shall include the Department as a party to all traffic signal firmware/software related agreements that the Maintaining Agency enters into with other parties.
 36. This Agreement is governed by and construed in accordance with the laws of the State of Florida. The invalidity or unenforceability of any portion of this Agreement does not affect the remaining provisions and portions hereof. Any failure to enforce or election on the part of the Department to not enforce any provision of this Agreement does not constitute a waiver of any rights of the Department to enforce its remedies hereunder or at law or in equity.
 37. In no event shall the making by the Department of any payment to the Maintaining Agency constitute or be construed as a waiver by the Department of any breach of covenant or any default which may then exist on the part of the Maintaining Agency and the making of such payment by the Department, while any such breach or default shall exist, shall in no way impair or prejudice any right or remedy available to the Department with respect to such breach or default.
 38. The term of this Agreement is twenty (20) years from the date of execution of the Agreement; provided that either party may cancel this Agreement prior to the expiration of the term of this Agreement. A minimum notice period of two (2) years plus the remaining months of the Department's fiscal year shall be provided to the other party in writing. Should the Maintaining Agency provide its written notice of cancellation to the Department, the notice shall be endorsed by the elected body (County Commission, City Council, or local agency governing body) under which the Agency operates.
 39. Any Project funds made available by the Department which are determined by the Department to have been expended in violation of this Agreement or any other applicable law or regulation shall be promptly refunded in full to the Department. Acceptance by the Department of any documentation or certifications, mandatory or otherwise permitted, that the Maintaining Agency files shall not constitute a waiver of the Department's rights and Department has the right to verify all information at a

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later date by audit or investigation. Within thirty (30) days of the termination of this Agreement, the Maintaining Agency shall refund to the Department any balance of unobligated funds which were advanced or paid to the Maintaining Agency. In the event the Maintaining Agency fails to perform or honor the requirements and provisions this Agreement, the Maintaining Agency shall return funds in accordance with this paragraph within thirty (30) days of termination of the Agreement.

40. Upon execution, this Agreement cancels and supersedes any and all prior Traffic Signal Maintenance Agreement(s) between the parties, except any specific separate Agreements covering painted mast arm maintenance or any other aspect related to the painting of mast arms.
41. The Department reserves the right to remove select critical corridors or critical intersections from the Maintaining Agency's obligation under this Agreement. The remaining intersections and corridors would continue to be covered under this Agreement. The Department will provide a minimum of one year notice prior to take-over of maintenance of critical corridors or critical intersections.
42. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute the same Agreement. A facsimile or electronic transmission of this Agreement with a signature on behalf of a party will be legal and binding on such party.
43. The Department agrees that the Maintaining Agency must comply with State law regarding appropriations and budgets. This Agreement shall not be interpreted to conflict with State law applicable to the Maintaining Agency.
44. The Maintaining Agency shall:
 - a. utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the Maintaining Agency during the term of the Agreement; and
 - b. expressly require any contractors and subcontractors performing work or providing services pursuant to the Agreement to likewise utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the Agreement term.
45. Unless authorized by law and agreed to in writing by the Department, the Department will not be liable to pay attorney fees, interest, or cost of collection.
46. The Parties agree to comply with s.20.055(5), Florida Statutes, and to incorporate in all subcontracts the obligation to comply with s.20.055(5), Florida Statutes.
47. Exhibits A, B, and C are attached and incorporated into this Agreement.
48. This Agreement contains all the terms and conditions agreed upon by the parties.

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Reimbursement for Maintenance and Operation

Exhibit A

Compensation for Maintaining Traffic Signals and Devices for FY

Effective Date: from _____ to _____

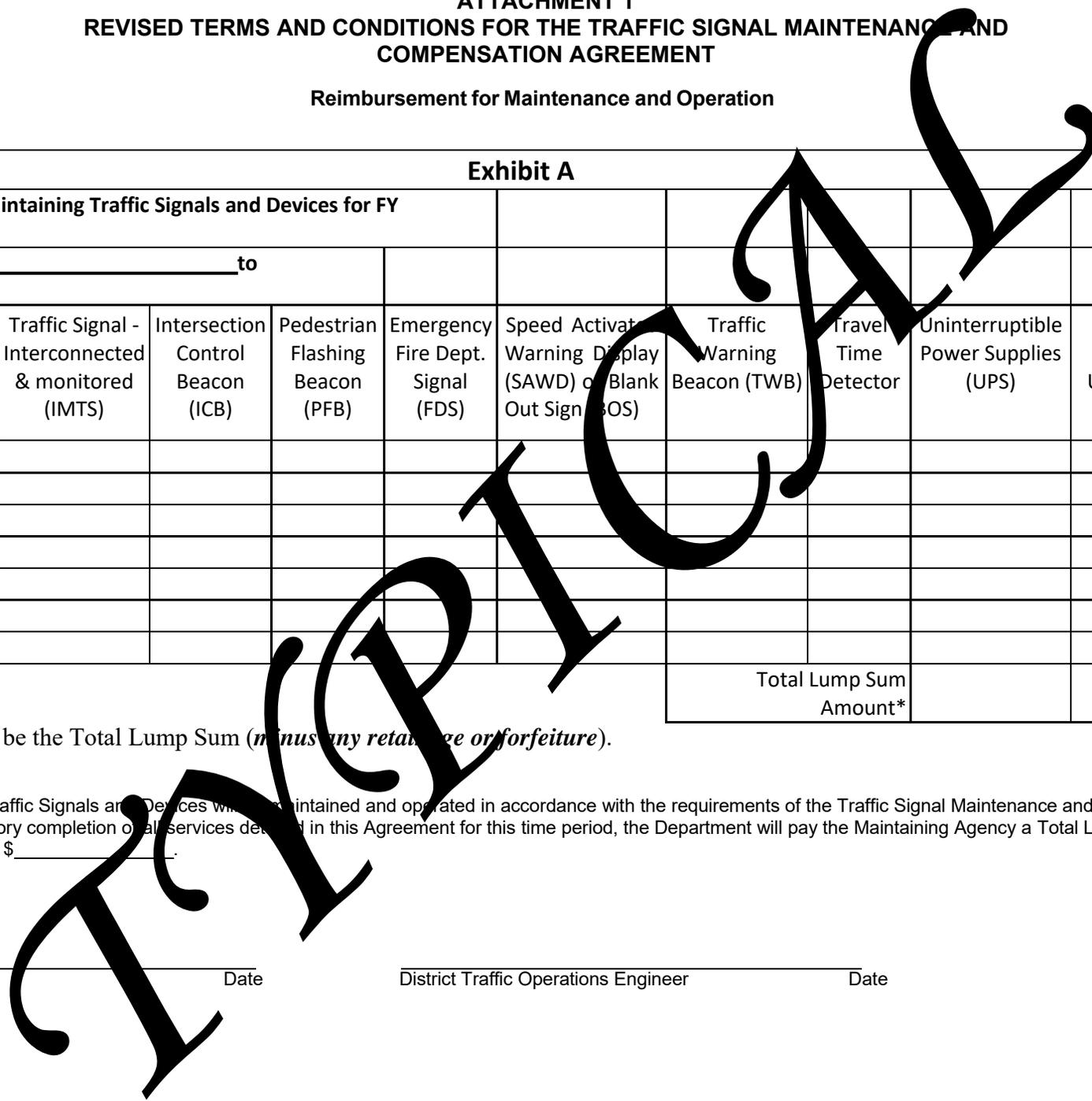
Intersection Location	Traffic Signals (TS)	Traffic Signal - Interconnected & monitored (IMTS)	Intersection Control Beacon (ICB)	Pedestrian Flashing Beacon (PFB)	Emergency Fire Dept. Signal (FDS)	Speed Activation Warning Display (SAWD) or Blank Out Sign (BOS)	Traffic Warning Beacon (TWB)	Travel Time Detector	Uninterruptible Power Supplies (UPS)	Compensation Amount (using Unit Rates from Exhibit B)
Total Lump Sum Amount*										

*Amount paid shall be the Total Lump Sum (minus any retainage or forfeiture).

I certify that the above Traffic Signals and Devices will be maintained and operated in accordance with the requirements of the Traffic Signal Maintenance and Compensation Agreement. For satisfactory completion of all services detailed in this Agreement for this time period, the Department will pay the Maintaining Agency a Total Lump Sum (minus any retainage or forfeiture) of \$ _____.

Maintaining Agency Date

District Traffic Operations Engineer Date



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EXHIBIT B
TRAFFIC SIGNAL MAINTENANCE AND COMPENSATION AGREEMENT

1.0 PURPOSE

This exhibit defines the method and limits of compensation to be made to the Maintaining Agency for the services described in this Agreement and in Exhibit A and method by which payments will be made.

2.0 COMPENSATION FOR MAINTENANCE AND OPERATION

For the satisfactory completion of all services related to maintenance and operation detailed in this Agreement and Exhibit A of this Agreement, the Department will pay the Maintaining Agency the Total Lump Sum (**minus any retainage or forfeiture**) in Exhibit A. The Maintaining Agency will receive one lump sum payment (**minus any retainage or forfeiture**) at the end of each fiscal year for satisfactory completion of service.

Beginning in the fiscal year 2016-17, for traffic signals that are not interconnected with telecommunications and are not monitored at a central location, the compensation amount shall be \$3,131. The compensation amount for traffic signals that are interconnected with telecommunications and are monitored at a central location shall be \$4,500 per signal location. These differential compensation amounts shall be in effect beginning July 1, 2016. The Table below shows the compensation amount for the various devices for fiscal years 2015-16 and 2016-17, and beyond.

Total Lump Sum (**minus any retainage or forfeiture**) Amount for each fiscal year is calculated by adding all of the individual intersection amounts.

Pedestrian Flashing Beacon: includes school zone beacons, pedestrian crossing beacons, and rectangular rapid flashing beacons (RRFB). School zones, crosswalks and warning sign locations shall be paid at a unit rate regardless of the number of individual beacons or poles.

Unit Compensation Rates per Intersection on the State Highway System

FY	Traffic Signals (TS)	Traffic Signal - Interconnected & monitored (IMTS)	Intersection Control Beacon (ICB)	Pedestrian Flashing Beacon (PFB)	Emergency Fire Dept. Signal (FDS)	Speed Activated Warning Display (SAWD) or Blank Out Sign (BOS)	Traffic Warning Beacon (TWB)	Travel Time Detector	Uninterruptible Power Supplies (UPS)
2014-15*	\$ 2,951		\$738	\$295	\$738	\$148	\$148		
2015-16	3,040		760	608	1,064	304	304		
2016-17	3,131	4,500	783	626	1,096	313	313	100	100
2017-18	Based on the Consumer Price Index (CPI), the 2016-17 compensation amounts will be revised upwards.								
2018-19	Based on the CPI, the 2017-18 compensation amounts will be revised upwards.								
2019-20	Based on the CPI, the 2018-19 compensation amounts will be revised upwards.								

*Compensation pro-rata based on intersection approaches or legs on State Highway System.

Based on the Consumer Price Index (CPI), the Unit Rate for the following fiscal year will be adjusted accordingly, unless otherwise specified in an amendment to this Agreement. However, if CPI is negative, there shall be no reduction from the previous year's compensation.

3.0 COMPENSATION FOR REPAIR AND/OR REPLACEMENT OF DAMAGED TRAFFIC SIGNALS AND DEVICES

For the satisfactory completion of all services related to repair and/or replacement of damaged Traffic Signals and Devices detailed in this Agreement, the Department will pay the Maintaining Agency a Lump Sum amount of the actual costs incurred for the replacement and/or repair of the damaged Traffic Signals and Devices as set forth in the invoice submitted to the Department. The invoice for the costs incurred for the replacement and/or repair of

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damaged Traffic Signals and Devices shall contain the information required in Exhibit C and any other additional information requested by the Department to justify the costs incurred. The reimbursement amount is subject to approval by the Department.

4.0 **PAYMENT PROCESSING**

For regular maintenance costs, the Maintaining Agency shall invoice the Department in a format acceptable to the Department, on an annual basis for the reimbursement costs incurred by the Maintaining Agency for the previous year prior to June 30th of each year. For example, the Maintaining Agency shall submit its invoice for the previous year beginning July 1, 2015 through June 30, 2016 no later than June 30, 2016.

For costs incurred for repair and/or replacement of damaged Traffic Signals and Devices, applicable reimbursements will be processed after the Department receives a properly completed and supported invoice from the Maintaining Agency. The Maintaining Agency shall submit invoices for repair and/or replacement costs due to damaged Traffic Signals and Devices at least on an annual basis but the Maintaining Agency may also submit such invoices to the Department on a quarterly basis.

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EXHIBIT C
Reimbursement for Replacement and/or Repair of
Damaged Traffic Signals and Devices

The Department will reimburse the Maintaining Agency a Lump Sum amount for costs incurred for the replacement and/or repair of Traffic Signals and Devices damaged as a result of third parties or as a result of other causes that were not caused by the Maintaining Agency.

The Maintaining Agency is not required to provide a police report in situations where damage is caused to Traffic Signals and Devices by a Force Majeure Event or as a result of other causes beyond the control of the Maintaining Agency that do not necessarily prevent performance, which includes but is not limited to: storms, winds, lightning, flooding and other natural and weather related causes. The Maintaining Agency must provide a police report in all situations where a traffic accident, theft, or vandalism causes damage to Traffic Signals and Devices to the extent the Maintaining Agency has the ability and opportunity to obtain a police report.

Applicable reimbursements will be processed after the Department receives a properly completed and supported invoice from the Maintaining Agency. The following information shall be provided by the Maintaining Agency to be eligible for the reimbursement payment:

Date and Time of Accident/Incident:	
Location of Accident/Incident:	
Provide Police Report (if applicable) and the Following Information:	
<ol style="list-style-type: none"> 1. Attach pictures of damaged traffic signals and devices. 2. Attach invoices or receipt of equipment purchased to replace damaged components. 3. Attach detailed documentation of labor costs associated with replacing and/or repairing damaged components, including dates of performance and completion of the work. 	
Contract No.: _____	
Project No.: _____	
Total Lump Sum Reimbursement Amount	\$

The Maintaining Agency hereby certifies that it has replaced and repaired all the Traffic Signals and Devices at the location or signalized intersection referenced above. Henceforth, this document is the Maintaining Agency's request for reimbursement to the Department for the services of restoring the Traffic Signals and Devices to their original operating condition.

The Parties agree to the Total Lump Sum Reimbursement Amount set forth above.

Maintaining Agency Date

District Traffic Operations Engineer Date