

FINAL

**INTERLOCAL AGREEMENT RELATING TO
ESTABLISHMENT OF THE
HIGHWAY 79 CORRIDOR AUTHORITY**

Among

**City of Bonifay, Florida
Holmes County, Florida
Washington County, Florida**

Dates as of June, 2018

FINAL

TABLE OF CONTENTS

Page

ARTICLE I
DEFINITIONS

SECTION 1.01. DEFINITIONS..... 3

ARTICLE II
THE AUTHORITY

SECTION 2.01. CREATION..... 6
SECTION 2.02. PURPOSES..... 6
SECTION 2.03. AUTHORITY MEMBERS..... 6
SECTION 2.04. DURATION OF AUTHORITY..... 6

ARTICLE III
MEMBERSHIP AND REPRESENTATION

SECTION 3.01. MEMBERSHIP..... 7
SECTION 3.02. BOARD OF DIRECTORS..... 7
SECTION 3.03. ACTION..... 7
SECTION 3.04. ELECTION OF OFFICERS..... 9
SECTION 3.05. AUTHORITY OF OFFICERS..... 8
SECTION 3.06. RESIGNATION..... 8
SECTION 3.07. POWERS AND DUTIES OF THE BOARD..... 10
SECTION 3.08. MEETINGS..... 9
SECTION 3.09. WITHDRAWAL OR DISMISSAL OF AUTHORITY MEMBERS..... 9
SECTION 3.10. EXPENSES..... 11
SECTION 3.11. LIABILITY..... 11

ARTICLE IV
POWERS AND DUTIES

SECTION 4.01. POWERS..... 11
SECTION 4.02. ACQUISITION OF UTILITY FACILITIES BY AUTHORITY
MEMBERS..... 15
SECTION 4.03. ANNUAL BUDGET..... 16
SECTION 4.04. ADOPTION OF RATES, FEES OR OTHER CHARGES..... 17
SECTION 4.05. OBLIGATIONS..... 18
SECTION 4.06. AD VALOREM TAXATION NOT AUTHORIZED..... 20

FINAL

SECTION 4.07.	CONNECTION FEES.....	20
SECTION 4.08.	CONTRIBUTIONS FROM AUTHORITY MEMBERS; REVENUE SHARING AGREEMENTS.....	20
SECTION 4.09.	UNPAID FEES.....	20
SECTION 4.10.	AUTHORITY APPROVAL OF CONSTRUCTION OF WATER AND WASTEWATER FACILITIES.....	21
SECTION 4.11.	PLANNING.....	21
SECTION 4.12.	EFFECT OF INCORPORATION OR THE PRESENCE OF A SPECIAL DISTRICT ON AUTHORITY.....	22

ARTICLE V
MISCELLANEOUS

SECTION 5.01.	DELEGATION OF DUTY.....	25
SECTION 5.02.	FILING.....	25
SECTION 5.03.	IMMUNITY.....	25
SECTION 5.04.	LIMITED LIABILITY.....	25
SECTION 5.05.	AMENDMENTS.....	25
SECTION 5.06.	SEVERABILITY.....	26
SECTION 5.07.	CONTROLLING LAW.....	26
SECTION 5.09.	EFFECTIVE DATE.....	26

EXHIBIT A	CORRIDOR AREA	
-----------	---------------	--

FINAL

**INTERLOCAL AGREEMENT RELATING TO
ESTABLISHMENT OF THE
HIGHWAY 79 CORRIDOR AUTHORITY**

THIS INTERLOCAL AGREEMENT, dated as of _____, 20____ (the "Interlocal Agreement"), is entered into among the City of Bonifay, Florida, a municipal corporation of the State of Florida, Holmes County, Florida, a political subdivision of the State of Florida, and Washington County, Florida, a political subdivision of the State of Florida (collectively, the "Authority Members"), as evidenced by the signatures of their authorized representatives hereto.

WITNESSETH:

WHEREAS, each of the Authority Members has the power to plan for, construct, own, improve, operate, maintain, and dispose of potable and reclaimed water and wastewater utility facilities, vehicular and pedestrian mobility improvements, stormwater facilities, and street light improvements pursuant to their Florida Constitutional powers of local self-government, Section 125.01, Florida Statutes (in the case of counties), and Section 166.021, Florida Statutes (in the case of municipal corporations); and

WHEREAS, each of the Authority Members has the power to enhance and expand economic development activity by expending public funds to finance, develop, and improve infrastructure and other capital projects, leasing or conveying real property, and providing grant funds or in-kind contributions all in furtherance of attracting and retaining businesses seeking to locate, relocate and expand and other activities conducive to economic promotion which are intended to result in sustainable job creation and resulting purchasing power, an improved competitive position, and a stronger, more balanced, and stable economy within their jurisdictions, as provided in Section 125.045, Florida Statutes (in the case of counties) and Section 166.021(8), Florida Statutes (in the case of municipal corporations); and

WHEREAS, Part I of Chapter 163, Florida Statutes (the "Interlocal Act"), permits the Authority Members, as public agencies under the Interlocal Act, to enter into interlocal agreements with each other to jointly exercise any power, privilege or authority which such Authority Members share in common and which each might exercise separately, permitting the Authority Members to make the most efficient use of their powers by enabling them to cooperate on a basis of mutual benefit and thereby provide services and facilities in a manner and pursuant to forms of governmental organization that will best serve geographic, economic, population and other factors influencing the needs and development of such Authority Members; and

WHEREAS, Section 163.01(7), Florida Statutes, authorizes the Authority Members pursuant to an interlocal agreement to create a separate legal entity to exercise the common power of the Authority Members and subsection 163.01(7)(g) additionally authorizes the separate legal entity created pursuant to an interlocal agreement to finance, plan for, construct, own, improve, operate, maintain, and dispose of public facilities, including water, reclaimed water, and wastewater utility facilities, vehicular and pedestrian mobility improvements, stormwater facilities, and street light improvements; and

FINAL

WHEREAS, the Authority Members have determined that it is in their best interests to create such a legal entity to foster economic development and plan for, construct, own, improve, finance, operate, maintain, and dispose of water, reclaimed water, and wastewater utility facilities, vehicular and pedestrian mobility improvements, stormwater facilities, and street light improvements within a certain defined geographic area existing within portions of Washington County, Holmes County, and the City of Bonifay.

NOW THEREFORE, in consideration of the foregoing and the covenants herein, it is mutually agreed and understood by and among the Authority Members, that execute this Interlocal Agreement, that the "Highway 79 Corridor Authority," a legal entity and public body and a unit of local government with all of the privileges, benefits, powers and terms of the hereinafter defined Act and this Interlocal Agreement, is hereby created for the purposes described herein, as follows:

FINAL

ARTICLE I
DEFINITIONS

SECTION 1.01. DEFINITIONS.

(A) Whenever any words are used in this Interlocal Agreement in the masculine gender, they shall be construed as though they were also used in the feminine or neuter gender in all situations where they would so apply, and whenever any words are used in this Interlocal Agreement in the singular form, they shall be construed as though they were also used in the plural form in all situations where they would so apply.

(B) The following definitions shall govern the interpretation of this Interlocal Agreement:

"Act" shall mean, collectively, Sections 125.01 and 125.045, Florida Statutes (in the case of counties), Section 166.021, Florida Statutes (in the case of municipal corporations), the Interlocal Act, any Charters of the Authority Members, and other applicable provisions of law.

"Assessable Improvements" shall mean improvements to the Authority Facilities of a local nature and of special benefit to the premises or lands served thereby.

"Authority" shall mean the Highway 79 Corridor Authority, a legal entity and public body created pursuant to the provisions of this Interlocal Agreement and the Act.

"Authority Facilities" shall mean those facilities as may be acquired, installed, constructed, financed, operated, owned, modified, improved, expanded, and/or disposed of by the Authority, which are intended to provide (i) potable and reclaimed water production, transmission, and distribution facilities and property, and wastewater treatment, collection and disposal facilities and property, as are contemplated to be planned for and constructed within the Corridor Area ("Utility Facilities"), (ii) any pedestrian or vehicular mobility facilities, including, but not limited to, public transportation, right-of-way, roads, bridges, sidewalks, signage, and signalization facilities and property, as may be planned for and installed within the Corridor Area, (iii) stormwater and drainage facilities, including, but not limited to, retention and detention facilities and conveyance facilities and property as may be planned for and installed within the Corridor Area, (iv) street lighting facilities and equipment as may be planned for and installed within the Corridor Area. Authority Facilities shall include all property, real or personal, tangible or intangible, now or hereafter owned, leased, operated or managed by the Authority in connection with the provision of the above enumerated services.

"Authority Member" or "Authority Members" shall mean the members of the Authority as provided by this Interlocal Agreement.

"Board of Directors" or "Board" shall mean the governing board of the Authority, consisting of the Directors appointed hereunder.

FINAL

"Connection Fees" shall mean fees and charges imposed by the Authority to acquire, construct, equip or expand the capacity of the Utility Facilities for the purpose of paying or reimbursing the equitable share of the capital cost relating to such acquisition, construction, expansion or equipping of capacity of the Utility Facilities or expansion thereof in order to serve new users of the Utility Facilities and new development within the Corridor Area. Such Connection Fees may include interest carrying costs associated with the Utility Facilities.

"Corridor Area" shall mean a geographic area adjacent to SR-79 within portions of Washington County, Holmes County, and the City of Bonifay, as more specifically defined in Exhibit "A," attached hereto and incorporated by reference.

"Cost" when used in connection with a Project, shall mean (1) the Authority's cost of construction; (2) costs of acquisition by or for the Authority of such Project; (3) costs of land and interests thereon and the cost of the Authority incidental to such acquisition; (4) the cost of any indemnity and/or surety bonds and premiums for insurance during construction; (5) all interest due to be paid on the Obligations relating to the Project during the period of acquisition and construction of such Project and for a reasonable period subsequent to completion of acquisition and construction as the Board may determine by resolution; (6) engineering, legal and other consulting fees and expenses; (7) costs and expenses of the financing incurred for such Project, including audits, fees and expenses of any paying agent, registrar, trustee, consultants, attorneys, engineers, credit enhancers or depository; (8) payments, when due (whether at the maturity of principal or the due date of interest or upon redemption) on any interim or temporary indebtedness incurred for such Project; (9) costs of machinery, equipment, supplies and spare parts required by the Authority for the commencement of operation of such Project or continuation of operation of such Project; and (10) any other costs properly attributable to such Project or to the issuance of Obligations which finance such Project, as determined by generally accepted accounting principles applicable to such Project, and shall include reimbursement to the Authority for any such items of cost paid by the Authority prior to issuance of the Obligations issued to finance such Project. Additional items of cost may be provided pursuant to the Financing Documents.

"Director" shall mean that individual appointed in accordance with the provisions hereof to serve as part of the Board of Directors. "Director" shall also include an alternate who is appointed to fill such role by an Authority Member.

"Economic Development" shall mean those activities consisting of expending public funds to finance, develop, and improve infrastructure and other capital projects, leasing or conveying real property, providing grants or in-kind contributions, and associated marketing and promotions in an effort to attract and retain businesses seeking to locate, relocate and expand and other activities conducive to economic promotion in the Corridor Area which are intended to result in sustainable job creation and resulting purchasing power, an improved competitive position, and a stronger, more balanced, and stable economy.

"Financing Documents" shall mean the resolution or resolutions duly adopted by the Authority, as well as any indenture of trust, trust agreement or other instrument relating to the issuance or security of the Obligations.

FINAL

"Fiscal Year" shall mean the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be determined by the Board.

"General Manager" shall mean the individual or entity selected and employed by the Board to serve the Authority in such capacity.

"Interlocal Act" shall mean Part I of Chapter 163, Florida Statutes.

"Interlocal Agreement" shall mean this Interlocal Agreement, including any amendments or supplements hereto, executed and delivered in accordance with the terms hereof.

"Obligations" shall mean a series of bonds or other evidence of indebtedness, including, but not limited to, notes, commercial paper, capital leases or any other obligations of the Authority issued hereunder and pursuant to the Financing Documents.

"Pledged Funds" shall mean (1) the revenues, fees, charges, special assessments and other moneys received by the Authority or its designee relating to its ownership or operation of the Authority Facilities, or some portion thereof, (2) until applied in accordance with the terms of the Financing Documents, all moneys in the funds, accounts and subaccounts established thereby, including investments therein, and (3) such other property, assets and moneys of the Authority as shall be pledged pursuant to the Financing Documents; in each case to the extent provided by the Board pursuant to the Financing Documents. The Pledged Funds pledged to one series of Obligations may be different than the Pledged Funds pledged to other series of Obligations.

"Project" shall mean any structure, property, or facility which the Authority, from time to time, may determine to construct or acquire in order to facilitate Economic Development within the Corridor Area or as part of its Authority Facilities, together with all improvements, equipment, structures and other facilities necessary or appropriate in connection therewith. This term is to be broadly construed so as to include any lawful undertaking which will accrue to the benefit of the Authority, the Economic Development of the Corridor Area, or the Authority Facilities, including joint ventures and acquisitions of partial interests or contractual rights. "Project" may also include working capital, as well as any costs or judgments associated with litigation.

"Public Agencies" shall mean any "public agency", as defined in the Interlocal Act.

"State" shall mean the State of Florida.

FINAL

ARTICLE II

THE AUTHORITY

SECTION 2.01. CREATION. The Authority Members hereby create and establish the "Highway 79 Corridor Authority", a legal entity and public body and a unit of local government, with all of the privileges, benefits, powers and terms provided for herein and by the Act.

SECTION 2.02. PURPOSES.

(A) The purpose of this Interlocal Agreement is for the establishment of the Authority in order to foster and assist Economic Development and acquire, plan for, develop, fund, construct, own, maintain, manage, improve, operate, and, at its option, dispose of the Authority Facilities and Projects within the Corridor Area.

(B) The creation and organization of the Authority and the fulfillment of its objectives serves a public purpose and is in all respects for the benefit of the people of this State, affected Public Agencies and their constituents, and the persons or entities served by the Authority Facilities. The Authority is performing an essential governmental function. All property of the Authority is and shall in all respects be considered to be public property, and the title to such property shall be held by the Authority for the benefit of the public. The Economic Development activities of the Authority and use of such property shall be considered to serve a public purpose, until disposed of upon such terms as the Authority may deem appropriate. Insofar as provided for by law, all Obligations and interest or income thereon and all the property, facilities, services, activities and revenues of the Authority are declared to be nontaxable for any and all purposes by the State or federal government or any unit of the State or federal government to the same extent as if owned or issued by or on behalf of the Authority Members or a Public Agency.

SECTION 2.03. AUTHORITY MEMBERS. The Authority Members shall consist of those Public Agencies as provided in Article III hereof.

SECTION 2.04. DURATION OF AUTHORITY. The Authority shall exist so long as any portion of the Authority Facilities is owned, operated, leased or managed by the Authority or the Authority has Obligations outstanding. At such time as the Authority no longer owns, operates, leases, or manages any portion of the Authority Facilities, the Authority does not desire to pursue additional Projects or additional Economic Development activities, and no Obligations are outstanding, the Authority may dissolve by majority vote of the Board. In the event of dissolution, any assets of the Authority shall be allocated among the Authority Members based upon a dissolution agreement to be negotiated among the Authority Members.

FINAL

ARTICLE III

MEMBERSHIP AND REPRESENTATION

SECTION 3.01. MEMBERSHIP.

(A) The Authority Members shall originally consist of: The City of Bonifay, Florida, Holmes County, Florida and Washington County, Florida.

(B) To the extent permitted by the Interlocal Act, the Authority may admit any Public Agency to membership upon application of such Public Agency and the affirmative vote of the majority plus one of all Directors at a duly called meeting of the Authority. This Interlocal Agreement need not be amended in order to admit any Public Agency as an Authority Member. Approval of the governing bodies of the Authority Members shall not be required to admit a new Authority Member.

(C) As a precondition to membership in the Authority, each Authority Member shall constitute a Florida municipality, county or such other Public Agency which is permitted by the Interlocal Act to be a member of the Authority. Such new Authority Member shall execute, deliver and record a duly authorized counterpart to this Interlocal Agreement. Authority Members may be admitted regardless of whether any Authority Facilities are located within the jurisdiction of such Authority Member.

SECTION 3.02. BOARD OF DIRECTORS.

(A) The Authority shall be governed by a Board of Directors made up of the following:

1. One (1) Director appointed by Holmes County, who will be a member of the Board of County Commissioners.

2. One (1) Director appointed by Washington County, who will be a member of the Board of County Commissioners.

3. One (1) Director appointed by the City of Bonifay, who will be a member of the City of Bonifay City Council.

4. One (1) additional Director for any future Authority Members to be appointed by each future Authority Member.

(B) Each Authority Member may appoint alternate Directors to serve in the absence or unavailability of their appointed Directors.

(C) Directors shall serve staggered three (3) year terms, initially established as follows:

FINAL

(i) the City of Bonifay elected official Director will be appointed for an initial term of one (1) year;

(ii) the Holmes County elected official Director will be appointed for an initial term of two (2) years; and

(iii) the Washington County elected official Director will be appointed for an initial term of three (3) years.

Thereafter, each Director shall be appointed for a full three-year term. Directors may be reappointed for successive terms at the discretion of the Authority Member.

(D) In the event the Director of an Authority Member shall resign or be removed, such Authority Member shall appoint a new Director within thirty (30) calendar days. In the event such Authority Member does not appoint a new Director within thirty (30) calendar days of resignation or removal and such Authority Member has appointed an alternate Director, such alternate Director shall serve in the capacity as Director. In the event such Authority Member does not appoint a new Director within thirty (30) calendar days of resignation or removal and such Authority Member has not appointed an alternate Director, the Board may appoint a Director who shall serve until such time as such affected Authority Member shall appoint a new Director; provided any new Director appointed by the Board shall be a resident of such Authority Member. Any Director who is absent for three (3) consecutive meetings of the Board shall be deemed to have resigned.

(E) Each Authority Member, in its sole discretion, may remove its Director at any time and may appoint a new Director to serve on the Board upon notice being given to the Authority as provided by Section 3.06(A) hereof for resignation of a Director.

(F) Any Director may be removed for cause upon the affirmative vote of at least two-thirds (2/3) of all Directors at a duly called meeting of the Authority.

SECTION 3.03. ACTION.

(A) The affairs, actions and duties of the Authority shall be undertaken at a duly called meeting pursuant to Section 3.08 hereof. Each appointed Director of the Board of Directors shall be allocated one (1) vote.

(B) At any meeting of the Authority at which any official action is to be taken, a majority of all Directors shall constitute a quorum. A majority vote of a quorum of the Directors present at a duly called meeting shall constitute an act of the Authority, except as otherwise provided herein.

(C) A certificate, resolution or instrument signed by the Chairman, Vice-Chairman or such other person of the Authority as may be hereafter designated and authorized by the Board shall be evidence of the action of the Authority and any such certificate, resolution or other

FINAL

instrument so signed shall conclusively be presumed to be authentic. Likewise, all facts and matters stated therein shall conclusively be presumed to be accurate and true.

SECTION 3.04. ELECTION OF OFFICERS. Every September and at such other time as may be necessary to fill a vacancy, at a duly called meeting of the Board, the Authority through its Directors shall elect a Chairman, a Vice Chairman, Secretary, and Treasurer to conduct the meetings of the Authority and to perform such other functions as herein provided. At the discretion of the Board, the General Manager or other qualified professional (or a representative of either) may be appointed as the Secretary and/or Treasurer to facilitate administrative actions. Said Chairman, Vice-Chairman, Secretary, and Treasurer shall serve one (1) year terms concurrent with each fiscal year unless they resign from the Authority or such officer is removed as provided herein.

SECTION 3.05. AUTHORITY OF OFFICERS.

(A) The Chairman and the Vice-Chairman shall take such actions, have all such powers and sign all documents on behalf of the Authority and in furtherance of the purposes of this Interlocal Agreement as may be approved by resolution of the Board adopted at a duly called meeting.

(B) The Secretary, or their designee, shall keep minutes of all meetings, proceedings and acts of the Board, but such minutes need not be verbatim. Copies of all minutes of the meetings of the Authority shall be sent by the Secretary or their designee to all Directors to the Authority. The Secretary may also attest to the execution of documents. In the performance of these duties, the Secretary shall comply with applicable law and Board policies and procedures regarding records retention, public records, and public meetings requirements. The Secretary shall have such other powers as may be approved by resolution of the Board adopted at a duly called meeting.

(C) The Treasurer, or their designee, shall maintain the financial and accounting records for the Authority to meet Generally Accepted Accounting Principles (GAAP) and Government Accounting Standards Board (GASB) requirements in Florida, coordinate the external audit annual requirements and file audit reports with other government agencies as required, manage the banking and investment accounts in accordance with Board policies, recommend the delegation of signature financial authorities. The Treasurer shall have such other powers as may be approved by resolution of the Board adopted at a duly called meeting.

SECTION 3.06. RESIGNATION.

(A) Any Director may resign from all duties or responsibilities hereunder by giving at least thirty (30) calendar days' prior written notice. Such notice shall state the date said resignation shall take effect and such resignation shall take effect on that date.

(B) Any resigning Director who is an officer of the Authority shall immediately turn over and deliver to the Authority any and all records, books, documents or other property in his possession or under his control which belong to the Authority.

FINAL

SECTION 3.07. POWERS AND DUTIES OF THE BOARD. The Board shall act as the governing board of the Authority and shall have, in addition to all other powers and duties described herein, the following powers and duties:

(A) To fix the time and place or places at which its regular meetings shall be held, and to call and hold special meetings.

(B) To make and pass rules, regulations, resolutions, orders, bylaws, and policies not inconsistent with the laws of the United States or of the State, or the provisions of the Interlocal Act or this Interlocal Agreement, necessary for the governance and management of the affairs of the Authority, for the execution of the powers, obligations, and responsibilities vested in the Authority, and for carrying into effect the provisions of this Interlocal Agreement.

(C) To fix the location of the principal place of business of the Authority and the location of all offices maintained thereunder.

(D) To create any and all necessary offices in addition to Chairman, Vice-Chairman, Secretary, and Treasurer; to establish the powers, duties and compensation of all employees; and to require and fix the amount of all official bonds necessary for the protection of the funds and property of the Authority.

(E) To select and employ a General Manager, if desired, who shall administer the affairs and manage the staff of the Authority with Board approval, and perform all other administrative duties as directed by the Board.

(F) To employ or hire such attorneys or firm(s) of attorneys as it deems appropriate to provide legal advice and/or other legal services to the Authority.

(G) To amend the Authority's name, as permitted by law.

SECTION 3.08. MEETINGS.

(A) The Board shall convene at a meeting duly called by either a majority of the Directors or the Chairman. The Directors may establish regular meeting times and places. Meetings shall be conducted at such locations as may be determined by the majority of the Directors or the Chairman. Notice of a special meeting, unless otherwise waived, shall be furnished to each Director by the Chairman, General Manager, or other person designated by the Board not less than seven (7) calendar days prior to the date of such meeting; provided the Chairman or, in his absence or unavailability, the Vice-Chairman, may call a meeting upon twenty-four (24) hours written notice, if such officer determines an emergency exists. All meetings shall be noticed in accordance with applicable law.

(B) Within thirty (30) calendar days of the creation of the Authority, the duly appointed Directors shall hold an organizational meeting to elect officers and perform such other duties as are provided for under this Interlocal Agreement.

FINAL

SECTION 3.09. WITHDRAWAL OR DISMISSAL OF AUTHORITY MEMBERS.

(A) Any Authority Member may withdraw from the Authority at any time, if the following conditions are satisfied: (i) there shall be at least two (2) Authority Members remaining in the Authority subsequent to withdrawal, and (ii) a certified resolution from the Authority Member's governing body setting forth its intent to withdraw is presented to the Authority. Upon satisfaction of the foregoing conditions, such withdrawal shall be effective.

(B) In the event the Authority does not own, operate, lease or manage and Authority Facilities, or portion thereof, within the jurisdiction of an Authority Member, such Authority Member may be dismissed from the Authority by majority vote of all Directors unless subsequent to dismissal there shall be less than two (2) Authority Members remaining in the Authority.

SECTION 3.10. EXPENSES. The Authority may establish, from time to time, procedures for reimbursement for reasonable expenses incurred by Authority Members, Directors, and employees of the Authority.

SECTION 3.11. LIABILITY. No Director, agent, officer, official or employee of the Authority shall be liable for any action taken pursuant to this Interlocal Agreement in good faith or for any omission, except gross negligence, or for any act or omission by any other Director, agent, officer, official or employee of the Authority.

ARTICLE IV

POWERS AND DUTIES

SECTION 4.01. POWERS.

(A) The Authority shall have all powers to carry out the purposes of this Interlocal Agreement, including the following powers which shall be in addition to and supplementing any other privileges, benefits and powers granted by the Act:

(i) To enhance and expand Economic Development activity within the Corridor Area by expending public funds to finance, develop, install, construct, and improve infrastructure, Authority Facilities, and other capital Projects, leasing or conveying real property, marketing and promoting the Corridor Area, and providing grant funds or in-kind contributions under suitable terms determined by the Board all in furtherance of attracting and retaining businesses seeking to locate, relocate and expand and other activities conducive to economic promotion which are intended to result in sustainable job creation and resulting purchasing power, an improved competitive position, and a stronger, more balanced, and stable economy within the Corridor Area.

FINAL

(ii) To acquire, construct, own, lease, operate, manage, maintain, dispose of, improve, and expand the Authority Facilities, and to have the exclusive control and jurisdiction thereof.

(iii) To the extent permitted by law, to provide for mandatory potable and reclaimed water and wastewater connections of potential customers located in the Corridor Area upon availability of service by the Authority.

(iv) To fix, levy and collect rates, fees, special assessments, and other charges, including Connection Fees from persons or property, or both, for the use of the services, facilities, and product of the Authority Facilities or to pay the operating or financing costs of the Economic Development activities and Authority Facilities available to potential users; to fix and collect charges for making connections with the Authority Facilities and, to the extent provided by law, to provide for reasonable penalties to be imposed on any users or property for any such rates, fees or charges that are delinquent, all as more specifically described in Section 4.04 hereof.

(v) To contract for the service of engineers, accountants, attorneys and other experts or consultants, and such other agents and employees as the Board may require or deem appropriate from time to time.

(vi) To acquire such lands and rights and interests therein, including lands under water and riparian rights and to acquire such personal property as the Authority may deem necessary and appropriate in connection with the acquisition, ownership, expansion, improvement, operation and maintenance of the Authority Facilities and to hold and dispose of all real and personal property under its control. To the extent the power of eminent domain is available to the Authority in accordance with applicable law, in particular the Interlocal Act, such power may be exercised by the Authority both within and outside the Corridor Area for the purpose of carrying out the intent of this Interlocal Agreement.

(vii) To exercise exclusive jurisdiction, control and supervision over the Authority Facilities and to make and enforce such rules and regulations for the maintenance, management and operation of the Authority Facilities as may be, in the judgment of the Board, necessary or desirable for the efficient operation of the Authority Facilities in accomplishing the purposes of this Interlocal Agreement.

(viii) To make and enforce such rules and regulations for the provision of Economic Development activities of the Authority as may be, in the judgment of the Board, necessary or desirable for the efficient operation of the Authority in accomplishing the purposes of this Interlocal Agreement.

(ix) To enter into other interlocal agreements or join with any other special purpose or general purpose local governments, public agencies, or authorities in the exercise of common powers or to assist the Authority in acquiring land and rights or interests therein.

FINAL

(x) To contract with private or public entities or persons to provide, treat, or receive potable and reclaimed water or to provide or receive wastewater disposal, collection, or treatment. To contract with any private or public entity or person for the installation, construction, operation or management of the Authority Facilities or for the provision of services and facilities to aid the provision of Economic Development activities.

(xi) To prescribe methods of pretreatment of industrial wastes not amenable to treatment with domestic wastewater before accepting such wastes for treatment and to refuse to accept such industrial wastes when not sufficiently pretreated as may be prescribed, and, to the extent permitted by law, to prescribe penalties for the refusal of any person or corporation to so pretreat such industrial wastes.

(xii) To the extent provided by law, to require and enforce the use of services, products and facilities of the Authority whenever and wherever they are accessible, and to require and enforce the installation and dedication to the Authority of potable and reclaimed water and wastewater facilities or easements as a condition precedent to the provision of service by the Authority or by another entity authorized by the Authority to provide interim service until Authority services, products and facilities are available.

(xiii) To sell or otherwise dispose of the effluent, sludge, or other by-products as a result of wastewater treatment.

(xiv) To accomplish construction directly or by letting construction contracts to other entities, whether public or private, for all or any part of the construction of improvements to the Authority Facilities as determined by the Board in accordance with applicable law.

(xv) To construct, maintain, and operate connecting, intercepting, or outlet wastewater and wastewater mains and pipes and potable or reclaimed water mains, conduits or pipelines in, along or under any streets, alleys, highways or other public places or ways regulated by or under the jurisdiction of the State or any of the Authority Members when necessary or convenient for the purposes of the Authority.

(xvi) Subject to such provisions and restrictions as may be set forth in any Financing Document, to enter into contracts with the government of the United States or any agency or instrumentality thereof, the State, or with any municipality, county, district, authority, political subdivision, private corporation, partnership, association or individual providing for or relating to Authority Facilities, including, but not limited to, the treatment, collection and disposal of wastewater, or the treatment, supply, and distribution of potable or reclaimed water and any other matters relevant thereto, for provision of Economic Development, or otherwise necessary to effect the purposes of this Interlocal Agreement.

FINAL

(xvii) To apply for, receive and accept from any federal or State agency, grants or loans for or in aid of the provision of Economic Development activities, planning, construction, reconstruction, or financing of improvements, additions, or extensions to the Authority Facilities and to receive and accept aid or contributions or loans from any other source of either money, labor, or other things of value, to be held, used, and applied only for the purpose for which such grants, contributions, or loans may be made.

(xviii) To assume the ownership, lease, operation, management and/or control of any publicly or privately owned water and wastewater facilities, any pedestrian or vehicular mobility facilities, any stormwater and drainage facilities, or any street lighting facilities and equipment, including the assumption of the financial liabilities associated with such facilities.

(xix) To divide the Authority Facilities into separate units, benefit areas, subsystems or subdistricts, including Utility Systems, for imposing special assessments, setting rates, accounting or financing improvements or additions, or any other purpose.

(xx) To appoint advisory boards and committees to assist the Board in the exercise and performance of the powers and duties provided in this Interlocal Agreement.

(xxi) To sue and be sued in the name of the Authority.

(xxii) To adopt and use a seal and authorize the use of a facsimile thereof.

(xxiii) To contract with any public or private entity or person to manage the Economic Development activities of the Authority and to manage and operate the Authority Facilities, or any portion thereof, upon such terms as the Board deems appropriate.

(xxiv) Subject to such provisions and restrictions as may be set forth herein and in any Financing Document or funding agreement and subject to the approval of the Authority Member in whose jurisdiction the Authority Facility is situated, to sell, transfer, or otherwise dispose of the Authority Facilities, or any portion thereof, upon such terms as the Board deems appropriate.

(xxv) To acquire, by purchase, gift, devise, or otherwise, and to dispose of, real or personal property, or any estate therein.

(xxvi) To make and execute contracts or other instruments necessary or convenient to the exercise of its powers.

(xxvii) To provide such retirement benefits and program as the Board deems appropriate.

FINAL

(xxviii) To maintain an office or offices at such place or places as the Board may designate from time to time.

(xxix) To hold, control and acquire by donation or purchase, or dispose of, any public easements, dedications to public use, platted reservations for public purposes, or any reservations for those purposes authorized by this Interlocal Agreement and to make use of such easements, dedications and reservations for any of the purposes authorized by this Interlocal Agreement.

(xxx) To lease, as lessor or lessee, to or from any person, firm, corporation, association or body, public or private, facilities or property of any nature to carry out any of the purposes authorized by this Interlocal Agreement.

(xxxi) To borrow money and issue bonds, certificates, warrants, notes, obligations or other evidence of indebtedness.

(xxxii) Subject to prior approval of the Authority Member in whose jurisdiction the special assessment will be imposed, to assess, levy, impose, collect and enforce special assessments to provide services or Assessable Improvements upon all or any portion of the lands located within the Corridor Area. Such special assessments may be apportioned among benefitted property in a manner proportionate with the benefits received or commensurate with the burdens alleviated by the maintenance and use of property based upon such factors or combination of factors as determined by resolution of the Board. Such special assessments may, in the discretion of the Board, be imposed, collected and enforced using any methods and procedures authorized by law, including Section 197.3632, Florida Statutes; or the Board may adopt by resolution its own method or procedures or use any other method or means for levy, imposition, collection, and enforcement not inconsistent with law.

(xxxiii) To apply for and accept grants, loans and subsidies from any governmental entity for the provision of Economic Development activities or the acquisition, construction, operation and maintenance of the Authority Facilities, and to comply with all requirements and conditions imposed in connection therewith.

(xxxiv) To the extent allowed by law and to the extent required to effectuate the purposes hereof, to exercise all privileges, immunities and exemptions accorded municipalities and counties of the State under the provisions of the constitution and laws of the State.

(xxxv) To invest its moneys in such investments as directed by the Board in accordance with State law and which shall be consistent in all instances with the applicable provisions of the Financing Documents.

(xxxvi) To purchase such insurance as it deems appropriate.

FINAL

(xxxvii) To assist Authority Members, property owners and prospective developers within the Corridor Area with the Economic Development of the Corridor Area, including, but not limited to, marketing and promotion of the Corridor Area, provision of essential public infrastructure, such as the Authority Facilities and Projects, all with the goal of ensuring that the Corridor Area and Authority Facilities are economically stable and sustainable, including, but not limited to assistance with processing land development approvals, permitting, and extensions of Authority Facilities.

(xxxviii) To do all acts and to exercise all of the powers necessary, convenient, incidental, implied or proper in connection with any of the powers, duties or purposes authorized by this Interlocal Agreement or the Act.

(B) In exercising the powers conferred by this Interlocal Agreement the Board shall act by resolution or motion made and adopted at duly noticed and publicly held meetings in conformance with applicable law.

(C) The provisions of Chapter 120, Florida Statutes, shall not apply to the Authority.

SECTION 4.02. ACQUISITION OF UTILITY FACILITIES BY AUTHORITY MEMBERS.

(A) To the extent not inconsistent with the applicable Financing Documents or funding agreements, each Authority Member in whose jurisdiction the Authority owns Utility Facilities shall have the exclusive right to acquire such Utility Facilities. The terms of such acquisition and purchase price thereof shall be established pursuant to the Financing Document relating thereto or a utility acquisition agreement between the Authority and the respective Authority Member.

(B) Each Authority Member may assign their exclusive right to acquire such Utility Facilities to another Authority Member.

SECTION 4.03. ANNUAL BUDGET.

(A) Prior to October 1 of each year the Board will adopt an annual budget for the Authority. Such budget shall be prepared within the time periods required for the adoption of a tentative and final budget for county governments under general law. The annual budget shall contain an estimate of receipts by source and an itemized estimation of expenditures anticipated to be incurred to meet the financial needs and obligations of the Authority. The General Manager or such other person designated by the Board shall prepare the annual budget. The annual budget shall contain a five-year capital improvement plan. The Secretary shall provide each Authority Member with a copy of the adopted budget.

(B) The Board shall publish a notice of the meeting in which the annual budget is to be adopted, which notice shall be published once a week for two (2) consecutive weeks thirty (30) days prior to the date of the hearing in a newspaper of general circulation within each

FINAL

Authority Member's jurisdiction. A copy of the proposed budget, the five-year capital improvement plan, and a notice of the time and place of the Board meeting at which the annual budget is to be adopted shall be provided to each Authority Member prior to the first publication date.

(C) The adopted budget shall be the operating and fiscal guide for the Authority for the ensuing Fiscal Year. The Board may from time to time amend the budget at any duly called regular or special meeting.

(D) The Authority shall provide financial reports in such form and in such manner as prescribed pursuant to this Interlocal Agreement and Chapter 218, Florida Statutes.

(E) The Board shall cause to be made at least once a year, within one hundred eighty (180) days of the end of the Fiscal Year, a report of the Authority Facilities, including all matters relating to expansions, acquisitions, rates, revenues, expenses, principal and interest requirements of the Obligations and the status of all funds and accounts. Copies of such report shall be filed with the Secretary and shall be open to public inspection. The report shall be known as the "Annual Authority Report". The Annual Authority Report may be included as a part of any other report or reports required by law or may be issued separately. The Secretary shall provide each Authority Member with a copy of the Annual Authority Report.

SECTION 4.04. ADOPTION OF RATES, FEES OR OTHER CHARGES.

(A) The Board shall adopt by resolution a schedule of rates, fees, or other charges for the use of the services, facilities, and products of the Authority to be paid by each user within the Corridor Area and, in the event the Authority owns, operates, or maintains the Authority Facilities, each customer which may be connected with or provided service by such Authority Facilities, as applicable. The Authority may establish separate rates, fees and charges for different portions of the Corridor Area or Authority Facilities. The Board may establish different rates, fees and charges for services, facilities and products provided by a portion of a utility system provided such rates, fees and charges are consistent with applicable law.

(B) Such rates, fees, and charges shall be adopted and revised so as to provide moneys, which, with other funds available for such purposes, shall be at least sufficient at all times to pay the expenses of operating, managing, expanding, improving, and maintaining the Economic Development activities of the Authority and the Authority Facilities, including renewal and replacement reserves for such Authority Facilities, to pay costs and expenses provided herein and the Financing Documents, and to pay the principal and interest on the Obligations as the same shall become due and reserves therefore, and to provide a reasonable margin of safety over and above the total amount of such payments. Notwithstanding any other provision in this Interlocal Agreement, such rates, fees and charges should always be sufficient to comply fully with any covenants contained in the Financing Documents or other funding agreements. The Authority shall charge and collect such rates, fees, and charges so adopted and revised, and such rates, fees, and charges shall not be subject to the supervision or regulation by any other commission, board, bureau, agency, or other political subdivision of the State.

FINAL

(C) The Authority may enter into an interlocal agreement with an Authority Member which delegates to such Authority Member in whole or in part the power to approve the rates, fees and charges of the Authority imposed within the jurisdiction of such Authority Member. In exercising such delegated power of approval of the rates, fees and charges of the Authority, the rates, fees and charges established by the Authority Member shall be consistent with the requirements contained in this Section 4.04 and shall be sufficient to comply fully with all covenants contained in the applicable Financing Documents or funding agreements.

(D) Such rates, fees and charges shall be just and equitable and uniform for similarly situated users and may be based upon or computed upon any factor or combination of factors affecting the use of the services, products, or facilities furnished to the Authority's users or customers, as may be determined by the Board from time to time. Except as described in Sections 4.04(G) hereof, no rates, fees or charges shall be fixed, adopted or revised under the foregoing provisions of this Section 4.04 until after a duly noticed public hearing at which all interested persons shall have an opportunity to be heard concerning the proposed rates, fees, or charges. Notice of such public hearing setting forth the proposed schedule or schedules of rates, fees, or charges shall be given by one publication in a newspaper circulating in the area affected by such proposed rates, fees, or charges at least twenty (20) days before the date fixed in such notice for the public hearing, which may be adjourned from time to time. After such hearing, the proposed schedule or schedules, either as initially adopted, or as modified or amended, may be finally adopted. For rates, fees, and charges for use of the Authority's Utility Facilities, the Authority shall also comply with Section 180.136, Florida Statutes.

(E) The rates, fees or charges adopted for any class of customers served shall be extended to cover any additional customers thereafter served which shall fall within the same class, without the necessity of any further hearing or notice.

(F) The Board may appoint the General Manager, a Director, committee of Directors, and/or a special master to conduct the public hearing or hearings on its behalf relating to rates, fees and charges. The General Manager, Director, committee of Directors and/or designated special master shall act as hearing officers and report to the Board its findings relating to such public hearing. Except as provided pursuant to a delegation in an interlocal agreement with an Authority Member, only the Board may set or revise rates, fees and charges.

(G) Notwithstanding the provisions of Section 4.04(D) hereof, no public hearing shall be required for adoption by the Board of a periodic automatic indexing factor applicable to the initial or any revised schedule of rates, fees and charges.

SECTION 4.05. OBLIGATIONS.

(A) The Board shall have the power and it is hereby authorized to provide pursuant to the Financing Documents, at one time or from time to time in series, for the issuance of

FINAL

Obligations of the Authority, or notes in anticipation thereof, for one or more of the following purposes:

- (i) Paying all or part of the Cost of one or more Projects;
- (ii) Refunding any bonds or other indebtedness of the Authority;
- (iii) Assuming or repaying the indebtedness relating to Authority Facilities, acquired or leased by the Authority from a public or private entity;
- (iv) Setting aside moneys in a renewal or replacement account;
- (v) Funding a debt service reserve account;
- (vi) Capitalizing interest on the Obligations;
- (vii) Paying costs of issuance relating to the Obligations; and
- (viii) Any other purpose relating to this Interlocal Agreement.

The principal of and the interest on each series of Obligations shall be payable from the Pledged Funds, all as determined pursuant to the Financing Documents. The Authority may grant a lien upon and pledge the Pledged Funds in favor of the holders of each series of Obligations in the manner and to the extent provided in the Financing Documents. Such Pledged Funds shall immediately be subject to such lien without any physical delivery thereof and such lien shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority.

(B) The Obligations of each series shall be dated, shall bear interest and such rate or rates, shall mature at such time or times not exceeding forty (40) years from their date or dates, may be made redeemable before maturity, at the option of the Authority, at such price or prices and under such terms and conditions, all as shall be determined by the Board pursuant to the Financing Documents. The Board shall determine the form of the Obligations, the manner of executing such Obligations, and shall fix the denomination of such Obligations and the place of payment of the principal and interest, which may be at any bank or trust company within or without the State. In case any officer whose signature or a facsimile of whose signature shall appear on any Obligations shall cease to be such officer before the delivery of such Obligations, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he or she had remained in office until delivery. The Board may sell Obligations in such manner and for such price as it may determine to be in the best interest of the Authority in accordance with the terms of the Financing Documents. In addition to the Pledged Funds, the Obligations may be secured by such credit enhancement as the Board determines to be appropriate pursuant to the Financing Documents. The Obligations may be issued as capital appreciation bonds, current interest bonds, term bonds, serial bonds, variable bonds or any combination thereof, all as shall be determined pursuant to the Financing Documents.

FINAL

(C) Prior to the preparation of definitive Obligations of any series, the Board may issue interim receipts, interim certificates or temporary Obligations, exchangeable for definitive Obligations when such Obligations have been executed and are available for delivery. The Board may also provide for the replacement of any Obligation which shall become mutilated or be destroyed or lost. Obligations may be issued without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this Interlocal Agreement, the Financing Documents or other applicable laws.

(D) The proceeds of any series of Obligations shall be used for such purposes and shall be disbursed in such manner and under such restrictions, if any, as the Board may provide pursuant to the Financing Documents.

(E) The Financing Documents may also contain such limitations upon the issuance of additional Obligations as the Board may deem appropriate, and such additional Obligations shall be issued under such restrictions and limitations as may be prescribed by such Financing Documents. The Financing Documents may contain such provisions and terms in relation to the Obligations and the Pledged Funds as the Board deems appropriate and which shall not be inconsistent herewith.

(F) Obligations shall not be deemed to constitute a general obligation debt of the Authority or the Authority Members or a pledge of the faith and credit of the Authority or any of the Authority Members, but such Obligations shall be payable solely from the Pledged Funds and any moneys received from the credit enhancers of the Obligations, in accordance with the terms of the Financing Documents. The issuance of Obligations shall not directly or indirectly or contingently obligate the Authority or any of the Authority Members to levy or to pledge any form of ad valorem taxation whatsoever therefor. No holder of any such Obligations shall ever have the right to compel any exercise of the ad valorem taxing power on the part of any of the Authority Members to pay any such Obligations or the interest thereon or the right to enforce payment of such Obligations, or the interest thereon, against any property of the Authority or any of the Authority Members, nor shall such Obligations constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Authority or any of the Authority Members, except the Pledged Funds in accordance with the terms of the Financing Documents.

(G) All Pledged Funds shall be deemed to be trust funds, to be held and applied solely as provided in the Financing Documents. Such Pledged Funds may be invested by the Authority in such manner as provided in the Financing Documents.

(H) Any holder of Obligations, except to the extent the rights herein given may be restricted by the Financing Documents, may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights under the laws of the State or granted hereunder or under the Financing Documents, and may enforce and compel the performance of all agreements or covenants required by this Interlocal Agreement, or by such Financing Documents, to be performed by the Authority or by any officer thereof.

FINAL

(I) The Obligations may be validated, at the sole discretion of the Board, pursuant to Chapter 75, Florida Statutes. Obligations may be issued pursuant to and secured by a resolution of the Board.

(J) In addition to the other provisions and requirements of this Interlocal Agreement, any Financing Documents may contain such provisions as the Board deems appropriate.

(K) All Obligations issued hereunder shall not be invalid for any irregularity or defect in the proceedings for the issuance and sale thereof and shall be incontestable in the hands of bona fide purchasers for value. No proceedings in respect to the issuance of such Obligations shall be necessary except such as are required by this Interlocal Agreement, the Financing Documents and general law. The provisions of the Financing Documents shall constitute an irrevocable contract between the Authority and the holders of the Obligations issued pursuant to the provisions thereof.

(L) Holders of Obligations shall be considered third party beneficiaries hereunder and may enforce the provisions hereof.

(M) The Board may enter into such swap, hedge or other similar arrangements relating to any Obligations as it deems appropriate.

SECTION 4.06. AD VALOREM TAXATION NOT AUTHORIZED. The Authority shall not have the power to levy and assess ad valorem taxes.

SECTION 4.07. CONNECTION FEES.

(A) The Authority is empowered to levy and collect Connection Fees relating to the Utility Facilities or other appropriate Authority Facilities for capital improvements and debt service on such capital improvements under such conditions as shall be prescribed by the Board. Connection Fees may become Pledged Funds in accordance with the terms of the Financing Documents.

(B) The Board may change or revise the schedule of Connection Fees upon compliance with the notice and hearing requirements set forth for the adoption of rates, fees and other charges.

SECTION 4.08. CONTRIBUTIONS FROM AUTHORITY MEMBERS; REVENUE SHARING AGREEMENTS.

(A) Pursuant to section 163.01(8), Florida Statutes, and subject to compliance with the terms of all Financing Documents and other funding agreements, the Board is empowered to accept contributions, payments, advances, loans, and/or transfers of funds from the Authority Members at any time and to repay or return some or all of such funds from Authority revenues. All contributions, payments, advances, loans and or/transfers of funds to the Authority by Authority Members and the terms of repayment or return of such funds (where applicable) by the

FINAL

Authority to Authority Members shall be governed by separate agreement entered into between the Authority and one or more of the Authority Members.

(B) The Board is empowered to enter into separate agreements with the Authority Members governing the sharing, payment, loan, and/or transfer of funds between the Authority and any or all of the Authority Members from any of the following sources: ad valorem taxes, special assessments, sales surtax revenues imposed pursuant to section 212.055, Florida Statutes, impact fees, Connection Fees, amounts derived from the calculation of a dedicated tax increment, and any other legally available source of funds. The term of such separate agreements shall be for a period of years and the number of such agreements may vary over time as a method to adjust revenue to the Authority and provide a mechanism for return of surplus Authority revenue to the Authority Members after providing for financial reserves and future growth investments in facilities within the Corridor Area.

(C) The Authority Members acknowledge that the initial funding of the Authority was by way of grants from the Florida Department of Economic Opportunity (DEO Agreement No.: G0006) and the Florida Department of Transportation (FPN:441500-1-34-01) and acknowledge that pursuant to those agreements, Washington County is obligated for potential refunds and reimbursements to the State of Florida should the Authority not meet the goals as set forth in the grant agreements. The Authority for itself and the other Authority Members agree to be jointly and severally liable along with Washington County for repayment of these grant funds should the the goals set forth in the grant agreements not be met, triggering an obligation to repay all or any portion of the grant funds to the State of Florida. The Authority shall be the primary party responsible for reimbursement provided that, in the opinion of the Authority's external auditor, should the Authority not have sufficient funds to satisfy any reimbursement requirements of the grant agreements after satisfying the Authority's other financial commitments, the Authority Members agree to equally satisfy any shortfall in reimbursement of the grant funds; provided, however, that if an obligation to repay all or any portion of the grant funds to the State of Florida is due to the negligence or willful misconduct of one of more Authority Members then those Authority Members shall be solely responsible for repayment of the grant funds to the State of Florida. This provision shall survive the termination of the Authority and this interlocal agreement.

SECTION 4.09. UNPAID FEES. The Board shall have the power, under such reasonable procedures as the Board may adopt from time to time, to discontinue and shut off water, reclaimed water, and wastewater services or discontinue the provision of other services provided by the Authority until delinquent fees, rates or charges, including interest and charges for the discontinuance and the cost of restoration of such services, or both, are fully paid; and, for such purposes, the Authority may enter onto any lands, waters or premises of any person, firm, corporation or body, public or private, served by the Authority.

SECTION 4.10. AUTHORITY APPROVAL OF CONSTRUCTION OF WATER AND WASTEWATER FACILITIES.

(A) The Board may adopt all necessary regulations by resolution that provide design and construction specifications and procedures for the dedication of facilities to the Authority or

FINAL

to an Authority Member to which ownership of some or all of the Authority Facilities has been or may be transferred.

(B) The Authority may require, as a condition precedent to the approval of any connection to the Authority Facilities, (i) that all subdivision-type infrastructure, or other contributed transmission or distribution infrastructure necessary to serve a particular project or customer, and necessary easements be dedicated to the Authority or an Authority Member, (ii) that the developer make available interim treatment facilities or services or contract for same on an interim basis from an authorized service provider, and (iii) that the developer, or the person or entity the developer has contracted with, provide interim treatment service, or lease back for nominal consideration and maintain such dedicated or contributed facilities until such time as the Authority or an Authority Member provides services; provided in each case the foregoing actions shall be consistent with applicable regulations of the Authority Members.

SECTION 4.11. PLANNING.

(A) In addition to the other powers enumerated in this Interlocal Agreement the Authority shall have the power to adopt a master plan. Such master plan may include: the identification of current and projected future users of the Authority Facilities and their profiles (residential, commercial, industrial); a review and general inventory of all proposed and existing Authority Facilities or other Projects; a review and identification of all Authority Projects; a review and identification of any Authority Economic Development plans; an identification of water supply and treatment alternatives and available wastewater treatment and disposal alternatives, including plans for the use of reclaimed or reused water alternatives; and a review and identification of proposed new and existing development standards and requirements within the Corridor Area for consideration and adoption by the Authority Members as provided in paragraph (D) below.

(B) Prior to the adoption of the annual budget, the Authority shall prepare a five-year capital improvement plan. The five-year capital improvement plan shall be submitted to each Authority Member having jurisdiction over areas in which Authority Facilities or Projects have been constructed or are planned for future construction for a determination by each such Authority Member that the capital improvement plan is consistent with the applicable local government comprehensive plan of such Authority Member adopted pursuant to Chapter 163, Part II, Florida Statutes.

(C) All Authority development standards and requirements, utility expansion or line extension policies adopted by the Board shall be consistent with the land development regulations, local comprehensive plans, and other applicable regulations adopted by the Authority Members within which Authority Facilities are located or proposed to be located.

(D) Each Authority Member shall cooperate with the Authority and implement the Authority's adopted master plan within each Authority Member's Comprehensive Plan adopted pursuant to Chapter 163, Florida Statutes, and their land development regulations. The Authority does not have the authority to adopt or implement any land development regulations.

FINAL

SECTION 4.12. EFFECT OF INCORPORATION OR THE PRESENCE OF A SPECIAL DISTRICT ON AUTHORITY. The subsequent incorporation or annexation of any area included within the Corridor Area, or the presence or creation of any special district within the Corridor Area, shall not impair nor alter the authority, power and purposes of the Authority for providing potable and reclaimed water and wastewater services and facilities within any portion of the Corridor Area now included within any municipality, special district or subsequently included within any municipality or special district.

FINAL

ARTICLE V

MISCELLANEOUS

SECTION 5.01. DELEGATION OF DUTY. Nothing contained herein shall be deemed to authorize the delegation of any of the constitutional or statutory duties of the State or the Authority Members or any officers thereof.

SECTION 5.02. FILING. A copy of this Interlocal Agreement shall be filed for record with the Clerk of the Circuit Court in Holmes County and Washington County.

SECTION 5.03. IMMUNITY.

(A) All of the privileges and immunities from liability and exemptions from laws, ordinances and rules which apply to the activity of officials, officers, agents or employees of the Authority Members shall apply to the officials, officers, agents or employees of the Authority when performing their respective functions and duties under the provisions of this Interlocal Agreement.

(B) The Authority Members intend to utilize Sections 768.28 and 163.01(9)(c), Florida Statutes, other Florida Statutes, and the common law governing sovereign immunity to the fullest extent possible. Pursuant to Section 163.01(5)(o), Florida Statutes, Authority Members may not be held jointly liable for the torts of the officers or employees of the Authority, or any other tort attributable to the Authority, and that the Authority alone shall be liable for any torts attributable to it or for torts of its officers, employees or agents, and then only to the extent of the waiver of sovereign immunity or limitation of liability as specified in Section 768.28, Florida Statutes. The Authority Members intend that the Authority shall have all of the privileges and immunities from liability and exemptions from laws, ordinances, rules and common law which apply to the municipalities and counties of the State. Nothing in this Interlocal Agreement is intended to inure to the benefit of any third-party for the purpose of allowing any claim which would otherwise be barred under the doctrine of sovereign immunity or by operation of law.

SECTION 5.04. LIMITED LIABILITY. No Authority Member shall in any manner be obligated to pay any debts, obligations or liabilities arising as a result of any actions of the Authority, the Directors or any other agents, employees, officers or officials of the Authority, except to the extent otherwise mutually agreed upon, and neither the Authority, the Directors or any other agents, employees, officers or officials of the Authority have any authority or power to otherwise obligate any individual Authority Member in any manner.

SECTION 5.05. AMENDMENTS. This Interlocal Agreement may be amended in writing at any time by the concurrence of all of the Directors present at a duly called meeting of the Authority and subsequent ratification by the governing body of each Authority Member. However, this Interlocal Agreement may not be amended so as to (A) permit any profits of the Authority to inure to the benefit of any private person, (B) permit the diversion or application of

FINAL

any of the moneys or other assets of the Authority for any purposes other than those specified herein, (C) adversely affect the tax-exempt status, if applicable, of interest on the Obligations, or (D) materially, adversely affect the security for any Obligations.

SECTION 5.06. SEVERABILITY. In the event that any provision of this Interlocal Agreement shall, for any reason, be determined invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, the other provisions of this Interlocal Agreement shall remain in full force and effect.

SECTION 5.07. CONTROLLING LAW. This Interlocal Agreement shall be construed and governed by Florida law.

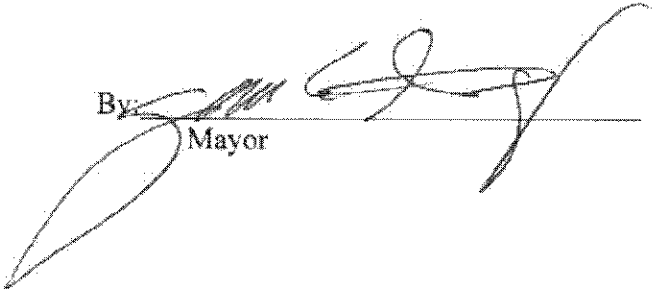
SECTION 5.08. EFFECTIVE DATE. This Interlocal Agreement shall become effective on the later of (A) the dated date hereof or (B) the date the last Authority Member executes this Interlocal Agreement and the filing requirements of Section 5.02 hereof are satisfied.

Lora C. Bell Clerk of Courts, Washington County, Florida

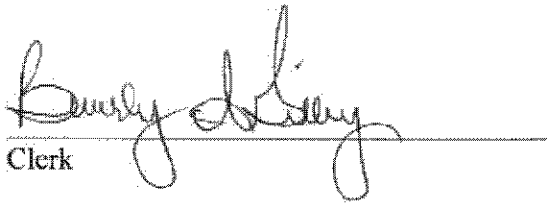
FINAL

IN WITNESS WHEREOF, this Interlocal Agreement has been executed by and on behalf of the City of Bonifay, Florida, by their authorized officers or officials on this 11th day of June, 2018.

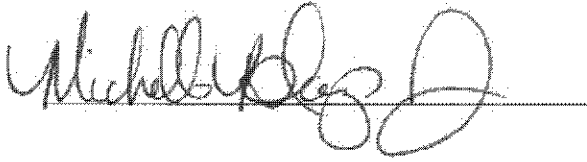
CITY OF BONIFAY, FLORIDA

By: 
Mayor

ATTEST:


Clerk

Approved as to form by the
City Attorney



Lora C. Bell Clerk of Courts, Washington County, Florida

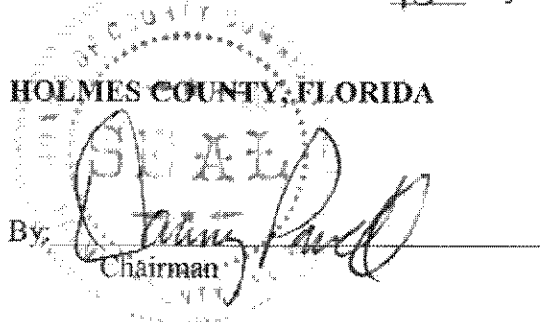
FINAL

IN WITNESS WHEREOF, this Interlocal Agreement has been executed by and on behalf of Holmes County, Florida, by their authorized officers or officials on this 12th day of June, 2018

HOLMES COUNTY, FLORIDA

By:

Chairman



ATTEST:

Clerk

Kyle Hudson by AV

Approved as to form by the
Holmes County Attorney

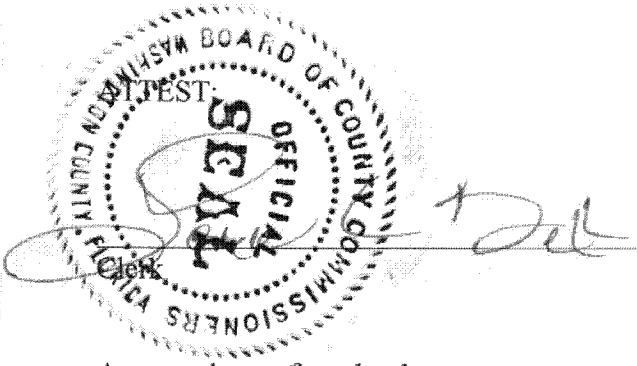
[Signature]

FINAL

IN WITNESS WHEREOF, this Interlocal Agreement has been executed by and on behalf of the Washington County, Florida, by their authorized officers or officials on this 10th day of July, 2018.

WASHINGTON COUNTY, FLORIDA

By: [Signature]
Chairman



Approved as to form by the
Washington County Attorney

[Signature]

FINAL

EXHIBIT A
Corridor Area