

INTERLOCAL AGREEMENT
ESTABLISHING
AN ENVIRONMENTAL REMEDIATION RESERVE ACCOUNT

This Interlocal Agreement is entered into this 16th day of April, 2010, by and between the City of Sarasota, Florida, and Sarasota County, Florida.

Section 1. Recitals.

- 1.1 The City and the County have entered into an Interlocal Agreement for Major League Baseball Spring Training Use by the Baltimore Orioles, dated July 22, 2009 (the "Interlocal Agreement").
- 1.2 The City agreed to be bound by the terms of the Environmental Indemnification in favor of the Baltimore Orioles and the County as set forth in Section 4.9 of the Interlocal Agreement. The specific terms of the Environmental Indemnification are set forth in Exhibit "C" to the Interlocal Agreement.
- 1.3 The City agreed to transfer the accumulated OTTED funds and actual OTTED bond proceeds, less reasonable costs of issuance, to the County in an amount estimated to be not less than \$7.5 million as set forth in Section 4.7 of the Interlocal Agreement.
- 1.4 The City and the County desire to provide a mechanism by which funds may be set aside to assist the City in meeting its obligations under the Environmental Indemnification provided by it to the Orioles and the County.

BOARD RECORDS
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 KAREN E. ...
 CLERK OF ...
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Section 2. Legal Authority.

- 2.1 This Agreement is entered into under the authority of Chapter 125 and 166, Florida Statutes and Section 163.01, Florida Statutes.

Section 3. Environmental Remediation Reserve Account.

- 3.1 In the event that the City shall issue its bonds prior to December 31, 2010, it shall issue Recovery Zone Bonds or Build America Bonds based upon a pledge of the OTTED grant funding and the City's covenant to budget and appropriate other non-ad valorem revenues. In the event that the City shall issue its bonds after December 31, 2010, then the City may issue traditional tax-exempt bonds, Recovery Zone Bonds or Build America Bonds, based upon a pledge of the OTTED grant funding and the City's covenant to budget and appropriate other non-ad valorem revenues, provided that the type of bonds to be issued shall maximize the bond proceeds to be derived from the bond issuance. If the total amount of bond proceeds and accumulated OTTED revenues transferred to the County shall exceed the sum of \$7.5 million, then once all funds are received the County agrees to establish an Environmental Remediation Reserve Account into which it will deposit up to \$1.0 million. The actual amount of the deposit will be

one-half of the funds transferred to the County over and above \$7.5 million. For example if \$9.0 million is transferred to the County, \$750,000 will be deposited into the Environmental Remediation Reserve Account (\$9.0 million less \$7.5 million = \$1.5 million divided by 2 = \$750,000).

3.2 Funds in the Environmental Remediation Reserve Account shall be utilized by the County to pay costs incurred pursuant to the Environmental Indemnification referred to in Section 1.2 hereof, including, but not limited to:

- a. Costs of any environmental remediation activities required by the Florida Department of Environmental Protection (“FDEP”) or by any other regulatory agency with jurisdiction as a condition precedent to the issuance of any required permits directly or indirectly relating to the construction, re-construction or renovation of the improvements at the Sports Complex referred to in the Memorandum of Understanding (“MOU”) and in the Interlocal Agreement.
- b. Costs of any environmental remediation activities required by FDEP or by any other regulatory agency with jurisdiction during the process of construction, re-construction or renovation of the improvements at the Sports Complex referred to in the MOU and in the Interlocal Agreement as a result of the discovery of any hazardous materials, on, in, under, affecting or emanating from all or any portion of the Sports Complex property.
- c. Any additional costs associated with re-location of facilities or with design changes caused by or resulting from the presence of any hazardous materials on, in under, affecting or emanating from all or any portion of the Sports Complex property.

3.3 It is the intention of the parties that the provisions of Section 3.2 above shall be broadly construed so as to provide an initial source of funds for any remediation activities resulting from the Project described in the MOU, including, but not limited to costs of treatment, containment, storage, decontamination, clean up, transport and disposal of any hazardous materials and removal of pollution or contaminants from environmental media such as soil, groundwater, sediment or surface water for the general protection of human health and the environment. The City shall have no obligation to fund the cost of any of the activities described in Section 3 hereof unless and until all of the funds on deposit in the Environmental Remediation Reserve Account have been expended to fund the cost of such activities. The County shall have no obligation to fund the costs of any of the activities described in Section 3 hereof beyond the funds available in the Environmental Remediation Reserve Account. The County shall provide copies of all records of expenditures from the Environmental Remediation Reserve Account to the City Manager.

- 3.4 Upon the issuance of a certificate of occupancy by City for the reconstructed or renovated improvements at the Sports Complex, the Environmental Remediation Reserve Account shall be closed out and terminated and any remaining funds then on deposit shall be released to the County.
- 3.5 The provisions of Section 3 are not intended to, and shall not be interpreted to amend or limit the City's responsibilities under the Environmental Indemnification referred to in Section 1.2 hereof.

Section 4. Effective Date.

This Interlocal Agreement shall become effective upon recording of a certified copy in the Official Records of Sarasota County pursuant to Section 163.01 (11), Florida Statutes.

IN WITNESS WHEREOF, this Interlocal Agreement was signed and sealed in duplicate by the respective parties hereto.

CITY OF SARASOTA, FLORIDA

By: Richard Clapp
Richard Clapp, Mayor

Dated: April 6, 2010

ATTEST:
Theresa M. Nadeau
City Auditor & Clerk

COUNTY OF SARASOTA

By its Board of County Commissioners

By: Joseph A. Barbetta
Joseph A. Barbetta, Chair

Dated: 4/16/10

ATTEST:

Karen E. Rushing, Clerk of Circuit Court and Ex Officio Clerk of the Board of County Commissioners of Sarasota County, Florida

By: Sammy Dickson
Deputy Clerk

Approved as to form and correctness:

Robert M. Fournier
City Attorney

Approved as to form and correctness:

Steph S.M.
County Attorney

