
CITY COUNCIL REGULAR SESSION

CITY OF LAKE CITY

January 17, 2023 at 6:00 PM

Venue: City Hall

AGENDA

REVISED

Revision made 1/17/2023: Item#8, additional supporting documentation added

This meeting will be held in the City Council Chambers on the second floor of City Hall located at 205 North Marion Avenue, Lake City, FL 32055. Members of the public may also view the meeting on our YouTube channel. YouTube channel information is located at the end of this agenda.

Pledge of Allegiance

Invocation - Council Member Chevella Young

Roll Call

Ladies and Gentlemen; The Lake City Council has opened its public meeting. Since 1968, the City Code has prohibited any person from making personal, impertinent, or slanderous remarks or becoming boisterous while addressing the City Council. Yelling or making audible comments from the audience constitutes boisterous conduct. Such conduct will not be tolerated. There is only one approved manner of addressing the City Council. That is, to be recognized and then speak from the podium.

As a reminder, persons are not to openly carry a handgun or carry a concealed weapon or firearm while the governing body is meeting.

Minutes

- [1.](#) December 28, 2022 Special Called City Council Meeting
- [2.](#) January 3, 2023 Regular Session

Approval of Agenda

Public Participation - Persons Wishing to Address Council

Citizens are encouraged to participate in City of Lake City meetings. The City of Lake City encourages civility in public discourse and requests that speakers direct their comments

to the Chair. Those attendees wishing to share a document and or comments in writing for inclusion into the public record must email the item to submissions@lcfla.com no later than noon on the day of the meeting. Citizens may also provide input to individual council members via office visits, phone calls, letters and e-mail that will become public record.

Approval of Consent Agenda

- [3.](#) Approval of travel request and budget amendment in an amount not to exceed \$1,900.00 from 511.34 Council Contractual for Council Member Jake Hill, Jr. to attend the Florida League of Cities FAST (Federal Action Strike Team) Fly-in February 7-8, 2023 in Washington, D.C.

Presentations - None

Old Business

Ordinances

Open Public Hearing

- [4.](#) City Council Ordinance No. 2022-2233 (final reading) - An ordinance of the City of Lake City, Florida, amending the Future Land Use Plan Map of the City of Lake City Comprehensive Plan, as amended; relating to an amendment of 50 or less acres of land, pursuant to an application, CPA 22-07, by the property owner of said acreage, under the amendment procedures established in Sections 163.3161 through 163.3248, Florida Statutes, as amended; providing for changing the Future Land Use classification from Commercial to Residential, High Density (less than or equal to 20 dwelling units per acre) of certain lands within the corporate limits of the City of Lake City, Florida; providing severability; repealing all ordinances in conflict; and providing an effective date. (Grand Reserve at Pelham LLC.)

Passed on first reading 12/19/2022

Close Hearing

Adopt City Council Ordinance No. 2022-2233 on final reading

Open Public Hearing

- [5.](#) City Council Ordinance No. 2022-2234 (final reading) - An ordinance of the City of Lake City, Florida, amending the Official Zoning Atlas of the City of Lake City Land Development Regulations, as amended; relating to the rezoning of ten or more contiguous acres of land, pursuant to an application, Z 22-06, by the property owner of said acreage; providing for rezoning from Commercial General (CG) to Residential, Multiple Family-2 (RMF-2) of certain lands within the corporate limits of the City of Lake City, Florida; providing severability;

repealing all ordinances in conflict; and providing an effective date. (Grand Reserve at Pelham LLC.)

Passed on first reading 12/19/2022

Close Hearing

Adopt City Council Ordinance No. 2022-2234 on final reading

Open Public Hearing

- [6.](#) City Council Ordinance No. 2022-2236 (final reading) - An ordinance of the City of Lake City, Florida, pursuant to Petition No. ANX 22-01, relating to voluntary annexation; making findings; annexing certain real property located in Columbia County, Florida, which is reasonably compact, and contiguous to the boundaries of the City of Lake City, Florida, into the boundaries of the City of Lake City, Florida; providing for severability; repealing all ordinances in conflict; and providing an effective date. (John B. Hunter Revocable Trust)

Passed on first reading 12/19/2022

Close Hearing

Adopt City Council Ordinance No. 2033-2236 on final reading

Open Public Hearing

- [7.](#) City Council Ordinance No. 2022-2237 (final reading) - An ordinance of the City of Lake City, Florida, pursuant to Petition No. ANX 22-02, relating to voluntary annexation; making findings; annexing certain real property located in Columbia County, Florida, which is reasonably compact, and contiguous to the boundaries of the City of Lake City, Florida, into the boundaries of the City of Lake City, Florida; providing severability; repealing all ordinances in conflict; and providing an effective date. (MHPJR, LLC.)

Passed on first reading 12/19/2022

Close Hearing

Adopt City Council Ordinance No. 2022-2237 on final reading

Other Items

- [8.](#) Discussion and Possible Action: HAECO (City Attorney Todd Kennon)
- [9.](#) Discussion and Possible Action: Richardson Community Center (City Manager Paul Dyal/City Attorney Todd Kennon)

10. Discussion and Possible Action - City Council Photo Session - February 6, 2023
5:00 PM (City Clerk Audrey Sikes)

New Business

Ordinances

- [11.](#) City Council Ordinance No. 2023-2238 (first reading) - An ordinance of the City of Lake City, Florida, amending the Future Land Use Map of the City of Lake City Comprehensive Plan, as amended; relating to an amendment of 50 or less acres of land, pursuant to an Application, CPA 22-08, by the property owner of said acreage, under the amendment procedures established in Sections 163.3161 through 163.3248, Florida Statutes, as amended; providing for changing the Future Land Use Classification from Residential, Low Density (less than or equal to 2 dwelling units per acre) to Commercial of certain lands within the Corporate Limits of the City of Lake City, Florida; providing for severability; repealing all ordinances in conflict; and providing an effective date. (Citadel I Holdings Co. LLC.)

Adopt City Council Ordinance No. 2023-2238 on first reading

- [12.](#) City Council Ordinance No. 2023-2241 (first reading) - An ordinance of the City of Lake City, Florida, amending the Official Zoning Atlas of the City of Lake City Land Development Regulations, as amended; relating to the rezoning of less than ten contiguous acres of land, pursuant to an Application, Z 22-08, by the property owner of said acreage; providing for rezoning from County Residential, Single Family-2 (RSF-2) to City Commercial, Intensive (CI) of certain lands within the corporate limits of the City of Lake City, Florida; providing severability; repealing all ordinances in conflict; and providing an effective date. (Citadel I Holdings Co. LLC.)

Adopt City Council Ordinance No. 2023-2241 on first reading

Resolutions

- [13.](#) City Council Resolution No. 2023-004 - A resolution of the City Council of the City of Lake City, Florida, authorizing the execution of a Change Order to the contract between the City and Anderson Columbia Co., Inc., related to the upgrade to airfield lighting at the Lake City Gateway Airport, extending the project completion date an additional ninety (90) days.
- [14.](#) City Council Resolution No. 2023-005 - A resolution of the City Council of the City of Lake City, Florida, authorizing the City to enter into a Grant Agreement with the State of Florida, Department of Transportation, for the award of up to \$45,000.00, from the Department of Transportation, for the purchase and installation of a Ground Power Unit (GPU) at the Lake City Gateway Airport.

Other Items - None

Departmental Administration

- [15.](#) Discussion and Possible Action: Approve revision to General Description and Minimum Qualifications sections of the Assistant City Manager Job Description (Human Resource Director Hubert Collins)

Comments by Council Members

Adjournment

YouTube Channel Information

Members of the public may also view the meeting on our YouTube channel at:
<https://www.youtube.com/c/CityofLakeCity>

Pursuant to 286.0105, Florida Statutes, *the City hereby advises the public if a person decides to appeal any decision made by the City with respect to any matter considered at its meetings or hearings, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.*

SPECIAL REQUIREMENTS: *Pursuant to 286.26, Florida Statutes, persons needing special accommodations to participate in these meetings should contact the **City Manager's Office at (386) 719-5768.***

File Attachments for Item:

1. December 28, 2022 Special Called City Council Meeting

The City Council in and for the citizens of the City of Lake City, Florida, met in a Special Called Session, on December 28, 2022 beginning at 6:00 PM, in the City Council Chambers, located at City Hall 205 North Marion Avenue, Lake City, Florida. Members of the public also viewed the meeting on our YouTube Channel.

PLEDGE OF ALLEGIANCE

INVOCATION – Mayor Stephen M. Witt

ROLL CALL

Mayor/Council Member
City Council

Stephen M. Witt
Jake Hill, Jr.
C. Todd Sampson
Chevella Young
Ricky Jernigan
Todd Kennon
Paul Dyal
Assistant Chief Andy Miles
Audrey Sikes

City Attorney
City Manager
Sergeant-at-Arms
City Clerk

APPROVAL OF AGENDA

Mr. Hill made a motion to approve the agenda as presented. Mr. Sampson seconded the motion and the motion carried unanimously on a voice vote.

PUBLIC PARTICIPATION-PERSONS WISHING TO ADDRESS COUNCIL

- Roland Luster
- Jeff Hendry
- Dr. Jerry Parrish
- Glenel Bowden

OLD BUSINESS

1. Discussion and Possible Action: HAECO Lease

Attorney Ed Booth, who was retained by the City in September of 2021 as an aviation expert, discussed the HAECO Lease. He recommended extending the lease to month to month, obtain an appraisal for fair rental rates, then renegotiate or issue an RFP.

Members discussed the possibility of extending the current lease in order to get a fair market evaluation, and then negotiate.

PUBLIC COMMENT: Glenel Bowden

Mr. Sampson made a motion to extend the lease for one year, to seek an appraisal, and at that time to negotiate with HAECO. If no agreement can be met, the City will go for an RFP. Mr. Hill seconded the motion.

Members discussed keeping the rent at the current rate.

A roll call vote was taken and the motion failed 3-2.

Mr. Sampson	Aye
Mr. Hill	Aye
Ms. Young	Nay
Mr. Jernigan	Nay
Mayor Witt	Nay

Members and staff discussed the FAA language included in the lease.

Ms. Young made a motion to accept the HAECO Lease Contract with the language read into the record. Mr. Sampson seconded the motion.

Mr. Jernigan inquired about the increase from \$150,000.00 to \$300,000.00.

A roll call vote was taken and the motion failed 3-2.

Ms. Young	Aye
Mr. Sampson	Nay
Mr. Hill	Nay
Mr. Jernigan	Nay
Mayor Witt	Aye

Mr. Hill made a motion to extend the lease agreement for one year and to seek an appraisal for Fair Market Value. Mr. Sampson seconded the motion. A roll call vote was taken and the motion carried.

Mr. Hill	Aye
Mr. Sampson	Aye
Ms. Young	Nay
Mr. Jernigan	Aye (silent vote) *
Mayor Witt	Aye

***During roll call, Mr. Jernigan did not vocalize his vote. City Clerk Audrey Sikes stated a silent vote would constitute an affirmative vote.**

ADJOURNMENT

All matters having been handled, the meeting adjourned at 7:13 PM on a motion made and duly seconded.

Audrey Sikes, City Clerk

Stephen M. Witt, Mayor/Council Member

File Attachments for Item:

2. January 3, 2023 Regular Session

The City Council in and for the citizens of the City of Lake City, Florida, met in Regular Session, on January 3, 2023 beginning at 6:00 PM, in the City Council Chambers, located at City Hall 205 North Marion Avenue, Lake City, Florida. Members of the public also viewed the meeting on our YouTube Channel.

PLEDGE OF ALLEGIANCE

INVOCATION – Pastor Pamela Green with Trinity United Methodist Church

ROLL CALL

Mayor/Council Member
City Council

Stephen M. Witt
Jake Hill, Jr.
C. Todd Sampson
Chevella Young
Ricky Jernigan
Todd Kennon
Paul Dyal
Chief Gerard Butler
Audrey Sikes

City Attorney
City Manager
Sergeant-at-Arms
City Clerk

MINUTES

1. December 19, 2022 Regular Session

Mr. Hill made a motion to approve the December 19, 2022 regular session minutes. Mr. Sampson seconded the motion and the motion carried unanimously on a voice vote.

APPROVAL OF AGENDA

Mr. Dyal reported the presenter for Item #3 was unable to attend the meeting, and the Item needed to be removed. **Mr. Hill made a motion to approve the agenda as amended. Mr. Sampson seconded the motion and the motion carried unanimously on a voice vote.**

PUBLIC PARTICIPATION/PERSONS WISHING TO ADDRESS COUNCIL

- Barbara Lemley
- Pamela Green
- Vanessa George
- Sylvester Warren

APPROVAL OF CONSENT AGENDA

2. Authorize budget amendment from account# 001.03.512-030.41 (City Clerk Operating Expense Communication Services) allocated for Mobile Device Archiving Platform in the amount of \$10,000.00 to account# 001.07.513-030.41 (Information Technology Operating Expense Communication Services) and \$10,110.14 from account #001.01.511-030.34 (City

Council Operating Expense Contractual) allocated for 2022 Election Expense to account #001.07.513-030.41 (Information Technology Operating Expense Communication Services) for the purchase of a text message archiving platform in the contract purchase amount of \$20,110.14 from SMARSH.

Mr. Hill made a motion to approve the consent agenda consisting of Item 2 listed above. Mr. Sampson seconded the motion and the motion carried unanimously on a voice vote.

PRESENTATIONS

3. Enterprise Fleet Management - Power Point Presentation

This presentation was removed from the agenda.

4. Jennifer Daniels, Columbia County Economic Development - Update on Projects (City Council Member Todd Sampson)

Ms. Daniels provided an update on current projects in Columbia County. An itemized list of these projects is attached as Exhibit A.

Mr. Sampson recommended moving forward with the Florida Jobs Growth Grant.

County Manager David Kraus reported there were funds available should the City want to apply. This would need to be done before the end of the State's Fiscal Year.

OLD BUSINESS

Ordinances

At this time Mayor Witt closed the regular session and opened a public hearing for the purpose of hearing comments on City Council Ordinance No. 2022-2235. City Council Ordinance No. 2022-2235 was read by title. Mayor Witt asked if anyone wanted to be heard regarding City Council Ordinance No. 2022-2235. No one asked to speak on City Council Ordinance No. 2022-2235, therefore Mayor Witt closed the public hearing.

5. City Council Ordinance No. 2022-2235 (final reading) - An ordinance of the City of Lake City, Florida, adopting a Tax Deferral Policy for affordable rental housing property; providing for the addition of provisions to the City Code implementing Ad Valorem Tax Deferrals for the operation, rehabilitation, renovation, or development of affordable rental housing; providing for the repeal of ordinances in conflict; providing for severability; providing for codification; and providing an effective date. **Mr. Hill made a motion to approve City Council No. 2022-2235 on final reading, adopting a Tax Deferral Policy for affordable rental housing property, and providing for the addition of provisions to the City Code implementing Ad Valorem Tax Deferrals for the operation, rehabilitation, renovation, or development of affordable rental housing. Mr.**

Sampson seconded the motion. A roll call vote was taken and the motion carried.

Mr. Hill	Aye
Mr. Sampson	Aye
Ms. Young	Aye
Mr. Jernigan	Aye
Mayor Witt	Aye

Resolutions

6. Recommended Action: Motion to reaffirm the vote from the December 19, 2022 meeting on City Council Resolution No. 2022-137.

City Council Resolution No. 2022-137 - A resolution of the City Council of the City of Lake City, Florida, amending the Annual Operating Budget for the fiscal year beginning October 1, 2021.

The vote from the December 19, 2022 meeting was as follows: Mr. Jernigan-Aye, Mayor Witt- Aye, Mr. Hill-Nay, Mr. Sampson-Nay, Ms. Young-Aye

Mr. Jernigan made a motion to reaffirm the vote from the December 19, 2022 meeting on City Council Resolution No. 2022-137. Ms. Young seconded the motion. A roll call vote was taken and the motion carried.

Mr. Jernigan	Aye
Ms. Young	Aye
Mr. Hill	Aye
Mr. Sampson	Nay
Mayor Witt	Aye

7. City Council Resolution No. 2023-001 - A resolution of the City Council of the City of Lake City, Florida authorizing the appointment of Paul Dyal as City Manager of the City of Lake City, Florida, for an indefinite term, and authorizing the City to enter into an employment agreement with Paul Dyal.

PUBLIC COMMENT: Glenel Bowden; Barbara Lemley; Vanessa George; Sylvester Warren; Stew Lilker

City Attorney Todd Kennon provided a brief summary of the negotiations.

Mr. Sampson read from a prepared script, which is attached as Exhibit B.

Ms. Young made a motion to remove from the table the employment agreement for Management Services between the City of Lake City, Florida and Paul Dyal. Mr. Hill seconded the motion.

Mr. Hill and Mr. Dyal responded to Mr. Sampson's comments.

Mr. Sampson read from a prepared script and asked for his comments be read into the minutes. Comments are attached as Exhibit C.

A roll call vote was taken and the motion carried.

Ms. Young	Aye
Mr. Hill	Aye
Mr. Sampson	Nay
Mr. Jernigan	Aye
Mayor Witt	Aye

Ms. Young made a motion to approve City Council Resolution No. 2023-001, authorizing the appointment of Paul Dyal as City Manager of the City of Lake City, Florida, for an indefinite term, and authorizing the City to enter into an employment agreement with Paul Dyal. The motion provides for the approval of Exhibit C. Mr. Jernigan seconded the motion. A roll call vote was taken and the motion carried.

Ms. Young	Aye
Mr. Jernigan	Aye
Mr. Hill	Aye
Mr. Sampson	Nay
Mayor Witt	Aye

8. City Council Resolution No. 2023-002 - A resolution of the City Council of the City of Lake City, Florida, authorizing the City to enter into a state-funded grant agreement with the State of Florida, Department of Transportation, for the award of up to \$502,156.00, from the Department of Transportation, for the design, construction, and CEI for the resurfacing of Grandview Street from Faith Road to McFarlane Avenue.

PUBLIC COMMENT: Sylvester Warren; Josh Garner

Mr. Sampson made a motion to approve City Council Resolution No. 2023-002, authorizing the City to enter into a state-funded grant agreement with the State of Florida, Department of Transportation, for the award of up to \$502,156.00, from the Department of Transportation, for the design, construction, and CEI for the resurfacing of Grandview Street from Faith Road to McFarlane Avenue. Mr. Jernigan seconded the motion. A roll call vote was taken and the motion carried.

Mr. Sampson	Aye
Mr. Jernigan	Aye
Mr. Hill	Aye
Ms. Young	Aye
Mayor Witt	Aye

9. City Council Resolution No. 2023-003 - A resolution of the City Council of the City of Lake City, Florida, authorizing the execution of the federally funded Community Development Block Grant Cares (CDBG-CV) Subgrant agreement with the Florida Department of Economic Opportunity to facilitate the rehabilitation of the existing Richardson Community Center for the use of Covid testing and vaccinations and reimburse the City for certain costs expended up to an amount of \$2,000,000.00.

Corbett Alday with Guardian Community Resource Management spoke about the grant and the environmental review.

Mr. Sampson confirmed with Mr. Alday restrooms could not be constructed during the environmental review.

Mr. Hill made a motion to approve City Council Resolution No. 2023-003, authorizing the execution of the federally funded Community Development Block Grant Cares (CDBG-CV) Subgrant agreement with the Florida Department of Economic Opportunity to facilitate the rehabilitation of the existing Richardson Community Center for the use of Covid testing and vaccinations and reimburse the City for certain costs expended up to an amount of \$2,000,000.00. Mr. Sampson seconded the motion.

PUBLIC COMMENT: Sylvester Warren

A roll call vote was taken and the motion carried.

Mr. Hill	Aye
Mr. Sampson	Aye
Ms. Young	Aye
Mr. Jernigan	Aye
Mayor Witt	Aye

Other Items

10. Discussion and Possible Action - Deeding Richardson Community Center to Columbia County, (Presenter County Manager David Kraus and City Council Member Todd Sampson)

PUBLIC COMMENT: Glenel Bowden

County Manager David Kraus reported the Commissioners voted at their last meeting to submit the letter to Council.

PUBLIC COMMENT: Vanessa George; Sylvester Warren; Rocky Ford

Members discussed options with the City Attorney to deed the Richardson Community Center to the County.

Mayor Witt stated something in writing is needed from DEO before moving forward with deeding the property to the County.

DEPARTMENTAL ADMINISTRATION – None

COMMENTS BY COUNCIL MEMBERS

Mayor Witt reminded members and the public of the upcoming Martin Luther King, Jr. Parades on Monday, January 16, at 10:00 AM sponsored by the Northeast Florida Leadership Council and at 11:15 AM sponsored by the George & Warren Foundation.

ADJOURNMENT

All matters having been handled, the meeting adjourned at 7:26 PM on a motion made and duly seconded.

Stephen M. Witt, Mayor/Council Member

Audrey Sikes, City Clerk



Columbia County Economic Development Project Review

2021 – Forty (40) Projects

2022 – Thirty-one (31) Projects:

Committed Projects: \$86.6M in CAPEX/150 new jobs

Active no LOI: \$110M in CAPEX/275 new jobs

Bell Rd Distribution Corridor:

- **#21-1; Project Illumination; Florida Power & Light Storm Response Center**
 - Approximately \$35M capital investment
 - 20 new FTE
 - Breaking ground Q1 2023
- **#22-21; Project Titan – aluminum mfr**

Western Columbia County:

- **#21-19; Project Delight – international distribution**
 - Currently leasing warehouse space
 - Looking to invest approximately \$10M into new warehouse for distribution
 - Currently at 10 employees; will be adding up to 50 FTE in the new facility
- **#22-31; Project Blue Skies – medical facility**

Eastern Columbia County:

- **#21-4; U.S Cold Storage Phase II Expansion/Rail Spur addition**
 - \$3M investment into rail
 - added 25 more employees
- **#21-30; Project Freeze – cold storage and distribution**
- **#22-6; Project Pina Colada – local mfr expanding plant (NFMIP)**
- **#22-8; Project Redding – Robbins Manufacturing**
 - Local treated lumber product manufacturer expansion
 - Capital investment of \$6M
 - Adding 20 FTE
- **#22-20; Project Lineman – equipment distributor**
 - Leasing small space with minimal improvements
 - 5 FTE
- **#22-23; Project Harvest – ag product distributor (NFMIP)**
- **#22-24; Project Gunsmoke – dairy product distributor (NFMIP)**
- **#22-25; Project Convoy – building/construction product mfr (NFMIP)**
- **#22-26; Project Beehive – short line rail partner (NFMIP)**
- **#22-30; U.S Cold Storage Phase III Expansion**
 - Total of \$46M Capital Investment
 - Site: \$4M

Exhibit A

- New Bldg: \$28M
- Automation Equipment: \$5.8M
- Other Equipment: \$4.8M
- 25-50 new jobs
- Annual salary of \$41,600 plus benefits
- added 25 more employees

Southern Columbia County:

- **#21-32; travel center expansion in Ellisville**
 - Approximately \$30M capital investment
 - 45 FTE
 - Currently in design/engineer
 - Scheduled to break ground Q2 2023
- **#21-39; Project Rumor -Hwy 47 Development SE of I-75**
 - Commercial and Retail development on 15 acres
 - Filing for building permits Q1 of 2023
 - Construction to begin Q1 of 2024
- **Cornerstone Crossing - Hwy 47 Development SW of I-75**
 - Commercial and Retail development on 27 acres
 - Multiple LOI's pending infrastructure timeline

\$65K Community Planning & Technical Assistance Grant

Bi-weekly development meetings

City has a seat on the EDAB

FJGG to bring sewer under 47 to both developments

Exhibit B

Mr. Mayor, before we start discussing Mr. Dyal's prospective contract I would like to make a statement.

To quote Mr. Dyal:

"Just to be clear. I have been asked to be the City Manager of Lake City. I have declined that position because I talked to the Mayor before I left. The Mayor knows I'm applying for this position here. This is the position that I want, and I didn't think it was fair for me to accept the position in Lake City when I really had no intentions of wanting to continue to be there." This is from the YouTube video of the July 16, 2022 special Council meeting in Ketchikan Alaska. <https://youtu.be/cnOrnISGINak> (this quote starts at 2:22:38).

In Mr. Dyal's own words, he told the Mayor he did not want be City Manager of Lake City, and told the Ketchikan City Council he had been offered the job.

The Mayor does not have the ability to unilaterally *offer* any position to anyone. Unless some Council conversations were held out of the sunshine this disclosure makes it clear that the ongoing relationship between the Mayor and Mr. Dyal, is not an unbiased relationship.

Mr. Dyal's words give the appearance that the Mayor offered him the City Manager position in May, June or July when the Council was engaging in a contract with a new headhunter, Colin Baenziger. This makes sense as the Mayor slowed the process to a halt by not signing the Baenziger contract in a timely way to get the search process going.

I have a question, "Mr. Mayor, did you in fact offer the job of City Manager to Mr. Dyal?"

The Mayor has clearly been prejudicial in his support of Mr. Dyal throughout this process and has a conflict of interest where Mr. Dyal is concerned.

Because of this bias, I am asking Mayor Witt to abstain from all discussions and votes in the matter of Mr. Dyal and his contracts.

I have asked the City Attorney if the lack of a background and credit check would expose the City to additional liability. The email I received from Mr. Kennon this morning said he is looking into it.

Without this question being answered by our legal counsel, I would make a motion to table this negotiation until we get the answer from Mr. Kennon, in writing.

Additional comments on Mr. Dyal:

How can we move forward with no application, no background check, no credit check?

This has been standard procedure when hiring City Managers for a while. The one time I'm aware of where this wasn't followed the City got a black eye.

In addition, I have several issues with Mr. Dyal as City Manager:

1. Failure to follow HR procedures for promotions even after City Attorney Koberlein advised him to do so.
 2. In the same interview in Ketchikan Mr. Dyal made comments on the Grant the City, County and HAECO pursued that he was against it. This Council in an open meeting held a vote and ordered staff to move forward and yet Mr. Dyal killed the grant due to his dislike of it. Mr. Dyal also mentioned in the same clip that HAECO would not provide enough insurance to allow the City to move forward and was leaving the City on the hook for hundreds of millions of dollars of liability. This can be viewed in the same interview starting at the 2:25:18 mark.
 3. Failure to follow normal management norms when dealing with certain female directors in circumventing their authority by holding meetings with their subordinates to dig dirt and undermine authority. The former City Attorney said this could qualify as both age and sex discrimination.
 4. Failure to follow the directions of the Council. After the Council voted last week to move forward with an appraisal on the airport property and extend HAECO's lease by one year, Dyal continued negotiating with HAECO through their manager and lobbyist. He did this and at the same time engaged HAECO¹'s lobbyist to speak to the Mayor and other Council members on their behalf for a new counter offer.
 5. Failure to advise the Council on a proposed raise to the Police Union that he himself admitted to initiating in an email. Question: Who authorized entering into negotiation with the Police Union at this time? Answer: Paul Dyal- City Manager.
 6. Authorizing payroll reimbursement in excess of guidelines and standard practices to a former City employee. This cost the City almost \$8,000 in extra pay.
-
1. Taking time off with pay. According to the last report I received none of the requested

Exhibit C

time off in Mr. Dyals emails had been charged to the time Mr. Dyal has available. This includes the time he spent travelling to and from his job interview in Alaska.

File Attachments for Item:

3. Approval of travel request and budget amendment in an amount not to exceed \$1,900.00 from 511.34 Council Contractual for Council Member Jake Hill, Jr. to attend the Florida League of Cities FAST (Federal Action Strike Team) Fly-in February 7-8, 2023 in Washington, D.C.

Meeting Date
January 8, 2010

CITY OF LAKE CITY

AGENDA	
Section	
Item No.	

SUBJECT: Training and Education Request

DEPT. / OFFICE: City Council

Originator: Audrey Sikes, City Clerk		
City Manager Paul Dyal	Department Director City Council	1/2023
Recommended Action: Approval of travel request and budget amendment in an amount not to exceed \$1,900.00 from 511.34 Council Contractual for Council Member Jake Hill, Jr. to attend the FLC FAST Fly-in, February 7-8, 2023 in Washington, D.C.		
Summary Explanation & Background: Council Member Hill has requested to attend the following: <ul style="list-style-type: none"> • FLC FAST (Federal Action Strike Team) Fly-in February 7-8, 2023 (Washington, D.C.) <p>The estimated cost is as follows:</p> <p>\$ 755.25 Hotel (Phoenix Park Hotel – (Cost \$251.75 night)</p> <p>\$ 442.00 Estimated Flight Charges</p> <p>\$ 140.00 Estimated Luggage Fees – Roundtrip</p> <p>\$ 200.00 Estimated Transportation Expenses in Washington</p> <p>\$ 91.00 Estimated Mileage (140 miles roundtrip @ \$.65 per mile)</p> <p>\$ 60.00 Estimated Parking Charges at Airport</p> <p><u>\$ 136.50 Estimated Per-Diem</u></p> <p>\$1,824.75 Total Estimated Expenditure</p> <p>Sufficient funds exist in the 511.34 Council Contractual account due to no runoff election in November 2022.</p>		
Alternatives: Deny request		
Source of Funds: 511.34 Council Contractual		
Financial Impact: An amount not to exceed \$1,900.00		
Exhibits Attached: FAST Fly in information Council Budget		

Plan to Attend the **FAST Fly-in** to Washington, D.C.

February 7-8, 2023

The **Federal Action Strike Team (FAST) Fly-in** is a federal advocacy trip to Washington, D.C. During the Fly-in, attendees will meet with members of Florida's congressional delegation to discuss key federal issues that affect municipalities.

HOTEL INFORMATION

Phoenix Park Hotel
520 North Capitol St NW.
Washington, D.C. 20001
Phone: 202.638.6900

ROOM BLOCK

Attendees may make reservations at the Phoenix Park Hotel by calling 855.371.6824. Ask for the Florida League of Cities block or Group Code (24615) to receive a reduced rate. Attendees may also book their reservations online by clicking [HERE](#). The deadline to make hotel reservations is **January 9, 2023**.

TO SIGN UP

If you would like to attend the FAST Fly-in, contact Allison Payne at apayne@flcities.com or 850.701.3602 so we can coordinate meetings with your member of Congress. Please contact her if you have any questions.

Due to Florida's Sunshine law we recommend only one elected official from each city attends.

#FASTFlyIn



2019 FAST Fly-in attendees with Senators Scott and Rubio.



2019 FAST Fly-in attendees with Congressman Brian Mast.



2019 FAST Fly-in attendees.

CITY OF LAKE CITY**CITY COUNCIL****Expenditures**

ACCOUNT	DESCRIPTION	FY 2023 BUDGET	FY 2022 BUDGET
001.01.511-010.12	Salary	\$ 96,504	\$ 91,043
001.01.511-010.21	FICA	\$ 8,071	\$ 8,021
001.01.511-010.22	Retirement Contributions	\$ 50,806	\$ 51,161
001.01.511-010.23	Life, Health & Disability	\$ 107,598	\$ 61,156
001.01.511-010.24	Workers Compensation	\$ 169	\$ 179
	TOTAL PERSONNEL SERVICES	\$ 263,148	\$ 211,560
001.01.511-030.31	Professional Services	\$ 31,800	\$ 7,500
001.01.511-030.34	Contractual Services	\$ 23,000	\$ 23,000
001.01.511-030.40	Travel	\$ 26,300	\$ 18,900
001.01.511-030.41	Communication	\$ 2,422	\$ 2,600
001.01.511-030.42	Postage	\$ 50	\$ 50
001.01.511-030.46	Repair & Maintenance	\$ 400	\$ 200
001.01.511-030.47	Printing & Binding	\$ 450	\$ 250
001.01.511-030.48	Promotional Activities	\$ 7,050	\$ 5,650
001.01.511-030.51	Office Supplies	\$ 300	\$ 300
001.01.511-030.52	Operating Supplies	\$ 2,600	\$ 2,600
001.01.511-030.54	Books, Subscription & Membership	\$ 5,091	\$ 4,618
001.01.511-030.55	Training	\$ 6,575	\$ 3,550
	TOTAL OPERATING	\$ 106,038	\$ 69,218
	TOTAL CITY COUNCIL	\$ 369,186	\$ 280,778

CITY OF LAKE CITY

CITY COUNCIL

EXPENSES

Account 030.31 - Operating Expense Professional Services

001.01.511-030.31	Paralegal Services for Special Meetings	1,800.00
001.01.511-030.31	Redistricting of Council Districts	<u>30,000.00</u>
Account 030.31 - Operating Expense Professional Services Totals		\$31,800.00

Account 030.34 - Operating Expense Contractual

001.01.511-030.34	2022 Election Expense	15,000.00
001.01.511-030.34	Municode - Codification Project	<u>8,000.00</u>
Account 030.34 - Operating Expense Contractual Services Totals		\$23,000.00

Account 030.40 - Operating Expense Travel

001.01.511-030.40	Airport Conference	2,000.00
001.01.511-030.40	City Council Travel Allowance - Annual	9,000.00
001.01.511-030.40	FLC Board Travel Expenses -Hill	600.00
001.01.511-030.40	FLC Legislative Conference	3,200.00
001.01.511-030.40	Florida Black Caucus of Local Elected Officials	1,800.00
001.01.511-030.40	Florida League of Cities Conference	7,500.00
001.01.511-030.40	IEMO Training - Basic	<u>2,200.00</u>
Account 030.40 - Operating Expense Travel Totals		\$26,300.00

Account 030.41 - Operating Expense Communication

001.01.511-030.41	Verizon	<u>2,422.00</u>
Account 030.41 - Operating Expense Communication Services Totals		\$2,422.00

Account 030.42 - Operating Expense Postage

001.01.511-030.42	Postage	<u>50.00</u>
Account 030.42 - Operating Expense Postage Totals		\$50.00

Account 030.46 - Operating Expense Repair & Maintenance

001.01.511-030.46	Misc. repair and maintenance	200.00
001.01.511-030.46	Update lettering on door	<u>200.00</u>
Account 030.46 - Operating Expense Repair & Maintenance Totals		\$400.00

Account 030.47 - Operating Expense Printing & Binding

001.01.511-030.47	Business Cards/letterhead/envelopes	400.00
001.01.511-030.47	Misc. copy reproductions	<u>50.00</u>
Account 030.47 - Operating Expense Printing & Binding Totals		\$450.00

Account 030.48 - Operating Expense Promotional

001.01.511-030.48	Bereavement and/or Birth Celebration Boxes/Cards	1,500.00
001.01.511-030.48	Community Shred It Day	2,000.00
001.01.511-030.48	Florida League of Cities Ad Quality Cities Publication	450.00
001.01.511-030.48	Lake City Reporter - Ad - Chamber Guide	2,000.00
001.01.511-030.48	Misc. Promotional Items	600.00
001.01.511-030.48	National Night Out	<u>500.00</u>
Account 030.48 - Operating Expense Promotional Activities Totals		\$7,050.00

Account 030.51 - Operating Expense Office Supplies

001.01.511-030.51	Office Supplies	300.00
Account 030.51 - Operating Expense Office Supplies Totals		<u>\$300.00</u>

Account 030.52 - Operating Expense Operating Supplies

001.01.511-030.52	Council Photo Session and Framing	400.00
001.01.511-030.52	Framing for Proclamations	800.00
001.01.511-030.52	Miscellaneous supplies/expense	600.00
001.01.511-030.52	Various dinners, luncheons and events	<u>800.00</u>
Account 030.52 - Operating Expense Operating Supplies Totals		<u>\$2,600.00</u>

Account 030.54 - Operating Expense Books, Subscription & Membership

001.01.511-030.54	Chamber of Commerce - Annual Dues	1,750.00
001.01.511-030.54	Florida Black Caucus of Local Elected Officials - Dues	375.00
001.01.511-030.54	Florida League of Cities - Annual Dues	1,769.00
001.01.511-030.54	Florida League of Mayors - Annual Dues	354.00
001.01.511-030.54	Government in the Sunshine Manuals and Materials	200.00
001.01.511-030.54	Lake City Reporter - Subscription - Proof of Publication	83.00
001.01.511-030.54	North Florida Economic Development	250.00
001.01.511-030.54	Northeast Florida League of Cities - Annual Dues	100.00
001.01.511-030.54	Quality Cities Subscription	60.00
001.01.511-030.54	Suwannee River League of Cities - Annual Dues	<u>150.00</u>
Account 030.54 - Operating Expense Books, Subscription & Membership		<u>\$5,091.00</u>

Account 030.55 - Operating Expense Training

001.01.511-030.55	Airport Conference	1,150.00
001.01.511-030.55	Ethics Training	375.00
001.01.511-030.55	FLC Legislative Conference	1,000.00
001.01.511-030.55	Florida Black Caucus of Local Elected Officials	600.00
001.01.511-030.55	Florida League of Cities	2,750.00
001.01.511-030.55	Florida League of Cities Board	150.00
001.01.511-030.55	IEMO Training Basic and/or Advanced Member	<u>550.00</u>
Account 030.55 - Operating Expense Training Totals		<u>\$6,575.00</u>

File Attachments for Item:

4. City Council Ordinance No. 2022-2233 (final reading) - An ordinance of the City of Lake City, Florida, amending the Future Land Use Plan Map of the City of Lake City Comprehensive Plan, as amended; relating to an amendment of 50 or less acres of land, pursuant to an application, CPA 22-07, by the property owner of said acreage, under the amendment procedures established in Sections 163.3161 through 163.3248, Florida Statutes, as amended; providing for changing the Future Land Use classification from Commercial to Residential, High Density (less than or equal to 20 dwelling units per acre) of certain lands within the corporate limits of the City of Lake City, Florida; providing severability; repealing all ordinances in conflict; and providing an effective date. (Grand Reserve at Pelham LLC.)

Passed on first reading 12/19/2022

ORDINANCE NO. 2022-2233

AN ORDINANCE OF THE CITY OF LAKE CITY, FLORIDA, AMENDING THE FUTURE LAND USE PLAN MAP OF THE CITY OF LAKE CITY COMPREHENSIVE PLAN, AS AMENDED; RELATING TO AN AMENDMENT OF 50 OR LESS ACRES OF LAND, PURSUANT TO AN APPLICATION, CPA 22-07, BY THE PROPERTY OWNER OF SAID ACREAGE, UNDER THE AMENDMENT PROCEDURES ESTABLISHED IN SECTIONS 163.3161 THROUGH 163.3248, FLORIDA STATUTES, AS AMENDED; PROVIDING FOR CHANGING THE FUTURE LAND USE CLASSIFICATION FROM COMMERCIAL TO RESIDENTIAL, HIGH DENSITY (LESS THAN OR EQUAL TO 20 DWELLING UNITS PER ACRE) OF CERTAIN LANDS WITHIN THE CORPORATE LIMITS OF THE CITY OF LAKE CITY, FLORIDA; PROVIDING SEVERABILITY; REPEALING ALL ORDINANCES IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, Section 166.021, Florida Statutes, as amended, empowers the City Council of the City of Lake City, Florida, hereinafter referred to as the City Council, to prepare, adopt and implement a comprehensive plan;

WHEREAS, Sections 163.3161 through 163.3248, Florida Statutes, as amended, the Community Planning Act, empowers and requires the City Council to prepare, adopt and implement a comprehensive plan;

WHEREAS, an application for an amendment, as described below, has been filed with the City;

WHEREAS, the Planning and Zoning Board of the City of Lake City, Florida, hereinafter referred to as the Planning and Zoning Board has been designated as the Local Planning Agency of the City of Lake City, Florida, hereinafter referred to as the Local Planning Agency;

WHEREAS, pursuant to Section 163.3174, Florida Statutes, as amended, and the Land Development Regulations, the Planning and Zoning Board, serving also as the Local Planning Agency, held the required public hearing, with public notice having been provided, on said application for an amendment, as described below, and at said public hearing, the Planning and Zoning Board, serving also as the Local Planning Agency, reviewed and considered all comments received during said public hearing and the Concurrency Management Assessment concerning said application for an amendment, as described below, and recommended to the City Council approval of said application for an amendment, as described below;

WHEREAS, the City Council held the required public hearing, with public notice having been provided, under the procedures established in Sections 163.3161 through 163.3248, Florida Statutes, as amended, on said application for an amendment, as described below, and at said public hearing, the City Council reviewed and considered all comments received during said public hearing, including the recommendation of the Planning and Zoning Board, serving also as the Local Planning Agency, and the Concurrency Management Assessment concerning said application for an amendment, as described below;

WHEREAS, the City Council has determined and found said application for an amendment, as described below, to be compatible with the Land Use Element objectives and policies, and those of other affected elements of the Comprehensive Plan; and

WHEREAS, the City Council has determined and found that approval of said application for an amendment, as described below, would promote the public health, safety, morals, order, comfort, convenience, appearance, prosperity or general welfare.

NOW, THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF LAKE CITY, FLORIDA, AS FOLLOWS:

Section 1. Pursuant to an application, CPA 22-07, by Dalton Kurtz of North Florida Professional Services, as agent for The Grand Reserve at Pelham LLC, to amend the Future Land Use Plan Map of the Comprehensive Plan by changing the land use classification of certain lands, the land use classification is hereby changed from COMMERCIAL to RESIDENTIAL, HIGH DENSITY (less than or equal to 20 dwelling units per acre) on property described, as follows:

A parcel of land lying within Section 34, Township 3 South, Range 16 East, Columbia County, Florida. Being more particularly described, as follows: Commence at the intersection of the North line of said Section 34 and the Westerly right-of-way line of Interstate 75 (State Road 93) for the Point of Beginning; thence South 23°13'24" East 1,150.12 feet, along said Westerly right-of-way line of Interstate 75 (State Road 93) to the Northerly right-of-way line of Hall of Fame Drive; thence South 66°46'36" West 60.00 feet, along said Northerly right-of-way line of Hall of Fame Drive to a point on the arc of a curve concave to the West having a radius of 100.00 feet and a central angle of 90°00'00", said curve also having a chord bearing and distance of South 21°46'36" West 141.42; thence Southerly and Southwesterly, along the arc of said curve, being also said Northerly right-of-way line of Hall of Fame Drive 157.08 feet to the point of tangency of said curve; thence South 66°46'36" West still, along said Northerly right-of-way line of Hall of Fame Drive 273.47 feet to the point of curve of a curve concave to the Southeast having a radius of 507.46 feet and a central angle of 03°36'39", said curve also having a chord bearing and distance of South 65°02'39" West 31.98 feet; thence Southwesterly, along the arc of said curve, being also said Northerly right-of-way line of Hall of Fame Drive 31.98 feet to a point on the North line of the South 1/2 of the Northeast 1/4 of said Section 34; thence continue Southwesterly, along the arc of said curve, through a chord bearing and distance of South 53°56'16" West 164.58 feet, being also said Northerly right-of-Way line of Hall of Fame Drive 165.31 feet; thence North 75°16'59" West 409.97 feet to the intersection of the South line of the North 1/2 of the Northeast 1/4 of said Section 34 and the Easterly right-of-way line of Hill Circle; thence North 08°10'10" East 1,341.68 feet, along said Easterly right-of-way line of Hill Circle, to the North line of said Section 34; thence South 89°30'43" East, along said North line of Section 34, a distance of 272.81 feet to the Point of Beginning.

Containing 19.30 acres, more or less.

Section 2. Severability. If any provision or portion of this ordinance is declared by any court of competent jurisdiction to be void, unconstitutional or unenforceable, then all remaining provisions and portions of this ordinance shall remain in full force and effect.

Section 3. Conflict. All ordinances or portions of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 4. Effective Date. This ordinance shall be effective upon adoption.

The effective date of this plan amendment shall be thirty-one (31) days following the date of adoption of this plan amendment. However, if any affected person files a petition with the Florida Division of Administrative Hearings pursuant to Section 120.57, Florida Statutes, as amended, to request a hearing to challenge the compliance of this plan amendment with Sections 163.3161 through 163.3248, Florida Statutes, as amended, within thirty (30) days following the date of adoption of this plan amendment, this plan amendment shall not become effective until the Florida Department of Economic Opportunity or the Florida Administration Commission, respectively, issues a final order determining this plan amendment is in compliance. No development orders, development permits or land uses dependent on this plan amendment may be issued or commence before it has become effective. If a final order of noncompliance is issued, this plan amendment may nevertheless be made effective by adoption of a resolution affirming its effective status, a copy of which resolution shall be sent to the Florida Department of Economic Opportunity, Division of Community Development, 107 East Madison Street, Caldwell Building, First Floor, Tallahassee, Florida 32399-4120.

Section 5. Authority. This ordinance is adopted pursuant to the authority granted by Section 166.021, Florida Statutes, as amended, and Sections 163.3161 through 163.3248, Florida Statutes, as amended.

PASSED upon first reading this 7th day of November 2022.

PASSED AND DULY ADOPTED, upon second and final reading, in regular session with a quorum present and voting, by the City Council this 17th day of January 2023.

Attest:

CITY COUNCIL
CITY OF LAKE CITY, FLORIDA

Audrey Sikes, City Clerk

Stephen M. Witt, Mayor

APPROVED AS TO FORM AND LEGALITY:


Thomas J. Kennon III, City Attorney

Record of Vote on First Reading

	For	Against	Absent	Abstain
Stephen Witt, Mayor/Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Jake Hill, Jr., Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Todd Sampson, Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Ricky Jernigan, Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Chevella Young, Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>

Certification

I, Audrey Sikes, City Clerk for the City of Lake City, Florida, hereby certify that the above record vote is an accurate and correct record of the votes taken on the Ordinance by the City Council of the City of Lake City.



AUDREY E. SIKES, MMC
City Clerk

File Attachments for Item:

5. City Council Ordinance No. 2022-2234 (final reading) - An ordinance of the City of Lake City, Florida, amending the Official Zoning Atlas of the City of Lake City Land Development Regulations, as amended; relating to the rezoning of ten or more contiguous acres of land, pursuant to an application, Z 22-06, by the property owner of said acreage; providing for rezoning from Commercial General (CG) to Residential, Multiple Family-2 (RMF-2) of certain lands within the corporate limits of the City of Lake City, Florida; providing severability; repealing all ordinances in conflict; and providing an effective date. (Grand Reserve at Pelham LLC.)

Passed on first reading 12/19/2022

ORDINANCE NO. 2022-2234

AN ORDINANCE OF THE CITY OF LAKE CITY, FLORIDA, AMENDING THE OFFICIAL ZONING ATLAS OF THE CITY OF LAKE CITY LAND DEVELOPMENT REGULATIONS, AS AMENDED; RELATING TO THE REZONING OF TEN OR MORE CONTIGUOUS ACRES OF LAND, PURSUANT TO AN APPLICATION, Z 22-06, BY THE PROPERTY OWNER OF SAID ACREAGE; PROVIDING FOR REZONING FROM COMMERCIAL, GENERAL (CG) TO RESIDENTIAL, MULTIPLE FAMILY-2 (RMF-2) OF CERTAIN LANDS WITHIN THE CORPORATE LIMITS OF THE CITY OF LAKE CITY, FLORIDA; PROVIDING SEVERABILITY; REPEALING ALL ORDINANCES IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, Section 166.021, Florida Statutes, as amended, empowers the City Council of the City of Lake City, Florida, hereinafter referred to as the City Council, to prepare, adopt and enforce land development regulations;

WHEREAS, Sections 163.3161 through 163.3248, Florida Statutes, as amended, the Community Planning Act, requires the City Council to prepare and adopt regulations concerning the use of land and water to implement the comprehensive plan;

WHEREAS, an application for an amendment, as described below, has been filed with the City;

WHEREAS, the Planning and Zoning Board of City of Lake City, Florida, hereinafter referred to as the Planning and Zoning Board, has been designated as the Local Planning Agency of the City of Lake City, Florida, hereinafter referred to as the Local Planning Agency;

WHEREAS, pursuant to Section 163.3174, Florida Statutes, as amended, and the Land Development Regulations, the Planning and Zoning Board, serving also as the Local Planning Agency, held the required public hearing, with public notice having been provided, on said application for an amendment, as described below, and at said public hearing, the Planning and Zoning Board, serving also as the Local Planning Agency, reviewed and considered all comments received during said public hearing and the Concurrency Management Assessment concerning said application for an amendment, as described below, and recommended to the City Council approval of said application for an amendment, as described below;

WHEREAS, pursuant to Section 166.041, Florida Statutes, as amended, the City Council held the required public hearing, with public notice having been provided, on said application for an amendment, as described below, and at said public hearing, the City Council reviewed and considered all comments received during said public hearing, including the recommendation of the Planning and Zoning Board, serving also as the Local Planning Agency, and the Concurrency Management Assessment concerning said application for an amendment, as described below; and

WHEREAS, the City Council has determined and found that approval of said application for an amendment, as described below, would promote the public health, safety, morals, order, comfort, convenience, appearance, prosperity or general welfare.

NOW, THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF LAKE CITY, FLORIDA, AS FOLLOWS:

Section 1. Pursuant to an application, Z 22-06, by Dalton Kurtz of North Florida Professional Services, as agent for The Grand Reserve at Pelham LLC, to amend the Official Zoning Atlas of the Land Development Regulations by changing the zoning district of certain lands, the zoning district is hereby changed from COMMERCIAL, GENERAL (CG) to RESIDENTIAL, MULTIPLE FAMILY-2 (RMF-2) on property described, as follows:

A parcel of land lying within Section 34, Township 3 South, Range 16 East, Columbia County, Florida. Being more particularly described, as follows: Commence at the intersection of the North line of said Section 34 and the Westerly right-of-way line of Interstate 75 (State Road 93) for the Point of Beginning; thence South 23°13'24" East 1,150.12 feet, along said Westerly right-of-way line of Interstate 75 (State Road 93) to the Northerly right-of-way line of Hall of Fame Drive; thence South 66°46'36" West 60.00 feet, along said Northerly right-of-way line of Hall of Fame Drive to a point on

the arc of a curve concave to the West having a radius of 100.00 feet and a central angle of 90°00'00", said curve also having a chord bearing and distance of South 21°46'36" West 141.42; thence Southerly and Southwesterly, along the arc of said curve, being also said Northerly right-of-way line of Hall of Fame Drive 157.08 feet to the point of tangency of said curve; thence South 66°46'36" West still, along said Northerly right-of-way line of Hall of Fame Drive 273.47 feet to the point of curve of a curve concave to the Southeast having a radius of 507.46 feet and a central angle of 03°36'39", said curve also having a chord bearing and distance of South 65°02'39" West 31.98 feet; thence Southwesterly, along the arc of said curve, being also said Northerly right-of-way line of Hall of Fame Drive 31.98 feet to a point on the North line of the South 1/2 of the Northeast 1/4 of said Section 34; thence continue Southwesterly, along the arc of said curve, through a chord bearing and distance of South 53°56'16" West 164.58 feet, being also said Northerly right-of-Way line of Hall of Fame Drive 165.31 feet; thence North 75°16'59" West 409.97 feet to the intersection of the South line of the North 1/2 of the Northeast 1/4 of said Section 34 and the Easterly right-of-way line of Hill Circle; thence North 08°10'10" East 1,341.68 feet, along said Easterly right-of-way line of Hill Circle, to the North line of said Section 34; thence South 89°30'43" East, along said North line of Section 34, a distance of 272.81 feet to the Point of Beginning.

Containing 19.30 acres, more or less.

Section 2. Severability. If any provision or portion of this ordinance is declared by any court of competent jurisdiction to be void, unconstitutional or unenforceable, then all remaining provisions and portions of this ordinance shall remain in full force and effect.

Section 3. Conflict. All ordinances or portions of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 4. Effective Date. This ordinance shall become effective upon adoption.

The effective date of this amendment, Z 22-06, to the Official Zoning Atlas shall be the same date as the effective date of Future Land Use Plan Map Amendment, CPA 22-07. If Future Land Use Plan Map Amendment, CPA 22-07, does not become effective, this amendment, Z 22-06, to the Official Zoning Atlas shall not become effective. No development orders, development permits or land uses dependent on this amendment, Z 22-06, to the Official Zoning Atlas may be issued or commence before it has become effective.

Section 5. Authority. This ordinance is adopted pursuant to the authority granted by Section 166.021, Florida Statutes, as amended, and Sections 163.3161 through 163.3248, Florida Statutes, as amended.

PASSED upon first reading this 7th day of November 2022.

PASSED AND DULY ADOPTED, upon second and final reading, in regular session with a quorum present and voting, by the City Council this 17th day of January 2023.

Attest:

CITY COUNCIL
CITY OF LAKE CITY, FLORIDA

Audrey Sikes, City Clerk

Stephen M. Witt, Mayor

APPROVED AS TO FORM AND LEGALITY:

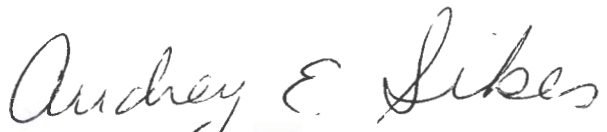
Thomas J. Kennon III, City Attorney

Record of Vote on First Reading

	For	Against	Absent	Abstain
Stephen Witt, Mayor/Council Member	<u>✓</u>	_____	_____	_____
Jake Hill, Jr., Council Member	<u>✓</u>	_____	_____	_____
Todd Sampson, Council Member	<u>✓</u>	_____	_____	_____
Ricky Jernigan, Council Member	<u>✓</u>	_____	_____	_____
Chevella Young, Council Member	<u>✓</u>	_____	_____	_____

Certification

I, Audrey Sikes, City Clerk for the City of Lake City, Florida, hereby certify that the above record vote is an accurate and correct record of the votes taken on the Ordinance by the City Council of the City of Lake City.



AUDREY E. SIKES, MMC
City Clerk

File Attachments for Item:

6. City Council Ordinance No. 2022-2236 (final reading) - An ordinance of the City of Lake City, Florida, pursuant to Petition No. ANX 22-01, relating to voluntary annexation; making findings; annexing certain real property located in Columbia County, Florida, which is reasonably compact, and contiguous to the boundaries of the City of Lake City, Florida, into the boundaries of the City of Lake City, Florida; providing for severability; repealing all ordinances in conflict; and providing an effective date. (John B. Hunter Revocable Trust)

Passed on first reading 12/19/2022

ORDINANCE NO. 2022-2236

AN ORDINANCE OF THE CITY OF LAKE CITY, FLORIDA, PURSUANT TO PETITION NO. ANX 22-01, RELATING TO VOLUNTARY ANNEXATION; MAKING FINDINGS; ANNEXING CERTAIN REAL PROPERTY LOCATED IN COLUMBIA COUNTY, FLORIDA, WHICH IS REASONABLY COMPACT, AND CONTIGUOUS TO THE BOUNDARIES OF THE CITY OF LAKE CITY, FLORIDA, INTO THE BOUNDARIES OF THE CITY OF LAKE CITY, FLORIDA; PROVIDING SEVERABILITY; REPEALING ALL ORDINANCES IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the owner of certain real property more particularly described herein below, has petitioned that the same be voluntarily annexed and incorporated into the boundaries of the City of Lake City, Florida, hereinafter referred to as the City.

NOW, THEREFORE, BE IT ORDAINED BY THE PEOPLE OF THE CITY OF LAKE CITY, FLORIDA, AS FOLLOWS:

Section 1. Pursuant to a petition, ANX 22-01, by George T. Hunter, John B. Hunter, Terry L. Hunter and Michael D. Pokitko trustees of their successors in trust, under the John B. Hunter Revocable Trust, the owner of real property, as described below and depicted on Schedule A: Location Map, attached hereto and incorporated as part of this ordinance, which real property is contiguous to the existing boundaries of the City and is reasonably compact, has petitioned the City to have said real property annexed into the City.

A parcel of land lying in Section 6 and Section 7, Township 4 South, Range 17 East, Columbia County, Florida, being more particularly described, as follows: Commence at the Southwest corner of said Section 6; thence North 0°29'55" West 1,414.39 feet, along the West line of said Section 6 to the South right-of-way line of Southwest Bascom Norris Drive; thence South 49°34'43" East 1,004.46 feet, along the South right-of-way line of said Southwest Bascom Norris Drive to the Point of Beginning; thence South 41°20'30" West 466.55 feet to the beginning of a curve concave Southeasterly, having a radius of 262.39 feet and being subtended by a chord having a bearing and distance of South 26°04'37" West, 140.22 feet; thence Southwesterly, along the arc of said curve, through a central angle of 30°59'48", an arc length of 141.95 feet to the end of said curve; thence North 49°16'43" West 405.59 feet; thence South 00°29'55" East 544.42 feet to the South line of said Section 6, also being the North line of said Section 7; thence South 00°39'11" East 1,894.82 feet; thence South 89°46'53" East 1,462.67 feet; thence North 00°39'46" West 1,129.86 feet; thence South 89°46'53" East 311.89 feet; thence North 23°07'50" East 463.88 feet to the South right-of-way line of said Southwest Bascom Norris Drive; thence North 49°34'43" West 1,461.71 feet, along the South right-of-way line of said Southwest Bascom Norris Drive; thence South 41°12'54" West 360.94 feet; thence South 00°33'22" East 277.00 feet to the South line of said Section 6, also being the North line of said Section 7; thence South 84°59'00" West 47.95 feet, along the South line of said Section 6 and the North line of said Section 7; thence North 49°16'43" West 268.59 feet; thence North 06°49'32" East 28.50 feet to the beginning of a curve concave Southeasterly, having a radius of 192.39 feet and being subtended by a chord having a bearing and distance of North 24°05'47" East 116.11 feet; thence Northeasterly, along the arc of said curve, through a central angle of 35°07'38", an arc length of 117.95 feet to the end of said curve; thence North 41°20'30" East 467.68 feet to the South right-of-way line of said Southwest Bascom Norris Drive; thence North 49°34'43" West 70.01 feet, along the South right-of-way line of said Southwest Bascom Norris Drive to the Point of Beginning.

Containing 82.40 acres, more or less.

Section 2. The City Council of the City of Lake City, Florida, hereinafter referred to as the City Council, finds that the petition bears the signatures of all owners of the real property in the area proposed to be annexed.

Section 3. The City Council finds that the real property, described in Section 1 above, presently is contiguous to the boundaries of the City that said real property meets the criteria established by Chapter 171, Florida Statutes, as amended, and that said real property should be annexed to the boundaries of the City.

Section 4. The real property, described in Section 1 above and depicted on Schedule A: Location Map, attached hereto and incorporated as part of this ordinance, is hereby annexed to the boundaries of the City, and said real property in every way is a part of the City.

Section 5. The boundaries of the City are hereby redefined to include the real property described in Section 1 hereof.

Section 6. Annexation. The real property, described in Section 1 above, shall continue to be classified as follows: RESIDENTIAL, LOW DENSITY (less than or equal to 2 dwelling units per acre) under the land use classifications as designated on the Future Land Use Plan Map of the County Comprehensive Plan and classified as RESIDENTIAL, SINGLE FAMILY-2 (RSF-2) under the zoning districts as designated on the Official Zoning Atlas of the County Land Development Regulations until otherwise changed or amended by appropriate ordinance of the City.

Section 7. Effective January 1, 2024, all real property lying within the boundaries of the City, as hereby redefined, shall be assessed for payment of municipal ad valorem taxes, and shall be subject to all general and special assessments.

Section 8. All persons who have been lawfully engaged in any occupation, business, trade or profession, within the area, described in Section 1 above, upon the effective date of this ordinance under a valid license or permit issued by the County and all other necessary state or federal regulatory agencies, may continue such occupation, business, trade or profession within the entire boundaries of the City, as herein defined, upon securing a valid occupational license from the City, which shall be issued upon payment of the appropriate fee, without the necessity of taking or passing any additional examination or test which otherwise is required relating to the qualification of such occupations, businesses, trades or professions.

Section 9. The City Clerk is hereby directed to file, within seven (7) days of the effective date of this ordinance, a certified copy of this ordinance with the following:

- a) Florida Department of State, Tallahassee, Florida;
- b) Florida Office of Economic and Demographic Research, Tallahassee, Florida;
- c) Clerk of the Circuit Court of the County;
- d) Chief Administrative Officer of the County;
- e) Property Appraiser of the County;
- f) Tax Collector of the County; and
- g) All public utilities authorized to conduct business within the City.

Section 10. Severability. If any provision or portion of this ordinance is declared by any court of competent jurisdiction to be void, unconstitutional or unenforceable, then all remaining provisions and portions of this ordinance shall remain in full force and effect.

Section 11. Conflict. All ordinances or portions of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 12. Effective Date. This ordinance shall become effective upon adoption.

Section 13. Authority. This ordinance is adopted pursuant to the authority granted by Section 166.021, Florida Statutes, as amended, and Section 171.044, Florida Statutes, as amended.

PASSED UPON FIRST READING on the 19th day of December 2022.

PASSED AND DULY ADOPTED UPON SECOND AND FINAL READING, in regular session with a quorum present and voting, by the City Council this 17th day of January 2023.

Attest:

CITY COUNCIL OF THE
CITY OF LAKE CITY, FLORIDA

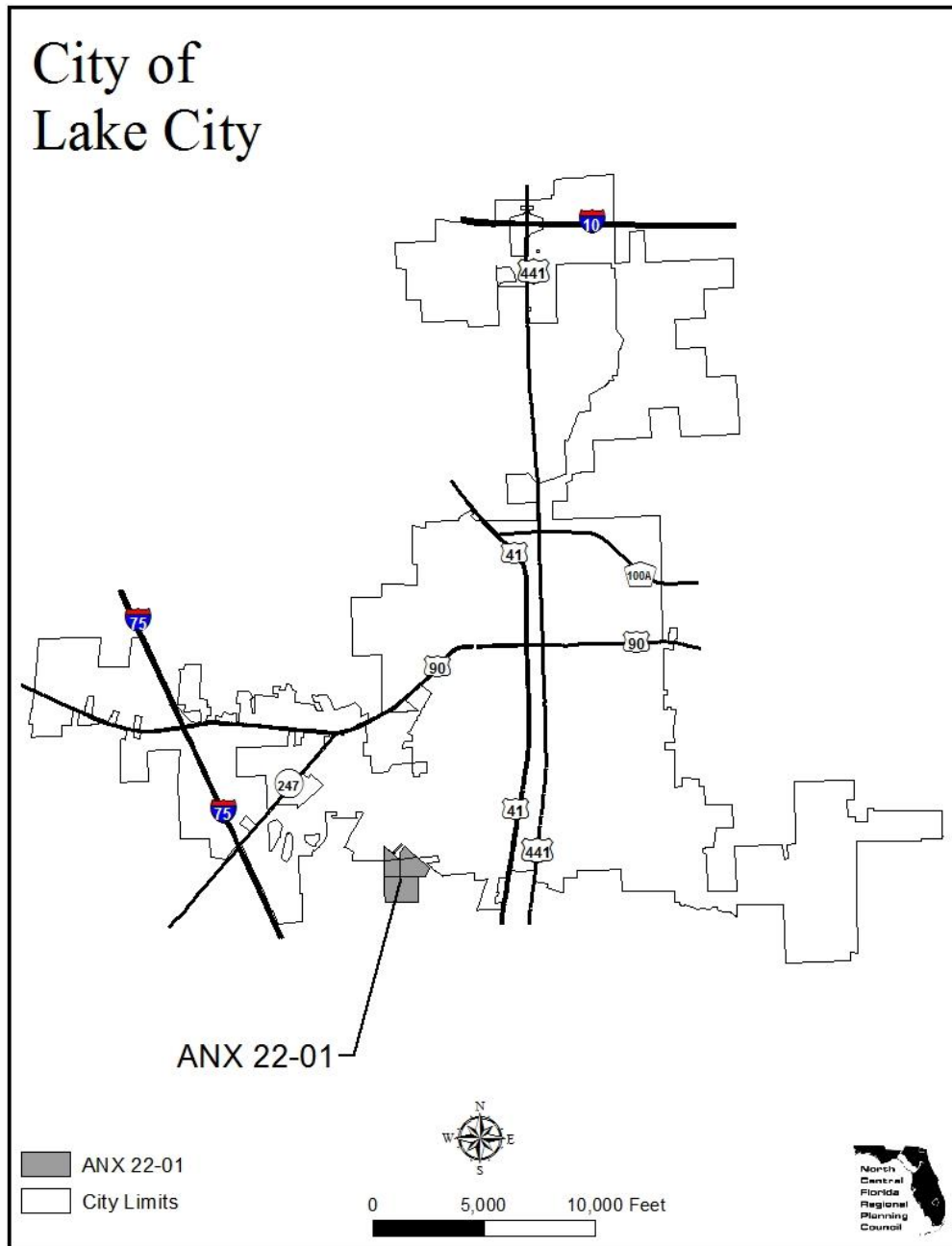
Audrey Sikes, City Clerk

Stephen M. Witt, Mayor

APPROVED AS TO FORM AND LEGALITY:

Thomas J. Kennon III, City Attorney

Schedule A: Location Map

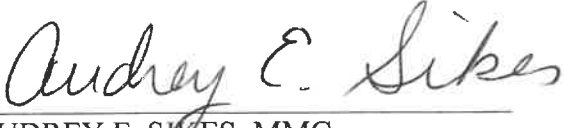


Record of Vote on First Reading

	For	Against	Absent	Abstain
Stephen Witt, Mayor/Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Jake Hill, Jr., Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Todd Sampson, Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Ricky Jernigan, Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Chevella Young, Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>

Certification

I, Audrey Sikes, City Clerk for the City of Lake City, Florida, hereby certify that the above record vote is an accurate and correct record of the votes taken on the Ordinance by the City Council of the City of Lake City.



AUDREY E. SIKES, MMC
City Clerk

File Attachments for Item:

7. City Council Ordinance No. 2022-2237 (final reading) - An ordinance of the City of Lake City, Florida, pursuant to Petition No. ANX 22-02, relating to voluntary annexation; making findings; annexing certain real property located in Columbia County, Florida, which is reasonably compact, and contiguous to the boundaries of the City of Lake City, Florida, into the boundaries of the City of Lake City, Florida; providing severability; repealing all ordinances in conflict; and providing an effective date. (MHPJR, LLC.)

Passed on first reading 12/19/2022

ORDINANCE NO. 2022-2237

AN ORDINANCE OF THE CITY OF LAKE CITY, FLORIDA, PURSUANT TO PETITION NO. ANX 22-02, RELATING TO VOLUNTARY ANNEXATION; MAKING FINDINGS; ANNEXING CERTAIN REAL PROPERTY LOCATED IN COLUMBIA COUNTY, FLORIDA, WHICH IS REASONABLY COMPACT, AND CONTIGUOUS TO THE BOUNDARIES OF THE CITY OF LAKE CITY, FLORIDA, INTO THE BOUNDARIES OF THE CITY OF LAKE CITY, FLORIDA; PROVIDING SEVERABILITY; REPEALING ALL ORDINANCES IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the owner of certain real property more particularly described herein below, has petitioned that the same be voluntarily annexed and incorporated into the boundaries of the City of Lake City, Florida, hereinafter referred to as the City.

NOW, THEREFORE, BE IT ORDAINED BY THE PEOPLE OF THE CITY OF LAKE CITY, FLORIDA, AS FOLLOWS:

Section 1. Pursuant to a petition, ANX 2-02, by Marvin Peavy, as agent for MHPJR, LLC, the owner of real property, as described below and depicted on Schedule A: Location Map, attached hereto and incorporated as part of this ordinance, which real property is contiguous to the existing boundaries of the City and is reasonably compact, has petitioned the City to have said real property annexed into the City.

A parcel of land, lying in Section 6, Township 4 South, Range 17 East, Columbia County, Florida and being more particularly described, as follows: Commence at the Northeast corner of the Northwest 1/4 of Northwest 1/4 of said Section 6; thence South 01°00'19" East 988.49 feet; thence North 87°27'58" East 207.22 feet to the Point of Beginning; thence North 87°27'58" East 451.07 feet; thence South 01°03'23" East 312.46 feet; thence South 85°55'52" West 242.15 feet; thence North 01°04'27" West 212.37 feet; thence South 79°42'50" West 211.70 feet; thence North 01°05'32" West 135.13 feet to the Point of Beginning.

Containing 2.33 acres, more or less.

Section 2. The City Council of the City of Lake City, Florida, hereinafter referred to as the City Council, finds that the petition bears the signatures of all owners of the real property in the area proposed to be annexed.

Section 3. The City Council finds that the real property, described in Section 1 above, presently is contiguous to the boundaries of the City that said real property meets the criteria established by Chapter 171, Florida Statutes, as amended, and that said real property should be annexed to the boundaries of the City.

Section 4. The real property, described in Section 1 above and depicted on Schedule A: Location Map, attached hereto and incorporated as part of this ordinance, is hereby annexed to the boundaries of the City, and said real property in every way is a part of the City.

Section 5. The boundaries of the City are hereby redefined to include the real property described in Section 1 hereof.

Section 6. Annexation. The real property, described in Section 1 above, shall continue to be classified as follows: RESIDENTIAL, LOW DENSITY (less than or equal to 2 dwelling units per acre) under the land use classifications as designated on the Future Land Use Plan Map of the County Comprehensive Plan and classified as RESIDENTIAL, SINGLE FAMILY-2 (RSF-2) under the zoning districts as designated on the Official Zoning Atlas of the County Land Development Regulations until otherwise changed or amended by appropriate ordinance of the City.

Section 7. Effective January 1, 2024, all real property lying within the boundaries of the City, as hereby redefined, shall be assessed for payment of municipal ad valorem taxes, and shall be subject to all general and special assessments.

Section 8. All persons who have been lawfully engaged in any occupation, business, trade or profession, within the area, described in Section 1 above, upon the effective date of this ordinance under a valid license or permit issued by the County and all other necessary state or federal regulatory agencies, may continue such occupation, business, trade or profession within the entire boundaries of the City, as herein defined, upon securing a valid occupational license from the City, which shall be issued upon payment of the appropriate fee, without the necessity of taking or passing any additional examination or test which otherwise is required relating to the qualification of such occupations, businesses, trades or professions.

Section 9. The City Clerk is hereby directed to file, within seven (7) days of the effective date of this ordinance, a certified copy of this ordinance with the following:

- a) Florida Department of State, Tallahassee, Florida;
- b) Florida Office of Economic and Demographic Research, Tallahassee, Florida;
- c) Clerk of the Circuit Court of the County;
- d) Chief Administrative Officer of the County;
- e) Property Appraiser of the County;
- f) Tax Collector of the County; and
- g) All public utilities authorized to conduct business within the City.

Section 10. Severability. If any provision or portion of this ordinance is declared by any court of competent jurisdiction to be void, unconstitutional or unenforceable, then all remaining provisions and portions of this ordinance shall remain in full force and effect.

Section 11. Conflict. All ordinances or portions of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 12. Effective Date. This ordinance shall become effective upon adoption.

Section 13. Authority. This ordinance is adopted pursuant to the authority granted by Section 166.021, Florida Statutes, as amended, and Section 171.044, Florida Statutes, as amended.

PASSED UPON FIRST READING on the 19th day of December 2022.

PASSED AND DULY ADOPTED UPON SECOND AND FINAL READING, in regular session with a quorum present and voting, by the City Council this 17th day of January 2023.

Attest:

CITY COUNCIL OF THE
CITY OF LAKE CITY, FLORIDA

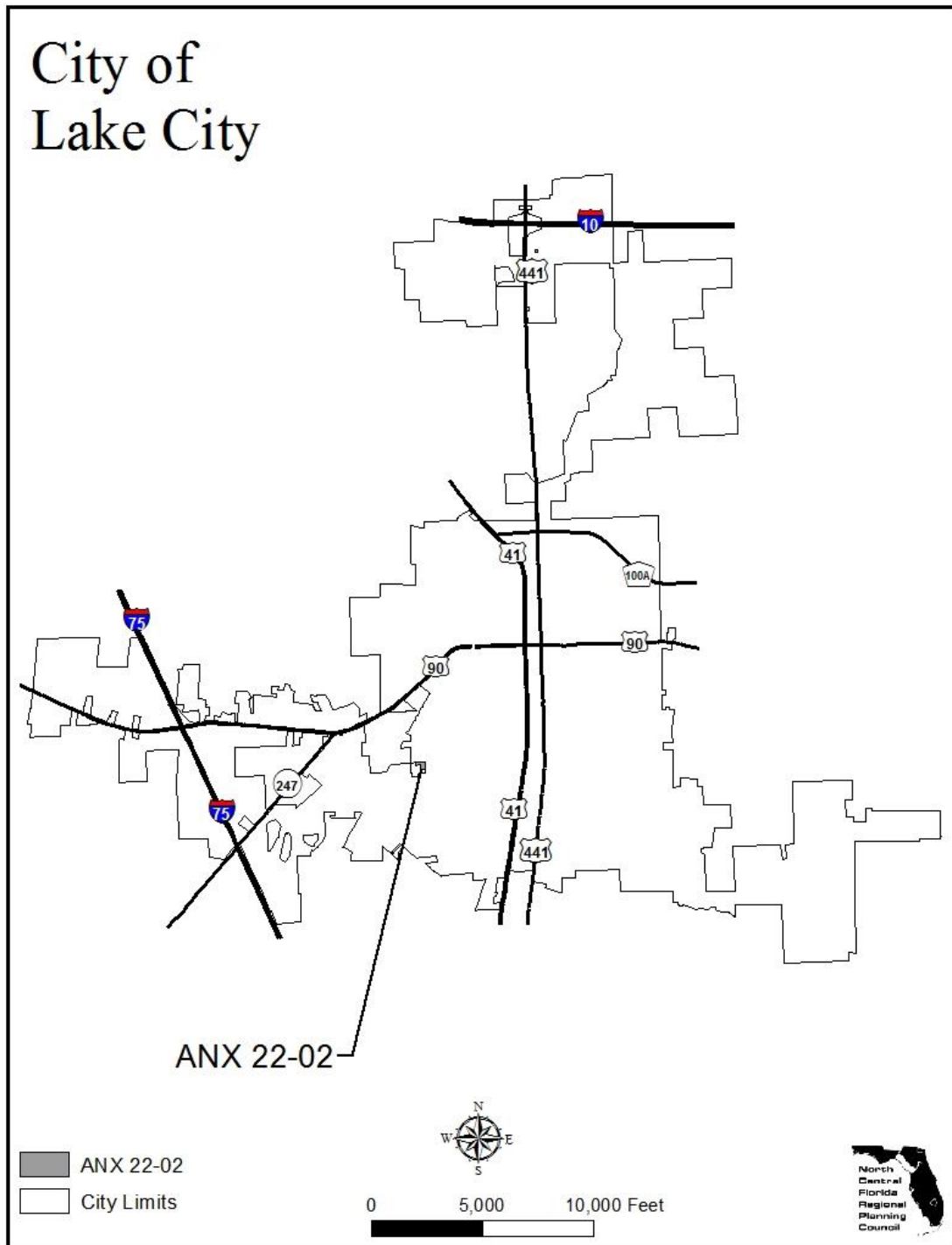
Audrey Sikes, City Clerk

Stephen M. Witt, Mayor

APPROVED AS TO FORM AND LEGALITY:

Thomas J. Kennon III, City Attorney

Schedule A: Location Map



Record of Vote on First Reading

	For	Against	Absent	Abstain
Stephen Witt, Mayor/Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Jake Hill, Jr., Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Todd Sampson, Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Ricky Jernigan, Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Chevella Young, Council Member	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>

Certification

I, Audrey Sikes, City Clerk for the City of Lake City, Florida, hereby certify that the above record vote is an accurate and correct record of the votes taken on the Ordinance by the City Council of the City of Lake City.



AUDREY E. SIKES, MMC
City Clerk

File Attachments for Item:

8. Discussion and Possible Action: HAECO (City Attorney Todd Kennon)

Sikes, Audrey

From: Alysha Jenkins <alj@rkkattorneys.com>
Sent: Thursday, December 29, 2022 2:59 PM
To: Sikes, Audrey
Subject: FW: HAECO Lease Changes
Attachments: HAECO Lake City Lease - Draft 10 HAECO edits.docx

Good afternoon,

Mr. Kennon asked that I forward this to you.

If you have any questions or need anything further, please let me know.

Thank you,

Alysha L. Jenkins

Alysha L. Jenkins
Legal Assistant

Robinson, Kennon & Kendron, P.A.
582 W. Duval Street
Lake City, Florida 32056
Telephone: 386-755-1334
Facsimile: 386-755-1336
Email: alj@rkkattorneys.com ***
Website: www.rkkattorneys.com

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From: Todd Kennon <tjk@rkkattorneys.com>
Sent: Thursday, December 29, 2022 2:38 PM
To: Alysha Jenkins <alj@rkkattorneys.com>
Cc: Danielle Adams <Danielle@foldswalker.com>
Subject: FW: HAECO Lease Changes

Thomas J. Kennon, III
Robinson, Kennon & Kendron, P.A.
PO Box 1178
Lake City, FL 32056-1178
(386) 755-1334 (office)

(386) 755-1336 (facsimile)

tjk@rkkattorneys.com

mbs@rkkattorneys.com

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From: Vernon Douglas <Vernon@douglasanddouglas.law>

Sent: Thursday, December 29, 2022 2:27 PM

To: Todd Kennon <tjk@rkkattorneys.com>; Vernon Douglas <Vernon@douglasanddouglas.law>

Subject: Fwd: HAECO Lease Changes

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From: Mark A. Easton <mark.easton@haeco.aero>

Sent: Thursday, December 29, 2022 2:20:18 PM

To: Vernon Douglas <Vernon@douglasanddouglas.law>

Subject: HAECO Lease Changes

Mark Easton

General Manager - LCQ

T +1 386-758-3000, 46211 | M +1 918 809 6269

mark.easton@haeco.aero



HAECO Airframe Services, LLC

102 SE Academic Ave, Lake City, Florida

32025 United States

www.haeco.aero | Follow us: [in](#) [twitter](#) [f](#)

Our values: Safety & Quality. Integrity. Teamwork. Excellence. Sustainable Development

Helpdesk: +1 866 994-7648 | help@haeco.aero | <https://support.haeco.aero>

**BUILDING AND LAND LEASE
HAECO AIRFRAME SERVICES, LLC
LAKE CITY GATEWAY AIRPORT**

This **BUILDING AND LAND LEASE** ("Lease") is entered into as of the ____ day of January, 2023, ("Effective Date") and is by and between the **CITY OF LAKE CITY**, a body politic ("Lake City") and **HAECO AIRFRAME SERVICES, LLC**, a Delaware Limited Liability Company in good standing ("HAECO," each a "Party," and together, the "Parties").

RECITALS

WHEREAS, Lake City owns and operates Lake City Gateway Airport located in Columbia County, State of Florida ("Airport"), and the property more fully described on **Exhibit A** hereto ("Property");

WHEREAS, HAECO is an existing tenant at the Airport and has requested a long-term lease in order to continue with the operation of their maintenance, repair, and overhaul facility at the airport (the "Facility");

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, and for other good and valuable consideration the receipt and sufficiency of which are acknowledged by the parties, Lake City and HAECO agree as follows:

**ARTICLE 1
DEFINITIONS**

1.1 Definitions.

Airfield shall mean those portions of the Airport, excluding the Aircraft Aprons, provided for the landing, taking off, and taxiing of aircraft, including without limitation, approach and turning zones, clear zones, avigation or other easements, runways, a fully integrated taxiway system, runway and taxiway lights, and other appurtenances related to the aeronautical use of the Airport, as such facilities may be modified from time to time.

Airport shall mean Lake City Gateway Airport, owned and operated by Lake City, located in Columbia County, Florida.

Airport Minimum Standards means the minimum standards adopted by Lake City and any amendment, restatement, or other modification to such minimum standards.

Applicable Laws means all laws, statutes, ordinances, rules, regulations (including without limitation Environmental Laws) lawfully issued or promulgated by any Governmental Authority governing or otherwise applicable to the Airport (but not including the Rules and Regulations adopted by Lake City), as any of the same may now exist or may hereafter be adopted or amended, modified, extended, re-enacted, re-designated, or replaced from time to time and judicial interpretations thereof.

Consumer Price Index or CPI means the consumer price index published by the U.S. Bureau of Labor Statistics for the most current 12-month period such data is available at the time of the applicable measurement or adjustment under this Lease. If CPI is no longer calculated by the U.S. Bureau of Labor Statistics, HAECO and Lake City shall select such other index as may be generally published that measures the increase in producer costs, which index shall be substituted for CPI. Specific dollar amounts referenced in this Lease as being increased by CPI shall be adjusted by multiplying such amounts by a factor of one (1) plus the percentage increase (but not decrease), if any, in CPI during the most recently ended twelve-month period for which such CPI is available.

Environmental Laws shall mean and include all Federal, State of Florida and local statutes, ordinances, regulations and rules relating to environmental quality, health, safety, contamination and clean-up, as they currently exist or may exist in the future, including, without limitation, the Clean Air Act, 42 U.S.C. §7401 *et seq.*; the Clean Water Act, 33 U.S.C. §1251 *et seq.*, the Water Quality Act of 1987; the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), 7 U.S.C. §136 *et seq.*; the Marine Protection, Research, and Sanctuaries Act, 33 U.S.C. §1401 *et seq.*; the Noise Control Act, 42 U.S.C. §4901 *et seq.*; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §6901 *et seq.*, as amended by the Hazardous and Solid Waste Amendments of 1984; the Safe Drinking Water Act, 42 U.S.C. §300f *et seq.*; the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9601 *et seq.*, as amended by Superfund Amendments and Reauthorization Act, and the Emergency Planning and Community Right to Know Act, and the Radon Gas and Indoor Air Quality Research Act; the Hazardous Material Transportation Act, 49 U.S.C. §9601 *et seq.*; the Toxic Substance Control Act ("TSCA"), 15 U.S.C. §2601 *et seq.*; the Atomic Energy Act, 42 U.S.C. §2011 *et seq.*; and the Nuclear Waste Policy Act of 1982, 42 U.S.C. §1010 *et seq.*; all State environmental protection, superlien and environmental clean-up statutes, with implementing regulations and guidelines and all local laws, regulations and ordinances insofar as they are equivalent or similar to the Federal laws recited above or purport to regulate Hazardous Materials, and judicial precedent of each of the foregoing.

Facility means the maintenance, repair and overhaul facility currently occupied by HAECO on the property of Lake City and leased to HAECO pursuant to this lease.

Federal Aviation Administration (sometimes abbreviated as FAA) means the federal Aviation Administration created under the Federal Aviation Act of 1958, as amended, or any duly authorized successor agency thereto.

Governmental Authority means any Federal, State, county, municipal or other governmental entity (including Lake City in its governmental capacity), or any subdivision thereof, with authority over the Airport or aeronautical operations at or with respect to the Airport.

HAECO Parties shall mean HAECO, its parent companies, subsidiaries, affiliates, officers, directors, employees and invitees.

Hazardous Materials shall mean and include any materials, substances, chemicals, or elements in any physical state (liquid, solid, gaseous/vapor) that are prohibited, limited, or regulated by Environmental Laws, or any other substances, chemicals, materials, or elements that are defined as "hazardous" or "toxic," under Environmental Laws, or that are known or considered to be harmful, hazardous, or injurious to the human health or safety or the environment.

Prior Leases shall mean any and all lease agreements between HAECO (or any predecessor thereto) and Lake City regarding any property or improvements at the Airport, including but not limited to those certain leases dated April 1, 1982, and December 30, 1992, and all amendments and supplements thereto.

Term Commencement Date shall mean January 1, 2023.

1.2 Incorporation of Exhibits.

The following Exhibits are hereby made a part of this Lease:

EXHIBIT A LEGAL DESCRIPTION

ARTICLE 2 **PREMISES**

2.1 Lease Premises. Subject to the terms and conditions more fully set forth herein, Lake City hereby leases to HAECO and HAECO hereby leases from Lake City the "Leased Premises", which shall consist of the Property described in EXHIBIT A including the hangars, buildings and other improvements thereon.

2.2 Title. Title to the Leased Premises is held by Lake City and shall remain with Lake City at all times during the Term of this Lease.

ARTICLE 3 **TERM**

3.1 Term. As used in this Lease, the word "Term" includes the Initial Term, and each Extended Term, if HAECO exercises any or all of its options to extend the Term pursuant to this Article.

3.2 Initial Term. The "Initial Term" shall begin on the Term Commencement Date and shall terminate at midnight on the last day of the month that is twenty (20) years from the Term Commencement Date, unless terminated sooner in accordance with this Lease. "Lease Year" when used in this Lease means the twelve (12) month period beginning upon the Term Commencement Date and each consecutive twelve (12) month period thereafter beginning on the first day of the month immediately following the Term Commencement Date, unless the Term Commencement Date was the first day of the month, until the expiration or termination of this Lease.

3.3 Option to Extend. Provided the Lease is then in effect and an Event of Default, or any event that, with the giving of notice or the passing of time, would constitute an Event of Default, has not occurred at the time of the exercise of the rights provided in this Article, HAECO shall have the right to extend this Lease for an additional five (5) years (hereinafter referred to as "Extended Term(s)") three (3) consecutive times (each an "Extension Option"). HAECO's right to exercise the aforementioned Extension Options shall be subject to the following conditions:

- (a) In order to exercise an Extension Option, HAECO must give Lake City written notice of its intent to exercise such Extension Option, not more than three hundred and sixty-five (365) nor less than one hundred eighty (180) calendar days prior to the end of the Initial Term or Extended Term, whichever is applicable;
- (b) Upon exercise of the Extension Option for any Extended Term, and subject to HAECO's acceptance of the rates determined pursuant to Section 6.5, the word "Term," as defined in this Lease, shall also mean the period defined by the applicable Extended Term;
- (c) During any Extended Term, if applicable, all provisions of this Lease shall remain in full force and effect; and
- (d) Rent during any Extended Term shall be calculated in accordance with Article 5.4 herein.

3.4 Return of the Premises. Prior to the Lease Termination, regardless as to the circumstances upon which Lease Termination occurs, HAECO shall at its own expense: (i) except in case of a Lease Termination pursuant to Article 8.4, Article 15.3 or Article 33, return the Leased Premises to Lake City in the same condition they were in on the Date of Beneficial Occupancy, excepting only normal wear and tear, Force Majeure, and repairs required to be made by Lake City hereunder; (ii) remove all of its personal property and possessions from the Leased Premises. Any items of HAECO's personally remaining in or on the Leased Premises after the expiration or termination of this Lease shall be deemed abandoned by HAECO and become the sole property of Lake City. Notwithstanding the foregoing, any costs incurred by Lake City in storing and/or disposing of such abandoned property shall remain the sole obligation of HAECO, which obligation shall survive the expiration or termination of this Lease. It is understood that machinery, equipment and other property belonging to HAECO shall remain HAECO's property and shall be removed from the Leased Premises regardless of whether such property is affixed to the Leased Premises or may be regarded by law as part of the Leased Premises.

3.5 Holdover.

- (a) Notwithstanding anything in this Lease to the contrary, so long as an Event of Default, or any event that, with the giving of notice or the passing of time, would constitute an Event of Default, has not occurred at the time of the exercise of the rights provided in this paragraph, HAECO may request to holdover in the Leased Premises from month-to-month ("Permitted Holdover"), commencing as of the first calendar month immediately following the expiration of the Term (as the same may be extended) (the "Permitted Holdover Period"), by delivering to Lake City prior written notice of HAECO's request to so occupy the Leased Premises on or before the date that is six (6) months prior to the expiration of the Term. Lake City may, within thirty (30) days after receiving such notice, decline to allow a Permitted Holdover by delivering written notice thereof to HAECO. If Lake City does not respond to HAECO's request for a Permitted Holdover within such period, a Permitted Holdover shall be deemed allowed. The Permitted Holdover shall be subject to all the terms and conditions of this Lease, including without limitation payment of Rent (escalated annually as provided in Article 6) in the amounts in effect on the final Lease Year of the Term, except that either Party may terminate the Permitted Holdover upon one hundred eighty (180) days' prior

written notice.

- (b) Other than in the case of a Permitted Holdover, if HAECO fails to surrender the Leased Premises upon termination or expiration of this Lease then HAECO's continued occupancy of the Leased Premises shall be deemed a tenancy from month-to-month with respect to such retained portion at a rental rate of one hundred twenty-five percent (125%) the Rent due under this Lease for the month prior to the holdover, and otherwise subject to all the terms and conditions of this Lease. Lake City may terminate the holdover tenancy at any time by providing thirty (30) days' prior written notice to HAECO. In addition to any other liabilities to Lake City arising therefrom, HAECO shall and does hereby agree to indemnify, defend, and hold Lake City harmless from any loss or liability resulting from the HAECO's failure to surrender the Leased Premises, including but not limited to claims made by any succeeding tenant.

ARTICLE 4 **PERMITTED USES**

HAECO shall be permitted to use the Leased Premises solely for the operation by HAECO of an aircraft maintenance, repair and overhaul facility, and uses ancillary and necessary relating thereto. HAECO may provide additional aeronautical services subject to approval in writing by Lake City which approval shall not be unreasonably withheld, conditioned or delayed. Any and all services must be in accordance with the Airport Minimum Standards. No other uses of the Leased Premises are permitted unless agreed to in writing by Lake City and HAECO. Lake City and Lake City Parties assume no liability or responsibility whatsoever with respect to the use, conduct, or operation of the business to be conducted in and on the Leased Premises and shall not be liable for any loss, injury, or damage to property caused by or resulting from any variation, interruption, or failure of utility or other services due to any cause whatsoever, or from failure to make any repairs or perform any maintenance that is HAECO's responsibility pursuant to this Lease.

Subject to force majeure, HAECO shall continuously occupy the Leased Premises and operate the Facility in an ongoing manner throughout the Term of the Lease, unless otherwise agreed to in writing by Lake City; PROVIDED that Lake City and HAECO acknowledge that there may be periods of up to six (6) months when operations at the Leased Premises may cease or be suspended. In the event HAECO requires an extended suspension of operations of the Leased Premises, defined as any period in excess of six (6) consecutive months, Lake City shall have the right, in addition to the remedies provided for under Article ___, to terminate this Lease upon thirty (30) days written notice. All payments due Lake City as provided for in Article 6, shall remain due and payable during any period operations at the Leased Premises cease or are suspended and HAECO shall continue to maintain the Leased Premises, keep utilities and services in place, and maintain limited maintenance and security personnel.

ARTICLE 5 **RENTS, FEES, AND CHARGES**

5.1 "Rent" as used in this Lease shall include Base Rent, Additional Rent, as each is defined in this Article, and any other amounts of money due to Lake City from HAECO hereunder.

5.2 **Base Rent.** Effective on the Term Commencement Date and continuing for the first nine (9) Lease Years, HAECO shall pay Lake City, in equal monthly installments, in advance, on or before the first (1st) day of each month, "Base Rent" in the amount set forth in the table below per Lease Year:

<u>Lease Year</u>	<u>Annual Base Rent</u>
1	\$300,000*
2	\$350,000
3	\$400,000
4	\$450,000
5	\$500,000

Commencing with the sixth Lease Year, Base Rent shall be increased annually by a percentage rate determined by taking the average year-over-year annual percentage change in CPI for the previous ten (10) year period, measured as of June 30 of the previous Lease Year, and rounding to the nearest tenth of a percent, not to exceed three percent (3%) per Lease Year.

*The Base Rent for the first Lease Year will be subject to a credit adjustment in the amount of \$95,000 representing reimbursement to HAECO for overpayment of rent during the Prior Leases.

5.3 **Partial Month.** If the Term Commencement Date occurs on a day other than the first day of a month, HAECO will pay a prorated portion of Rent due for the first full month of the Initial Term.

5.4 **Extended Term Rent Adjustment.**

- (a) **Extended Term Adjustment.** If HAECO exercises one or more of its Extension Options as provided under Section 3.3, Base Rent for the initial year of the first Extended Term will be adjusted to the fair market ground and facility rent for the Leased Premises as determined by the following procedure:

Lake City will propose the Base Rent for the first year of the first Extended Term no later than thirty (30) days following Lake City's receipt of HAECO's written notice to exercise its initial Extension Option. Such proposal will be delivered to HAECO as a notice pursuant to Article 38 of this Lease. If Lake City fails to deliver its proposal to HAECO within such time period, the Base Rent for the first Lease Year of the first Extended Term shall be equal to the Base Rent at the end of the Initial Term. The Parties will use best efforts to agree on a new Base Rent for the first Lease Year of the first Extended Term within (30) days after HAECO's receipt of Lake City's proposal.

If the parties have failed to reach agreement on Base Rent for the first year of the Extended Term thirty (30) days following Lake City's proposal, HAECO and Lake City will within sixty (60) days following Lake City's proposal each appoint an independent appraiser, each of whom shall be a professional M.A.I. appraiser with at least ten years' experience appraising aviation and industrial properties in the Northeast Florida market, and each appraiser will provide said appraiser's opinion of the fair

market Base Rent for the first year of the first Extended Term and will report such opinion to the other appraiser within thirty (30) days of the date of such appraiser's appointment. In determining fair market Base Rent, the appraisers shall take into account all relevant factors.

If one party fails to appoint an appraiser, the opinion of the one appraiser so selected shall be the Base Rent for the first year of the first Extended Term. If both parties have appointed an appraiser, and the higher of the two appraisals is not more than 105% of the lower of the two appraisals, the two appraisals will be averaged. The Base Rent for the first year of the first Extended Term will be such average.

If the higher appraisal is more than 105% of the lower appraisal, the two appraisers shall retain a third appraiser (and if they cannot agree upon an appraiser, one will be appointed by the executive in charge of the Miami office of the American Arbitration Association ("AAA") or his/her delegate upon the application of either Lake City or HAECO, or another office of the AAA mutually agreeable to Lake City and HAECO or, if the AAA is unable to carry out such duty, a successor organization selected by Lake City and reasonably acceptable to HAECO), and such third appraiser (who shall be subject to the same requirements as to qualifications as the other two appraisers) shall select a rent that such appraiser deems reasonable (taking into account all relevant factors, including concessions then being granted by aviation and industrial landlords), as long as it is no higher and no lower than the rent as determined by the other two appraisers, respectively. In these circumstances, the rent so selected by the third appraiser shall be the Base Rent for the first year of the first Extended Term. Each party will be responsible for the fees and expenses of the appraiser retained by such party and if a third appraiser is used the parties will share the fees and expenses of said appraiser equally.

- (b) Annual Adjustment during Extended Term(s). Once Base Rent for the first Lease Year of the first Extended Term is determined in accordance with Section 5.4(a) above, Base Rent shall increase annually by a percentage rate determined by taking the average year over year annual percentage increase in CPI, for the previous ten (10) year period, and rounding up to the nearest tenth of a percent, not to exceed 3 percent (3%) per Lease Year.

5.5 Failure to Pay Rentals, Fees or Charges. Notwithstanding any assignment or subletting, HAECO and any of its guarantor or surety obligations under this Lease shall at all times remain fully responsible and liable for the payment of the Rent herein specified and for compliance with all of its other obligations under this Lease. In the event HAECO fails to make timely payment of any Rent or other fees, charges, and payments due and payable in accordance with the terms of this Lease within ten (10) Business Days after same shall become due and payable, interest at the maximum rate allowed by law shall accrue against the delinquent payment from the date due until the date payment is received by Lake City. Notwithstanding the foregoing, Lake City shall not be prevented from terminating this Lease for default in the payment of Rents, fees, charges, and payments due to Lake City pursuant to this Lease, or from enforcing any other right or remedy

contained herein or provided by Applicable Law.

5.6 Service Charge for Worthless Checks. In the event HAECO delivers a worthless check or draft to Lake City in payment of any obligation arising under this Lease, HAECO shall incur a service charge of up to forty dollars (\$40.00) or five percent (5%) of the face amount of such check, whichever is greater; or, if Florida Statute § 832.07 is amended, such other fee as shall be set by said statute.

5.7 Other Fees and Charges. Nothing contained in this Lease shall preclude Lake City from establishing other reasonable and non-discriminatory fees and charges applicable to aircraft operating at the Airport, including aircraft owned or operated by HAECO, at such time as Lake City deems appropriate. HAECO expressly agrees to pay such fees and charges as if they were specifically included in this Lease. In the event HAECO engages in any activity or provides any service at the Airport for which other companies operating at the Airport pay a fee to Lake City, HAECO shall pay Lake City fees equivalent to those paid by such other companies for engaging in such activities or providing such services.

5.8 Place of Payment. HAECO shall pay all rents, fees, charges and billings required by this Lease in U.S. Dollars remitted to the following address:

Lake City Gateway Airport
3524 East US Highway 90 Lake
City, Florida 32055

All reports, correspondence, or notices should be addressed as indicated in the Article 38 hereof.

ARTICLE 6 **CONTRACT SECURITY**

Lake City acknowledges that HAECO has previously paid to Lake City a deposit in the amount of \$100,000 under the Prior Leases (the "Contract Security"). The Contract Security will be retained by Lake City and applied to this Lease. Lake City shall not be required to pay interest on the Contract Security or to maintain the Contract Security in a separate account. If any sum payable by HAECO to Lake City shall be due and unpaid, or if Lake City makes any payments on behalf of HAECO, or if Lake City suffers any loss, cost or expense as a result of HAECO's non-performance of any obligation or covenant herein, then Lake City, at its option and without limiting any other remedy, may use and apply any part of the Contract Security to compensate Lake City for the payments not made or the loss, cost or expense suffered by Lake City, provided that Lake City shall notify HAECO of Lake City's intended use thereof prior to such use. Within thirty (30) days after the later of (a) the expiration or earlier termination of this Lease, or (b) HAECO's vacating the Leased Premises, Lake City shall return the Contract Security less such portion thereof as Lake City may have used to satisfy HAECO's obligations.

ARTICLE 7 **OBLIGATIONS OF HAECO**

HAECO shall:

7.1 Control, within reason, the conduct of HAECO's Parties and, upon objection from Lake City concerning such conduct, shall immediately take all reasonable steps necessary to remove the cause of objection.

7.2 Remove from the Leased Premises or otherwise dispose of in a lawful manner all garbage, debris and other waste materials (whether solid or liquid) arising out of its occupancy of the Leased Premises or out of its operations. Any such debris or waste which is temporarily stored in the open shall be kept in suitable garbage and waste receptacles equipped with tight-fitting covers and designed to safely and properly contain whatever material may be placed therein. HAECO shall use extreme care when effective removal of all such waste.

7.3 Not create, commit, or maintain any nuisance, waste, or damage to the Leased Premises or other areas of the Airport and shall not do or permit to be done anything which may result in the creation or commission or maintenance of such nuisance, waste or damage to the Leased Premises.

7.4 Not create nor permit to be caused or created upon the Airport or the Leased Premises any obnoxious odor, smoke or noxious gases or vapors, other than those arising from the ordinary conduct of aircraft maintenance, repair and overhaul activities.

7.5 Not do or permit to be done anything which may interfere with effectiveness or accessibility of any utility or other system, including, the drainage and sewage system, fire protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, installed or located on the Leased Premises.

7.6 Not overload any floor or paved area on the Leased Premises and shall repair any floor, including supporting members, and any paved area damaged by overloading.

7.7 Not do or permit to be done any act or thing upon the Leased Premises:

- (a) Which will invalidate or conflict with any fire insurance policies covering the Leased Premises or any part thereof or other contiguous property; or
- (b) Which may constitute an extra-hazardous condition so as to increase the risks normally attendant upon the operations permitted by this Lease.

7.8 Not keep or store flammable liquids within any covered and enclosed portion of the Leased Premises in violation of Applicable Law or in excess of HAECO's working requirements. Any such liquids having a flash point of less than 110°F shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories.

7.9 Provide frequency protection within the aviation air/ground VHF frequency band and the UHF frequency band in accordance with restrictions promulgated by the Federal Aviation Administration for

operations in the vicinity of the FAA facilities.

ARTICLE 8

DEFAULT AND TERMINATION RIGHTS OF LAKE CITY

8.1 Events of Default. The occurrence of any of the following events shall constitute an "Event of Default" under this Lease:

- A. HAECO's failure to: (i) pay Rent, any portion thereof, or any other sums payable hereunder for a period of ten (10) Business Days after written notice by Lake City of the date due; or (ii) maintain the Contract Security (if applicable), required insurance, or the Maintenance Reserve Fund (if applicable) as required by this Lease;
- B. HAECO's failure to observe, keep or perform any of the other terms, covenants, agreements or conditions of this Lease or in the Airport Rules and Regulations for a period of thirty (30) days after written notice by Lake City, PROVIDED that HAECO will not be in default under this item B if HAECO has commenced a cure of such default within such thirty-day period and continues to pursue such cure diligently thereafter and completes such cure within a period of one hundred twenty (120) days from the date of such written notice;
- C. The bankruptcy of HAECO;
- D. HAECO making an assignment for the benefit for creditors;
- E. A receiver or trustee being appointed for HAECO or a substantial portion of HAECO's assets;
- F. HAECO's voluntary petitioning for relief under, or otherwise seeking the benefit of, any bankruptcy, reorganization, arrangement or insolvency law;
- G. Subject to Article 5, HAECO's vacating or abandoning the Leased Premises;
- H. HAECO's interest under this Lease being sold under execution or other legal process;
- I. HAECO's interest under this Lease being modified or altered by any unauthorized assignment or subletting or by operation of law;
- J. Any of the goods or chattels of HAECO used in, or incident to, the operation of HAECO's business in the Leased Premises being seized, sequestered, or impounded by virtue of, or under authority of, any legal proceeding;
- K. Any policies of insurance required to be maintained by HAECO Pursuant to this Lease shall expire and not be renewed or replaced by HAECO within five (5) days;

- L. Noncompliance with Florida Statute 287.133, Concerning Criminal Activity on Contracts with Public Entities, or other failure to comply with Applicable Law.

8.2 Remedies. In the event of any of the foregoing Events of Default, Lake City, at its election, may exercise any one or more of the following options or remedies, the exercise of any of which shall not be deemed to preclude the exercise of any others herein listed or otherwise provided by statute or general law at the same time or at the subsequent times or in subsequent actions:

- A. Proceed against HAECO's Contract Security (if applicable);
- B. Terminate HAECO's right to possession under the Lease and re-enter and retake possession of the Leased Premises and relet or attempt to relet the Leased Premises on behalf of HAECO at such rent and under such terms and conditions as Lake City may deem best under the circumstances for the purpose of reducing HAECO's liability. Lake City shall not be deemed to have thereby accepted a surrender of the Leased Premises, and HAECO shall remain liable for all Rent, or other sums due, under this Lease and for all damages suffered by Lake City because of HAECO's breach of any of the covenants of the Lease.
- C. Declare this Lease to be terminated, ended and null and void, and re-enter upon and take possession of the Leased Premises whereupon all right, title and interest of HAECO in the Leased Premises shall end.
- D. Accelerate and declare the entire remaining unpaid Rent for the Term of this Lease and any other sums due and payable forthwith and may, at once, take legal action to recover and collect the same, PROVIDED that at any time during Lake City's efforts to collect such accelerated amount or after Lake City has collected such amount, HAECO shall be entitled to receive an amount equal to the amount received by Lake City, up to the amount previously owed by and actually received from HAECO, from reletting the Premises for the balance of the Term, less the cost of any repairs or improvements reasonably required to relet the Leased Premises.
- E. If any policy of insurance required under this Lease shall expire and not be renewed or replaced by HAECO within five days of such expiration, Lake City may obtain such insurance, and the cost of such insurance shall be reimbursed by HAECO to Lake City as Additional Rent within fifteen (15) days of HAECO's receipt of an invoice therefor.

8.3 Additional Provisions. No re-entry or retaking possession of the Leased Premises by Lake City shall be construed as an election on its part to terminate this Lease, unless a written notice of such intention be given to HAECO, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any Rent or other monies due to Lake City hereunder or of any damages accruing to Lake City by reason of the violations of any of the terms, provision and covenants herein contained. Lake City's acceptance of Rent or other monies following any non-monetary Event of Default hereunder shall not be construed as Lake City's waiver of such Event of Default. No forbearance by Lake City of action upon any violation or breach of any of the terms, provisions and covenants herein contained shall be deemed or construed to constitute a waiver of the terms, provisions and covenants herein contained. Forbearance by Lake City to enforce one or more of the remedies herein provided upon an Event of Default shall not be deemed or

construed to constitute a waiver of any other violation or default. Legal actions to recover for loss or damage that Lake City may suffer by reason of termination of this Lease or the deficiency from any reletting as provided for above shall include the expense of repossessions or reletting and any repairs or remodeling undertaken by Lake City following repossession.

8.4 Termination by HAECO. This Lease shall be subject to termination by HAECO after the happening of one or more of the following events:

- (a) The permanent closure of the Airport;
- (b) The lawful assumption by the United States Government, or any authorized agency thereof, of the operation, control, or use of the Leased Premises or of the Airport, or any substantial part or parts thereof, in such a manner as to restrict HAECO's use and operation of the Leased Premises for a period of at least 90 days;
- (c) Issuance by a court of competent jurisdiction, without fault on the part of HAECO, of any injunction preventing or restraining the use of the Airport, and the remaining in force of such injunction for a period of at least 90 days; or
- (d) The default by Lake City, in any substantial respect, in the performance of any covenant or agreement herein required to be performed by Lake City and the failure of Lake City to remedy such default within a period of 30 days after Lake City's receipt from HAECO of written notice thereof; PROVIDED that Lake City will not be in default under this item (d) if Lake City has commenced a cure of such default within such thirty-day period and continues to pursue such cure diligently thereafter and completes such cure within a period of one hundred twenty (120) days from the date of such written notice.

HAECO may exercise its right of termination under this Article 8.4 by written notice to Lake City at any time after the occurrence of any such event (which, in the case of the events described in Subsections (b) through (d) hereof, shall not be deemed to have occurred until the lapse of the applicable period of time specified therein) and before Lake City has cured or removed the same, and this Lease shall terminate upon such termination. In the event of a termination of this Lease by HAECO under this Article 8.4, rentals due hereunder shall be payable only to the date of commencement of the event which is the cause of such termination.

ARTICLE 9

MAINTENANCE AND REPAIRS

9.1 Triple Net Lease. Except as otherwise expressly provided in this Lease, this Lease shall be deemed to be "triple net" without cost or expense to Lake City including, but not limited to, cost and expenses relating to taxes, insurance, and maintenance (regardless of whether buildings and improvements are then owned by HAECO or Lake City) and the operation of the Leased Premises.

9.2 HAECO's Responsibilities. HAECO shall throughout the term of this Lease assume the entire responsibility and shall relieve Lake City from all responsibility for all repair and maintenance whatsoever

with respect to the Leased Premises, whether such repair or maintenance be ordinary or extraordinary, or otherwise, and without the generality hereof, shall:

- A. Keep at all times in a clean and orderly condition and appearance the Leased Premises and all HAECO's fixtures, equipment and personal property which are located in any part of the Leased Premises.
- B. Paint the exterior and interior of the Leased Premises, and repair and maintain all doors.
- C. Repair and maintain all building systems, including but not limited to HVAC, electrical, fire suppression system, plumbing, compressed air, landscaping, windows, pavements, equipment, lighting fixtures, furnishings, fixtures, roof and exterior walls.
- D. Provide and maintain fire protection and safety equipment and all other equipment of every kind and nature required by any Applicable Law and/or insurance requirement.
- E. Keep all areas of the Leased Premises, including the apron areas, in a state of good repair, to include repair of any damage to the pavement or other surface of the Leased Premises or the Project caused by weathering and/or aging, HAECO's operations, or by any oil, gasoline, grease, lubricants or other flammable liquids and substances having a corrosive or detrimental effect thereon.
- F. Be responsible for the maintenance and repair of all utility service lines from the point of entry to the Leased Premises except common utilities, if any, including but not limited to, service lines for the supply of water, gas service lines, electrical power and telephone conduits and line, sanitary sewers and storm sewers which are now or which may be subsequently located upon the Leased Premises and used by HAECO or any subtenants.

9.3 Maintenance Plan. HAECO shall submit a Facility Maintenance Plan ("FMP") for the Leased Premises that: (i) is consistent with industry best practices; and (ii) will provide for ongoing preventative maintenance and scheduled inspections. The FMP is attached to this Lease as **Exhibit B.** The FMP shall outline recommended services and maintenance schedules for all major components and systems contained within the Leased Premises; to include but not limited to, heating, ventilation and air conditioning systems ("HVAC"), plumbing and electrical systems, fire suppression and alarm systems, roof and wall systems, interior and exterior finishes, painting, paving, landscaping and stormwater control systems. HAECO will have access to any and all warranties for the Leased Premises as provided in Section 2.3 of this Lease. In the event Lake City disagrees with HAECO's FMP and the parties are unable to resolve such disagreement within one hundred eighty (180) days after the Term Commencement Date, the parties agree to engage a mutually acceptable and qualified third-party expert to mediate the dispute. The cost of mediation will be shared equally between the parties.

9.4 Semi-Annual Scheduled Inspections. Lake City shall have the right to inspect the Premises semi-annually on January 30 and July 30 of each year without prior notice to HAECO. This in no way limits the City's right to entry as described in Article 26.

- 9.5 Lake City's Rights.** If HAECO fails to perform HAECO's maintenance responsibilities, Lake City shall have the right, but not the obligation, to perform such maintenance responsibilities, provided Lake City has first, in any situation not involving an emergency, by written notice to HAECO, afforded HAECO a period of thirty (30) days within which to commence corrective action to correct the failure, which may include a corrective action plan. The corrective action plan shall begin corrective action within thirty (30) days, unless in case of emergency, or in the case of written approval by Lake City of a later start date. All costs incurred by Lake City in performing HAECO's maintenance responsibility, plus a twenty-five percent (25%) administrative charge, shall be paid by HAECO within thirty (30) days of receipt of billing therefor.
- 9.6 No Improvements.** HAECO shall make no alterations or improvements to the Leased Premises without the prior written consent of Lake City, which shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, HAECO shall be entitled to make alterations to the existing hangars, buildings and other improvements provided such alterations comply with applicable laws and regulations.

ARTICLE 10

UTILITIES

HAECO agrees to provide for its own connections with utilities and to make separate agreements with the agencies responsible for these utilities. HAECO shall pay for all utility service supplied to the Leased Premises and, if required by the utility agencies as a condition of continued said services, HAECO shall install and pay for standard metering devices for the measurement of such services. HAECO shall be solely responsible for all utility charges, including without limitation natural gas, electricity, sewer, telecommunications and water used on the Leased Premises during the Term. HAECO further agrees that Lake City shall have the right, without cost to HAECO, to install and maintain in, on, or across the Leased Premises sewer, water, gas, electric and telephone lines, electric substations, or other installations necessary to the operation of the Airport, or to service other tenants of Lake City; provided Lake City shall carry out such work and locate above-ground structures in a manner that does not unreasonably interfere with the HAECO's use of the Leased Premises.

ARTICLE 11

INGRESS AND EGRESS

11.1 Use of Public Way. HAECO its contractors, suppliers of material and furnishers of services, shall have the right of ingress and egress to the Leased Premises via appropriate public or private way, provided that Lake City may, from time to time, substitute other means of ingress and egress so long as an alternate adequate means of ingress and egress is available and suitable for HAECO's use of the Leased Premises.

11.2 Closures. Lake City may at any time temporarily or permanently close any taxiway, roadway or other area used as ingress or egress to the Leased Premises presently or hereafter used as such, so long as an alternative means of ingress and egress is made available to HAECO and so long as such closure does not unreasonably interfere with HAECO using the Leased Premises as HAECO intends; PROVIDED that Lake City may close any such means of access or egress without providing an alternative means of ingress or egress due to a force majeure event or for a commercially reasonable period of time necessary to repair or otherwise maintain such areas and facilities (a "Total Closure"). In the event any such Total Closure is

necessary, Lake City will provide HAECO with advance, written notice reasonable under the circumstances and use diligent efforts to coordinate any such closure and maintenance activities with HAECO to minimize any adverse effects upon HAECO's operations. HAECO hereby releases and discharges Lake City, its successors and assigns, of and from any and all claims, demands or causes of action which HAECO may now or at any time hereafter have against any of the foregoing arising or alleged to arise out of the closing of any taxiway, apron, runway, street, roadway, or other areas used as such, whether within or outside the Leased Premises, provided that Lake City makes available to HAECO an alternate means of ingress and egress.

11.3 HAECO's Access. Subject to closure due to a force majeure event, HAECO will have access to the Leased Premises 24 hours a day, seven days a week, 365/366 days a year during the Term.

ARTICLE 12

TAXES, PERMITS AND LICENSES

In addition to those obligations set forth in Article 6, HAECO shall bear, at its own expense, all costs of operating its equipment and business including any and all ad valorem, sales, use or other taxes levied, assessed or charged upon or with respect to the leasehold estate, the Premises or improvements or property HAECO places thereon and any assessed against the operation of the business and any ad valorem, sales, use or similar taxes levied or assessed on any payments made by HAECO hereunder, whether assessed at the time of this Lease or thereafter imposed, and regardless of whether said items are billed to Lake City or the HAECO. HAECO reserves the right to contest any such taxes and withhold payment of such taxes, so long as the nonpayment of such taxes does not result in a lien against the Leased Premises or a direct liability on the part of Lake City.

HAECO shall bear all cost of obtaining any permits, licenses, or other authorizations required by Applicable Law in connection with the operation of its business at the Airport, and copies of all such permits, certificates and licenses shall be forwarded to Lake City upon request.

ARTICLE 13

INSURANCE

HAECO shall provide, pay for, and maintain throughout the Term of this Lease, insurance as described herein. All insurance shall be from responsible companies authorized to do business in the State of Florida. An insurance company included in HAECO's enterprise-wide program of insurance shall be deemed to be acceptable to Lake City for this purpose, provided the company is licensed by the Florida Department of Financial Services and otherwise authorized to conduct insurance business within the State of Florida. All liability insurance policies required herein shall provide a severability of interest provision. The insurance coverages and limits required shall be evidenced by properly executed certificates of insurance. There shall be no legal prohibition preventing the issuer of any of the required policies of insurance from making payment under a policy in Columbia County, Florida.

All certificates shall provide that except in respect of any provision of cancellation or automatic termination specified in the policy or any endorsement thereof, the cover provided may only be cancelled or materially altered in a manner adverse to the Additional Insureds by insurers giving not less than thirty (30) days notice in writing to Lake City, except that with respect to war and allied perils coverage, such

period of notice shall be seven (7) days or such lesser period as may be customarily available. Notice will not however be given at normal policy expiry date or in the event of non-renewal. In the event of a reduction in any aggregate limit below the requirements of this Article, HAECO shall take immediate steps to have such aggregate limit reinstated. If at any time Lake City reasonably requests a written statement from the insurance company regarding any impairment to the aggregate limit of insurance, HAECO shall promptly deliver such statement to Lake City. HAECO shall make up any impairment when known to it. HAECO authorizes Lake City to confirm all information, as to compliance with the insurance requirements herein with HAECO's insurance agents, brokers, and insurance carriers. All insurance coverages of HAECO shall be primary as regards any insurance or self-insurance program carried by Lake City with respect to all matters covered by the insurance requirements of this Article 18.

The acceptance of delivery by Lake City of any certificate of insurance evidencing HAECO's insurance coverages and limits does not constitute approval or agreement by Lake City that the insurance requirements have been met or that the insurance policies shown in the certificates of insurance are in compliance with the requirements herein.

HAECO shall, before commencement of any work on the Leased Premises, furnish Lake City evidence that its contractor(s) is covered to the reasonable satisfaction of Lake City.

The insurance coverages and limits required of HAECO are designed to meet the minimum requirements of Lake City. They are not designed as a recommended insurance program for HAECO. HAECO alone shall be responsible for the sufficiency of its own insurance program.

HAECO and Lake City understand and agree that the limits and coverages of the insurance herein required may become inadequate based on HAECO's activities and industry practices, and HAECO agrees that it will increase such limits or provide such coverages as may be commercially reasonable at the time for facilities such as the Leased Premises at each annual policy renewal.

If any liability insurance required herein is to be issued or renewed on a "claims made" form as opposed to the "occurrence" form, the retroactive date for coverage shall be no later than the Effective Date of the Lease and shall provide that in the event of cancellation or non-renewal, the discovery period for insurance claims (Tail Coverage) shall be unlimited.

All of the required insurance coverages shall be issued as required by Applicable Law and shall be endorsed, where necessary, to comply with the minimum requirements contained herein. Submissions required by this Article shall be given to:

Lake City Gateway Airport
3524 East US Highway 90 Lake
City, Florida 32055

Renewal Certificates of Insurance shall be provided to Lake City as soon as practicable upon renewal.

As provided in Article 9, Lake City may terminate or suspend this Lease at any time should HAECO fail to provide or maintain the insurance coverages required by this Article, evidenced by documentation

acceptable to Lake City, provided that the HAECO shall not be required to provide originals or copies of any insurance policy to Lake City or its representatives.

The amounts and types of insurance shall conform to the following minimum requirements with the use of Insurance Service Office (ISO) policies, forms, and endorsements or broader where applicable. Notwithstanding the foregoing, the wording of all forms and endorsements must be reasonably acceptable to Lake City.

1. **Workers' Compensation and Employers' Liability.** Insurance in accordance with the statutes and regulations of the State of Florida including Employer's Liability. Limits shall not be less than:

Workers' Compensation	Florida Statutory requirements
Employer's Liability	\$500,000 limit each accident
	\$500,000 limit disease aggregate
	\$500,000 limit disease each employee

2. **Commercial General and/or Aviation Liability.** Insurance, including Premises & Operations, Personal Injury, Contractual for this Lease, Independent Contractors, and Broad Form property Damage including Completed Operations.

Limits of coverage shall not be less than:

\$1,000,000 Combined Single Limit each occurrence Bodily Injury and Property Damage Liability,

OR

\$1,000,000 each occurrence and aggregate for liability associated with all operations under this specific lease. The aggregate limits shall be separately applicable to this Lease.

3. **Automobile Liability.** Insurance shall be maintained by HAECO as to the ownership, maintenance and use of all owned, non-owned, leased or hired vehicles which are tagged and used commercially on Lake City's premises with limits of not less than:

Bodily Injury Liability	\$1,000,000 limit each person/\$1,000,000 limit each accident
Property Damage Liability	\$1,000,000 limit each accident

OR

Bodily Injury and Property Damage Liability	\$1,000,000 Combined Single Limit each occurrence
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4. **Umbrella Liability or Excess Liability.** Insurance shall not be less than \$1,000,000 each occurrence and aggregate. The limits of primary liability insurance for the General Liability and Employers' Liability insurance coverages required in this section shall be not less than \$500,000 Combined Single Limit each occurrence and aggregate where applicable for Bodily Injury and Property Damage liability.

5. **Hangarkeeper's Legal Liability.** HAECO shall agree to maintain Hangarkeeper's Legal Liability providing property damage to aircraft which are the property of others and in the care, custody, or control of HAECO, but only while such aircraft are not in flight, in an amount not less than \$200,000,000 any one occurrence.

6. **Time Element Pollution Legal Liability.** HAECO shall maintain Time Element Pollution Legal Liability insurance in an amount not less than two million dollars (\$2,000,000) per occurrence which policy shall include a reasonable period of time generally consistent with the policy in place on the Effective Date for discovery and reporting of each covered occurrence, covering the costs of remediating any sudden and accidental environmental contamination for which HAECO is responsible under this Lease and for which HAECO has not commenced remediation activities as required under this Lease within thirty (30) days of such remediation obligation arising under this Lease.

7. **Additional Insured.** HAECO agrees to endorse Lake City as an Additional Insured with a CG2026 Additional Insured - Designated Person or Organization endorsement, or similar endorsement, to the Commercial General Liability and Business Automobile Liability. The Additional Insured shall read "Lake City, and its successors and assigns, and its Board members, officers, employees, agents, contractors, subcontractors and invitees to the extent of the indemnity obligation set out in Section 14.1 of the Lease pursuant to which this certificate is issued, but subject to the coverage, terms, limitations, warranties, exclusions and cancellation provisions of the policies of HAECO."

ARTICLE 14 **INDEMNIFICATION**

14.1 HAECO agrees to protect, defend, reimburse, indemnify and hold Lake City, its agents, employees and officers and each of them (collectively, "Lake City Indemnitees"), free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including, without limitation, reasonable attorney fees and costs incurred prior to trial, at trial, on any appeal, and in any bankruptcy proceeding) and causes of action ("Claims") of every kind and character, known or unknown, against any Lake City Indemnitee by reason of any damage to property or bodily injury (including death) incurred or sustained by any party hereto, any agent or employee of any party hereto, and any third or other party whomsoever, or any governmental agency, to the extent arising out of or incident to or in connection with HAECO's performance under this Lease, HAECO's use or occupancy of the Leased Premises, HAECO's acts, omissions or operations hereunder or the performance, nonperformance or purported performance of HAECO or any breach of the terms of this Lease, but excluding any Claims to the extent they are caused by the negligence, recklessness, or intentional wrongful conduct on the part of Lake City or any of Lake City Indemnitees; PROVIDED, however, (1) HAECO shall assume the responsibility to defend all Claims arising under this Lease and (2) in the event that Lake City or a Lake City Indemnitee is in part responsible for any loss, liability shall be allocated between Lake City and HAECO in accordance with Florida principles of

comparative fault but HAECO will in no event be required to pay any portion of a loss that is attributable to the negligence or willful misconduct of Lake City or an Lake City Indemnitee; and PROVIDED, further, for the avoidance of doubt, that Lake City is not hereby waiving any defense or limitation of its liability, and all Claims against Lake City or any Lake City Indemnitee shall be subject to the provisions of Section 768.28 of the Florida Statutes, as amended from time to time (which defense and/or limitation of liability HAECO may argue in its defense of any Claim). HAECO recognizes the broad nature of this indemnification and hold harmless clause, and acknowledges that Lake City would not execute this Lease without this indemnity. This clause shall survive the expiration or termination of this Lease. Compliance with the insurance requirements as attached hereto shall not relieve HAECO of its liability or obligation to indemnify Lake City as set forth in this Article.

14.2 If the above indemnity or defense provisions or any part of the above indemnity or defense provisions are limited by Florida Statute §725.06(2)-(3) or Florida Statute §725.08, then with respect to the part so limited, HAECO agrees to the following: To the maximum extent permitted by Florida law, HAECO will indemnify, defend and hold harmless Lake City and each Lake City Party from any and all liabilities, damages, losses, and costs, including, but not limited to, reasonable attorneys' fee, to the extent caused by the negligence, recklessness, or intentional wrongful conduct of HAECO or any HAECO Party and except to the extent they are caused by the negligence, recklessness, or intentional wrongful conduct on the part of Lake City or any of Lake City Indemnitees; PROVIDED, however, (1) HAECO shall assume the responsibility to defend all Claims arising under this Lease and (2) in the event that Lake City or Lake City Indemnitee is in part responsible for any loss, liability shall be allocated between Lake City and HAECO in accordance with Florida principles of comparative fault but HAECO will in no event be required to pay any portion of a loss that is attributable to the negligence or willful misconduct of Lake City or an Lake City Indemnitee; and PROVIDED, further, for the avoidance of doubt, that Lake City is not hereby waiving any defense or limitation of its liability, and all Claims against Lake City or any Lake City indemnitee shall be subject to the provisions of Section 768.28 of the Florida Statutes, as amended from time to time (which defense and/or limitation of liability HAECO may argue in its defense of any Claim).

14.3 If the above indemnity or defense provisions or any part of the above indemnity or defense provisions are limited by Florida Statute §725.06 (1) or any other Applicable Law, then with respect to the part so limited the monetary limitation on the extent of the indemnification shall be the greater of the (i) coverage amount of Commercial General Liability Insurance required under this Lease or (ii) \$1,000,000.00. Otherwise, the obligations of this Article 14 will not be limited by the amount of any insurance required to be obtained or maintained under this Lease.

ARTICLE 15

CASUALTY

15.1 HAECO's Obligation to Insure; Damage or Destruction. HAECO at its own cost will procure and maintain physical damage property insurance on improvements owned by Lake City on the Leased Premises in an amount equal to the replacement cost of such improvements, subject to such deductibles and self-insured retentions previously disclosed in writing to Lake City that HAECO maintains as part of its enterprise-wide risk management program. If, during the Term of this Lease, the Leased Premises or any portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty, HAECO shall be obligated to use the Net Proceeds to repair the Leased Premises in

accordance with Article 15.2. As used herein, "Net Proceeds" means, when used with respect to any insurance payment or award to Lake City and/or HAECO, the gross proceeds thereof less the expenses (including attorneys' fees) incurred in the collection of such gross proceeds.

15.2 Repair and Replacement. Except as set forth in Section 15.3 hereof, all Net Proceeds owed to either Lake City or HAECO as a result of an event described in Section 15.1 shall be applied to the prompt repair, restoration, modification, improvement, or replacement of the Leased Premises by HAECO to the same standards as required under this Lease. Any repair, restoration, modification, improvement, or replacement of the Leased Premises paid for in whole or in part out of Net Proceeds of Lake City's or HAECO's insurance shall be the property of Lake City, subject to this Lease, and shall be included as part of the Leased Premises under this Lease. During the period of time that HAECO cannot occupy any or all the Leased Premises by reason of any of the events described in Section 15.1, if any, Rent shall be abated in whole or in part in proportion to the total amount of the Leased Premises that cannot be occupied by HAECO for its intended use.

15.3 Insufficiency of Net Proceeds for Property. If there occurs an event described in Section 15.1 hereof, and the Net Proceeds received as a consequence of such event shall be insufficient to pay in full the cost of any repair, restoration, modification, improvement, or replacement of the Leased Premises required under this Article, the Parties shall meet as soon as possible and confer in good faith regarding a restoration plan. If the Parties are unable to reach an agreement on a restoration plan within thirty (30) days, this Lease shall terminate and be of no further force and effect and Lake City shall retain the Net Proceeds.

15.4 Cooperation. The Parties shall cooperate fully with the other in filing any proof of loss with respect to any insurance policy or performance bond covering the events described in Section 15.1 hereof. In no event shall either party voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim or performance or payment bond claim relating to the Leased Premises or any portion thereof without the written consent of the other party.

15.5 Limitation on Lake City Liability. In no event shall Lake City be liable to HAECO for any: (i) damage to the Leased Premises, except to the extent caused by the negligence, gross negligence or willful misconduct of Lake City, its agents, contractors or employees; or (ii) loss, damage or injury to any property therein or thereon except to the extent caused by the negligence, gross negligence or willful misconduct of Lake City, its agents, contractors or employees.

ARTICLE 16

FORCE MAJEURE

Except for HAECO's obligation to pay Rent and other fees and charges due hereunder, it shall not be considered an Event of Default and all deadlines (including the Delivery Deadline) shall be extended on a day-for-day basis, if Lake City or HAECO is prevented from performing any of the other obligations imposed under this Lease by reason of strikes, boycotts, labor disputes, embargoes, shortage of energy or materials, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, riots, rebellion, sabotage, pandemics, or any other circumstances for which it is not responsible or which is beyond its control (each an event of "force majeure"). Lake

City shall be under no obligation to furnish any service or supply any utility if and to the extent and during any period that the furnishing of any such service or the supplying of any such utility, or the use of any device or component necessary therefore, shall be prohibited or rationed by any Applicable Law.

ARTICLE 17

COMPLIANCE WITH LAWS, REGULATIONS, ORDINANCES AND RULES

17.1 HAECO shall at all times comply with all Applicable Laws, including without limitation the Airport Minimum Standards and other mandates whether existing or as promulgated from time to time by Governmental Authorities, Lake City or Airport Management, including but not limited to permitted and restricted activities, security matters, parking, ingress and egress, environmental and storm water regulations and any other operational matters related to the operation of the Airport; provided that any such mandates promulgated by Lake City shall not unreasonably interfere with HAECO's use of the Leased Premises for the permitted purpose stated herein. This obligation shall include, but not be limited, to HAECO precluding the HAECO Parties from entering upon any restricted area of the Airport as noted in procedures, rules or regulations of any Governmental Lake City, including Lake City.

17.2 HAECO agrees to operate in accordance with the obligations of the Airport Sponsor to the federal government under applicable grant agreements or deeds. HAECO agrees to make available all facilities and services to the public on fair and reasonable terms and without unjust discrimination.

17.3 HAECO represents and warrants that it specifically understands and agrees that nothing contained in this Agreement shall be construed as granting or authorizing the granting of an exclusive right within the meaning of 49 U.S.C. § 40103(e) and §47107(a)(4).

17.4 The Parties agree that this Agreement is subordinate to Lake City's obligations to the federal government under existing and future agreements for federal aid for the development and maintenance of the airport.

ARTICLE 18

ENVIRONMENTAL REGULATIONS

18.1 Environmental Representations. Notwithstanding any other provisions of this Lease, and in addition to any and all other Lease requirements, and any other covenants and warranties of HAECO, HAECO hereby expressly warrants, guarantees, and represents to Lake City, upon which Lake City expressly relies that:

- A. HAECO is knowledgeable of any and all Environmental Laws, without limitation which govern or which in any way apply to the direct or indirect results and impacts to the environmental and natural resources due to, or in any way resulting from, the conduct by HAECO of its operations pursuant to or upon the Leased Premises. HAECO agrees to keep informed of future changes in Environmental Laws.
- B. HAECO agrees to comply with all Environmental Laws applicable to its operations on the Leased Premises and accepts full responsibility and liability for such compliance.
- C. HAECO shall, prior to commencement of any of HAECO's operations pursuant to this

Lease on the Leased Premises, secure any and all permits required for HAECO's operations on the Leased Premises (with the exception of such permits as Lake City is required to obtain pursuant to Section 3.1 of the Lease), and properly make all necessary notifications as may be required from HAECO by any and all Governmental Authorities having jurisdiction over parties or the subject matter hereof.

- D. HAECO, and all HAECO Parties, have been fully and properly trained in the handling and storage of all such Hazardous Materials and other pollutants and contaminants; and such training complies with any and all Applicable Laws.
- E. HAECO agrees that it will neither handle nor store any Hazardous Materials on the Leased Premises in excess of those required to carry out its permitted uses at the Leased Premises and that all such Hazardous Materials will be stored, used and disposed of in accordance with Applicable Law.
- F. HAECO shall provide Lake City satisfactory documentary evidence of all such requisite legal permits and notifications as required by clause C above.
- G. HAECO agrees to cooperate with any investigation, audit or inquiry by Lake City or any Governmental Authority regarding possible violation of any Environmental Law.

18.2 Generator of Hazardous Waste. If HAECO is deemed to be a generator of hazardous waste, as defined by Applicable Law, HAECO shall obtain an EPA identification number and the appropriate generator permit and shall comply with all Environmental Laws imposed upon a generator of hazardous waste including, but not limited to, ensuring that the appropriate transportation and disposal of such materials are conducted in full compliance with Environmental Law.

18.3 Inventory List. HAECO shall maintain an accurate inventory list (including quantities) of all such Hazardous Materials, whether stored, disposed of or recycled, available at all times for inspection at any time on the Leased Premises by Lake City officials and also by Fire Department officials or regulatory personnel having jurisdiction over the Leased Premises, for implementation of proper storage, handling and disposal procedures.

18.4 Notification and Copies. Notification of all activities relating to Hazardous Materials by HAECO shall be provided on a timely basis to Lake City or such other agencies as required by Applicable Law. HAECO agrees a twenty-four (24)-hour emergency coordinator and phone number shall be furnished to Lake City in case of any spill, leak or other emergency situation involving hazardous, toxic, flammable or other pollutants or contaminated materials. Designation of this emergency coordination may be required by Environmental Laws. HAECO agrees to provide Lake City copies of all permit application materials, permits, monitoring reports, environmental response plan, and regulated materials storage and disposal plans relating to the Leased Premises.

18.5 Violation. If Lake City receives a notice from any Governmental Authority asserting a violation by HAECO of HAECO's covenants and agreements contained herein, or if Lake City otherwise has reasonable grounds upon which to believe that such a violation has occurred, Lake City or its duly appointed consultants shall have the right, but not the obligation, to enter the Leased Premises, subject to

HAECO's duly promulgated Enterprise and site specific security and safety requirements, procedures, and controls for HAECO's Airport operations as of the commencement of this Lease and any future modification of HAECO's site specific security and safety requirements, procedures, and controls to the extent that HAECO has provided advance written notice to and reasonably consulted with Lake City regarding such modifications), and perform environmental site assessments for the purpose of determining whether there exists any environmental condition that could result in any liability, cost or expense to Lake City. Lake City shall perform such tests on the Leased Premises as may be necessary, in the opinion of Lake City or its duly appointed consultants, acting reasonably, to conduct a prudent environmental site assessment; provided, however, such environmental site assessment shall not unreasonably interfere with HAECO's operations or use and enjoyment of the Leased Premises. HAECO shall supply such information as is reasonably requested by Lake City.

If HAECO receives a Notice of Violation or similar enforcement action or notice of noncompliance, HAECO shall provide a copy of same to Lake City within three (3) Business Days of receipt by HAECO.

ARTICLE 19

FEDERAL STORM WATER REGULATIONS

HAECO acknowledges that certain properties and uses of properties within the Airport or on Lake City owned land are subject to Federal storm water regulations as set forth in 40 CFR Part 122. HAECO agrees to observe and abide by said regulations as applicable to the Leased Premises thereof.

HAECO agrees to participate in any Lake City-organized task force or other work group established to coordinate storm water activities at the Airport. In addition, HAECO agrees to participate in Lake City's Environmental Compliance Program and is subject to and agrees to periodic inspections conducted by Airport staff, subject to HAECO's security and safety requirements, procedures, and controls, to observe the management, handling, storage, and disposal practices associated with any Hazardous Materials.

HAECO shall be strictly liable for, and hereby expressly assumes all responsibility for all citations, fines, environmental controls and monitoring, clean-up and disposal, restoration and corrective measures to the extent resulting from or connected with the HAECO or HAECO Parties' improper use, handling, storage or disposal of all pollutants or contaminated materials, as same are defined by Applicable Law, generated or used by HAECO or by any HAECO Parties, suppliers of service or providers of service, regardless of whether or not a default notice has been issued and notwithstanding any other obligations imposed upon HAECO pursuant to the terms of this Lease.

ARTICLE 20

ENVIRONMENTAL INSPECTION

HAECO acknowledges receipt of the Environmental Baseline Inspection report dated July 27, 2011, by the United States Army Corps of Engineers. Lake City and HAECO also acknowledge that during operations at the Leased Premises, environmental contamination may be identified, and the parties will reasonably share information developed as to such environmental contamination with each other.

Within the last sixty (60) days of the Term or thereafter, Lake City shall have the right to have an environmental inspection performed, subject to HAECO's security and safety requirements, procedures, and controls, to determine the status of any Hazardous Materials, including, but not limited to, asbestos, PCBs, PFAS, urea formaldehyde, and radon gas existing on the Leased Premises or whether any said substances have been generated, released, stored or deposited over, or then exist beneath or on the Leased Premises from any source; provided, however, such environmental inspection shall not unreasonably interfere with HAECO's operations or use and enjoyment of the Lease Premises.

HAECO hereby expressly agrees to indemnify and hold Lake City and each Lake City Party harmless from and against any and all liability for fines and physical damage to property or injury or deaths to persons, including reasonable expense and attorney's fees, to the extent arising from or resulting out of, or caused by, HAECO's failure to comply with any and all Environmental Laws. HAECO understands that this indemnification is in addition to and is a supplement of HAECO's indemnification set forth in other provisions of this Lease and HAECO is in full understanding to the extent of this indemnification and hereby expressly acknowledges that it has received full and adequate consideration and that Lake City would not execute this Lease without this Indemnity. This provision of the Lease shall survive termination of the Lease.

Except as provided in Article 20A, with regard to any environmental contamination caused by HAECO or arising by reason of HAECO's use or occupancy of the Leased Premises, HAECO shall promptly take such action as is required by applicable Environmental Laws to clean up and remediate the Leased Premises at its own expense in accordance with Environmental Laws. The remediation must continue until the Governmental Authorities with jurisdiction determine that no further action is necessary in compliance with applicable Environmental Laws; it being understood and agreed that HAECO shall be obligated to clean-up and remediate the Leased Premises to achieve such standards or clean-up levels as are reasonably required by Lake City for properties at the Airport. If Lake City is unable, after commercially reasonable efforts, to lease the Leased Premises during the period of cleanup and remediation due to the environmental condition or cleanup work being performed, in addition to any other damages, HAECO shall be responsible for payment of lost rent or lost use to Lake City.

The firm(s) conducting the site inspection or the site cleanup work must be qualified and approved by Lake City and the HAECO, which approval shall not be unreasonably withheld, conditioned, or delayed, and the scope of work used by such firm shall be consistent with the then current engineering practices and methods required or recommended by the State of Florida and the United States and be acceptable to Lake City, which acceptance shall not be unreasonably withheld, conditioned, or delayed.

HAECO understands and agrees that it is strictly liable for any environmental violation or harm, or any contamination to the soil or the water table under the Leased Premises, to the extent caused by HAECO or occurring by reason of HAECO's use or occupancy of the Leased Premises. Said liability shall extend beyond the term of the Lease.

HAECO acknowledges that the United States Navy, pursuant to the terms of the 1999 Deed of Transfer, has a continuing right of access and obligation to monitor the environmental status of the entire Airport, including the Leased Premises.

ARTICLE 20A
PRE-EXISTING AND THIRD PARTY ENVIRONMENTAL CONDITIONS

(A) Notwithstanding anything to the contrary in this lease, including without limitation Articles 14, 18, 19 and 20, HAECO shall not be liable for and shall have no obligation or responsibility under this lease, at law, or otherwise for any Pre-Existing Environmental Condition or any Third-Party Environmental Condition. Lake City hereby releases, waives, and discharges any and all claims, rights, suits, liabilities, losses, demands, actions, or causes of action, whether arising by Statute (including without limitation cercla), regulation, contract, common law, equity, or otherwise (excluding, however, any claims rights, suits, liabilities, losses, demands, actions or causes of action arising from the negligence of HAECO or any HAECO party) that it may have, nor or in the future, against HAECO or any HAECO party, all to the extent arising from, connected with, or relating to any Pre-Existing Environmental Condition or Third-Party Environmental Condition.

(B) Lake City covenants and agrees that it shall undertake, at its sole cost and expense, any notification, investigation, monitoring, clean-up, removal or remediation of any Pre-Existing Environmental Condition or Third-Party Environmental Condition, to the extent required by any Applicable Law, or as required by any Governmental Lake City, whether such action is required now or in the future. In undertaking the foregoing, Lake City shall use commercially reasonable efforts not to unreasonably interfere with HAECO's operations or HAECO's use and enjoyment of the Leased Premises. For the avoidance of doubt, the foregoing undertaking shall apply without limitation to any Pre-Existing Environmental Condition or Third-Party Environmental Condition encountered during the construction of improvements at the Leased Premises performed by Lake City. Lake City further agrees that it shall implement, at its sole cost and expense, erosion control and storm water plans as necessary to comply with Applicable Law in conjunction with construction of improvements at the Leased Premises performed by Lake City.

(C) In the event that Lake City or any third-party undertakes any notification, investigation, monitoring, clean-up, removal or remediation of any Pre-Existing Environmental Condition or Third-Party Environmental Condition during the term of this Lease, Lake City shall (1) coordinate with HAECO to seek to minimize any disruption to HAECO's use and occupation of the Leased Premises, (2) keep HAECO informed of its progress in performing or completing any such actions, and (3) indemnify and hold HAECO harmless from any loss, damage or liability arising from such activities. HAECO shall be entitled, at its own cost and expense, to reasonably monitor Lake City's performance and completion of such actions. Such monitoring may include, without limitation: (1) the right to receive copies of all reports, work plans and analytical data generated by or on behalf of Lake City; all notices or other letters or documents received from or submitted to any Governmental Authority; and any other data, documentation and/or correspondence reasonably requested by HAECO, excepting any such documentation as may be subject to attorney-client privilege or other similar confidentiality restrictions, including without limitation requirements of Governmental Authorities and (2) prior notice of and the opportunity to attend and participate in any material meetings related to such actions.

(D) The term "Pre-Existing Environmental Condition," as used in this Lease, means the presence in soil, rock, bedrock, sediment, surface water, groundwater, drinking water, or other environmental media (including soil vapors or gases) on, under, in, or around the Leased Premises of any Hazardous Materials or any substance, material, or matter regulated under Environmental Laws or any substance, material, or

matter for which liability or standards of conduct may be imposed under Applicable Laws and which were present on or before the commencement of the Prior Leases, and including any subsequent migration, movement, or transformation of such substances, materials, matter, or Hazardous Materials after the Term Commencement Date.

(E) The term "Third-Party Environmental Condition," as used in this Lease, means the presence in soil, rock, bedrock, sediment, surface water, groundwater, drinking water, or other environmental media (including soil vapors or gases) on, under, in, or around the Leased Premises of any Hazardous Materials or any substance, material, or matter regulated under Environmental Laws or any substance, material, or matter for which liability or standards of conduct may be imposed under Applicable Laws, and the presence of which HAECO demonstrates were or are caused or permitted by any person or party not affiliated with HAECO or any HAECO Party, and whether or not such substances, materials, matter, or Hazardous Materials were or are present on, before, or after the Term Commencement Date.

(F) Lake City's and HAECO's rights and obligations under this Article 20A shall survive any termination of the Lease.

ARTICLE 21

FUELING AND FUEL STORAGE TANKS

HAECO agrees that it will not have any underground or above ground storage tanks on the Leased Premises unless specifically authorized in writing by Lake City, which authorization shall not be unreasonably withheld, conditioned, or delayed as long as the design, installation and construction of such tanks complies with then-current requirements of all Governmental Authorities with jurisdiction over such tanks. If any tank is authorized by Lake City, HAECO covenants and agrees that it will comply with all Applicable Laws concerning the installation, operation, maintenance and inspection of above ground and underground storage tanks ("Tanks") including financial responsibility and corrective action requirements. It is understood that all Tanks existing at the Leased Premises as of the Term Commencement Date have been authorized by Lake City.

ARTICLE 22

FUELING OF AIRCRAFT

HAECO agrees to be responsible for the fueling needs of its customers and agrees to pay Lake City a flowage rate of Twenty Cents (\$.20) per gallon. HAECO agrees to submit fueling receipts and records annually so that Lake City may generate an invoice for payment by HAECO.

ARTICLE 23

AMERICANS WITH DISABILITIES ACT

HAECO shall comply with the requirements of the Americans with Disabilities Act (ADA) as published in Title 28, Code of Federal Regulations ("CFR"), Parts 35 and 36, and the State of Florida Accessibility Requirements Manual (ARM). Additionally, Lake City shall comply with the requirements of the ADA in its design and construction of the Leased Premises pursuant to 3 of this Lease.

ARTICLE 24
FEDERAL NONDISCRIMINATION CLAUSES

HAECO acknowledges that Lake City is required by the FAA under the terms of certain agreements between Lake City and the United States of America relative to the operation or maintenance of the Airport, the execution of which has been required as a condition precedent to the grant or receipt of federal funds for the development of the Airport, to include in this Lease certain required contract provisions (the "Federal Nondiscrimination Clauses"). HAECO agrees to comply with the Federal Nondiscrimination Clauses and, where applicable, include the Federal Nondiscrimination Clauses in each of its subcontracts without limitation or alteration. HAECO further agrees to comply with any modification to or interpretation of the Federal Nondiscrimination Clauses that may from time to time be required by the FAA or other agency with jurisdiction, within thirty (30) days of receiving notice from Lake City of such required modifications.

ARTICLE 25
RIGHTS RESERVED TO LAKE CITY

Rights not specifically granted to HAECO by this Lease are expressly and independently reserved to Lake City. Lake City expressly reserves the right to prevent and restrict any use of the Leased Premises which would interfere with or adversely affect the operation or maintenance of the Airport, the authorized operations of other Airport tenants or users, or otherwise constitute an Airport hazard.

ARTICLE 26
RIGHT TO ENTRY

Subject to HAECO's security and safety requirements, procedures, and controls, except in an emergency, Lake City shall have the right to enter the Leased Premises with no less than twenty-four (24) hours' notice to HAECO and will be escorted, except in the event of an emergency, and at reasonable times to inspect the Leased Premises for the purpose of determining whether HAECO is in compliance with the requirements of this Lease. If upon inspecting the Leased Premises Lake City reasonably determines that the HAECO is not in compliance with this Lease, Lake City shall provide HAECO with a written notice of noncompliance listing the maintenance, repair, or other items that are in noncompliance. If the HAECO does not initiate corrective action to cure the items in noncompliance within thirty (30) days and pursue in a diligent manner thereafter to complete actions to cure said noncompliance, Lake City may institute legal action to enforce the terms of the maintenance agreement and this Lease to bring any portion of the Leased Premises into compliance with the requirements outlined therein. The prevailing party shall be entitled to reasonable costs and attorney's fees.

ARTICLE 27
RIGHT OF FLIGHT

It shall be a condition of this Lease that Lake City reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the

surface of the real property owned by Lake City, including without limitation, the Leased Premises, together with the right to cause in said airspace, such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from or operating on the Airport. HAECO further expressly agrees for itself, its successors and assigns to restrict the height of structures, objects of natural growth and other obstruction on the Leased Premises to such a height so as to comply with Title 14, CFR, Part 77.

ARTICLE 28

SIGNS

28.1 Written Approval. Subject to Lake City's prior written approval, which shall not be unreasonably withheld, HAECO shall be permitted to install signage upon the Leased Premises.

28.2 Removal. Upon the expiration or termination of the Lease, HAECO shall remove, obliterate or paint out, as Lake City may direct, at its sole discretion, any and all signs and advertising on the Leased Premises and, in connection therewith, restore the portion of the Leased Premises affected by such signs or advertising to the same conditions as existed prior to the placement of such signs or advertising. In the event of failure on the part of HAECO to remove, obliterate or paint out each and every sign or advertising and to so restore the Leased Premises, Lake City may perform the necessary work and HAECO shall pay these costs to Lake City.

ARTICLE 29

NO MORTGAGE RIGHTS OF HAECO

HAECO shall not mortgage, pledge, or hypothecate its property and leasehold interest without the prior written consent of the City of Lake City. As a condition precedent to obtaining the consent of the City of Lake City, HAECO and its lender shall provide to City of Lake City written evidence that the priority rights of City of Lake City under this Lease will not be adversely affected by such action. In addition, any leasehold mortgage, leasehold deed of trust, or other security financing arrangement shall specifically acknowledge that such financing shall never be construed to pledge, mortgage, encumber, hypothecate, alienate or otherwise grant or convey all or any part of the fee simple title to the real property underlying the leasehold estate herein given, or leasehold improvements which are the property of the City of Lake City, as the same is publicly-owned property not subject to encumbrance or involuntary sale or divestiture.

ARTICLE 30

RENT A SEPARATE COVENANT

HAECO shall not for any reason withhold or reduce HAECO's required payments of Rent and other charges provided in this Lease, it being expressly understood and agreed by the Parties that the payment of Rent and any other rents, fees, or charges provided hereunder is a covenant by HAECO that is independent of the other covenants of the Parties hereunder.

ARTICLE 31

ASSIGNMENT AND SUBLETTING

HAECO shall not sublease or assign, directly or indirectly, this Lease, either in whole or in part, without prior written consent of Lake City, which shall not be unreasonably withheld; PROVIDED, however, that it shall not be unreasonable for Lake City to require that any assignee or subtenant meet certain objective financial worth and operational standards. Any assignment or sublease without the written consent of Lake City shall be void ab initio and of no force or effect. No request for, or consent to, such assignment shall be considered unless HAECO shall have paid all rentals, fees, and charges which have accrued in favor of Lake City and HAECO shall have otherwise met all other legal obligations to be performed, kept, and observed by it under the terms and conditions of this Lease or as this Lease may be subsequently amended or modified. Lake City reserves the right to investigate the financial capacity of the proposed assignee or sublessee prior to making its decision, and HAECO shall remain liable for all obligations under this Lease after such assignment or sublease. If Lake City consent to sublease is given, any rent, fees or charges collected by HAECO from its sublessee in excess of the total rent, fees and charges due Lake City, pursuant to Article 6 herein, shall be divided equally between HAECO and Lake City and included in the HAECO's monthly payment to Lake City. HAECO shall provide Lake City a copy of the proposed sublease agreement prior to any request for consent.

If there shall occur any change in the ownership of and/or power to vote the majority of the outstanding capital stock or membership interest of HAECO whereby the new owner is not affiliated with HAECO prior to such change, whether such change or ownership is by sale, assignment, bequest, inheritance, operation of law or otherwise, HAECO shall have an affirmative obligation to notify immediately Lake City of any such change.

ARTICLE 32 **CORPORATE TENANCY**

If HAECO is a corporation or limited liability company, the undersigned signatory of HAECO hereby warrants and certifies to Lake City that HAECO is a corporation or limited liability company in good standing and is authorized to do business in the State of Florida and shall provide proof of good standing to Lake City upon request. The undersigned signatory of HAECO hereby further warrants and certifies to Lake City that he or she, as such signatory, is authorized and empowered to bind the entity to the terms of this Lease by his or her signature thereto and that the HAECO and its officers, directors, shareholders, members and affiliates are not in violation of Florida Statute 287.133 and 287.134 regarding Public Entity Crimes. Upon request, HAECO shall provide to Lake City a letter, advising Lake City of all persons or entities owning 5% or more of the voting interest of the corporation or limited liability corporation, but if HAECO is subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, Lake City waives this obligation for as long as the HAECO remains subject to such requirements.

In the event HAECO becomes unauthorized to do business in Florida or it is determined that HAECO is no longer in good standing, HAECO shall have ninety (90) days within which to obtain good standing and provide proof of the same to Lake City. In the event HAECO is unable to do and provide the same, Lake City shall have the option to terminate the contract.

ARTICLE 33
EMINENT DOMAIN

In the event any Governmental Authority shall, by exercise of the right of eminent domain or any other power, acquire title in whole or in part of the Airport, including any portion assigned to HAECO, HAECO shall have no right of recovery whatsoever against Lake City but shall make its claim for compensation solely against such Governmental Authority. Notwithstanding the foregoing, if all or a substantial portion of the Leased Premises is taken under the power of eminent domain or like power, or if any other portion of the Airport is taken under such power and such taking substantially interferes with HAECO's operations, HAECO shall have the right to terminate this Lease on the date possession is delivered pursuant to the final order, judgment or decree entered in the eminent domain proceeding. In the event that a portion of the Leased Premises is taken and HAECO does not exercise its right to terminate this Lease (if applicable), the Rent payable under this lease shall be reduced proportionally.

ARTICLE 34
PERSONAL PROPERTY

Any personal property of HAECO or of others placed in the leased Premises shall be at the sole risk of HAECO or the owners thereof, and Lake City shall not be liable for any loss or damage thereto, irrespective of the cause of such loss or damage, and HAECO hereby waives all rights of subrogation or recovery from Lake City for such damage, destruction or loss, except to the extent such loss or damage is caused by the negligence, recklessness, or intentional wrongful conduct on the part of Lake City or any of Lake City Indemnites.

ARTICLE 35
APPLICABLE LAW AND VENUE

This Lease shall be construed in accordance with the laws of the State of Florida. Venue for any action brought pursuant to this Lease shall be in Columbia County, Florida. Any action for breach of or enforcement of any provision of this Lease shall be brought in the court of appropriate jurisdiction in and for Columbia County, Florida.

ARTICLE 36
ATTORNEY'S FEES AND COSTS

In the event legal action is required hereunder to enforce the rights of the parties pursuant to this Lease the prevailing party will be entitled to reasonable costs and attorney's fees, including appellate fees.

ARTICLE 37
INVALIDITY OF CLAUSES

The invalidity of any portion, article, paragraph, provision or clause of this Lease shall have no effect upon the validity of any other part of portion thereof.

ARTICLE 38
NOTICES AND COMMUNICATIONS

All notices or other communications to Lake City or to HAECO pursuant hereto shall be deemed validly given, served, or delivered, upon delivery in person or by courier service, and, if mailed, upon three (3) days after deposit in the United States mail, certified and with proper postage and certified fee prepaid or one (1) day after delivery to a nationally recognized overnight delivery service, addressed as follows:

TO LAKE CITY:

Notices to HAECO:

HAECO Airframe Services, LLC
Attention: General Manager
102 Southeast Academic Avenue
Lake City, Florida 32025

With required copy to:

HAECO Americas, LLC
Attention: General Counsel
623 Radar Road
Greensboro, NC 27410

or to such other address as the addressee may designate in writing by notice to the other party delivered in accordance with the provisions of this Article.

ARTICLE 39
RELATIONSHIP OF THE PARTIES

HAECO is and shall be deemed to be an independent contractor and operator responsible to all third-parties for its respective acts or omissions, and Lake City shall in no way be responsible for such acts or omissions. Nothing in this Lease is intended to create any third-party beneficiaries hereto.

ARTICLE 40
COMPLIANCE WITH CHAPTER 119, FLORIDA STATUTES PUBLIC RECORD LAW

Pursuant to Section 119.0701, Florida Statutes, the Parties agree to the following:

1. During the term of this Agreement, HAECO shall comply with the Florida Public Records Law, to the extent such law is applicable to HAECO. If Section 119.0701, Florida Statutes is applicable, HAECO shall do the following: (1) Keep and maintain public records required by City to perform this service; (2) Upon request from City, provide City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost allowed by law; (3) Keep from disclosure those public records that are exempt or confidential from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if HAECO does not transfer the records to City; (4) Upon completion of the contract, HAECO will transfer, at no cost, all public records to City, or keep and maintain public records required by City to perform the service. If HAECO transfers to City all public records upon completion of the contract, HAECO shall destroy any duplicate public records that are exempt or confidential from public records disclosure requirements. If HAECO keeps and maintains public records upon completion of the contract, HAECO shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to City in a format that is compatible with the information technology systems of City.
2. HAECO shall keep and make available to City for inspection and copying, upon written request by City, all records in HAECO's possession relating to this Agreement. Any document submitted to City may be a public record and is open for inspection or copying by any person or entity unless considered confidential and exempt. Public records are defined as all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by an agency. Any document in HAECO's possession is subject to inspection and copying unless exempted under Chapter 119, Florida Statutes.
3. During the term of this Agreement, HAECO may claim that some or all of HAECO's information, including, but not limited to, software, documentation, manuals, written methodologies and processes, pricing, discounts, or other considerations (hereafter collectively referred to as "Confidential Information"), is, or has been treated as, confidential and proprietary by HAECO in accordance with Section 812.081, Florida Statutes, or other law, and is exempt from disclosure under the Public Records Act. HAECO shall clearly identify and mark Confidential Information as "Confidential Information" and City shall use its best efforts to maintain the confidentiality of the information properly identified by HAECO as "Confidential Information."
4. City shall promptly notify HAECO in writing of any request received by City for disclosure of HAECO's Confidential Information and HAECO may assert any exemption from disclosure available under applicable law or seek a protective order against disclosure from a court of competent jurisdiction. HAECO shall protect, defend, indemnify, and hold City, its officers, employees and agents free and harmless from and against any claims or judgments arising out of a request for disclosure of Confidential Information. HAECO shall investigate, handle, respond to, and defend, using counsel chosen by City, at HAECO's sole cost and expense, any such claim, even if any such claim is groundless, false, or fraudulent. HAECO shall pay for all costs and expenses related to such claim, including, but not limited to, payment of attorney fees, court costs, and expert witness fees and expenses. Upon completion of this Agreement, the provisions of this section shall continue to survive. HAECO releases City from all claims and damages related to any authorized and lawful disclosure of documents by City.

5. If the HAECO refuses to perform its duties under this section within 14 calendar days of notification by City that a demand has been made to disclose HAECO's Confidential Information, then HAECO waives its claim that any information is Confidential Information, and releases City from claims or damages related to the subsequent disclosure by City.
6. A request to inspect or copy public records relating to this Agreement must be made directly to City. If City does not possess the requested records, City shall immediately notify HAECO of the request, and HAECO must provide the records to City or allow the records to be inspected or copied within a reasonable time.
7. If HAECO fails to comply with the Public Records Law, HAECO shall be deemed to have breached a material provision of this Agreement and City shall enforce this Agreement and HAECO may be subject to penalties pursuant to Chapter 119.
8. **IF HAECO HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, REGARDING HAECO'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, HAECO SHOULD CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT 386-719-5756, OR CITYCLERK@LCFLA.COM OR 205 N. MARION AVE., LAKE CITY, FLORIDA 32055.**

ARTICLE 41

AIR TRAFFIC CONTROL TOWER (ATCT)

HAECO agrees to be responsible for the operation of the Air Traffic Control Tower at Lake City Gateway Airport. HAECO agrees to have the sole responsibility for ensuring that tower operators are properly credentialed and certified, will pay all fees, costs and salaries associated with Tower personnel and shall act as the liaison with the FAA on all issues regarding the operation of the Tower. HAECO will determine the hours of operation for the Tower and will advise the FAA of the hours the Tower will be in operation for the purpose of disseminating said information to airmen through the airport facility directory, notices to airmen and any other data base. Lake City shall be responsible for the maintenance of the control tower and all associated equipment.

ARTICLE 42

NO INDIVIDUAL LIABILITY

The Parties agree that neither the directors or Board members, nor any shareholder, member, officer, employee, representative, or agent of either Party or their affiliates shall be personally liable for the satisfaction of such Party's obligations under this Lease, and each Party shall look solely to the assets of the other for satisfaction of any claims hereunder.

ARTICLE 43

SOVEREIGN IMMUNITY

Notwithstanding any other provision set forth in this contract, nothing contained in this Agreement shall be construed as a waiver of the City's right to sovereign immunity under section 768.28, Florida

Statutes, or other limitations imposed on the City's potential liability under state or federal law. As such, the City shall not be liable under this contract for punitive damages or interest for the period before judgment. Further, the City shall not be liable for any claim or judgment, or portion thereof, to any one person for more than two hundred thousand dollars (\$200,000.00), or any claim or judgment, or portion thereof, which, when totaled with all other damages or judgments paid by the State or its agencies and subdivisions arising out of the same incident or occurrence, exceeds the sum of three hundred thousand dollars (\$300,000.00). This paragraph shall survive termination of this contract.

ARTICLE 44
ENTIRE AGREEMENT

This Lease contains all the agreements and conditions made between the parties hereto with respect to the matters contained herein and supersedes any and all prior agreements with respect thereto, including but not limited to the Prior Leases. This Lease may not be modified orally or in any other manner than by an agreement in writing signed by both the parties hereto or their respective successors.

[Signature page follows.]

IN WITNESS WHEREOF, Lake City and HAECO have hereunto set their hands and seals the day and year first above written.

LAKE CITY:

HAECO:

By: _____
Printed Name: _____

By: _____
Printed Name: _____

WITNESSES FOR LAKE CITY:

WITNESSES FOR HAECO:

Signature
Printed Name: _____

Signature
Printed Name: _____

Exhibit A
Property Description

[To be inserted]

DRAFT

Exhibit B

Facility Maintenance Plan

LCQ CapEx Plan									
Type	Dept	GL Ac	Project Name	Total 2023	Total 2024	Total 2025	Total 2026	Total 2027	
Building	Facilities		A/C systems	\$ 9,030	\$ -	\$ -	\$ -	\$ -	
Building	Facilities		Hangar 1 roof replace	\$ 364,000	\$ -	\$ -	\$ -	\$ -	
Building	Facilities		Hangar 2 roof replace	\$ 476,000	\$ -	\$ -	\$ -	\$ -	
Building	Facilities		Hangar 9 roof repairs	\$ 350,000	\$ -	\$ 70,000		\$ -	
Building	Facilities		Hangar 2 partial floor repour	\$ 448,000	\$ -	\$ -	\$ -	\$ -	
Building	Facilities		Fire Suppression for H1,H2	\$ 2,688,000	\$ -	\$ -	\$ -	\$ -	
Building	Facilities		Skylight Replacements for Hangar Roofs	\$ -	\$ -	\$ -	\$ -	\$ -	
Building	Facilities		Repave road to receiving bldg	\$ -	\$ 224,000	\$ -	\$ -	\$ -	
Building	Facilities		Fire Suppression for H3, H5	\$ -	\$ 2,688,000	\$ -	\$ -	\$ -	
Building	Facilities		Parking Lot resurface	\$ 280,000	\$ -	\$ -	\$ -	\$ -	
Building	Facilities		Fire Suppression for H4	\$ -	\$ -	\$ -	\$ -	\$ 1,344,000	
Building	Facilities		Hangar 4 Floor replace	\$ -	\$ -	\$ -	\$ -	\$ 1,344,000	
Building	Facilities		Hangar 4 roof replace	\$ -	\$ -	\$ -	\$ -	\$ 1,680,000	
Building	Facilities		Hangar 4 drainage at entrance	\$ -	\$ -	\$ -	\$ -	\$ 336,000	
Building	Facilities		Training Break Area	\$ -	\$ 10,000	\$ -	\$ -	\$ -	
Building	Facilities		Convert Fire Dept to Machine Shop	\$ -	\$ -	\$ -	\$ 250,000	\$ -	
Building	Facilities		Storage Building for Stores (currently using H4)	\$ -	\$ 250,000	\$ -	\$ -	\$ -	
	EH&S		Wastewater Treatment system - risk avoidance	\$ 300,000.00					
Building	Backshops		Composite Room Overhaul	\$ 160,000	\$ -	\$ -	\$ -		
TOTAL				\$ 4,795,918.00	\$ 3,172,000.00	\$ 70,000.00	\$ 250,000.00	\$ 4,704,000.00	\$ 12,991,918.00

Dates and values above represent estimates for planning purposes and are subject to change.

Sikes, Audrey

From: Leigh Ann Cannon <lac@rkkattorneys.com>
Sent: Monday, January 16, 2023 4:36 PM
To: ebooth@marksgray.com
Cc: Alysha Jenkins; Todd Kennon; Sikes, Audrey; Bruner, Joyce; Dyal, Paul; Johnson, Demetrius; danielle@foldswalker.com
Subject: RE: HAECO
Attachments: Letter to Booth 01.16.23.pdf
Importance: High

Mr. Booth,

Please see the attached correspondence from Mr. Kennon.

Thank you,

Leigh Ann Cannon, FRP
Paralegal to Rachel Butler Ponte
and Thomas J. Kennon, III

Robinson, Kennon & Kendron, P.A.
582 W. Duval Street
Lake City, Florida 32056
Telephone: (386) 755-1334
Facsimile: (386) 755-1336
Email: lac@rkkattorneys.com
Website: www.rkkattorneys.com



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ROBINSON KENNON & KENDRON, P.A.

BRUCE W. ROBINSON* †
KRIS B. ROBINSON
JENNIFER C. BIEWEND

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WWW.RKKATTORNEYS.COM

THOMAS J. KENNON††
JOHN J. KENDRON
RACHEL BUTLER PONTE

January 16, 2023

Mr. Edward M. Booth, Jr., Esq
Via Email: ebooth@marksgray.com

Re: City of Lake City and HAECO Lease

Dear Mr. Booth:

I have been informed by Councilman, Jake Hill that he would like for you to attend the City of Lake City Council meeting scheduled for Tuesday, January 17, 2023, at 6:00 pm. The agenda indicates that the HAECO lease will be brought back up for discussion. I am aware this is short notice, but Mr. Hill sent me a text over the weekend requesting your attendance. If you are unable to attend, it is understood, based on the notice.

I thank you for your consideration and if you have any questions, please contact me.

Very Truly Yours,

Thomas J. Kennon, III

Cc: Danielle Adams, Esq.
Paul Dyal
Audrey Sikes
Dee Johnson
Joyce Bruner

Sikes, Audrey

From: Leigh Ann Cannon <lac@rkkattorneys.com>
Sent: Monday, January 16, 2023 11:03 AM
To: Sikes, Audrey; Bruner, Joyce; Dyal, Paul; Johnson, Demetrius
Cc: Alysha Jenkins; Todd Kennon
Subject: FW: HAECO
Attachments: 2023.01.13 HAECO PP (PDF) v1.pdf

Mr. Kennon asked me to forward this email to you all.

Thank you,

Leigh Ann Cannon, FRP
Paralegal to Rachel Butler Ponte
and Thomas J. Kennon, III

Robinson, Kennon & Kendron, P.A.
582 W. Duval Street
Lake City, Florida 32056
Telephone: (386) 755-1334
Facsimile: (386) 755-1336
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From: Alison Squiccimarro <ALS@lopal.com>
Sent: Friday, January 13, 2023 10:10 AM
To: Danielle Adams <Danielle@foldswalker.com>
Cc: Todd Kennon <tjk@rkkattorneys.com>; Alysha Jenkins <alj@rkkattorneys.com>; Krystal Ross <krystal@foldswalker.com>; Grace Louise Baldwin <GLB@lopal.com>; Michael Sprague <Michael.Sprague@haeco.aero>
Subject: HAECO

Danielle:

I see that the agenda has posted for Tuesday's City Council meeting. As I mentioned when we last discussed, I am planning on attending the meeting and would like to share a slide deck with the City Council in advance of the meeting. Could you please share the attached slide deck with them?

Lastly, I would be happy to meet with Todd in advance of the meeting and also to take any questions from City Council members either in advance or at the meeting.

Feel free to reach me on my cell (914-261-8382) over the long weekend or on Tuesday while I am traveling.

Regards. . . . Alison

Alison L. Squicciarro, als@lopal.com

Law Offices of Paul A. Lange, LLC www.lopal.com

Practicing in CT, NY & MA; nationwide in aviation regulatory and transactional matters



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HAECO LAKE CITY LEASE PRESENTATION

January 17, 2023

ON BEHALF OF HAECO
AIRFRAME SERVICES, LLC

Airport's Obligations under the Federal Grant Assurances

As a condition to receiving federal grant money from the Airport Improvement Program (“AIP”), an Airport Sponsor, the City in this case, agrees to follow 39 Grant Assurances (“Federal Grant Assurances”).

The City as the owner and operator of the Lake City Gateway Airport (“Airport”) is required to comply with the Federal Grant Assurances for having received AIP grants.

Consideration of the HAECO Lease Implicates Grant Assurances 24 and 25

GRANT ASSURANCE 24 (FEE AND RENTAL STRUCTURE)

- Obligates the Airport to charge fair and reasonable rates that make the airport as self-sustaining as possible.

GRANT ASSURANCE 25 (AIRPORT REVENUES)

- Imposes a requirement that all revenue derived from the Airport be used for the capital and operating costs of the Airport.

Grant Assurance 24

Grant Assurance 24 (Fee and Rental Structure) provides that that the Airport Sponsor must:

“. . . [M]aintain a fee and rental structure for the facilities and services at the airport which ***will make the airport as self-sustaining as possible under the circumstances existing at the particular airport***, taking into account such factors as the volume of traffic and economy of collection.” (emphasis added)

Grant Assurance 24 Does Not Require the Airport to Charge “Fair Market Value” for the Lease to HAECO

- “Under 49 U.S.C. § 47107(a)(1) and the implementing grant assurance, charges to aeronautical users must be reasonable and not unjustly discriminatory. Because of the limiting effect of the reasonableness requirement, ***the FAA does not consider the self-sustaining requirement to require airport sponsors to charge fair market rates to aeronautical users.***” 64 FR at 7720-7721 (emphasis added)
- “Grant Assurance 24 does not require the sponsor to establish a fee and rental structure designed to maximize the Airport's profit potential.” Sun Valley Aviation, Inc. v. Valley International Airport, City of Harlingen, FAA Docket No. 16-10-02 at 165

What Does “Self Sustaining as Possible” Mean?

- “The purpose of the self-sustaining rule is to maintain the utility of the federal investment in the airport.” FAA Order 5190.6B, Change 1 at p. 17-2.
- “. . . [S]elf-sustainability pivots on numerous variables such as the size of the airport, market conditions, and general economic factors such as demand.” Sun Valley Aviation, Inc. v. Valley International Airport, City of Harlingen, FAA Docket No. 16-10-02 at p. 166.
- The FAA recognizes that “[A]t some airports, market conditions may not permit a sponsor to establish fees that are sufficiently high to recover aeronautical costs and sufficiently low to attract and retain commercial aeronautical services.” FAA Order 5190.6B, Change 1 at p. 17-2

What does “Self Sustaining as Possible” Mean? (Con’t)

- “The FAA has generally interpreted the self-sustaining assurance to require airport sponsors to charge FMV commercial rates for nonaeronautical uses of airport property. However, in the case of aeronautical uses, user charges are also subject to the standard of reasonableness. In applying the two standards together for aeronautical property, the FAA has considered ***it acceptable for an airport operator to charge fees to aeronautical users that are less than FMV, but more than nominal charges.***” 64 FR 30 at 7710 (Emphasis Added)
- HAECO’s use of the premises is considered an “aeronautical use” and thus does not require that FMV be charged for the lease.

The Airport is Self-Sustaining

- The Airport's annual budget is approximately \$1.6 Million (Airport Fund) and \$1.35 Million (Airport Construction Fund).
- Revenue from HAECO's Lease and HAECO's funding of the Airport Tower is a substantial portion of the Airport's Operating Budget.
- The Airport Fund appears to be balanced and carries a small surplus in normal operating years.

GRANT ASSURANCE 25

- Grant Assurance 25 (Airport Revenues) provides, in relevant part:
All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport.
- Simply stated, revenue generated by the HAECO lease must be used for the operation of the Airport

There is Risk to the City if the Airport Accumulates a Significant Surplus

- “[T]he progressive accumulation of substantial amounts of surplus aeronautical revenue could warrant an FAA inquiry into whether the aeronautical fees are consistent with the sponsor’s obligation to make the airport available on fair and reasonable terms.” FAA Order 5190.6B, Change 1 at p. 17-3).
- A violation of the Federal Grant Assurances could be uncovered by the FAA in its routine oversight or a complaint through either the Part 13 (Informal Process) or Part 16 (Formal Process). Anyone who is aware of or suspects a violation can bring a complaint. FAA Order 5190.6B, Change 1 at pp. 2-5 and 5-2.
- An FAA inquiry could involve investigation and surveillance. FAA Order 5190.6B, Change 1, Section 2.5(b).
- If the FAA were to determine that the Airport was not being made available on fair and reasonable terms it could suspend federal funding to the Airport. See FAA Order 5190.6B, Change 1, Section 2.9(c).

Comparison of LCQ to VQQ is Not Appropriate

	LCQ	VQQ
Operator	Lake City	Jacksonville Airport Authority (JAA)
Number of Operations	28,714	104,361 (more than ½ military)
Based Civilian Aircraft	33 (26 single engine, 2 multi-engine, 2 jet, 3 helicopter)	15 (12 single engine, 1 multi-engine, 1 jet, 1 helicopter)
Based Military Aircraft	0	69
Landing Fees Charged	NO	YES
Proximity to Jacksonville	57 Miles	14 Miles
Number of Runways	2 Runways	4 Active Runways
Based Businesses	FBO, Florida Forest Service, Florida Fish and Wildlife Conservation Commission, and HAECO	2 FBO, Spaceport, Boeing's MRO, Coast Guard, CBP, FL National Guard, and Jacksonville fire/rescue
Responsibility for Capital Improvements	Tenant	JAA is building a \$136.5 Million Facility for Boeing; JAA built a \$27 Million Hangar (935) for FlightStar Aircraft Services ("FlightStar") in 2012 and in 2004, JAA committed to \$7.385 Million in capital improvements to another FlightStar Hangar (815)
Number of Employees	6	14
Annual Budget	Approx. \$1.6 Million	We estimate this to be Approx. \$2.3 Million. JAA doesn't separate operating budget by Airport. So we can't identify what portion of the \$84 Million is allocated to VQQ
Annual Capital Budget	Approx. \$1.5 Million	Approx. \$161.7 Million

CONCLUSION

- There is nothing within the Federal Grant Assurances that requires the Airport to charge HAECO “fair market value”.
- The FAA recognizes and acknowledges that it is simply not possible for most airports to be self-sustaining.
- The Airport has a balanced budget. Therefore, a significant increase to HAECO’s Lease could result in an inappropriate accumulation surplus and trigger claims that the Airport is not being operated on fair and reasonable terms.
- A sudden increase in the Airport’s surplus could cause the FAA to evaluate whether AIP Grant funding is appropriate going forward.

ANY QUESTIONS? I’LL BE INATTENDANCE AT THE PUBLIC MEETING

Alison L. Squiccimarro, Esq.

- Attorney Squiccimarro represents airport tenants including fixed base operators (FBOs) and users in negotiating leases as well as litigating and resolving disputes at airports nationwide. Alison's litigation experience and knowledge of the obligations of airport sponsors at federally obligated airports provides her with the skills necessary to successfully represent FBOs and other airport tenants in disputes arising out of their leases.
- Attorney Squiccimarro serves on the Governing Committee of the American Bar Association's Forum on Air and Space Law and also Co-Chairs the Forum's Airport Committee
- Attorney Squiccimarro is a frequent contributor to the Airport Business Magazine on Airport Related Matters. See e.g.: https://www.nxtbook.com/endeavor/airportbusiness/july-august_2021/index.php?startid=12#/p/12
- Attorney Squiccimarro's complete biography, list of published works, and speaking engagements is available at <https://www.lopal.com/person/alison-l-squiccimarro/>



Law Offices of
PAUL A. LANGE LLC

80 Ferry Boulevard
Stratford, CT 06615
(p) 203-375-7724
(f) 203-375-9397
als@lopal.com

File Attachments for Item:

9. Discussion and Possible Action: Richardson Community Center (City Manager Paul Dyal/City Attorney Todd Kennon)

District No. 1 - Ronald Williams
District No. 2 - Rocky Ford
District No. 3 - Robbie Hollingsworth
District No. 4 - Everett Phillips
District No. 5 - Tim Murphy

BOARD OF COUNTY COMMISSIONERS • COLUMBIA COUNTY



January 6, 2023

City of Lake City
Mr. Paul Dyal, City Manager
205 North Marion Street
Lake City, Florida 32055

RE: 90-day Notice of Termination of Tenancy
Richardson Community Recreation Facility/Annie Mattox Park Lease

Dear Mr. Dyal,

On Thursday, January 5, 2023, during its regular session the Board of County Commissioners voted to terminate the County's leasehold interest at Richardson Community Center effective 90 days from the date of this notice.

Please accept this letter as the county's **formal notification of termination** of any tenancy arising under either the Memorandum of Understanding dated February 1, 2008 (approved by the City Council March 3, 2008 by Resolution 2008-016) or the Interlocal Agreement between the City and County dated February 7, 2022 (approved by the City Council February 7, 2022 by Resolution 2022-018), **effective 90 days from the date of this letter**.

Although this notice will run through April 6, 2023, it is the County's intention to fully vacate and surrender the premises to the City on or before March 31, 2023. County staff will begin removing County property and non-fixture assets from the premises immediately. County staff are prepared to coordinate with the City for the transfer of utilities to minimize downtime. County staff are also prepared to discuss other transition items related to staffing and pending grants at Richardson.

The County has previously extended a license to Richardson Community Center/Annie Mattox Park (North), Inc. ("RCC"), for uses of the Richardson property pursuant to an agreement made in November of 2022. As the County will no longer hold a leasehold interest in the Richardson property, the County's license will become ineffective. To that end, we are hopeful the City will consider extending the same or similar license to RCC so they can continue to provide access to Richardson Community Center. The license agreement is not assignable by RCC, but the County has the ability to assign its agreement to the City at the City's request.

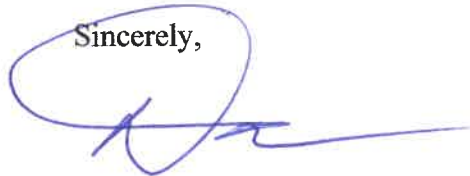
The NorthStar Family Resource Center is housed at the Fergusson Building at Richardson pursuant to an agreement with RCC. For continuity of service, we are hopeful the City will extend to NorthStar an opportunity to remain at the premises.

The Board of County Commissioners voted to release the City from any of its obligations to deed the Richardson property to the County pursuant to the February 2022 Interlocal Agreement. To that end, I am enclosing a mutual release for you to review with your counsel which we request the City agree to join.

Finally, following this termination of the tenancy the County would like staff for the City and County to negotiate for the terms of limited additional use by the County of the Richardson property. Specifically, the Supervisor of Elections will likely wish to continue using Richardson as a polling location. The County would like to continue using Richardson as a shelter when state and local states of emergency are declared. In the interest of maintaining these important public functions, we would like to undertake these negotiations soon and come to an agreement if possible.

Should you have any questions or concerns relating to this letter or the enclosed release, please contact me or the County Attorney's office at your earliest convenience. We look forward to an efficient and orderly transition so the City can continue to operate Richardson at the high level everyone has come to expect.

Sincerely,



David Kraus
County Manager

Copies to:
Board of County Commissioners
Kevin Kirby, Asst. County Manager
Joel Foreman, County Attorney
Mayor Stephen Witt
Lake City City Council
Richardson Community Center/Annie Mattox Park (North), Inc.
NorthStar Family Resource Center

MUTUAL RELEASE IN SATISFACTION OF INTERLOCAL AGREEMENT

This **MUTUAL RELEASE** in Satisfaction of Interlocal Agreement is made and entered this ____ day of April, 2023, by and between COLUMBIA COUNTY, FLORIDA, a political subdivision of the State of Florida, with a mailing address of Post Office Box 1529, Lake City, Florida 32056-1529 (hereinafter the "County"), and THE CITY OF LAKE CITY, a body politic of the State of Florida, with a mailing address of 205 North Marion Street, Lake City, FL 32055 (hereinafter the "City") (collectively, the "parties").

WHEREAS, the parties entered into a Memorandum of Understanding dated February 1, 2008 and approved by the City on March 3, 2008 (the "MOU");

WHEREAS, the MOU was made as "an interim agreement until a more formal document can be produced in relation to the terms of the City transferring to Columbia County the Richardson Recreational Facility and Annie Mattox Park";

WHEREAS, the MOU provided that effective January 1, 2008, the County would lease from the City for "a term not to exceed 20 years" that certain real property known as the Richardson Community Recreation Facility and Annie Mattox Park;

WHEREAS, the County took possession and otherwise undertook its duties and responsibilities under the MOU and the City likewise met its responsibilities under the MOU;

WHEREAS, the City, in cooperation with the County, applied for a two million dollar CDBG-CV grant for completion of certain

WHEREAS, in February of 2022 the parties entered into an Interlocal Agreement whereby the County would take title to the Richardson Community Recreation Facility and the contiguous lands surrounding it that are owned by the City "upon the close out of the CDBG, or any other circumstance relieving the City of its obligation to hold title to the property";

WHEREAS, on January 5, 2023, the Board of County Commissioners for the County voted to terminate the County's tenancy and to release the City from its obligations pursuant to the Interlocal Agreement;

WHEREAS, on January 6, 2023, the County gave formal written notice to the City of its election to terminate any tenancy created by the MOU or Interlocal Agreement, and its intention to vacate the premises at Richardson Community Center not later than March 31, 2023;

WHEREAS, the County has vacated the premises, and the City has retaken possession and control; and

WHEREAS, the parties by this release wish to excuse one another from any further obligations relating to the MOU or the Interlocal Agreement.

NOW, THEREFORE, and in consideration of the mutual agreements, covenants, promises, and releases, and other good and valuable consideration as set forth herein, the receipt and adequacy of which is hereby acknowledged by the parties, the parties do hereby covenant represent, warrant, promise, and agree to the following:

1. The recitals above are incorporated herein as part of this Mutual Release.
2. The County expressly and forevermore releases the City from any and all claims, causes of action, damages, or other liability which the County may hold against the City and its respective officers, employees, agents, affiliates, successors and permitted assigns, specifically including but not limited to, any claims, counterclaims, or causes of action related to the parties' MOU or the Interlocal Agreement referenced above, irrespective of whether said claims, counterclaims, or causes of action have already been asserted or have yet to be asserted by the County.
3. The City expressly and forevermore releases the County from any and all claims, causes of action, damages, or other liability which the City may hold against the County and its respective officers, employees, agents, affiliates, successors and permitted assigns, specifically including but not limited to, any claims, counterclaims, or causes of action related to the parties' MOU or the Interlocal Agreement referenced above, irrespective of whether said claims, counterclaims, or causes of action have already been asserted or have yet to be asserted by the City.
4. This Mutual Release shall be binding on and inure to the benefit of the parties hereto, and their respective officers, employees, agents, affiliates, successors and permitted assigns.
5. This document represents the entire agreement between the parties with respect to the subject matter contained herein. Neither this Mutual Release nor any provision hereof may be changed, waived, discharged, or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge, or termination is sought.
6. This instrument has been read by the parties, who understand its contents, have the legal capacity to agree to it, and each party is satisfied with the Mutual Release and the same shall be binding upon each of them, their officers, employees, agents, affiliates, successors and permitted assigns. Each signatory to the Mutual Release expressly warrants that they have authority to execute the Mutual General Release on behalf of the respective party.
7. The Parties hereto agree that the provisions contained in this Mutual Release were the result of negotiations between and among the parties and that said provisions were jointly prepared by all parties, and therefore any ambiguity contained in this Mutual Release shall not be construed against or in favor of any party.
8. This Mutual General Release may be executed in multiple original counterparts, each of which shall be enforceable against the Party signing it and original signature pages transmitted by facsimile or via electronic mail (such as a pdf file) shall have the same force and effect as delivery of an original signature.

9. Each Party hereto shall bear its own fees and costs incurred in connection with this release and the matters covered by it. This shall include, but is not limited to, all attorney's fees and costs incurred in connection with any activities related to the MOU or Interlocal Agreement, the claims and any counterclaim(s) raised, and all matters related or causes of action related to the MOU or Interlocal Agreement, irrespective of whether said claims, counterclaims, or causes of action have already been asserted or have yet to be asserted. Notwithstanding the foregoing, in the event of a dispute between the parties relating to the enforcement of any term in this Mutual Release, the party that prevails with respect to such dispute shall be entitled to recover its reasonable attorney's fees and costs from the non-prevailing party.

IN WITNESS WHEREOF, the authorized officers for the parties have hereunto set their hands and affixed their seals as of the date first set forth above.

COLUMBIA COUNTY, FLORIDA

CITY OF LAKE CITY, FLORIDA

Rocky Ford, Chairman

Stephen M. Witt, Mayor

ATTEST:

ATTEST:

James M. Swisher, Jr., Clerk of Court

Audrey E. Sikes, City Clerk

Approved as to Form:

Approved as to Form:

Joel F. Foreman, County Attorney

Thomas J. Kennon, III, City Attorney

Sikes, Audrey

From: Dyal, Paul
Sent: Monday, January 9, 2023 11:55 AM
To: Sikes, Audrey
Cc: Bruner, Joyce
Subject: FW: Columbia County -- Lake City -- CDBG-CV Project

Audrey,

This is what I received from David.

Respectfully,

Paul Dyal

*City Manager/
Executive Director of Utilities
City of Lake City
692 SW St. Margarets Street
Lake City, FL 32025
Office: 386-719-5815
Fax: 386-758-5449
Email: dyalp@lcfla.com*



PLEASE NOTE: Florida has a very broad public records law. Most written communications to or from City officials regarding City business are public records available to the public and Media upon request. Your e-mail communications may be subject to public disclosure. Under Florida law, e-mail addresses are public record. If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

From: David Kraus <david_kraus@columbiacountyfla.com>
Sent: Monday, January 9, 2023 11:41 AM
To: Dyal, Paul <DyalP@lcfla.com>; Johnson, Demetrius <JohnsonD@lcfla.com>
Subject: Fwd: Columbia County -- Lake City -- CDBG-CV Project

Sent from my iPhone

Begin forwarded message:

From: David Kraus <david_kraus@columbiacountyfla.com>
Date: January 4, 2023 at 7:45:01 PM EST

To: "Markarian, Graham" <Graham.Markarian@deo.myflorida.com>

Subject: Re: Columbia County -- Lake City -- CDBG-CV Project

Thank you

Sent from my iPhone

Good Afternoon,

Per our conference call earlier today, DEO accepts the interlocal agreement between Columbia County and the City of Lake City. Based on the interlocal agreement, the County may carry out the project on the City's behalf in the same capacity that an administrative consultant would carry out a project for a local government. The City of Lake City will still ultimately be responsible for the project being carried out successfully and in accordance with the terms and conditions of the subgrant agreement and all applicable state and Federal requirements. For this purpose, the City of Lake City will be required to submit any and all required reports and financial activities (payments) to DEO for review and approval. The County may coordinate with the City to prepare this documentation, but the City will be required to submit it to DEO.

Part of our discussion, was whether the historic location and community center may be deeded to the County prior to the completion of all project activities. DEO does not have any concerns related to the project being deeded to the County. That being said, the project location must be used in the manner described in the subgrant agreement (as a community center) for at least five (5) years after the completion of all rehabilitation activities. I don't believe this will be an issue given that the County intends to maintain the facility as a community center that is free and open to the public.

Please let me know if you have any questions.

Best regards,

Graham Markarian, FCCM

Government Operations Consultant III – Supervisor, Bureau of Small Cities and Rural Communities

Florida Department of Economic Opportunity

Office: 850-717-8517

www.FloridaJobs.org



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ROBINSON KENNON & KENDRON, P.A.

BRUCE W. ROBINSON* †
KRIS B. ROBINSON
JENNIFER C. BIEWEND

ATTORNEYS AT LAW
582 W. DUVAL STREET
LAKE CITY, FLORIDA 32056
TEL (386) 755-1334 FAX (386) 755-1336
WWW.RKKATTORNEYS.COM

THOMAS J. KENNON††
JOHN J. KENDRON
RACHEL BUTLER PONTE

January 10, 2023

Paul Dyal, City Manager
Sent via email: dyalp@lcfla.com

Re: Richardson Community Center

Dear Mr. Dyal:

I am confirming receipt of correspondence from Joel Foreman regarding Columbia County's termination of any Lease and the Interlocal Agreement concerning the Richardson Community Center. I have also received a proposed Mutual Release in Satisfaction of Interlocal Agreement submitted by Mr. Foreman. The purpose of this correspondence is to seek direction on how you wish me to proceed regarding this issue.

I thank you in advance for your consideration of this matter and await your reply.

Sincerely,

Thomas J. Kennon
For the Firm

TJK/alj

CITY COUNCIL RESOLUTION NO. 2022-018

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE CITY, FLORIDA, AUTHORIZING THE EXECUTION OF AN INTERLOCAL AGREEMENT WITH COLUMBIA COUNTY, FLORIDA; PROVIDING FOR THE DONATION OF PARCELS OF REAL PROPERTY COMMONLY KNOWN AS “RICHARDSON COMMUNITY CENTER”; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Lake City, Florida (hereinafter the “City”) holds title to real property commonly known as “Richardson Community Center”; and

WHEREAS, there is an outstanding Community Development Block Grant application authorized by City of Lake City Resolution No. 2021-152 (hereinafter the “CDBG”), the terms of which, if awarded, require the City to hold title to the Richardson Community Center property; and

WHEREAS, Columbia County, Florida (hereinafter the “County”), desires to receive title to Richardson Community Center to further improve and preserve the property for public and governmental purposes; and

WHEREAS, the City is desirous of conveying title to the Richardson Community Center to the County so long as the property is held in perpetuity to be improved and preserved for public and governmental purposes; and

WHEREAS, the City and County desire to formalize their agreement that upon the close out of the CDBG, or any other circumstance relieving the City of its obligation to own the property, the City will donate and convey the Richardson Community Center property to the County; and

WHEREAS, the City and County desire to memorialize their respective responsibilities in the attached *Interlocal Agreement between the City of Lake City, Florida and Columbia County, Florida for the Donation of Real Property* (hereinafter the “Interlocal Agreement”).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAKE CITY, FLORIDA, AS FOLLOWS:

Section 1. The above recitals are all true and accurate and are incorporated herein and made a part of this resolution.

Section 2. The Mayor is authorized to execute the Interlocal Agreement.

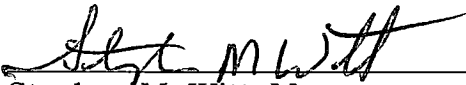
Section 3. Severability. If any clause, section, or other part of this resolution is held by any court of competent jurisdiction to be unconstitutional or invalid, in part or application, it shall not affect the validity of the remaining portion or applications of this resolution.

Section 4. Conflict. All resolutions or portions of resolutions in conflict with this resolution are hereby repealed to the extent of such conflict.

Section 5. This resolution shall become effective immediately upon passage and adoption.

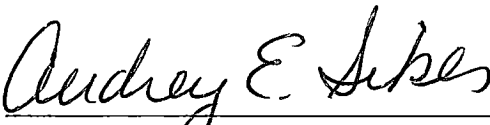
PASSED AND ADOPTED at a meeting of the City Council this 7th day of February 2022.


CITY OF LAKE CITY, FLORIDA

By: 
Stephen M. Witt, Mayor

ATTEST:

~~APPROVED AS TO FORM AND
LEGALITY:~~

By: 
Audrey E. Sikes, City Clerk

By: 
Frederick L. Koberlein, Jr.,
City Attorney

**INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE CITY, FLORIDA AND
COLUMBIA COUNTY, FLORIDA FOR THE DONATION OF REAL PROPERTY**

THIS AGREEMENT for the donation of parcels of real property is entered into this 7th day of February, 2022, by and between **COLUMBIA COUNTY, FLORIDA**, a political subdivision of the State of Florida, with a mailing address of Post Office Box 1529, Lake City, Florida 32056-1529, (hereinafter the "County"), and **THE CITY OF LAKE CITY**, a body politic of the State of Florida, with a mailing address of 205 North Marion Street, Lake City, FL 32055 (hereinafter the "City").

RECITALS

WHEREAS, the City currently holds title to real property commonly known as "Richardson Community Center", more particularly described herein; and

WHEREAS, the County has historically held a leasehold interest in this real property and houses its recreation department within the improvements thereon; and

WHEREAS, there is an outstanding Community Development Block Grant application authorized by City of Lake City Resolution No. 2021-152 (the "CDBG"), the terms of which, if awarded, require the City to hold title to the Richardson Community Center property; and

WHEREAS, the County desires to hold title to Richardson Community Center to further improve and preserve the property for public and governmental purposes, and the City is desirous of the County holding title so long as the same is held in perpetuity to be improved and preserved for public and governmental purposes; and

WHEREAS, the parties wish to formalize their agreement that upon the close out of the CDBG, or any other circumstance relieving the City of its obligation to hold title to the property, the City will donate the same to the County.

NOW, THEREFORE, in consideration of the mutual covenants and conditions provided herein, the County and City agree as follows:

1. **Recitals Incorporated.** The recitals above are true and correct and incorporated herein by reference.

2. **Purpose of the Agreement.** The purpose of this Agreement is to establish and memorialize an agreement between the City and County for the City to donate parcels of land as described on Exhibit "A" (the "property") to the County for

perpetual preservation and use by the County for recognized public purposes.

3. **Obligations of City.** Upon the release of the property from the obligations imposed upon the City pursuant to the CDBG the City will gift and convey to the County via a deed or deeds satisfactory to the City and County all of the City's interest in the property, subject to reverter in favor of the City as provided by this Agreement.

4. **Obligations of County.**

- a. Upon taking title to the property, the County shall keep and preserve the Richardson Community Center for public and governmental uses, and shall ensure all improvements to the property are in keeping with such purposes.
- b. In the event the County should ever cease using the property for public or governmental purposes, or permit any other use, then the interest conveyed by the City to the County pursuant to this Agreement shall revert.
- c. In the event the County should ever surplus or attempt to convey the property to any third party for any reason, then the interest conveyed by the City to the County pursuant to this Agreement shall revert.

5. **Controlling Law.** This Agreement is to be governed by the laws of the State of Florida and sole and exclusive venue for any legal action shall be the state courts of Columbia County, Florida. Each party waives its right to any other venue.

6. **Amendment.** This Agreement constitutes the entire agreement between the County and City, and all negotiations and oral understandings between the parties are merged herein. This Agreement may be supplemented or amended only by a written document executed by both the County and City.

7. **Termination.** This Agreement shall terminate automatically upon the recording of the respective conveyance documents in the Official Records of Columbia County, Florida.

8. **Non-assignability.** Neither party shall assign any rights or delegate any duties arising under this Agreement without prior written consent of the other party.

9. **Notices.** Any and all communications required hereunder shall be provided in writing to the other party and deemed to have been duly served on the other party when provided by hand delivery, with receipt therefore, or by registered mail posted prior to any deadline with return receipt requested.

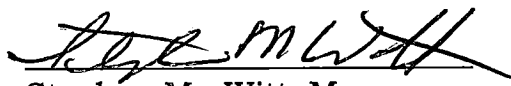
To the City: City of Lake City
c/o Mayor Stephen Witt
205 North Marion Avenue
Lake City, Florida 32055

To the County: Columbia County, Florida
c/o County Manager, David Kraus
Post Office Box 1529
Lake City, Florida 32056

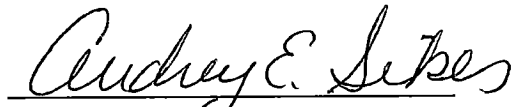
10. **Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement or the application of such items or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

IN WITNESS WHEREOF THIS AGREEMENT has been executed by the parties' respective authorized representatives as of the day and year first above written.


CITY OF LAKE CITY


Stephen M. Witt, Mayor

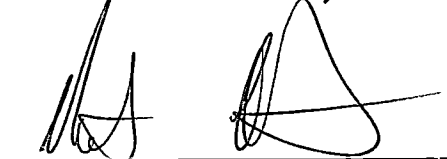
Attest:


Audrey E. Sikes, City Clerk

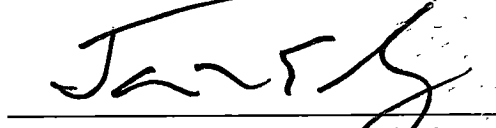
Approved as to Form:


Fred Koberlein, City Attorney


COLUMBIA COUNTY, FLORIDA


Robbie Hollingsworth, Chair

Attest:


James M. Swisher, Jr., Clerk

Approved as to Form:


Joel Foreman, County Attorney

File Attachments for Item:

11. City Council Ordinance No. 2023-2238 (first reading) - An ordinance of the City of Lake City, Florida, amending the Future Land Use Map of the City of Lake City Comprehensive Plan, as amended; relating to an amendment of 50 or less acres of land, pursuant to an Application, CPA 22-08, by the property owner of said acreage, under the amendment procedures established in Sections 163.3161 through 163.3248, Florida Statutes, as amended; providing for changing the Future Land Use Classification from Residential, Low Density (less than or equal to 2 dwelling units per acre) to Commercial of certain lands within the Corporate Limits of the City of Lake City, Florida; providing for severability; repealing all ordinances in conflict; and providing an effective date. (Citadel I Holdings Co. LLC.)

Adopt City Council Ordinance No. 2023-2238 on first reading

ORDINANCE NO. 2023-2238

AN ORDINANCE OF THE CITY OF LAKE CITY, FLORIDA, AMENDING THE FUTURE LAND USE PLAN MAP OF THE CITY OF LAKE CITY COMPREHENSIVE PLAN, AS AMENDED; RELATING TO AN AMENDMENT OF 50 OR LESS ACRES OF LAND, PURSUANT TO AN APPLICATION, CPA 22-08, BY THE PROPERTY OWNER OF SAID ACREAGE, UNDER THE AMENDMENT PROCEDURES ESTABLISHED IN SECTIONS 163.3161 THROUGH 163.3248, FLORIDA STATUTES, AS AMENDED; PROVIDING FOR CHANGING THE FUTURE LAND USE CLASSIFICATION FROM RESIDENTIAL, LOW DENSITY (LESS THAN OR EQUAL TO 2 DWELLING UNITS PER ACRE) TO COMMERCIAL OF CERTAIN LANDS WITHIN THE CORPORATE LIMITS OF THE CITY OF LAKE CITY, FLORIDA; PROVIDING SEVERABILITY; REPEALING ALL ORDINANCES IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, Section 166.021, Florida Statutes, as amended, empowers the City Council of the City of Lake City, Florida, hereinafter referred to as the City Council, to prepare, adopt and implement a comprehensive plan;

WHEREAS, Sections 163.3161 through 163.3248, Florida Statutes, as amended, the Community Planning Act, empowers and requires the City Council to prepare, adopt and implement a comprehensive plan;

WHEREAS, an application for an amendment, as described below, has been filed with the City;

WHEREAS, the Planning and Zoning Board of the City of Lake City, Florida, hereinafter referred to as the Planning and Zoning Board has been designated as the Local Planning Agency of the City of Lake City, Florida, hereinafter referred to as the Local Planning Agency;

WHEREAS, pursuant to Section 163.3174, Florida Statutes, as amended, and the Land Development Regulations, the Planning and Zoning Board, serving also as the Local Planning Agency, held the required public hearing, with public notice having been provided, on said application for an amendment, as described below, and at said public hearing, the Planning and Zoning Board, serving also as the Local Planning Agency, reviewed and considered all comments received during said public hearing and the Concurrency Management Assessment concerning said application for an amendment, as described below, and recommended to the City Council approval of said application for an amendment, as described below;

WHEREAS, the City Council held the required public hearing, with public notice having been provided, under the procedures established in Sections 163.3161 through 163.3248, Florida Statutes, as amended, on said application for an amendment, as described below, and at said public hearing, the City Council reviewed and considered all comments received during said public hearing, including the recommendation of the Planning and Zoning Board, serving also as the Local Planning Agency, and the Concurrency Management Assessment concerning said application for an amendment, as described below;

WHEREAS, the City Council has determined and found said application for an amendment, as described below, to be compatible with the Land Use Element objectives and policies, and those of other affected elements of the Comprehensive Plan; and

WHEREAS, the City Council has determined and found that approval of said application for an amendment, as described below, would promote the public health, safety, morals, order, comfort, convenience, appearance, prosperity or general welfare.

NOW, THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF LAKE CITY, FLORIDA, AS FOLLOWS:

Section 1. Pursuant to an application, CPA 22-08, by Carol Chadwick, P.E., as agent for Citadel I Holdings Company, LLC, to amend the Future Land Use Plan Map of the Comprehensive Plan by changing the land use classification of certain lands, the land use classification is hereby changed from RESIDENTIAL, LOW DENSITY (less than or equal to 2 dwelling units per acre) to COMMERCIAL on property described, as follows:

A parcel of land lying in Section 30, Township 3 South, Range 17 East, Columbia County, Florida. Being more particularly described, as follows: Commence at the Southwest corner of the Southeast 1/4 of the Northwest 1/4 of said Section 30; thence North 88°44'00" East 326.70 feet, along the South line of the Southeast 1/4 of the Northwest 1/4 of said Section 30; thence North 00°37'00" East 1.88 feet to the North right-of-way line of Northwest Lake Jeffery Road to the Point of Beginning; thence continue North 00°37'00" East 210.00 feet; thence North 88°33'00" East 200.00 feet; thence South 00°59'00" West 212.27 feet to the North right-of-way line of said Northwest Lake Jeffery Road; thence South 88°44'00" West 115.91 feet, along the North right-of-way line of said Northwest Lake Jeffery Road to the point of curvature; thence on a chord bearing South 88°59'00" West, a chord distance of 84.09 feet to Point of Beginning.

Containing 1.00 acre, more or less.

Section 2. Severability. If any provision or portion of this ordinance is declared by any court of competent jurisdiction to be void, unconstitutional or unenforceable, then all remaining provisions and portions of this ordinance shall remain in full force and effect.

Section 3. Conflict. All ordinances or portions of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 4. Effective Date. This ordinance shall be effective upon adoption.

The effective date of this plan amendment shall be thirty-one (31) days following the date of adoption of this plan amendment. However, if any affected person files a petition with the Florida Division of Administrative Hearings pursuant to Section 120.57, Florida Statutes, as amended, to request a hearing to challenge the compliance of this plan amendment with Sections 163.3161 through 163.3248, Florida Statutes, as amended, within thirty (30) days following the date of adoption of this plan amendment, this plan amendment shall not become effective until the Florida Department of Economic Opportunity or the Florida Administration Commission, respectively, issues a final order determining this plan amendment is in compliance. No development orders, development permits or land uses dependent on this plan amendment may be issued or commence before it has become effective. If a final order of noncompliance is issued, this plan amendment may nevertheless be made effective by adoption of a resolution affirming its effective status, a copy of which resolution shall be sent to the Florida Department of Economic Opportunity, Division of Community Development, 107 East Madison Street, Caldwell Building, First Floor, Tallahassee, Florida 32399-4120.

Section 5. Authority. This ordinance is adopted pursuant to the authority granted by Section 166.021, Florida Statutes, as amended, and Sections 163.3161 through 163.3248, Florida Statutes, as amended.

PASSED upon first reading this 17th day of January 2023.

PASSED AND DULY ADOPTED, upon second and final reading, in regular session with a quorum present and voting, by the City Council this ____ day of _____ 2023.

Attest:

CITY COUNCIL
CITY OF LAKE CITY, FLORIDA

Audrey Sikes, City Clerk

Stephen M. Witt, Mayor

APPROVED AS TO FORM AND LEGALITY:

Thomas J. Kennon III, City Attorney

First Reading Only

File Attachments for Item:

12. City Council Ordinance No. 2023-2241 (first reading) - An ordinance of the City of Lake City, Florida, amending the Official Zoning Atlas of the City of Lake City Land Development Regulations, as amended; relating to the rezoning of less than ten contiguous acres of land, pursuant to an Application, Z 22-08, by the property owner of said acreage; providing for rezoning from County Residential, Single Family-2 (RSF-2) to City Commercial, Intensive (CI) of certain lands within the corporate limits of the City of Lake City, Florida; providing severability; repealing all ordinances in conflict; and providing an effective date. (Citadel I Holdings Co. LLC.)

Adopt City Council Ordinance No. 2023-2241 on first reading

ORDINANCE NO. 2023-2241

AN ORDINANCE OF THE CITY OF LAKE CITY, FLORIDA, AMENDING THE OFFICIAL ZONING ATLAS OF THE CITY OF LAKE CITY LAND DEVELOPMENT REGULATIONS, AS AMENDED; RELATING TO THE REZONING OF LESS THAN TEN CONTIGUOUS ACRES OF LAND, PURSUANT TO AN APPLICATION, Z 22-08, BY THE PROPERTY OWNER OF SAID ACREAGE; PROVIDING FOR REZONING FROM COUNTY RESIDENTIAL, SINGLE FAMILY-2 (RSF-2) TO CITY COMMERCIAL, INTENSIVE (CI) OF CERTAIN LANDS WITHIN THE CORPORATE LIMITS OF THE CITY OF LAKE CITY, FLORIDA; PROVIDING SEVERABILITY; REPEALING ALL ORDINANCES IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, Section 166.021, Florida Statutes, as amended, empowers the City Council of the City of Lake City, Florida, hereinafter referred to as the City Council, to prepare, adopt and enforce land development regulations;

WHEREAS, Sections 163.3161 through 163.3248, Florida Statutes, as amended, the Community Planning Act, requires the City Council to prepare and adopt regulations concerning the use of land and water to implement the comprehensive plan;

WHEREAS, an application for an amendment, as described below, has been filed with the City;

WHEREAS, the Planning and Zoning Board of City of Lake City, Florida, hereinafter referred to as the Planning and Zoning Board, has been designated as the Local Planning Agency of the City of Lake City, Florida, hereinafter referred to as the Local Planning Agency;

WHEREAS, pursuant to Section 163.3174, Florida Statutes, as amended, and the Land Development Regulations, the Planning and Zoning Board, serving also as the Local Planning Agency, held the required public hearing, with public notice having been provided, on said application for an amendment, as described below, and at said public hearing, the Planning and Zoning Board, serving also as the Local Planning Agency, reviewed and considered all comments received during said public hearing and the Concurrency Management Assessment concerning said application for an amendment, as described below, and recommended to the City Council approval of said application for an amendment, as described below;

WHEREAS, pursuant to Section 166.041, Florida Statutes, as amended, the City Council held the required public hearing, with public notice having been provided, on said application for an amendment, as described below, and at said public hearing, the City Council reviewed and considered all comments received during said public hearing, including the recommendation of the Planning and Zoning Board, serving also as the Local Planning Agency, and the Concurrency Management Assessment concerning said application for an amendment, as described below; and

WHEREAS, the City Council has determined and found that approval of said application for an amendment, as described below, would promote the public health, safety, morals, order, comfort, convenience, appearance, prosperity or general welfare.

NOW, THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF LAKE CITY, FLORIDA, AS FOLLOWS:

Section 1. Pursuant to an application, Z 22-08, by Carol Chadwick, P.E., as agent for Citadel I Holdings Company LLC, to amend the Official Zoning Atlas of the Land Development Regulations by changing the zoning district of certain lands, the zoning district is hereby changed from COUNTY RESIDENTIAL, SINGLE FAMILY-2 (RSF-2) to CITY COMMERCIAL, INTENSIVE (CI) on property described, as follows:

A parcel of land lying in Section 30, Township 3 South, Range 17 East, Columbia County, Florida. Being more particularly described, as follows: Commence at the Southwest corner of the Southeast 1/4 of the Northwest 1/4 of said Section 30; thence North 88°44'00" East 326.70 feet, along the South line of the Southeast 1/4 of the Northwest 1/4 of said Section 30; thence North 00°37'00" East 1.88 feet to the North right-of-way line of Northwest Lake Jeffery Road to the Point of Beginning; thence continue

North 00°37'00" East 210.00 feet; thence North 88°33'00" East 200.00 feet; thence South 00°59'00" West 212.27 feet to the North right-of-way line of said Northwest Lake Jeffery Road; thence South 88°44'00" West 115.91 feet, along the North right-of-way line of said Northwest Lake Jeffery Road to the point of curvature; thence on a chord bearing South 88°59'00" West, a chord distance of 84.09 feet to Point of Beginning.

Containing 1.00 acre, more or less.

Section 2. Severability. If any provision or portion of this ordinance is declared by any court of competent jurisdiction to be void, unconstitutional or unenforceable, then all remaining provisions and portions of this ordinance shall remain in full force and effect.

Section 3. Conflict. All ordinances or portions of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 4. Effective Date. This ordinance shall become effective upon adoption.

The effective date of this amendment, Z 22-08, to the Official Zoning Atlas shall be the same date as the effective date of Future Land Use Plan Map Amendment, CPA 22-08. If Future Land Use Plan Map Amendment, CPA 22-08, does not become effective, this amendment, Z 22-08, to the Official Zoning Atlas shall not become effective. No development orders, development permits or land uses dependent on this amendment, Z 22-08, to the Official Zoning Atlas may be issued or commence before it has become effective.

Section 5. Authority. This ordinance is adopted pursuant to the authority granted by Section 166.021, Florida Statutes, as amended, and Sections 163.3161 through 163.3248, Florida Statutes, as amended.

PASSED upon first reading this 17th day of January 2023.

PASSED AND DULY ADOPTED, upon second and final reading, in regular session with a quorum present and voting, by the City Council this _____ day of _____ 2023.

Attest:

CITY COUNCIL
CITY OF LAKE CITY, FLORIDA

Audrey Sikes, City Clerk

Stephen M. Witt, Mayor

APPROVED AS TO FORM AND LEGALITY:

Thomas J. Kennon III, City Attorney

File Attachments for Item:

13. City Council Resolution No. 2023-004 - A resolution of the City Council of the City of Lake City, Florida, authorizing the execution of a Change Order to the contract between the City and Anderson Columbia Co., Inc., related to the upgrade to airfield lighting at the Lake City Gateway Airport, extending the project completion date an additional ninety (90) days.

CITY COUNCIL RESOLUTION NO. 2023-004

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE CITY, FLORIDA, AUTHORIZING THE EXECUTION OF A CHANGE ORDER TO THE CONTRACT BETWEEN THE CITY AND ANDERSON COLUMBIA CO., INC., RELATED TO THE UPGRADE TO AIRFIELD LIGHTING AT THE LAKE CITY GATEWAY AIRPORT, EXTENDING THE PROJECT COMPLETION DATE AN ADDITIONAL NINETY (90) DAYS.

WHEREAS, the City of Lake City, Florida, (hereinafter the "City") entered into an agreement with Anderson Columbia Co., Inc. (hereinafter "Anderson Columbia") pursuant to City Council Resolution No. 2022-014, for the pavement rehabilitation of Runway 5-23 at the Lake City Gateway Airport (hereinafter the "Project") for a contract price of \$1,237,438.72, (hereinafter the "Contract"); and

WHEREAS, the City administration and Anderson Columbia recommend that additional work be performed at the Lake City Gateway Airport for the betterment of the Project, to wit: upgrade to airfield lighting; and

WHEREAS, the City administration and Anderson Columbia anticipate the additional work to add ninety (90) days to the contract time agreed upon in the Contract; and

WHEREAS, the City Council finds that it is in the City's best interests to enter into Change Order No. 1 to the Contract, a copy of which is attached hereto, to memorialize the terms and conditions of the additional work.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAKE CITY, FLORIDA, AS FOLLOWS:

Section 1. The above recitals are all true and accurate and are hereby made a part of this resolution.

Section 2. The City is hereby authorized to execute Change Order No. 1 with Anderson Columbia Co., Inc., adding ninety (90) days to the contract time of the Project and the Mayor is authorized to execute a formal Change Order No. 1 for and on behalf of the City to memorialize the changes to the Project.

Section 3. the City Manager and City Attorney are authorized to make

such reasonable changes and modifications to the Change Order as may be deemed necessary to be in the best interest of the City and its citizens. Provided however, that any such changes or modifications shall not cause the payment to Anderson Columbia Co., Inc., to exceed the original Contract Price. The Mayor is authorized and directed to execute and deliver the Change Order in the name of, and on behalf of, the City with such changes, amendments, modifications, omissions, and additions made by the City manager and City Attorney. Execution by the Mayor and Anderson Columbia Co., Inc., shall be deemed to be conclusive evidence of approval of such changes, amendments, modifications, omissions, and additions.

PASSED AND ADOPTED at a meeting of the City Council this ____ day of January 2023.

CITY OF LAKE CITY, FLORIDA

By: _____
Stephen M. Witt, Mayor

ATTEST

APPROVED AS TO FORM AND
LEGALITY:

By: _____
Audrey E. Sikes, City Clerk

By: _____
Thomas J. Kennon, III
City Attorney

CHANGE ORDER NO. 1
(December 2022)
RW 5-23 Pavement Rehabilitation

FDOT FIN No. 431310-1
PA Project No. 20070044.021R

City Bid No. ITB-001-2022

CONTRACTOR:
Anderson Columbia Construction, Inc.
P. O. Box 1829
Lake City, FL 32056

CONTRACT FOR:
City of Lake City
Lake City Gateway Airport (LCQ)
Lake City, FL 32055

This change to the original contract has been initiated by the Owner to upgrade airfield lighting.

You are hereby authorized and directed to make the following change(s) in this Contract:

1. **ADD:**

<u>Item No.</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Amount</u>
L-105	Airfield Lighting Upgrades	1	LS	\$62,750.00

NOTE: Funding for this Change Order shall be accomplished within the original budgeted amount of this Contract.

Original Contract Amount.....\$1,237,438.72
Change Order Amount.....\$0.00
Adjusted Amount.....\$1,237,438.72

Original Contract Duration.....90 CD
Added by CO 1.....90 CD
Adjusted Contract Duration.....180 CD

Signature of the Contractor indicates agreement with the terms of this Change Order, including any adjustments in the Contract Sum and /or Contract Time. Adjusted cost and time include all direct, indirect and impact costs and time for delays, disruption, inefficiency, acceleration and all other claims.

AGREED TO:
Anderson Columbia Construction, Inc.
Lake City, FL 32056

CONCURRENCE:
Passero Associates, LLC
St. Augustine, FL

Joshua O. McDougal, Project Manager

Brad Wente, PE, Project Engineer

APPROVED / AUTHORIZED BY:
City of Lake City, FL

Mayor: _____ Date: _____

Attest: _____ Date: _____

CHANGE ORDER NO. 1
(December 2022)
RW 5-23 Pavement Rehabilitation

APPROVED:
FDOT DISTRICT II AVIATION

Donna Whitey, District Aviation Specialist

Date: _____

File Attachments for Item:

14. City Council Resolution No. 2023-005 - A resolution of the City Council of the City of Lake City, Florida, authorizing the City to enter into a Grant Agreement with the State of Florida, Department of Transportation, for the award of up to \$45,000.00, from the Department of Transportation, for the purchase and installation of a Ground Power Unit (GPU) at the Lake City Gateway Airport.

CITY COUNCIL RESOLUTION NO. 2023-005

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE CITY, FLORIDA, AUTHORIZING THE CITY TO ENTER INTO A GRANT AGREEMENT WITH THE STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION, FOR THE AWARD OF UP TO \$45,000.00, FROM THE DEPARTMENT OF TRANSPORTATION, FOR THE PURCHASE AND INSTALLATION OF A GROUND POWER UNIT (GPU) AT THE LAKE CITY GATEWAY AIRPORT.

WHEREAS, the City of Lake City, Florida (hereinafter the “City”), desires to accept a grant offer from, and enter into a Public Transportation Grant Agreement (hereinafter the “Grant Agreement”) with the State of Florida, Department of Transportation (hereinafter “FDOT”), for the purchase and installation of a Ground Power Unit (GPU) at the Lake City Gateway Airport (Project Number F.P 445938-2-94-23 (hereinafter the “Project”)); and

WHEREAS, the FDOT offers and agrees to pay, one hundred percent (100%) of the allowable costs incurred in accomplishing the Project, in an amount not to exceed \$45,000.00; and

WHEREAS, the City desires to enter into the Grant Agreement with FDOT, a copy of which is attached hereto as “Exhibit A” and made a part of this resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAKE CITY, FLORIDA, AS FOLLOWS:

Section 1. The above recitals are all true and accurate and are incorporated herein and made a part of this resolution.

Section 2. The City is hereby authorized to accept the grant funds from FDOT pursuant to the terms of the Agreement.

Section 3. The Mayor, and city administration, are authorized to execute the Agreement and related documentation for, and on behalf of, the City to facilitate the purpose set forth herein.

PASSED AND ADOPTED at a meeting of the City Council this ____ day of January 2023.

CITY OF LAKE CITY, FLORIDA

By: _____
Stephen M. Witt, Mayor

ATTEST:

APPROVED AS TO FORM AND
LEGALITY:

By: _____
Audrey E. Sikes, City Clerk

By: _____
Thomas J. Kennon, III
City Attorney

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION
**PUBLIC TRANSPORTATION
 GRANT AGREEMENT**

Form 725-000-01
 STRATEGIC
 DEVELOPMENT
 OGC 07/22

Financial Project Number(s): (item-segment-phase-sequence) 445938-2-94-23	Fund(s): Work Activity Code/Function: Federal Number/Federal Award Identification Number (FAIN) – Transit only:	DPTO 215 N/A N/A	FLAIR Category: 088719 Object Code: 751000 Org. Code: 55022020228 Vendor Number: VF596000352002
Contract Number: CFDA Number: N/A CFDA Title: N/A CSFA Number: 55.004 CSFA Title: Aviation Grant Program	Federal Award Date: Agency SAM/UEI Number:		

THIS PUBLIC TRANSPORTATION GRANT AGREEMENT ("Agreement") is entered into _____, by and between the State of Florida, Department of Transportation, ("Department"), and City of Lake City, ("Agency"). The Department and the Agency are sometimes referred to in this Agreement as a "Party" and collectively as the "Parties."

NOW, THEREFORE, in consideration of the mutual benefits to be derived from joint participation on the Project, the Parties agree to the following:

- 1. Authority.** The Agency, by Resolution or other form of official authorization, a copy of which is attached as **Exhibit "D", Agency Resolution** and made a part of this Agreement, has authorized its officers to execute this Agreement on its behalf. The Department has the authority pursuant to Section(s) 332.007, Florida Statutes, to enter into this Agreement.
- 2. Purpose of Agreement.** The purpose of this Agreement is to provide for the Department's participation in the Purchase of a Ground Power Unit (GPU) at Lake City Gateway Airport, as further described in **Exhibit "A", Project Description and Responsibilities**, attached and incorporated into this Agreement ("Project"), to provide Department financial assistance to the Agency, state the terms and conditions upon which Department funds will be provided, and to set forth the manner in which the Project will be undertaken and completed.
- 3. Program Area.** For identification purposes only, this Agreement is implemented as part of the Department program area selected below (select all programs that apply):

- ☒ **Aviation**
- ☐ **Seaports**
- ☐ **Transit**
- ☐ **Intermodal**
- ☐ **Rail Crossing Closure**
- ☐ **Match to Direct Federal Funding** (Aviation or Transit)
- ☐ (Note: Section 15 and Exhibit G do not apply to federally matched funding)
- ☐ **Other**

- 4. Exhibits.** The following Exhibits are attached and incorporated into this Agreement:

- ☒ Exhibit A: Project Description and Responsibilities
- ☒ Exhibit B: Schedule of Financial Assistance
- ☐ *Exhibit B1: Deferred Reimbursement Financial Provisions
- ☐ *Exhibit B2: Advance Payment Financial Provisions
- ☐ *Exhibit B3: Alternative Advanced Pay (Transit Bus Program)
- ☒ *Exhibit C: Terms and Conditions of Construction
- ☒ Exhibit D: Agency Resolution
- ☒ Exhibit E: Program Specific Terms and Conditions
- ☒ Exhibit F: Contract Payment Requirements
- ☒ *Exhibit G: Audit Requirements for Awards of State Financial Assistance

**PUBLIC TRANSPORTATION
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- ___ *Exhibit H: Audit Requirements for Awards of Federal Financial Assistance
___ *Exhibit I: Certification of Disbursement of Payment to Vehicle and/or Equipment Vendor
___ *Additional Exhibit(s):

*Indicates that the Exhibit is only attached and incorporated if applicable box is selected.

5. Time. Unless specified otherwise, all references to “days” within this Agreement refer to calendar days.

6. Term of Agreement. This Agreement shall commence upon full execution by both Parties (“Effective Date”) and continue through September 30, 2024. If the Agency does not complete the Project within this time period, this Agreement will expire unless an extension of the time period is requested by the Agency and granted in writing by the Department prior to the expiration of this Agreement. Expiration of this Agreement will be considered termination of the Project. The cost of any work performed prior to the Effective Date or after the expiration date of this Agreement will not be reimbursed by the Department.

a. ___ If this box is checked the following provision applies:

Unless terminated earlier, work on the Project shall commence no later than the ___ day of ___, or within ___ days of the issuance of the Notice to Proceed for the construction phase of the Project (if the Project involves construction), whichever date is earlier. The Department shall have the option to immediately terminate this Agreement should the Agency fail to meet the above-required dates.

7. Amendments, Extensions, and Assignment. This Agreement may be amended or extended upon mutual written agreement of the Parties. This Agreement shall not be renewed. This Agreement shall not be assigned, transferred, or otherwise encumbered by the Agency under any circumstances without the prior written consent of the Department.

8. Termination or Suspension of Project. The Department may, by written notice to the Agency, suspend any or all of the Department’s obligations under this Agreement for the Agency’s failure to comply with applicable law or the terms of this Agreement until such time as the event or condition resulting in such suspension has ceased or been corrected.

- a. Notwithstanding any other provision of this Agreement, if the Department intends to terminate the Agreement, the Department shall notify the Agency of such termination in writing at least thirty (30) days prior to the termination of the Agreement, with instructions to the effective date of termination or specify the stage of work at which the Agreement is to be terminated.
- b. The Parties to this Agreement may terminate this Agreement when its continuation would not produce beneficial results commensurate with the further expenditure of funds. In this event, the Parties shall agree upon the termination conditions.
- c. If the Agreement is terminated before performance is completed, the Agency shall be paid only for that work satisfactorily performed for which costs can be substantiated. Such payment, however, may not exceed the equivalent percentage of the Department’s maximum financial assistance. If any portion of the Project is located on the Department’s right-of-way, then all work in progress on the Department right-of-way will become the property of the Department and will be turned over promptly by the Agency.
- d. In the event the Agency fails to perform or honor the requirements and provisions of this Agreement, the Agency shall promptly refund in full to the Department within thirty (30) days of the termination of the Agreement any funds that were determined by the Department to have been expended in violation of the Agreement.
- e. The Department reserves the right to unilaterally cancel this Agreement for failure by the Agency to comply with the Public Records provisions of Chapter 119, Florida Statutes.

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION
**PUBLIC TRANSPORTATION
GRANT AGREEMENT**

Form 725-000-01
STRATEGIC
DEVELOPMENT
OGC 07/22

9. Project Cost:

- a. The estimated total cost of the Project is \$45,000. This amount is based upon **Exhibit "B", Schedule of Financial Assistance**. The timeline for deliverables and distribution of estimated amounts between deliverables within a grant phase, as outlined in **Exhibit "B", Schedule of Financial Assistance**, may be modified by mutual written agreement of the Parties and does not require execution of an **Amendment to the Public Transportation Grant Agreement**. The timeline for deliverables and distribution of estimated amounts between grant phases requires an amendment executed by both Parties in the same form as this Agreement.
- b. The Department agrees to participate in the Project cost up to the maximum amount of \$45,000 and, the Department's participation in the Project shall not exceed 100.00% of the total eligible cost of the Project, and as more fully described in **Exhibit "B", Schedule of Financial Assistance**. The Agency agrees to bear all expenses in excess of the amount of the Department's participation and any cost overruns or deficits involved.

10. Compensation and Payment:

- a. **Eligible Cost.** The Department shall reimburse the Agency for allowable costs incurred as described in **Exhibit "A", Project Description and Responsibilities**, and as set forth in **Exhibit "B", Schedule of Financial Assistance**.
- b. **Deliverables.** The Agency shall provide quantifiable, measurable, and verifiable units of deliverables. Each deliverable must specify the required minimum level of service to be performed and the criteria for evaluating successful completion. The Project and the quantifiable, measurable, and verifiable units of deliverables are described more fully in **Exhibit "A", Project Description and Responsibilities**. Modifications to the deliverables in **Exhibit "A", Project Description and Responsibilities** requires a formal written amendment.
- c. **Invoicing.** Invoices shall be submitted no more often than monthly by the Agency in detail sufficient for a proper pre-audit and post-audit, based on the quantifiable, measurable, and verifiable deliverables as established in **Exhibit "A", Project Description and Responsibilities**. Deliverables and costs incurred must be received and approved by the Department prior to reimbursement. Requests for reimbursement by the Agency shall include an invoice, progress report, and supporting documentation for the deliverables being billed that are acceptable to the Department. The Agency shall use the format for the invoice and progress report that is approved by the Department.
- d. **Supporting Documentation.** Supporting documentation must establish that the deliverables were received and accepted in writing by the Agency and must also establish that the required minimum standards or level of service to be performed based on the criteria for evaluating successful completion as specified in **Exhibit "A", Project Description and Responsibilities** has been met. All costs invoiced shall be supported by properly executed payrolls, time records, invoices, contracts, or vouchers evidencing in proper detail the nature and propriety of charges as described in **Exhibit "F", Contract Payment Requirements**.
- e. **Travel Expenses.** The selected provision below is controlling regarding travel expenses:
 - ☒ Travel expenses are NOT eligible for reimbursement under this Agreement.
 - ☐ Travel expenses ARE eligible for reimbursement under this Agreement. Bills for travel expenses specifically authorized in this Agreement shall be submitted on the Department's Contractor Travel Form No. 300-000-06 and will be paid in accordance with Section 112.061,

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Florida Statutes, and the most current version of the Department's Disbursement Handbook for Employees and Managers.

- f. Financial Consequences.** Payment shall be made only after receipt and approval of deliverables and costs incurred unless advance payments are authorized by the Chief Financial Officer of the State of Florida under Chapters 215 and 216, Florida Statutes, or the Department's Comptroller under Section 334.044(29), Florida Statutes. If the Department determines that the performance of the Agency is unsatisfactory, the Department shall notify the Agency of the deficiency to be corrected, which correction shall be made within a time-frame to be specified by the Department. The Agency shall, within thirty (30) days after notice from the Department, provide the Department with a corrective action plan describing how the Agency will address all issues of contract non-performance, unacceptable performance, failure to meet the minimum performance levels, deliverable deficiencies, or contract non-compliance. If the corrective action plan is unacceptable to the Department, the Agency will not be reimbursed. If the deficiency is subsequently resolved, the Agency may bill the Department for the amount that was previously not reimbursed during the next billing period. If the Agency is unable to resolve the deficiency, the funds shall be forfeited at the end of the Agreement's term.
- g. Invoice Processing.** An Agency receiving financial assistance from the Department should be aware of the following time frames. Inspection or verification and approval of deliverables shall take no longer than 20 days from the Department's receipt of the invoice. The Department has 20 days to deliver a request for payment (voucher) to the Department of Financial Services. The 20 days are measured from the latter of the date the invoice is received or the deliverables are received, inspected or verified, and approved.

If a payment is not available within 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 Agency. Interest penalties of less than one (1) dollar will not be enforced unless the Agency requests payment. Invoices that have to be returned to an Agency because of 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.

A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this individual include acting as an advocate for Agency who may be experiencing problems in obtaining timely payment(s) from a state agency. The Vendor Ombudsman may be contacted at (850) 413-5516.

- h. Records Retention.** The Agency shall maintain an accounting system or separate accounts to ensure funds and projects are tracked separately. 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 years after final payment is made. Copies of these records shall be furnished to the Department upon request. Records of costs incurred include the 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.
- i. Progress Reports.** Upon request, the Agency agrees to provide progress reports to the Department in the standard format used by the Department and at intervals established by the Department. The Department will be entitled at all times to be advised, at its request, as to the status of the Project and of details thereof.
- j. Submission of Other Documents.** The Agency shall submit to the Department such data, reports, records, contracts, and other documents relating to the Project as the Department

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may require as listed in **Exhibit "E", Program Specific Terms and Conditions** attached to and incorporated into this Agreement.

- k. Offsets for Claims.** 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 that it has with the Agency owing such amount if, upon written 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.
- l. Final Invoice.** The Agency must submit the final invoice on the Project to the Department within 120 days after the completion of the Project. Invoices submitted after the 120-day time period may not be paid.
- m. Department's Performance and Payment Contingent Upon Annual Appropriation by the Legislature.** 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, a notice of availability of funds from the Department's project manager must be received prior to costs being incurred by the Agency. See **Exhibit "B", Schedule of Financial Assistance** for funding levels by fiscal year. Project costs utilizing any fiscal year funds are not eligible for reimbursement if incurred prior to funds approval being received. The Department will notify the Agency, in writing, when funds are available.
- n. Limits on Contracts Exceeding \$25,000 and Term more than 1 Year.** In the event this Agreement is in excess of \$25,000 and has a term for a period of more than one year, the provisions of Section 339.135(6)(a), Florida Statutes, are hereby incorporated:
- "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 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 and which have a term for a period of more than 1 year."
- o. Agency Obligation to Refund Department.** Any Project funds made available by the Department pursuant to this Agreement that are determined by the Department to have been expended by the Agency 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 Agency files shall not constitute a waiver of the Department's rights as the funding agency to verify all information at a later date by audit or investigation.
- p. Non-Eligible Costs.** In determining the amount of the payment, the Department will exclude all Project costs incurred by the Agency prior to the execution of this Agreement, costs incurred after the expiration of the Agreement, costs that are not provided for in **Exhibit "A", Project Description and Responsibilities**, and as set forth in **Exhibit "B", Schedule of Financial Assistance**, costs agreed to be borne by the Agency or its contractors and subcontractors for

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not meeting the Project commencement and final invoice time lines, and costs attributable to goods or services received under a contract or other arrangement that has not been approved in writing by the Department. Specific unallowable costs may be listed in **Exhibit "A", Project Description and Responsibilities**.

11. General Requirements. The Agency shall complete the Project with all practical dispatch in a sound, economical, and efficient manner, and in accordance with the provisions in this Agreement and all applicable laws.

- a. **Necessary Permits Certification.** The Agency shall certify to the Department that the Agency's design consultant and/or construction contractor has secured the necessary permits.
- b. **Right-of-Way Certification.** If the Project involves construction, then the Agency shall provide to the Department certification and a copy of appropriate documentation substantiating that all required right-of-way necessary for the Project has been obtained. Certification is required prior to authorization for advertisement for or solicitation of bids for construction of the Project, even if no right-of-way is required.
- c. **Notification Requirements When Performing Construction on Department's Right-of-Way.** In the event the cost of the Project is greater than \$250,000.00, and the Project involves construction on the Department's right-of-way, the Agency shall provide the Department with written notification of either its intent to:
 - i. Require the construction work of the Project that is on the Department's right-of-way to be performed by a Department prequalified contractor, or
 - ii. Construct the Project utilizing existing Agency employees, if the Agency can complete said Project within the time frame set forth in this Agreement.
- d. ☐ If this box is checked, then the Agency is permitted to utilize its own forces and the following provision applies: **Use of Agency Workforce.** In the event the Agency proceeds with any phase of the Project utilizing its own forces, the Agency will only be reimbursed for direct costs (this excludes general overhead).
- e. ☐ If this box is checked, then the Agency is permitted to utilize **Indirect Costs: Reimbursement for Indirect Program Expenses** (select one):
 - i. ☐ Agency has selected to seek reimbursement from the Department for actual indirect expenses (no rate).
 - ii. ☐ Agency has selected to apply a de minimus rate of 10% to modified total direct costs. Note: The de minimus rate is available only to entities that have never had a negotiated indirect cost rate. When selected, the de minimus rate must be used consistently for all federal awards until such time the agency chooses to negotiate a rate. A cost policy statement and de minimis certification form must be submitted to the Department for review and approval.
 - iii. ☐ Agency has selected to apply a state or federally approved indirect cost rate. A federally approved rate agreement or indirect cost allocation plan (ICAP) must be submitted annually.
- f. **Agency Compliance with Laws, Rules, and Regulations, Guidelines, and Standards.** The 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.

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- g. Claims and Requests for Additional Work.** The Agency shall have the sole responsibility for resolving claims and requests for additional work for the Project. The Agency will make best efforts to obtain the Department's input in its decisions. The Department is not obligated to reimburse for claims or requests for additional work.

12. Contracts of the Agency:

- a. Approval of Third Party Contracts.** The Department specifically reserves the right to review and approve any and all third party contracts with respect to the Project before the Agency executes or obligates itself in any manner requiring the disbursement of Department funds, including consultant and purchase of commodities contracts, or amendments thereto. If the Department chooses to review and approve third party contracts for this Project and the Agency fails to obtain such approval, that shall be sufficient cause for nonpayment by the Department. The Department specifically reserves unto itself the right to review the qualifications of any consultant or contractor and to approve or disapprove the employment of the same. If Federal Transit Administration (FTA) funds are used in the Project, the Department must exercise the right to third party contract review.
- b. Procurement of Commodities or Contractual Services.** It is understood and agreed by the Parties hereto that participation by the Department in a project with the Agency, where said project involves the purchase of commodities or contractual services where purchases or costs exceed the Threshold Amount for CATEGORY TWO per Section 287.017, Florida Statutes, is contingent on the Agency complying in full with the provisions of Section 287.057, Florida Statutes. The Agency's Authorized Official shall certify to the Department that the Agency's purchase of commodities or contractual services has been accomplished in compliance with Section 287.057, Florida Statutes. It shall be the sole responsibility of the Agency to ensure that any obligations made in accordance with this Section comply with the current threshold limits. Contracts, purchase orders, task orders, construction change orders, or any other agreement that would result in exceeding the current budget contained in **Exhibit "B", Schedule of Financial Assistance**, or that is not consistent with the Project description and scope of services contained in **Exhibit "A", Project Description and Responsibilities** must be approved by the Department prior to Agency execution. Failure to obtain such approval, and subsequent execution of an amendment to the Agreement if required, shall be sufficient cause for nonpayment by the Department, in accordance with this Agreement.
- c. Consultants' Competitive Negotiation Act.** It is understood and agreed by the Parties to this Agreement that participation by the Department in a project with the Agency, where said project involves a consultant contract for professional services, is contingent on the Agency's full compliance with provisions of Section 287.055, Florida Statutes, Consultants' Competitive Negotiation Act. In all cases, the Agency's Authorized Official shall certify to the Department that selection has been accomplished in compliance with the Consultants' Competitive Negotiation Act.
- d. Disadvantaged Business Enterprise (DBE) Policy and Obligation.** It is the policy of the Department that DBEs, as defined in 49 C.F.R. Part 26, as amended, shall have the opportunity to participate in the performance of contracts financed in whole or in part with Department funds under this Agreement. The DBE requirements of applicable federal and state laws and regulations apply to this Agreement. The Agency and its contractors agree to ensure that DBEs have the opportunity to participate in the performance of this Agreement. In this regard, all recipients and contractors shall take all necessary and reasonable steps in accordance with applicable federal and state laws and regulations to ensure that the DBEs have the opportunity to compete for and perform contracts. The Agency and its contractors and subcontractors shall not discriminate on the basis of race, color, national origin or sex in the award and performance of contracts, entered pursuant to this Agreement.

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13. Maintenance Obligations. In the event the Project includes construction or the acquisition of commodities then the following provisions are incorporated into this Agreement:

- a. The Agency agrees to accept all future maintenance and other attendant costs occurring after completion of the Project for all improvements constructed or commodities acquired as part of the Project. The terms of this provision shall survive the termination of this Agreement.

14. Sale, Transfer, or Disposal of Department-funded Property:

- a. The Agency will not sell or otherwise transfer or dispose of any part of its title or other interests in real property, facilities, or equipment funded in any part by the Department under this Agreement without prior written approval by the Department.
- b. If a sale, transfer, or disposal by the Agency of all or a portion of Department-funded real property, facilities, or equipment is approved by the Department, the following provisions will apply:
 - i. The Agency shall reimburse the Department a proportional amount of the proceeds of the sale of any Department-funded property.
 - ii. The proportional amount shall be determined on the basis of the ratio of the Department funding of the development or acquisition of the property multiplied against the sale amount, and shall be remitted to the Department within ninety (90) days of closing of sale.
 - iii. Sale of property developed or acquired with Department funds shall be at market value as determined by appraisal or public bidding process, and the contract and process for sale must be approved in advance by the Department.
 - iv. If any portion of the proceeds from the sale to the Agency are non-cash considerations, reimbursement to the Department shall include a proportional amount based on the value of the non-cash considerations.
- c. The terms of provisions "a" and "b" above shall survive the termination of this Agreement.
 - i. The terms shall remain in full force and effect throughout the useful life of facilities developed, equipment acquired, or Project items installed within a facility, but shall not exceed twenty (20) years from the effective date of this Agreement.
 - ii. There shall be no limit on the duration of the terms with respect to real property acquired with Department funds.

15. Single Audit. The administration of Federal or State resources awarded through the Department to the Agency by this Agreement may be subject to audits and/or monitoring by the Department. The following requirements do not limit the authority of the Department to conduct or arrange for the conduct of additional audits or evaluations of Federal awards or State financial assistance or limit the authority of any state agency inspector general, the State of Florida Auditor General, or any other state official. The Agency shall comply with all audit and audit reporting requirements as specified below.

Federal Funded:

- a. In addition to reviews of audits conducted in accordance with 2 CFR Part 200, Subpart F – Audit Requirements, monitoring procedures may include but not be limited to on-site visits by Department staff and/or other procedures, including reviewing any required performance and financial reports, following up, ensuring corrective action, and issuing management decisions on weaknesses found through audits when those findings pertain to Federal awards provided

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through the Department by this Agreement. By entering into this Agreement, the Agency agrees to comply and cooperate fully with any monitoring procedures/processes deemed appropriate by the Department. The Agency further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Department, State of Florida Chief Financial Officer (CFO), or State of Florida Auditor General.

- b. The Agency, a non-Federal entity as defined by 2 CFR Part 200, Subpart F – Audit Requirements, as a subrecipient of a Federal award awarded by the Department through this Agreement, is subject to the following requirements:
- i. In the event the Agency expends a total amount of Federal awards equal to or in excess of the threshold established by 2 CFR Part 200, Subpart F – Audit Requirements, the Agency must have a Federal single or program-specific audit conducted for such fiscal year in accordance with the provisions of 2 CFR Part 200, Subpart F – Audit Requirements. **Exhibit “H”, Audit Requirements for Awards of Federal Financial Assistance**, to this Agreement provides the required Federal award identification information needed by the Agency to further comply with the requirements of 2 CFR Part 200, Subpart F – Audit Requirements. In determining Federal awards expended in a fiscal year, the Agency must consider all sources of Federal awards based on when the activity related to the Federal award occurs, including the Federal award provided through the Department by this Agreement. The determination of amounts of Federal awards expended should be in accordance with the guidelines established by 2 CFR Part 200, Subpart F – Audit Requirements. An audit conducted by the State of Florida Auditor General in accordance with the provisions of 2 CFR Part 200, Subpart F – Audit Requirements, will meet the requirements of this part.
 - ii. In connection with the audit requirements, the Agency shall fulfill the requirements relative to the auditee responsibilities as provided in 2 CFR Part 200, Subpart F – Audit Requirements.
 - iii. In the event the Agency expends less than the threshold established by 2 CFR Part 200, Subpart F – Audit Requirements, in Federal awards, the Agency is exempt from Federal audit requirements for that fiscal year. However, the Agency must provide a single audit exemption statement to the Department at FDOTSingleAudit@dot.state.fl.us no later than nine months after the end of the Agency’s audit period for each applicable audit year. In the event the Agency expends less than the threshold established by 2 CFR Part 200, Subpart F – Audit Requirements, in Federal awards in a fiscal year and ~~elects~~ to have an audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F – Audit Requirements, the cost of the audit must be paid from non-Federal resources (*i.e.*, the cost of such an audit must be paid from the Agency’s resources obtained from other than Federal entities).
 - iv. The Agency must electronically submit to the Federal Audit Clearinghouse (FAC) at <https://harvester.census.gov/facweb/> the audit reporting package as required by 2 CFR Part 200, Subpart F – Audit Requirements, within the earlier of 30 calendar days after receipt of the auditor’s report(s) or nine months after the end of the audit period. The FAC is the repository of record for audits required by 2 CFR Part 200, Subpart F – Audit Requirements. However, the Department requires a copy of the audit reporting package also be submitted to FDOTSingleAudit@dot.state.fl.us within the earlier of 30 calendar days after receipt of the auditor’s report(s) or nine months after the end of the audit period as required by 2 CFR Part 200, Subpart F – Audit Requirements.
 - v. Within six months of acceptance of the audit report by the FAC, the Department will review the Agency’s audit reporting package, including corrective action plans and

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management letters, to the extent necessary to determine whether timely and appropriate action on all deficiencies has been taken pertaining to the Federal award provided through the Department by this Agreement. If the Agency fails to have an audit conducted in accordance with 2 CFR Part 200, Subpart F – Audit Requirements, the Department may impose additional conditions to remedy noncompliance. If the Department determines that noncompliance cannot be remedied by imposing additional conditions, the Department may take appropriate actions to enforce compliance, which actions may include but not be limited to the following:

1. Temporarily withhold cash payments pending correction of the deficiency by the Agency or more severe enforcement action by the Department;
 2. Disallow (deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance;
 3. Wholly or partly suspend or terminate the Federal award;
 4. Initiate suspension or debarment proceedings as authorized under 2 C.F.R. Part 180 and Federal awarding agency regulations (or in the case of the Department, recommend such a proceeding be initiated by the Federal awarding agency);
 5. Withhold further Federal awards for the Project or program;
 6. Take other remedies that may be legally available.
- vi. As a condition of receiving this Federal award, the Agency shall permit the Department or its designee, the CFO, or State of Florida Auditor General access to the Agency's records, including financial statements, the independent auditor's working papers, and project records as necessary. Records related to unresolved audit findings, appeals, or litigation shall be retained until the action is complete or the dispute is resolved.
- vii. The Department's contact information for requirements under this part is as follows:

Office of Comptroller, MS 24
605 Suwannee Street
Tallahassee, Florida 32399-0450
FDOTSingleAudit@dot.state.fl.us

State Funded:

- a. In addition to reviews of audits conducted in accordance with Section 215.97, Florida Statutes, monitoring procedures to monitor the Agency's use of state financial assistance may include but not be limited to on-site visits by Department staff and/or other procedures, including reviewing any required performance and financial reports, following up, ensuring corrective action, and issuing management decisions on weaknesses found through audits when those findings pertain to state financial assistance awarded through the Department by this Agreement. By entering into this Agreement, the Agency agrees to comply and cooperate fully with any monitoring procedures/processes deemed appropriate by the Department. The Agency further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Department, the Department of Financial Services (DFS), or State of Florida Auditor General.
- b. The Agency, a "nonstate entity" as defined by Section 215.97, Florida Statutes, as a recipient of state financial assistance awarded by the Department through this Agreement, is subject to the following requirements:
 - i. In the event the Agency meets the audit threshold requirements established by Section 215.97, Florida Statutes, the Agency must have a State single or project-specific audit conducted for such fiscal year in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and

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Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. **Exhibit “G”, Audit Requirements for Awards of State Financial Assistance**, to this Agreement indicates state financial assistance awarded through the Department by this Agreement needed by the Agency to further comply with the requirements of Section 215.97, Florida Statutes. In determining the state financial assistance expended in a fiscal year, the Agency shall consider all sources of state financial assistance, including state financial assistance received from the Department by this Agreement, other state agencies, and other nonstate entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.

- ii. In connection with the audit requirements, the Agency shall ensure that the audit complies with the requirements of Section 215.97(8), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2)(e), Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.
- iii. In the event the Agency does not meet the audit threshold requirements established by Section 215.97, Florida Statutes, the Agency is exempt for such fiscal year from the state single audit requirements of Section 215.97, Florida Statutes. However, the Agency must provide a single audit exemption statement to the Department at FDOTSingleAudit@dot.state.fl.us no later than nine months after the end of the Agency's audit period for each applicable audit year. In the event the Agency does not meet the audit threshold requirements established by Section 215.97, Florida Statutes, in a fiscal year and elects to have an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, the cost of the audit must be paid from the Agency's resources (*i.e.*, the cost of such an audit must be paid from the Agency's resources obtained from other than State entities).
- iv. In accordance with Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, copies of financial reporting packages required by this Agreement shall be submitted to:

Florida Department of Transportation
Office of Comptroller, MS 24
605 Suwannee Street
Tallahassee, Florida 32399-0405
FDOTSingleAudit@dot.state.fl.us

And

State of Florida Auditor General
Local Government Audits/342
111 West Madison Street, Room 401
Tallahassee, FL 32399-1450
Email: flaudgen_localgovt@aud.state.fl.us

- v. Any copies of financial reporting packages, reports, or other information required to be submitted to the Department shall be submitted timely in accordance with Section 215.97, Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.
- vi. The Agency, when submitting financial reporting packages to the Department for audits done in accordance with Chapters 10.550 (local governmental entities) or

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10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date the reporting package was delivered to the Agency in correspondence accompanying the reporting package.

vii. Upon receipt, and within six months, the Department will review the Agency's financial reporting package, including corrective action plans and management letters, to the extent necessary to determine whether timely and appropriate corrective action on all deficiencies has been taken pertaining to the state financial assistance provided through the Department by this Agreement. If the Agency fails to have an audit conducted consistent with Section 215.97, Florida Statutes, the Department may take appropriate corrective action to enforce compliance.

viii. As a condition of receiving state financial assistance, the Agency shall permit the Department or its designee, DFS, or the Auditor General access to the Agency's records, including financial statements, the independent auditor's working papers, and project records as necessary. Records related to unresolved audit findings, appeals, or litigation shall be retained until the action is complete or the dispute is resolved.

c. The Agency shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of five years from the date the audit report is issued and shall allow the Department or its designee, DFS, or State of Florida Auditor General access to such records upon request. The Agency shall ensure that the audit working papers are made available to the Department or its designee, DFS, or State of Florida Auditor General upon request for a period of five years from the date the audit report is issued, unless extended in writing by the Department.

16. Notices and Approvals. Notices and approvals referenced in this Agreement must be obtained in writing from the Parties' respective Administrators or their designees.

17. Restrictions, Prohibitions, Controls and Labor Provisions:

a. **Convicted Vendor List.** 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 36 months from the date of being placed on the convicted vendor list.

b. **Discriminatory Vendor List.** In accordance with Section 287.134, Florida Statutes, an entity or affiliate who has been placed on the Discriminatory Vendor List, kept by the Florida Department of Management Services, may not submit a bid on a contract to provide goods or services to a public entity; may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids on leases of real property to a public entity; may not 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.

c. **Non-Responsible Contractors.** 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 Agency.

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- d. **Prohibition on Using Funds for Lobbying.** No funds received pursuant to this Agreement may be expended for lobbying the Florida Legislature, judicial branch, or any state agency, in accordance with Section 216.347, Florida Statutes.
- e. **Unauthorized Aliens.** 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.
- f. **Procurement of Construction Services.** If the Project is procured pursuant to Chapter 255, Florida Statutes, for construction services and at the time of the competitive solicitation for the Project, 50 percent or more of the cost of the Project is to be paid from state-appropriated funds, then the Agency must comply with the requirements of Section 255.0991, Florida Statutes.
- g. **E-Verify.** The Agency shall:
 - i. Utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the Agency during the term of the contract; and
 - ii. Expressly require any subcontractors performing work or providing services pursuant to the state contract 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 contract term.
- h. **Executive Order 20-44.** Pursuant to Governor's Executive Order 20-44, if the Agency is required by the Internal Revenue Code to file IRS Form 990 and is named in statute with which the Department must form a sole-source, public-private agreement; or through contract or other agreement with the State, annually receives 50% or more of its budget from the State or from a combination of State and Federal funds, Recipient shall submit an Annual Report to the Department, including the most recent IRS Form 990, detailing the total compensation for each member of the Agency executive leadership team. Total compensation shall include salary, bonuses, cashed-in leave, cash equivalents, severance pay, retirement benefits, deferred compensation, real-property gifts, and any other payout. The Agency shall inform the Department of any changes in total executive compensation during the period between the filing of Annual Reports within 60 days of any change taking effect. All compensation reports shall detail the percentage of executive leadership compensation received directly from all State and/or Federal allocations to the Agency. Annual Reports shall be in the form approved by the Department and shall be submitted to the Department at fdotsingleaudit@dot.state.fl.us within 180 days following the end of each tax year of the Agency receiving Department funding.
- i. **Design Services and Construction Engineering and Inspection Services.** If the Project is wholly or partially funded by the Department and administered by a local governmental entity, except for a seaport listed in Section 311.09, Florida Statutes, or an airport as defined in Section 332.004, Florida Statutes, the entity performing design and construction engineering and inspection services may not be the same entity.

18. Indemnification and Insurance:

- a. It is specifically agreed between the Parties executing this Agreement that it is not intended by any of the provisions of any part of this Agreement to create in the public or any member thereof, a third party beneficiary under this Agreement, or to authorize anyone not a party to this Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Agreement. The Agency guarantees the payment of all just claims for materials, supplies, tools, or labor and other just claims against the Agency or any

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subcontractor, in connection with this Agreement. Additionally, to the extent permitted by law and as limited by and pursuant to the provisions of Section 768.28, Florida Statutes, the Agency shall indemnify, defend, and hold harmless the State of Florida, Department of Transportation, including the Department's officers and employees, from liabilities, damages, losses, and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness, or intentional wrongful misconduct of the Agency and persons employed or utilized by the Agency in the performance of this Agreement. Nothing contained in this paragraph is intended to nor shall it constitute a waiver of the Department's or the Agency's sovereign immunity. This indemnification shall survive the termination of this Agreement. Additionally, the Agency agrees to include the following indemnification in all contracts with contractors/subcontractors and consultants/subconsultants who perform work in connection with this Agreement:

"To the fullest extent permitted by law, the Agency's contractor/consultant shall indemnify, defend, and hold harmless the Agency and the State of Florida, Department of Transportation, including the Department's officers and employees, from liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of the contractor/consultant and persons employed or utilized by the contractor/consultant in the performance of this Agreement.

This indemnification shall survive the termination of this Agreement."

- b. The Agency shall provide Workers' Compensation Insurance in accordance with Florida's Workers' Compensation law for all employees. If subletting any of the work, ensure that the subcontractor(s) and subconsultant(s) have Workers' Compensation Insurance for their employees in accordance with Florida's Workers' Compensation law. If using "leased employees" or employees obtained through professional employer organizations ("PEO's"), ensure that such employees are covered by Workers' Compensation Insurance through the PEO's or other leasing entities. Ensure that any equipment rental agreements that include operators or other personnel who are employees of independent contractors, sole proprietorships, or partners are covered by insurance required under Florida's Workers' Compensation law.
- c. If the Agency elects to self-perform the Project, then the Agency may self-insure. If the Agency elects to hire a contractor or consultant to perform the Project, then the Agency shall carry, or cause its contractor or consultant to carry, Commercial General Liability insurance providing continuous coverage for all work or operations performed under this Agreement. Such insurance shall be no more restrictive than that provided by the latest occurrence form edition of the standard Commercial General Liability Coverage Form (ISO Form CG 00 01) as filed for use in the State of Florida. The Agency shall cause, or cause its contractor or consultant to cause, the Department to be made an Additional Insured as to such insurance. Such coverage shall be on an "occurrence" basis and shall include Products/Completed Operations coverage. The coverage afforded to the Department as an Additional Insured shall be primary as to any other available insurance and shall not be more restrictive than the coverage afforded to the Named Insured. The limits of coverage shall not be less than \$1,000,000 for each occurrence and not less than a \$5,000,000 annual general aggregate, inclusive of amounts provided by an umbrella or excess policy. The limits of coverage described herein shall apply fully to the work or operations performed under the Agreement, and may not be shared with or diminished by claims unrelated to the Agreement. The policy/ies and coverage described herein may be subject to a deductible and such deductibles shall be paid by the Named Insured. No policy/ies or coverage described herein may contain or be subject to a Retention or a Self-Insured Retention unless the Agency is a state agency or subdivision of the State of Florida that elects to self-perform the Project. Prior to the execution of the Agreement, and at all renewal periods which occur prior to final acceptance of the work, the Department shall be provided with an ACORD Certificate of Liability Insurance reflecting the

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coverage described herein. The Department shall be notified in writing within ten days of any cancellation, notice of cancellation, lapse, renewal, or proposed change to any policy or coverage described herein. The Department's approval or failure to disapprove any policy/ies, coverage, or ACORD Certificates shall not relieve or excuse any obligation to procure and maintain the insurance required herein, nor serve as a waiver of any rights or defenses the Department may have.

- d. When the Agreement includes the construction of a railroad grade crossing, railroad overpass or underpass structure, or any other work or operations within the limits of the railroad right-of-way, including any encroachments thereon from work or operations in the vicinity of the railroad right-of-way, the Agency shall, or cause its contractor to, in addition to the insurance coverage required above, procure and maintain Railroad Protective Liability Coverage (ISO Form CG 00 35) where the railroad is the Named Insured and where the limits are not less than \$2,000,000 combined single limit for bodily injury and/or property damage per occurrence, and with an annual aggregate limit of not less than \$6,000,000. The railroad shall also be added along with the Department as an Additional Insured on the policy/ies procured pursuant to the paragraph above. Prior to the execution of the Agreement, and at all renewal periods which occur prior to final acceptance of the work, both the Department and the railroad shall be provided with an ACORD Certificate of Liability Insurance reflecting the coverage described herein. The insurance described herein shall be maintained through final acceptance of the work. Both the Department and the railroad shall be notified in writing within ten days of any cancellation, notice of cancellation, renewal, or proposed change to any policy or coverage described herein. The Department's approval or failure to disapprove any policy/ies, coverage, or ACORD Certificates shall not relieve or excuse any obligation to procure and maintain the insurance required herein, nor serve as a waiver of any rights the Department may have.
- e. When the Agreement involves work on or in the vicinity of utility-owned property or facilities, the utility shall be added along with the Department as an Additional Insured on the Commercial General Liability policy/ies procured above.

19. Miscellaneous:

- a. **Environmental Regulations.** The Agency will be solely responsible for compliance with all applicable environmental regulations and for any liability arising from non-compliance with these regulations, and will reimburse the Department for any loss incurred in connection therewith.
- b. **Non-Admission of Liability.** In no event shall the making by the Department of any payment to the 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 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.
- c. **Severability.** If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected. In such an instance, the remainder would then continue to conform to the terms and requirements of applicable law.
- d. **Agency not an agent of Department.** The Agency and the Department agree that the Agency, its employees, contractors, subcontractors, consultants, and subconsultants are not agents of the Department as a result of this Agreement.
- e. **Bonus or Commission.** By execution of the Agreement, the Agency represents that it has not paid and, also agrees not to pay, any bonus or commission for the purpose of obtaining an approval of its application for the financing hereunder.

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- f. **Non-Contravention of State Law.** Nothing in the Agreement shall require the Agency to observe or enforce compliance with any provision or perform any act or do any other thing in contravention of any applicable state law. If any of the provisions of the Agreement violate any applicable state law, the Agency will at once notify the Department in writing so that appropriate changes and modifications may be made by the Department and the Agency to the end that the Agency may proceed as soon as possible with the Project.
- g. **Execution of Agreement.** 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.
- h. **Federal Award Identification Number (FAIN).** If the FAIN is not available prior to execution of the Agreement, the Department may unilaterally add the FAIN to the Agreement without approval of the Agency and without an amendment to the Agreement. If this occurs, an updated Agreement that includes the FAIN will be provided to the Agency and uploaded to the Department of Financial Services' Florida Accountability Contract Tracking System (FACTS).
- i. **Inspector General Cooperation.** The Agency agrees to comply with Section 20.055(5), Florida Statutes, and to incorporate in all subcontracts the obligation to comply with Section 20.055(5), Florida Statutes.
- j. **Law, Forum, and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. In the event of a conflict between any portion of the contract and Florida law, the laws of Florida shall prevail. The Agency agrees to waive forum and venue and that the Department shall determine the forum and venue in which any dispute under this Agreement is decided.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year written above.

AGENCY City of Lake City

STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION

By: _____

By: _____

Name: _____

Name: James M. Knight, P.E.

Title: _____

Title: Urban Planning and Modal Administrator

STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION
Legal Review:

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION
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EXHIBIT A

Project Description and Responsibilities

A. Project Description (description of Agency's project to provide context, description of project components funded via this Agreement (if not the entire project)): Purchase Ground Power Unit (GPU)

B. Project Location (limits, city, county, map): Lake City Gateway Airport/Lake City, FL/Columbia

C. Project Scope (allowable costs: describe project components, improvement type/service type, approximate timeline, project schedule, project size): As required by 215.971, F.S., this scope of work includes but is not limited to consultant and design fees, survey and geotechnical costs, permitting, construction inspection and material testing costs, mobilization and demobilization, purchase, delivery, testing, and commissioning of said equipment. Site preparation (earthwork, electrical, mechanical, and utilities) is to be included in the cost of equipment purchase and delivery. It includes all materials, equipment, labor, and incidentals to purchase, install and commission a New Ground Power Unit. This piece of equipment will allow the airport to provide electrical power to an aircraft's electrical system. The Sponsor will comply with Aviation Program Assurances.

D. Deliverable(s): Purchase Ground Power Unit (GPU)

The project scope identifies the ultimate project deliverables. Deliverables for requisition, payment and invoice purposes will be the incremental progress made toward completion of project scope elements. Supporting documentation will be quantifiable, measurable, and verifiable, to allow for a determination of the amount of incremental progress that has been made, and provide evidence that the payment requested is commensurate with the accomplished incremental progress and costs incurred by the Agency.

E. Unallowable Costs (including but not limited to):

F. Transit Operating Grant Requirements (Transit Only):

Transit Operating Grants billed as an operational subsidy will require an expenditure detail report from the Agency that matches the invoice period. The expenditure detail, along with the progress report, will be the required deliverables for Transit Operating Grants. Operating grants may be issued for a term not to exceed three years from execution. The original grant agreement will include funding for year one. Funding for years two and three will be added by amendment as long as the grantee has submitted all invoices on schedule and the project deliverables for the year have been met.

Lake City Gateway Airport (LCQ)

Fixed Base Operation (FBO) – Ground Power Unit (GPU)
For Aircraft Ground Support

6/15/2022

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EXHIBIT B

Schedule of Financial Assistance

FUNDS AWARDED TO THE AGENCY AND REQUIRED MATCHING FUNDS PURSUANT TO THIS AGREEMENT
CONSIST OF THE FOLLOWING:

A. Fund Type and Fiscal Year:

Financial Management Number	Fund Type	FLAIR Category	State Fiscal Year	Object Code	CSFA/CFDA Number	CSFA/CFDA Title or Funding Source Description	Funding Amount
445938-2-94-23	DPTO	088719	2023	751000	55.004	Aviation Grant Program	\$45,000.00
Total Financial Assistance							\$45,000.00

B. Estimate of Project Costs by Grant Phase:

Phases*	State	Local	Federal	Totals	State %	Local %	Federal %
Land Acquisition	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Planning	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Environmental/Design/Construction	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Capital Equipment/ Preventative Maintenance	\$45,000.00	\$0.00	\$0.00	\$45,000.00	100.00	0.00	0.00
Match to Direct Federal Funding	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Mobility Management (Transit Only)	\$0.00	\$0.00	\$0.00	\$0.00	0.00	0.00	0.00
Totals	\$45,000.00	\$0.00	\$0.00	\$45,000.00			

*Shifting items between these grant phases requires execution of an Amendment to the Public Transportation Grant Agreement.

Scope Code and/or Activity Line Item (ALI) (Transit Only)	
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BUDGET/COST ANALYSIS CERTIFICATION AS REQUIRED BY SECTION 216.3475, FLORIDA STATUTES:

I certify that the cost for each line item budget category (grant phase) has been evaluated and determined to be allowable, reasonable, and necessary as required by Section 216.3475, Florida Statutes. Documentation is on file evidencing the methodology used and the conclusions reached.

Donna Whitney

Department Grant Manager Name

Signature

Date

**PUBLIC TRANSPORTATION
GRANT AGREEMENT EXHIBITS****EXHIBIT C****TERMS AND CONDITIONS OF CONSTRUCTION****1. Design and Construction Standards and Required Approvals.**

- a. The Agency understands that it is responsible for the preparation and certification of all design plans for the Project. The Agency shall hire a qualified consultant for the design phase of the Project or, if applicable, the Agency shall require their design-build contractor or construction management contractor to hire a qualified consultant for the design phase of the Project.
- b. Execution of this Agreement by both Parties shall be deemed a Notice to Proceed to the Agency for the design phase or other non-construction phases of the Project. If the Project involves a construction phase, the Agency shall not begin the construction phase of the Project until the Department issues a Notice to Proceed for the construction phase. Prior to commencing the construction work described in this Agreement, the Agency shall request a Notice to Proceed from the Department's Project Manager, Donna Whitney (email: donna.whitney@dot.state.fl.us) or from an appointed designee. Any construction phase work performed prior to the execution of this required Notice to Proceed is not subject to reimbursement.
- c. The Agency will provide one (1) copy of the final design plans and specifications and final bid documents to the Department's Project Manager prior to bidding or commencing construction of the Project.
- d. The Agency shall require the Agency's contractor to post a payment and performance bond in accordance with applicable law(s).
- e. The Agency shall be responsible to ensure that the construction work under this Agreement is performed in accordance with the approved construction documents, and that the construction work will meet all applicable Agency and Department standards.
- f. Upon completion of the work authorized by this Agreement, the Agency shall notify the Department in writing of the completion of construction of the Project; and for all design work that originally required certification by a Professional Engineer, this notification shall contain an Engineer's Certification of Compliance, signed and sealed by a Professional Engineer, the form of which is attached to this Exhibit. The certification shall state that work has been completed in compliance with the Project construction plans and specifications. If any deviations are found from the approved plans or specifications, the certification shall include a list of all deviations along with an explanation that justifies the reason to accept each deviation.

2. Construction on the Department's Right of Way. If the Project involves construction on the Department's right-of-way, then the following provisions apply to any and all portions of the Project that are constructed on the Department's right-of-way:

- a. The Agency shall hire a qualified contractor using the Agency's normal bid procedures to perform the construction work for the Project. The Agency must certify that the installation of the Project is completed by a Contractor prequalified by the Department as required by Section 2 of the Standard Specifications for Road and Bridge Construction (2016), as amended, unless otherwise approved by the Department in writing or the Contractor exhibits past project experience in the last five years that are comparable in scale, composition, and overall quality to the site characterized within the scope of services of this Project.

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- b. Construction Engineering Inspection (CEI) services will be provided by the Agency by hiring a Department prequalified consultant firm including one individual that has completed the Advanced Maintenance of Traffic Level Training, unless otherwise approved by the Department in writing. The CEI staff shall be present on the Project at all times that the contractor is working. Administration of the CEI staff shall be under the responsible charge of a State of Florida Licensed Professional Engineer who shall provide the certification that all design and construction for the Project meets the minimum construction standards established by Department. The Department shall approve all CEI personnel. The CEI firm shall not be the same firm as that of the Engineer of Record for the Project. The Department shall have the right, but not the obligation, to perform independent assurance testing during the course of construction of the Project. Notwithstanding the foregoing, the Department may issue a written waiver of the CEI requirement for portions of Projects involving the construction of bus shelters, stops, or pads.
- c. The Project shall be designed and constructed in accordance with the latest edition of the Department's Standard Specifications for Road and Bridge Construction, the Department Design Standards, and the Manual of Uniform Traffic Control Devices (MUTCD). The following guidelines shall apply as deemed appropriate by the Department: the Department Structures Design Manual, AASHTO Guide Specifications for the Design of Pedestrian Bridges, AASHTO LRFD Bridge Design Specifications, Florida Design Manual, Manual for Uniform Minimum Standards for Design, Construction and Maintenance for Streets and Highways (the "Florida Green Book"), and the Department Traffic Engineering Manual. The Agency will be required to submit any construction plans required by the Department for review and approval prior to any work being commenced. Should any changes to the plans be required during construction of the Project, the Agency shall be required to notify the Department of the changes and receive approval from the Department prior to the changes being constructed. The Agency shall maintain the area of the Project at all times and coordinate any work needs of the Department during construction of the Project.
- d. The Agency shall notify the Department a minimum of 48 hours before beginning construction within Department right-of-way. The Agency shall notify the Department should construction be suspended for more than 5 working days. The Department contact person for construction is ____.
- e. The Agency shall be responsible for monitoring construction operations and the maintenance of traffic (MOT) throughout the course of the Project in accordance with the latest edition of the Department Standard Specifications, section 102. The Agency is responsible for the development of a MOT plan and making any changes to that plan as necessary. The MOT plan shall be in accordance with the latest version of the Department Design Standards, Index 600 series. Any MOT plan developed by the Agency that deviates from the Department Design Standards must be signed and sealed by a professional engineer. MOT plans will require approval by the Department prior to implementation.
- f. The Agency shall be responsible for locating all existing utilities, both aerial and underground, and for ensuring that all utility locations be accurately documented on the construction plans. All utility conflicts shall be fully resolved directly with the applicable utility.
- g. The Agency will be responsible for obtaining all permits that may be required by other agencies or local governmental entities.
- h. It is hereby agreed by the Parties that this Agreement creates a permissive use only and all improvements located on the Department's right-of-way resulting from this Agreement shall become the property of the Department. Neither the granting of the permission to use the Department right of way nor the placing of facilities upon the Department property shall operate to create or vest any property right to or in the Agency, except as may otherwise be provided in separate agreements. The Agency shall not acquire any right, title, interest or

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estate in Department right of way, of any nature or kind whatsoever, by virtue of the execution, operation, effect, or performance of this Agreement including, but not limited to, the Agency's use, occupancy or possession of Department right of way. The Parties agree that this Agreement does not, and shall not be construed to, grant credit for any future transportation concurrency requirements pursuant to Chapter 163, F.S.

- i. The Agency shall not cause any liens or encumbrances to attach to any portion of the Department's property, including but not limited to, the Department's right-of-way.
- j. The Agency shall perform all required testing associated with the design and construction of the Project. Testing results shall be made available to the Department upon request. The Department shall have the right to perform its own independent testing during the course of the Project.
- k. The Agency shall exercise the rights granted herein and shall otherwise perform this Agreement in a good and workmanlike manner, with reasonable care, in accordance with the terms and provisions of this Agreement and all applicable federal, state, local, administrative, regulatory, safety and environmental laws, codes, rules, regulations, policies, procedures, guidelines, standards and permits, as the same may be constituted and amended from time to time, including, but not limited to, those of the Department, applicable Water Management District, Florida Department of Environmental Protection, the United States Environmental Protection Agency, the United States Army Corps of Engineers, the United States Coast Guard and local governmental entities.
- l. If the Department determines a condition exists which threatens the public's safety, the Department may, at its discretion, cause construction operations to cease and immediately have any potential hazards removed from its right-of-way at the sole cost, expense, and effort of the Agency. The Agency shall bear all construction delay costs incurred by the Department.
- m. The Agency shall be responsible to maintain and restore all features that might require relocation within the Department right-of-way.
- n. The Agency will be solely responsible for clean up or restoration required to correct any environmental or health hazards that may result from construction operations.
- o. The acceptance procedure will include a final "walk-through" by Agency and Department personnel. Upon completion of construction, the Agency will be required to submit to the Department final as-built plans and an engineering certification that construction was completed in accordance to the plans. Submittal of the final as-built plans shall include one complete set of the signed and sealed plans on 11" X 17" plan sheets and an electronic copy prepared in Portable Document Format (PDF). Prior to the termination of this Agreement, the Agency shall remove its presence, including, but not limited to, all of the Agency's property, machinery, and equipment from Department right-of-way and shall restore those portions of Department right of way disturbed or otherwise altered by the Project to substantially the same condition that existed immediately prior to the commencement of the Project.
- p. If the Department determines that the Project is not completed in accordance with the provisions of this Agreement, the Department shall deliver written notification of such to the Agency. The Agency shall have thirty (30) days from the date of receipt of the Department's written notice, or such other time as the Agency and the Department mutually agree to in writing, to complete the Project and provide the Department with written notice of the same (the "Notice of Completion"). If the Agency fails to timely deliver the Notice of Completion, or if it is determined that the Project is not properly completed after receipt of the Notice of Completion, the Department, within its discretion may: 1) provide the Agency with written authorization granting such additional time as the Department deems appropriate to correct the deficiency(ies); or 2) correct the deficiency(ies) at the Agency's sole cost and expense,

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without Department liability to the Agency for any resulting loss or damage to property, including, but not limited to, machinery and equipment. If the Department elects to correct the deficiency(ies), the Department shall provide the Agency with an invoice for the costs incurred by the Department and the Agency shall pay the invoice within thirty (30) days of the date of the invoice.

- q. The Agency shall implement best management practices for erosion and pollution control to prevent violation of state water quality standards. The Agency shall be responsible for the correction of any erosion, shoaling, or water quality problems that result from the construction of the Project.
- r. Portable Traffic Monitoring Site (PTMS) or a Telemetry Traffic Monitoring Site (TTMS) may exist within the vicinity of your proposed work. It is the responsibility of the Agency to locate and avoid damage to these sites. If a PTMS or TTMS is encountered during construction, the Department must be contacted immediately.
- s. During construction, highest priority must be given to pedestrian safety. If permission is granted to temporarily close a sidewalk, it should be done with the express condition that an alternate route will be provided, and shall continuously maintain pedestrian features to meet Americans Disability Act (ADA) standards.
- t. Restricted hours of operation will be as follows, unless otherwise approved by the Department's District Construction Engineer or designee (insert hours and days of the week for restricted operation):
- u. Lane closures on the state road system must be coordinated with the Public Information Office at least two weeks prior to the closure. The contact information for the Department's Public Information Office is:

Insert District PIO contact info:

Note: (Highlighted sections indicate need to confirm information with District Office or appropriate DOT person managing the Agreement)

3. **Engineer's Certification of Compliance.** The Agency shall complete and submit and if applicable Engineer's Certification of Compliance to the Department upon completion of the construction phase of the Project.

**PUBLIC TRANSPORTATION
GRANT AGREEMENT EXHIBITS****ENGINEER'S CERTIFICATION OF COMPLIANCE**

PUBLIC TRANSPORTATION GRANT AGREEMENT
BETWEEN
THE STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION
and _____

PROJECT DESCRIPTION: _____

DEPARTMENT CONTRACT NO.: _____

FINANCIAL MANAGEMENT NO.: _____

In accordance with the Terms and Conditions of the Public Transportation Grant Agreement, the undersigned certifies that all work which originally required certification by a Professional Engineer has been completed in compliance with the Project construction plans and specifications. If any deviations have been made from the approved plans, a list of all deviations, along with an explanation that justifies the reason to accept each deviation, will be attached to this Certification. Also, with submittal of this certification, the Agency shall furnish the Department a set of "as-built" plans for construction on the Department's Right of Way certified by the Engineer of Record/CEI.

By: _____, P.E.

SEAL:

Name: _____

Date: _____

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EXHIBIT D

AGENCY RESOLUTION

PLEASE SEE ATTACHED

EXHIBIT E

**PROGRAM SPECIFIC TERMS AND CONDITIONS - AVIATION
AVIATION PROGRAM ASSURANCES**

A. General.

1. The assurances herein shall form an integral part of the Agreement between the Department and the Agency.
2. These assurances delineate the obligations of the Parties to this Agreement to ensure their commitment and compliance with specific provisions of **Exhibit “A”, Project Description and Responsibilities**, and **Exhibit “B”, Schedule of Financial Assistance**, as well as serving to protect public investment in public-use airports and the continued viability of the Florida Aviation System.
3. The Agency shall comply with the assurances as specified in this Agreement.
4. The terms and assurances of this Agreement shall remain in full force and effect throughout the useful life of a facility developed; equipment acquired; or Project items installed within a facility for an airport development or noise compatibility program project, but shall not exceed 20 years from the effective date of this Agreement.
5. There shall be no limit on the duration of the terms and assurances of this Agreement regarding Exclusive Rights and Airport Revenue so long as the property is used as a public airport.
6. There shall be no limit on the duration of the terms and assurances of this Agreement with respect to real property acquired with funds provided by this Agreement.
7. Subject to appropriations, the Department shall continue to comply with its financial commitment to this Project under the terms of this Agreement, until such time as the Department may determine that the Agency has failed to comply with the terms and assurances of this Agreement.
8. An Agency that has been determined by the Department to have failed to comply with either the terms of these Assurances, or the terms of the Agreement, or both, shall be notified, in writing, by the Department, identifying the specifics of the non-compliance and any corrective action by the Agency to remedy the failure.
9. Failure by the Agency to satisfactorily remedy the non-compliance shall absolve the Department's continued financial commitment to this Project and immediately require the Agency to repay the Department the full amount of funds expended by the Department on this Project.
10. Any history of failure to comply with the terms and assurances of an Agreement will jeopardize the Agency's eligibility for further state funding of airport projects by the Department.

B. Agency Compliance Certification.

1. **General Certification.** The Agency hereby certifies, with respect to this Project, it will comply, within its authority, with all applicable, current laws and rules of the State of Florida and applicable local governments, as well as Department policies, guidelines, and requirements, including but not limited to, the following (latest version of each document):
 - a. **Florida Statutes (F.S.)**
 - Chapter 163, F.S., Intergovernmental Programs
 - Chapter 329, F.S., Aircraft: Title; Liens; Registration; Liens
 - Chapter 330, F.S., Regulation of Aircraft, Pilots, and Airports
 - Chapter 331, F.S., Aviation and Aerospace Facilities and Commerce
 - Chapter 332, F.S., Airports and Other Air Navigation Facilities
 - Chapter 333, F.S., Airport Zoning

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b. Florida Administrative Code (FAC)

- Chapter 73C-41, FAC, Community Planning; Governing the Procedure for the Submittal and Review of Local Government Comprehensive Plans and Amendments
- Chapter 14-60, FAC, Airport Licensing, Registration, and Airspace Protection
- Section 62-256.300, FAC, Open Burning, Prohibitions
- Section 62-701.320(13), FAC, Solid Waste Management Facility Permit Requirements, General, Airport Safety

c. Local Government Requirements

- Airport Zoning Ordinance
- Local Comprehensive Plan

d. Department Requirements

- Eight Steps of Building a New Airport
- Florida Airport Revenue Use Guide
- Florida Aviation Project Handbook
- Guidebook for Airport Master Planning
- Airport Compatible Land Use Guidebook

- 2. Construction Certification.** The Agency hereby certifies, with respect to a construction-related project, that all design plans and specifications will comply with applicable federal, state, local, and professional standards, as well as Federal Aviation Administration (FAA) Advisory Circulars (AC's) and FAA issued waivers thereto, including but not limited to, the following:

a. Federal Requirements

- FAA AC 70/7460-1, Obstruction Marking and Lighting
- FAA AC 150/5300-13, Airport Design
- FAA AC 150/5370-2, Operational Safety on Airports During Construction
- FAA AC 150/5370-10, Standards for Specifying Construction of Airports

b. Local Government Requirements

- Local Building Codes
- Local Zoning Codes

c. Department Requirements

- Manual of Uniform Minimum Standards for Design, Construction and Maintenance for Streets and Highways (Commonly Referred to as the "Florida Green Book")
- Manual on Uniform Traffic Control Devices
- Section 14-60.007, FAC, Airfield Standards for Licensed Airports
- Standard Specifications for Construction of General Aviation Airports
- Design Guidelines & Minimum Standard Requirements for T-Hangar Projects

- 3. Land Acquisition Certification.** The Agency hereby certifies, regarding land acquisition, that it will comply with applicable federal and/or state policies, regulations, and laws, including but not limited to the following:

a. Federal Requirements

- Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970
- National Environmental Policy of 1969
- FAA Order 5050.4, National Environmental Policy Act Implementing Instructions for Airport Projects
- FAA Order 5100.37B, Land Acquisition and Relocation Assistance for Airport Projects

b. Florida Requirements

- Chapter 73, F.S., Eminent Domain (re: Property Acquired Through Condemnation)
- Chapter 74, F.S., Proceedings Supplemental to Eminent Domain (re: Condemnation)
- Section 286.23, F.S., Public Business: Miscellaneous Provisions

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C. Agency Authority.

1. **Legal Authority.** The Agency hereby certifies, with respect to this Agreement, that it has the legal authority to enter into this Agreement and commit to this Project; that a resolution, motion, or similar action has been duly adopted or passed as an official act of the airport sponsor's governing body authorizing this Agreement, including assurances contained therein, and directing and authorizing the person identified as the official representative of the governing body to act on its behalf with respect to this Agreement and to provide any additional information as may be required.
2. **Financial Authority.** The Agency hereby certifies, with respect to this Agreement, that it has sufficient funds available for that portion of the Project costs which are not paid by the U.S. Government or the State of Florida; that it has sufficient funds available to assure future operation and maintenance of items funded by this Project, which it will control; and that authority has been granted by the airport sponsor governing body to commit those funds to this Project.

D. Agency Responsibilities. The Agency hereby certifies it currently complies with or will comply with the following responsibilities:

1. Accounting System.

- a. The Agency shall create and maintain a separate account to document all of the financial transactions related to the airport as a distinct entity.
- b. The accounting records shall be kept by the Agency or its authorized representative in accordance with Generally Accepted Accounting Principles and in an accounting system that will facilitate an effective audit in accordance with the 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Section 215.97, F.S., Florida Single Audit Act.
- c. The Department has the right to audit and inspect all financial records of the Agency upon reasonable notice.

2. Good Title.

- a. The Agency holds good title, satisfactory to the Department, to the airport or site thereof, or gives assurance, satisfactory to the Department, that good title will be obtained.
- b. For noise compatibility program projects undertaken on the airport sponsor's property, the Agency holds good title, satisfactory to the Department, to that portion of the property upon which state funds will be expended, or gives assurance, satisfactory to the Department, that good title will be obtained.

3. Preserving Rights and Powers.

- a. The Agency shall not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms and assurances of this Agreement without the written approval of the Department. Further, the Agency shall act promptly to acquire, extinguish, or modify, in a manner acceptable to the Department, any outstanding rights or claims of right of others which would interfere with such performance by the Agency.
- b. If an arrangement is made for management and operation of the airport by any entity or person other than the Agency or an employee of the Agency, the Agency shall reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with the terms and assurances of this Agreement.

4. Hazard Removal and Mitigation.

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- a. For airport hazards located on airport controlled property, the Agency shall clear and protect terminal airspace required for instrument and visual operations at the airport (including established minimum flight altitudes) by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.
- b. For airport hazards not located on airport controlled property, the Agency shall work in conjunction with the governing public authority or private land owner of the property to clear and protect terminal airspace required for instrument and visual operations at the airport (including established minimum flight altitudes) by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards. The Agency may enter into an agreement with surrounding property owners or pursue available legal remedies to remove potential hazards to air navigation.

5. Airport Compatible Land Use.

- a. The Agency assures that appropriate airport zoning ordinances are in place consistent with Section 333.03, F.S., or if not in place, that it will take appropriate action necessary to ensure local government adoption of an airport zoning ordinance or execution of an interlocal agreement with another local government body having an airport zoning ordinance, consistent with the provisions of Section 333.03, F.S.
- b. The Agency assures that it will disapprove or oppose any attempted alteration or creation of objects, natural or man-made, dangerous to navigable airspace or that would adversely affect the current or future levels of airport operations.
- c. The Agency assures that it will disapprove or oppose any attempted change in local land use development regulations that would adversely affect the current or future levels of airport operations by creation or expansion of airport incompatible land use areas.

6. Consistency with Local Government Plans.

- a. The Agency assures the Project is consistent with the currently existing and planned future land use development plans approved by the local government having jurisdictional responsibility for the area surrounding the airport.
- b. The Agency assures that it has given fair consideration to the interest of local communities and has had reasonable consultation with those parties affected by the Project.
- c. The Agency shall consider and take appropriate actions, if deemed warranted by the Agency, to adopt the current, approved Airport Master Plan into the local government comprehensive plan.

7. Consistency with Airport Master Plan and Airport Layout Plan.

- a. The Agency assures that the project, covered by the terms and assurances of this Agreement, is consistent with the most current Airport Master Plan.
- b. The Agency assures that the Project, covered by the terms and assurances of this Agreement, is consistent with the most current, approved Airport Layout Plan (ALP), which shows:
 - 1) The boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the Agency for airport purposes and proposed additions thereto;
 - 2) The location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars, and roads), including all proposed extensions and reductions of existing airport facilities; and
 - 3) The location of all existing and proposed non-aviation areas on airport property and of all existing improvements thereon.

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- c. The Agency assures that it will not make or permit any changes or alterations on the airport or any of its facilities that are not consistent with the Airport Master Plan and the Airport Layout Plan, as approved by the Department.
- d. Original Airport Master Plans and Airport Layout Plans and each amendment, revision, or modification thereof, will be subject to the approval of the Department.

8. Airport Financial Plan.

- a. The Agency assures that it will develop and maintain a cost-feasible Airport financial plan to accomplish the projects necessary to achieve the proposed airport improvements identified in the Airport Master Plan and depicted in the Airport Layout Plan, and any updates thereto. The Agency's Airport financial plan must comply with the following conditions:
 - 1) The Airport financial plan will be a part of the Airport Master Plan.
 - 2) The Airport financial plan will realistically assess project phasing considering availability of state and local funding and likelihood of federal funding under the FAA's priority system.
 - 3) The Airport financial plan will not include Department funding for projects that are inconsistent with the local government comprehensive plan.
- b. All Project cost estimates contained in the Airport financial plan shall be entered into and kept current in the Florida Aviation Database (FAD) Joint Automated Capital Improvement Program (JACIP) website.

9. Airport Revenue. The Agency assures that all revenue generated by the airport will be expended for capital improvement or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the air transportation of passengers or property, or for environmental or noise mitigation purposes on or off the airport.

10. Fee and Rental Structure.

- a. The Agency assures that it will maintain a fee and rental structure for facilities and services at the airport that it will make the airport as self-sustaining as possible under the circumstances existing at the particular airport.
- b. If this Agreement results in a facility that will be leased or otherwise produce revenue, the Agency assures that the price charged for that facility will be based on the market value.

11. Public-Private Partnership for Aeronautical Uses.

- a. If the airport owner or operator and a person or entity that owns an aircraft or an airport tenant or potential tenant agree that an aircraft hangar or tenant-specific facility, respectively, is to be constructed on airport property for aircraft storage or tenant use at the expense of the aircraft owner or tenant, the airport owner or operator may grant to the aircraft owner or tenant of the facility a lease that is subject to such terms and conditions on the facility as the airport owner or operator may impose, subject to approval by the Department.
- b. The price charged for said lease will be based on market value, unless otherwise approved by the Department.

12. Economic Nondiscrimination.

- a. The Agency assures that it will make the airport available as an airport for public use on reasonable terms without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public.
 - 1) The Agency may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.

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- 2) The Agency may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

- b. The Agency assures that each airport Fixed-Based Operator (FBO) shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other FBOs making the same or similar uses of such airport and utilizing the same or similar facilities.

13. Air and Water Quality Standards. The Agency assures that all projects involving airport location, major runway extension, or runway location will be located, designed, constructed, and operated so as to comply with applicable air and water quality standards.

14. Operations and Maintenance.

- a. The Agency assures that the airport and all facilities, which are necessary to serve the aeronautical users of the airport, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable federal and state agencies for maintenance and operation, as well as minimum standards established by the Department for State of Florida licensing as a public-use airport.
 - 1) The Agency assures that it will not cause or permit any activity or action thereon which would interfere with its use for airport purposes.
 - 2) Except in emergency situations, any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Department.
 - 3) The Agency assures that it will have arrangements for promptly notifying airmen of any condition affecting aeronautical use of the airport.
- b. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when adverse weather conditions interfere with safe airport operations.

15. Federal Funding Eligibility.

- a. The Agency assures it will take appropriate actions to maintain federal funding eligibility for the airport and it will avoid any action that renders the airport ineligible for federal funding.
- b. If the Agency becomes ineligible for federal funding of airport projects, such determination will render the Agency ineligible for state funding of airport projects.

16. Project Implementation.

- a. The Agency assures that it will begin making expenditures or incurring obligations pertaining to this Project within one year after the effective date of this Agreement.
- b. The Agency may request a one-year extension of this one-year time period, subject to approval by the Department District Secretary or designee.
- c. Failure of the Agency to make expenditures, incur obligations or receive an approved extension may allow the Department to terminate this Agreement.

17. Exclusive Rights. The Agency assures that it will not permit any exclusive right for use of the airport by any person providing, or intending to provide, aeronautical services to the public.

18. Airfield Access.

- a. The Agency assures that it will not grant or allow general easement or public access that opens onto or crosses the airport runways, taxiways, flight line, passenger facilities, or any area used for emergency

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equipment, fuel, supplies, passengers, mail and freight, radar, communications, utilities, and landing systems, including but not limited to flight operations, ground services, emergency services, terminal facilities, maintenance, repair, or storage, except for those normal airport providers responsible for standard airport daily services or during special events at the airport open to the public with limited and controlled access.

- b. The Agency assures that it will not grant or allow general easement or public access to any portion of the airfield from adjacent real property which is not owned, operated, or otherwise controlled by the Agency without prior Department approval.

19. Retention of Rights and Interests. The Agency will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the real property shown as airport owned or controlled on the current airport layout plan without prior written approval by the Department. It will not sell, lease, encumber, terminate, waive, or otherwise transfer or dispose of any part of its title, rights, or other interest in existing noise easements or aviation easements on any property, airport or non-airport, without prior written approval by the Department. These assurances shall not limit the Agency's right to lease airport property for airport-compatible purposes.

20. Consultant, Contractor, Scope, and Costs.

- a. The Department has the right to disapprove the Agency's employment of consultants, contractors, and subcontractors for all or any part of this Project if the specific consultants, contractors, or subcontractors have a record of poor project performance with the Department.
- b. Further, the Department maintains the right to disapprove the proposed Project scope and cost of professional services.

21. Planning Projects. For all planning projects or other aviation studies, the Agency assures that it will:

- a. Execute the project per the approved project narrative or with approved modifications.
- b. Furnish the Department with such periodic project and work activity reports as indicated in the approved scope of services.
- c. Make such project materials available for public review, unless exempt from public disclosure.
 - 1) Information related to airport security is considered restricted information and is exempt from public dissemination per Sections 119.071(3) and 331.22 F.S.
 - 2) No materials prepared under this Agreement shall be subject to copyright in the United States or any other country.
- d. Grant the Department unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this Agreement.
- e. If the Project involves developing an Airport Master Plan or an Airport Layout Plan, and any updates thereto, it will be consistent with provisions of the Florida Aviation System Plan, will identify reasonable future growth of the airport and the Agency will comply with the Department airport master planning guidebook, including:
 - 1) Provide copies, in electronic and editable format, of final Project materials to the Department, including computer-aided drafting (CAD) files of the Airport Layout Plan.
 - 2) Develop a cost-feasible financial plan, approved by the Department, to accomplish the projects described in the Airport Master Plan or depicted in the Airport Layout Plan, and any updates thereto. The cost-feasible financial plan shall realistically assess Project phasing considering availability of state and local funding and federal funding under the FAA's priority system.
 - 3) Enter all projects contained in the cost-feasible plan in the Joint Automated Capital Improvement Program (JACIP).

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- f. The Agency understands and agrees that Department approval of this Agreement or any planning material developed as part of this Agreement does not constitute or imply any assurance or commitment on the part of the Department to approve any pending or future application for state aviation funding.
- g. The Agency will submit master planning draft and final deliverables for Department and, if required, FAA approval prior to submitting any invoices to the Department for payment.

22. Land Acquisition Projects. For the purchase of real property, the Agency assures that it will:

- a. **Laws.** Acquire the land in accordance with federal and/or state laws governing such action.
- b. **Administration.** Maintain direct control of Project administration, including:
 - 1) Maintain responsibility for all related contract letting and administrative procedures related to the purchase of real property.
 - 2) Secure written Department approval to execute each agreement for the purchase of real property with any third party.
 - 3) Ensure a qualified, State-certified general appraiser provides all necessary services and documentation.
 - 4) Furnish the Department with a projected schedule of events and a cash flow projection within 20 calendar days after completion of the review appraisal.
 - 5) Establish a Project account for the purchase of the land.
 - 6) Collect and disburse federal, state, and local project funds.
- c. **Reimbursable Funds.** If funding conveyed by this Agreement is reimbursable for land purchase in accordance with Chapter 332, F.S., the Agency shall comply with the following requirements:
 - 1) The Agency shall apply for a FAA Airport Improvement Program grant for the land purchase within 60 days of executing this Agreement.
 - 2) If federal funds are received for the land purchase, the Agency shall notify the Department, in writing, within 14 calendar days of receiving the federal funds and is responsible for reimbursing the Department within 30 calendar days to achieve normal project federal, state, and local funding shares per Chapter 332, F.S.
 - 3) If federal funds are not received for the land purchase, the Agency shall reimburse the Department within 30 calendar days after the reimbursable funds are due in order to achieve normal project state and local funding shares as described in Chapter 332, F.S.
 - 4) If federal funds are not received for the land purchase and the state share of the purchase is less than or equal to normal state and local funding shares per Chapter 332, F.S., when reimbursable funds are due, no reimbursement to the Department shall be required.
- d. **New Airport.** If this Project involves the purchase of real property for the development of a new airport, the Agency assures that it will:
 - 1) Apply for federal and state funding to construct a paved runway, associated aircraft parking apron, and connecting taxiway within one year of the date of land purchase.
 - 2) Complete an Airport Master Plan within two years of land purchase.
 - 3) Complete airport construction for basic operation within 10 years of land purchase.
- e. **Use of Land.** The Agency assures that it shall use the land for aviation purposes in accordance with the terms and assurances of this Agreement within 10 years of acquisition.
- f. **Disposal of Land.** For the disposal of real property the Agency assures that it will comply with the following:
 - 1) For land purchased for airport development or noise compatibility purposes, the Agency shall, when the land is no longer needed for such purposes, dispose of such land at fair market value and/or make available to the Department an amount equal to the state's proportionate share of its market value.

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- 2) Land will be considered to be needed for airport purposes under this assurance if:
 - a) It serves aeronautical purposes such as a runway protection zone or as a noise buffer.
 - b) Revenue from uses of such land contributes to airport financial self-sufficiency.
- 3) Disposition of land under Sections D.22.f.1. or D.22.f.2. of this Exhibit, above, shall be subject to retention or reservation of any interest or right therein needed to ensure such land will only be used for purposes compatible with noise levels related to airport operations.
- 4) Revenues from the sale of such land must be accounted for as outlined in Section D.1. of this Exhibit, and expended as outlined in Section D.9. of this Exhibit.

23. Construction Projects. The Agency assures that it will:

a. Project Certifications. Certify Project compliances, including:

- 1) Consultant and contractor selection comply with all applicable federal, state and local laws, rules, regulations, and policies.
- 2) All design plans and specifications comply with federal, state, and professional standards and applicable FAA advisory circulars, as well as the minimum standards established by the Department for State of Florida licensing as a public-use airport.
- 3) Completed construction complies with all applicable local building codes.
- 4) Completed construction complies with the Project plans and specifications with certification of that fact by the Project Engineer.

b. Design Development. For the plans, specifications, construction contract documents, and any and all other engineering, construction, and contractual documents produced by the Engineer, which are hereinafter collectively referred to as "plans", the Engineer will certify that:

- 1) The plans shall be developed in accordance with sound engineering and design principles, and with generally accepted professional standards.
- 2) The plans shall be consistent with the intent of the Project as defined in Exhibit A and Exhibit B of this Agreement.
- 3) The Project Engineer shall perform a review of the certification requirements listed in Section B.2. of this Exhibit, Construction Certification, and make a determination as to their applicability to this Project.
- 4) Development of the plans shall comply with all applicable laws, ordinances, zoning and permitting requirements, public notice requirements, and other similar regulations.

c. Inspection and Approval. The Agency assures that:

- 1) The Agency will provide and maintain competent technical supervision at the construction site throughout the Project to assure that the work conforms to the plans, specifications, and schedules approved by the Department, as applicable, for the Project.
- 2) The Agency assures that it will allow the Department to inspect the work and that it will provide any cost and progress reporting, as may be required by the Department.
- 3) The Agency assures that it will take the appropriate corrective action necessary, as required by the Department, for work which does not conform to the Department standards.

d. Pavement Preventive Maintenance. The Agency assures that for a project involving replacement or reconstruction of runway or taxiway pavement it has implemented an airport pavement maintenance management program and that it will use such program for the useful life of any pavement constructed, reconstructed, or repaired with state financial assistance at the airport.

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24. Noise Mitigation Projects. The Agency assures that it will:

- a. Government Agreements.** For all noise compatibility projects that are carried out by another unit of local government or are on property owned by a unit of local government other than the Agency, the Agency shall enter into an agreement with that government body.
 - 1) The local agreement, satisfactory to the Department, shall obligate the unit of local government to the same terms and assurances that apply to the Agency.
 - 2) The Agency assures that it will take steps to enforce the local agreement if there is substantial non-compliance with the terms of the local agreement.
- b. Private Agreements.** For noise compatibility projects on privately owned property:
 - 1) The Agency shall enter into an agreement with the owner of that property to exclude future actions against the airport.
 - 2) The Agency assures that it will take steps to enforce such agreement if there is substantial non-compliance with the terms of the agreement.

- End of Exhibit E -

EXHIBIT F

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

Invoices for cost reimbursement contracts must be supported by an itemized listing of expenditures by category (salary, travel, expenses, etc.). Supporting documentation shall be submitted for each amount for which reimbursement is being claimed indicating that the item has been paid. Documentation for each amount for which reimbursement is being claimed must indicate that the item has been paid. Check numbers may be provided in lieu of copies of actual checks. Each piece of documentation should clearly reflect the dates of service. Only expenditures for categories in the approved agreement budget may be reimbursed. These expenditures must be allowable (pursuant to law) and directly related to the services being provided.

Listed below are types and examples of supporting documentation for cost reimbursement agreements:

(1) Salaries: A payroll register or similar documentation should be submitted. The payroll register should show gross salary charges, fringe benefits, other deductions and net pay. If an individual for whom reimbursement is being claimed is paid by the hour, a document reflecting the hours worked times the rate of pay will be acceptable.

(2) Fringe Benefits: Fringe Benefits should be supported by invoices showing the amount paid on behalf of the employee (e.g., insurance premiums paid). If the contract specifically states that fringe benefits will be based on a specified percentage rather than the actual cost of fringe benefits, then the calculation for the fringe benefits amount must be shown.

Exception: Governmental entities are not required to provide check numbers or copies of checks for fringe benefits.

(3) Travel: Reimbursement for travel must be in accordance with Section 112.061, Florida Statutes, which includes submission of the claim on the approved State travel voucher or electronic means.

(4) Other direct costs: Reimbursement will be made based on paid invoices/receipts. If nonexpendable property is purchased using State funds, the contract should include a provision for the transfer of the property to the State when services are terminated. Documentation must be provided to show compliance with Department of Management Services Rule 60A-1.017, Florida Administrative Code, regarding the requirements for contracts which include services and that provide for the contractor to purchase tangible personal property as defined in Section 273.02, Florida Statutes, for subsequent transfer to the State.

(5) In-house charges: Charges which may be of an internal nature (e.g., postage, copies, etc.) may be reimbursed on a usage log which shows the units times the rate being charged. The rates must be reasonable.

(6) Indirect costs: If the contract specifies that indirect costs will be paid based on a specified rate, then the calculation should be shown.

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

The Florida Department of Financial Services, online Reference Guide for State Expenditures can be found at this web address <https://www.myfloridacfo.com/Division/AA/Manuals/documents/ReferenceGuideforStateExpenditures.pdf>.

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EXHIBIT G

AUDIT REQUIREMENTS FOR AWARDS OF STATE FINANCIAL ASSISTANCE

THE STATE RESOURCES AWARDED PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

SUBJECT TO SECTION 215.97, FLORIDA STATUTES:~

Awarding Agency: Florida Department of Transportation

State Project Title: Aviation Grant Program

CSFA Number: 55.004

***Award Amount:** \$45,000

*The award amount may change with amendments

Specific project information for CSFA Number 55.004 is provided at: <https://apps.fldfs.com/fsaa/searchCatalog.aspx>

COMPLIANCE REQUIREMENTS APPLICABLE TO STATE RESOURCES AWARDED PURSUANT TO THIS AGREEMENT:

State Project Compliance Requirements for CSFA Number 55.004 are provided at:
<https://apps.fldfs.com/fsaa/searchCompliance.aspx>

The State Projects Compliance Supplement is provided at: <https://apps.fldfs.com/fsaa/compliance.aspx>

File Attachments for Item:

15. Discussion and Possible Action: Approve revision to General Description and Minimum Qualifications sections of the Assistant City Manager Job Description (Human Resource Director Hubert Collins)

MEETING DATE

CITY OF LAKE CITY

Report to Council

COUNCIL AGENDA	
SECTION	
ITEM NO.	

**SUBJECT: Job
Description Update**

**DEPT / OFFICE:
Human Resources**

Originator: Hubert Collins		
City Manager Paul Dyal	Department Director Hubert Collins	Date 1/11/23
Recommended Action: Approval of updates to Assistant City Manager Job Description for the City of Lake City		
Summary Explanation & Background: Approval of Job Description update for role of Assistant City Manager to update positions qualifications.		
Alternatives:		
Source of Funds: Budget - 2023		
Financial Impact: N/A		
Exhibits Attached: Job Descriptions		

City of Lake City, FL

Classification Description

Classification Title: ASSISTANT CITY MANAGER
Department: OFFICE OF THE CITY MANAGER

Pay Grade: 21
FLSA Status: Exempt

General Description

This is administrative and technical management work requiring independent judgment and a high degree of responsibility in assisting the City Manager in performing functions and activities necessary for the effective operation of the City.

The position is assigned the responsibility for coordinating and supervising the activities of assigned departments or Recreation, Community Planning and Economic Development, Growth Management and the City's Airport. Work is performed under the general direction of the City Manager who reviews work performance through observation, conferences, reports, and results obtained.

Nature of Work

Essential Functions:

- Coordinates, assigns, and directs the overall activities of assigned City departments.
- Serves as a liaison between departments and the City Manager. Reviews and evaluates reports from departments, recommends revisions or further research, and approves drafts and reports.
- Assists and monitors tasks assigned to departments.
- Handles citizen's complaints as directed by the City Manager.
- Attends regular and special meetings of the City Council as directed by the City Manager. Represents the City Manager at various meetings, including interdepartmental, intergovernmental and civic group meetings.
- Conducts administrative studies and analyses and develops recommendations as assigned by the City Manager.
- Submits oral and written reports to the City Manager on a variety of special assignments.
- Assists the City Manager in coordinating activities with other governmental bodies.
- Serves as project manager or coordinator for special activities as assigned by the City Manager.
- Develops procedures for implementing changes in organization and administrative systems as directed by the City Manager.

ASSISTANT CITY MANAGER

- Assists in the preparation of annual budgets as required. Administers performance evaluations of department directors under his/her supervision.
- Possesses the power and authority, as assigned by the City Manager, to execute all powers and duties of the City Manager. Performs related work as required.
- Acts as City Manager in the absence of the City Manager.

(These essential job functions are not to be construed as a complete statement of all duties performed. Employees will be required to perform all duties as assigned.)

Minimum Qualifications: Graduation from an accredited college or university with a Bachelor's degree in Public or Business Administration or a field relating to the area of supervision. Must have eight (8) years of experience in field related to the departments which are supervised by this position.

ESSENTIAL PHYSICAL SKILLS

- Acceptable eyesight (with or without correction)
- Acceptable hearing (with or without a hearing aid)
- Ability to communicate both orally and in writing.
- Heavy (45 pounds and over) lifting and carrying
- Depth perception
- Distinguish colors
- Driving
- Climbing, Walking, Standing, Bending
- Tasting, Smelling

SELECTION GUIDELINES: Formal application, rating of education and experience; oral interview and reference check; job related tests might be required. The job description does not constitute an employment agreement with the employer, and requirements of the job may change. By signing below, I am indicating I have read and concur with the above description of my job.

Print Name

Signature

Date

City of Lake City, FL

Classification Description

Classification Title: ASSISTANT CITY MANAGER
Department: OFFICE OF THE CITY MANAGER

Pay Grade: 21
FLSA Status: Exempt

General Description

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- Attends regular and special meetings of the City Council as directed by the City Manager. Represents the City Manager at various meetings, including interdepartmental, intergovernmental and civic group meetings.
- Conducts administrative studies and analyses and develops recommendations as assigned by the City Manager.
- Submits oral and written reports to the City Manager on a variety of special assignments.
- Assists the City Manager in coordinating activities with other governmental bodies.
- Serves as project manager or coordinator for special activities as assigned by the City Manager.
- Develops procedures for implementing changes in organization and administrative systems as directed by the City Manager.

- Assists in the preparation of annual budgets as required. Administers performance evaluations of department directors under his/her supervision.
- Possesses the power and authority, as assigned by the City Manager, to execute all powers and duties of the City Manager. Performs related work as required.
- Acts as City Manager in the absence of the City Manager.

(These essential job functions are not to be construed as a complete statement of all duties performed. Employees will be required to perform all duties as assigned.)

Minimum Qualifications: Graduation from an accredited college or university with a Bachelor's degree in Public or Business Administration or a field relating to the area of supervision. Related work experience can substitute on a year for year basis for formal education requirements. Must have eight (8) years of experience in field related to the departments which are supervised by this position.

ESSENTIAL PHYSICAL SKILLS

- Acceptable eyesight (with or without correction)
- Acceptable hearing (with or without a hearing aid)
- Ability to communicate both orally and in writing.
- Heavy (45 pounds and over) lifting and carrying
- Depth perception
- Distinguish colors
- Driving
- Climbing, Walking, Standing, Bending
- Tasting, Smelling

SELECTION GUIDELINES: Formal application, rating of education and experience; oral interview and reference check; job related tests might be required. The job description does not constitute an employment agreement with the employer, and requirements of the job may change. By signing below, I am indicating I have read and concur with the above description of my job.

Print Name

Signature

Date