

RESOLUTION NO 2025 - 086

CITY OF LAKE CITY, FLORIDA

A RESOLUTION OF THE CITY OF LAKE CITY, FLORIDA APPROVING THAT CERTAIN AGREEMENT BETWEEN THE CITY AND COLUMBIA COUNTY, FLORIDA TO PROVIDE THE POTABLE WATER SUPPLY WITHIN THE NORTH FLORIDA MEGA INDUSTRIAL PARK; MAKING CERTAIN FINDINGS OF FACT IN SUPPORT OF THE CITY APPROVING SAID AGREEMENT TO PROVIDE SUCH POTABLE WATER; RECOGNIZING THE AUTHORITY OF THE MAYOR TO EXECUTE AND BIND THE CITY TO SAID AGREEMENT; DIRECTING THE MAYOR TO EXECUTE AND BIND THE CITY TO SAID AGREEMENT; REPEALING ALL PRIOR RESOLUTIONS IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lake City (the “City”) operates potable water and wastewater utilities services in Columbia County, Florida, which includes the North Florida Mega Industrial Park (the “Park”); and

WHEREAS, the City and Columbia County, Florida (the “County”) mutually and individually desire to cooperatively and collaboratively provide potable water infrastructure and services to the Park (the “Services”) in accordance with the terms of the proposed agreement attached as an Exhibit hereto (the “Agreement”); and

WHEREAS, providing the Services by approving the Agreement is in the public interest and in the interests of the City; now therefore

BE IT RESOLVED by the City Council of the City of Lake City, Florida:

1. Providing the Services by approving the Agreement is in the public interest and in the interests of the City; and
2. In furtherance thereof, the Agreement in the form of the Exhibit attached hereto should be and is approved by the City Council of the City of Lake City; and
3. The Mayor of the City of Lake City is the officer of the City duly designated by the City’s Code of Ordinances to enforce such rules and regulations as are adopted by the City

Council of the City of Lake City; and

4. The Mayor of the City of Lake City is authorized to execute on behalf of and bind the City to the terms of the Agreement; and
5. The Mayor of the City of Lake City is directed to execute on behalf of and bind the City to the terms of the Agreement; and
6. All prior resolutions of the City Council of the City of Lake City in conflict with this resolution are hereby repealed to the extent of such conflict; and
7. This resolution shall become effective and enforceable upon final passage by the City Council of the City of Lake City.

APPROVED AND ADOPTED, by an affirmative vote of a majority of a quorum present of the City Council of the City of Lake City, Florida, at a regular meeting, this ____ day of June, 2025.

BY THE MAYOR OF THE CITY OF LAKE CITY,
FLORIDA

Noah E Walker, Mayor

ATTEST, BY THE CLERK OF THE CITY COUNCIL
OF THE CITY OF LAKE CITY, FLORIDA:

Audrey E. Sikes, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Clay Martin, City Attorney

INTERLOCAL AGREEMENT
NORTH FLORIDA MEGA INDUSTRIAL PARK
WATER SUPPLY AGREEMENT

THIS AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, 2025, by and between the City of Lake City, Florida, a municipality of the State of Florida (the “City”), and Columbia County, Florida, a subdivision of the State of Florida (the “County”). Each of the City and the County may be referred to in this Agreement as a “party” in the singular, and as the “parties” when referring to both of them.

RECITALS:

- A. North Florida Mega Industrial Park (“NFMIP”) is a privately owned approximately 2,622-acre industrial supersite park located in the County on US 90, outside of the City.
- B. The City currently provides potable water to customers located adjacent and contiguous to NFMIP.
- C. The City is currently providing commercial water service to the County’s Wastewater Treatment Plant (“WWTP”) within NFMIP, which the City operates pursuant to a separate agreement with the County.
- D. The City has plant and operational capacity to provide potable water to NFMIP and additional customers there as the NFMIP is developed, while the County has permitted consumptive use capacity the County believes it may be able to apply to support commercial water use at NFMIP.
- E. The City and County wish to operate a commercial water utility, providing potable water to the NFMIP, with such duties and apportionment of costs and revenues in accordance with the provisions of this Agreement, as it may be renewed in the future.
- F. The City and County wish to document their understandings regarding the subject matter of this Agreement.

CONSIDERATION:

NOW, THEREFORE, in consideration of the sum of \$10.00 paid by each party to the other party, the receipt and legal sufficiency of which is hereby expressly acknowledged, and in further consideration of the foregoing premises, the parties hereby agree as follows:

**EXHIBIT TO
RESOLUTION**

**NOT FOR
EXECUTION**

MATERIAL TERMS AND PROVISIONS:

1. The foregoing Recitals are true and correct in all material respects and are a material part of this Agreement. Any unperformed or uncompleted provision set forth therein shall be an executory obligation of the party or parties, as the context requires, to be timely performed under this Agreement by such party or parties.
2. The initial term of this Agreement shall commence on signing by the last of the two parties to sign this Agreement and shall terminate on the date that is twenty-four (24) months following the signing date. Thereafter, the term shall renew automatically unless one party gives the other party a 90-day advance written notice of the intended termination of this Agreement. If either party elects to terminate this agreement without cause, the terminating party shall reimburse the other party for any costs incurred by that party in connection with the performance of this agreement, including but not limited to capital outlays for the construction of infrastructure regardless of which party may retain title to that completed infrastructure.
3. Any information received by the City or the County regarding the City's proposed provision of water to the NFMIP shall be circulated and shared between the City and the County.
4. The City shall supply water to NFMIP and shall be responsible for staffing its water plants and maintaining any publicly owned lines and performing all meter and line maintenance within NFMIP prior to and following activation of water utilities to any site within NFMIP.
5. The County shall help fund the construction of a water main extension from the City's water treatment plant at Price Creek, generally in conformity with the plans depicted on Exhibit "A" attached hereto. The projected cost of the construction of this line is \$3.5 million and the County shall, subject to the availability of grant funding, fund up to that amount for completion of the work. Any costs incurred in excess of this estimate shall be the responsibility of the City.
6. Construction of any water lines within the park shall be funded from time to time by the City and County, subject to economic development priorities, grant availability, and the best interests of the parties and the end user seeking to connect to the water utility. It is understood and agreed that all such lines and infrastructure shall be the property of the party holding title or easement rights

- to the real property where such lines or infrastructure are constructed or installed, and in the event this agreement expires, is terminated, or otherwise ends, the lines and infrastructure will remain where it is installed or constructed and be the property of the party holding interest in the associated real property, free of claims or liens of the other party. To the extent any money is owed from one party to the other by reason of construction or installation of lines or other infrastructure, such amounts shall be accounted, if at all, under Section 2. of this Agreement.
7. Except as otherwise provided, the City shall initially bear all operations and maintenance costs of supplying water to the NFMIP, unless the same are invoiced directly to the County, in which case the County shall provide the City necessary information for including those invoiced costs into the cost sharing calculation provided below (e.g., accounting, staffing, insurance, and/or permitting costs). Revenues generated by any customers of the water utility inside NFMIP shall be tracked by the month, with expenses of providing that service to be shared equally by the City and the County, as determined on a month-to-month basis. There shall be monthly reports for review and discussion purposes, and the City shall invoice the County quarterly and annually for the County's share of the operating and maintenance costs of the water utility service to NFMIP for the preceding quarter, if those costs are not fully covered by the County's share of any revenues for that same period.
 8. The City and County shall share in any net revenue or net loss generated by the water utility at NFMIP, as determined on a quarterly basis, for each fiscal year or partial fiscal year during the term of this Agreement. The quarterly and annual true up of revenues and costs shall be conducted by an independent CPA/Auditor for that purpose.
 9. Either party may from time to time contribute in-kind services to the completion of any project or maintenance of the water utility lines or service to NFMIP, subject always to the requirement that the City, as utility operator, shall have the final say in which agency or contractor shall be authorized to complete any work for maintenance or capital improvements. For either agency performing in-kind services, that party shall receive a credit against operating costs calculated using the then-current FEMA reimbursement rates for like or similar equipment, materials, or personnel.
 10. Final methodology and formulae for that true up shall be based upon the recommendation of the selected CPA/Auditor, with input from the City and

County and that cost shall be included in the cost of the water utility service to NFMIP.

11. Expenses incurred in the quarterly and annual true up would not include the County's property, liability, and casualty insurance coverage, if any, nor the City's liability insurance coverage as operator. Each of the County and City would maintain insurance as desired for their own purposes and at their own respective sole cost and expense. For the final quarter of each fiscal year, there would be an annual true up of any pending expense or revenue items.
12. The initial rates offered for commercial water service inside NFMIP pursuant to this agreement shall be consistent with the then-existing prevailing rates as charged by the City for the same services outside the NFMIP. It is possible that rates charged for provision of water to customers inside NFMIP will need to be adjusted to make this arrangement work. The City and County will work together in good faith with transparency to try to make this arrangement work for both the City and the County during the term of the agreement.
13. Each of the parties agree to cooperate with the other party in completing the operational arrangements for the services contemplated by this Agreement, fully identifying and describing all matters required to complete and document operations by the City for the County as contemplated by this Agreement, and diligently pursuing any and all governmental approvals required for entry into and performance of each such party's obligations under this Agreement. Such activities may include coordination with state or federal agencies to harmonize the parties' respective permits to facilitate provision of water to NFMIP under this agreement.
14. The City, as operator, shall at all times ensure the City and any of its personnel are current licensees in good standing or otherwise authorized under Florida law, rules, or regulations to operate a potable water utility to serve the NFMIP.
15. There are no third-party beneficiaries contemplated by this agreement. Any assignment of interest hereunder shall be subject to the approval of the parties and evidenced by a written assignment joined by the parties to this agreement and assignee. In no event shall consent to assignment be unreasonably withheld.
16. Notices may be sent to the other party using the published notice address for the County Manager, as to the County, or to the City Manager, as to the City, or

such other notice addresses as may be specified in writing by either party to the other party.

17. This is the sole agreement between the parties relating to the subject matter of this Agreement, and any prior communications, negotiations, and/or oral understandings are merged into this Agreement. This Agreement may only be amended or modified by the written agreement of the parties.
18. The failure to declare a breach of, or failure of performance under, this Agreement shall not constitute a waiver of that breach or failure of performance.
19. The waiver of a breach or failure of performance under this Agreement shall not constitute the waiver of any other breach or failure of performance under this Agreement.
20. The duty of good faith and fair dealing applies in all respects to this Agreement and the performance of the parties under this Agreement.
21. In the event that any portion of this Agreement is held to be unenforceable, then the remaining portions of this Agreement shall be enforceable to the greatest extent allowed by law or equity.
22. Each party to this Agreement is subject to and benefited by the statutory waiver of sovereign immunity as set forth in s. 768.28, Florida Statutes, as the same may be amended. Nothing in this Agreement shall waive any such application or protections provided to either party, if such liability is based on a tort claim.
23. The parties agree to resolve any differences or disputes arising under this Agreement by informal mediation, prior to resorting to judicial remedies and the institution of legal proceedings against the other party. In the event of a material, uncured breach or failure of performance under this Agreement, the non-breaching party shall be entitled to contractual remedies, including specific performance. Venue for any such judicial proceeding shall lie exclusively in the state courts in Columbia County, Florida, and Florida law shall govern and control.
24. This Agreement shall be binding on and inure to the benefit of the successors and/or assigns of the parties.
25. This Agreement shall be filed with the Clerk of the Circuit Court in and for Columbia County, Florida, for purposes of compliance with s. 163.01, Florida Statutes.

DULY EXECUTED BY AND ON BEHALF OF THE CITY OF LAKE CITY, FLORIDA, a municipality,
on the date first set forth above.

THE CITY OF LAKE CITY, FLORIDA

By: _____

Name: _____

Title: _____

Attest: _____

By: _____

Name: _____

Title: _____

[Affix Official Seal]

STATE OF FLORIDA

COUNTY OF COLUMBIA

The foregoing instrument was acknowledged before me by means of ☒ physical presence
or ☐ online notarization this _____ day of _____, **2025**, by _____, as
_____ on behalf of THE CITY OF LAKE CITY, FLORIDA, a municipality, who is
personally known to me.

Print Name: _____

Notary Public

State of Florida at Large

My Commission Expires:

**EXHIBIT TO
RESOLUTION**

**NOT FOR
EXECUTION**

DULY EXECUTED BY AND ON BEHALF OF COLUMBIA COUNTY, FLORIDA, a subdivision of the STATE OF FLORIDA, on the date first set forth above.

COLUMBIA COUNTY, FLORIDA

By: _____

Name: _____

Title: _____

Attest: _____

By: _____

Name: _____

Title: _____

[Affix Official Seal]

STATE OF FLORIDA

COUNTY OF COLUMBIA

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization this _____ day of _____, **2025**, by _____, as _____ on behalf of COLUMBIA COUNTY, FLORIDA, a subdivision of the STATE OF FLORIDA, who is personally known to me.

Print Name: _____

Notary Public

State of Florida at Large

My Commission Expires:

**EXHIBIT TO
RESOLUTION**

**NOT FOR
EXECUTION**