

EXHIBIT "C"

Calculation of Effluent Disposal System Costs

Capacity of Effluent Disposal System

1. Spray Irrigation on School Grounds (30 acres):

Percentage of Irrigable Area	50%
Rate of Disposal – Inches Per Week	1.45
Volume - Gallons Per Day ("GPD")	84,000

2. Subsurface Disposal

(11 acres open turf on the Land with 1 additional acre on City property for a total of 12 acres of disposal)

Percentage of Irrigable Area	100%
Rate of Disposal – Inches Per Week	3.62
Volume - Gallons Per Day ("GPD")	169,000

TOTAL Capacity - GPD	253,000
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Construction Costs

Unit Cost	\$20,000	(per acre)
Total Construction Cost	\$240,000	(12 acres)
Design/Permitting	\$75,000	
TOTAL COST	\$315,000	
Add 2 year 1.5% CPI	\$324,521	

EXHIBIT "D"

Form and Legal Description of Utilities Easement

THIS INSTRUMENT PREPARED BY:
John P. Daniel, Esq.
Beggs & Lane, RLLP
Post Office Box 12950
Pensacola, FL 32591-2950
Fla. Bar No. 784291

STATE OF FLORIDA
COUNTY OF SANTA ROSA

UTILITIES EASEMENT AGREEMENT

THIS UTILITIES EASEMENT AGREEMENT (this "Agreement") is made and entered into this the ____ day of _____, 2020, by and between **THE SCHOOL BOARD OF SANTA ROSA COUNTY, FLORIDA**, a district school board constituted as provided in Article IX, Section 4, of the Florida Constitution, whose address is 5086 Canal Street, Milton, Florida 32570 ("Grantor") and **CITY OF GULF BREEZE**, a Florida municipal corporation, whose address is 1070 Shoreline Drive, Gulf Breeze, Florida 32562 ("Grantee").

WITNESSETH:

WHEREAS, Grantor is the owner in fee simple of that certain parcel of real property described in Exhibit "A" attached hereto and incorporated herein by reference (the "Easement Parcel"); and

WHEREAS, the Easement Parcel is located on and across property owned by Grantor on which exist underground utilities and appurtenant facilities, including but not limited to potable water, sanitary sewer, storm water, natural gas, cable, internet and electrical utilities, owned by Grantee; and

WHEREAS, Grantor has agreed to grant to Grantee a perpetual, exclusive easement for the use, operation, repair, replacement, removal and construction of any and all underground utilities and appurtenant facilities, including but not limited to potable water, sanitary sewer, storm water, natural gas, cable, internet and electrical utilities, and further including but not limited to wiring, pipes, conduit, vaults, lift stations, wells, mains, and force mains, upon the terms and subject to the conditions set forth herein below;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and conditions hereinafter set forth, and for other good and valuable consideration, the parties hereby agree as follows:

1. Grant of Easement. Grantor hereby grants and conveys to Grantee a perpetual, exclusive easement on, over, under, through, and across the Easement Parcel for the use, operation, installation, alteration, maintenance, repair, replacement, removal and construction of any and all underground public utilities and appurtenant facilities, including but not limited to potable water, sanitary sewer, storm water, natural gas, cable, internet and electrical utilities, and further including but not limited to wiring, pipes, conduit, vaults, lift stations, wells, mains, and force mains (collectively the "Public Utilities"). Grantee shall be entitled to

permit other utility providers to use the Easement Parcel for the use, operation, installation, alteration, maintenance, repair, replacement, removal, and construction of any of the Public Utilities, subject to the terms and conditions of this Agreement.

2. Grantor's Use of Surface of Easement Parcel and Grantee's Obligation to Repair.

a. Grantor may use the surface of the Easement Parcel in any manner not inconsistent with this Agreement, including but not limited to swales, pavement, landscaping, stabilized sod, and other at-grade improvements; provided that Grantor shall not construct or permit to exist any structure, fence, or other permanent above-grade improvement on the Easement Parcel.

b. Grantee covenants with Grantor that Grantee shall promptly repair any and all damage done to the Easement Parcel, caused by Grantee's installation, construction, alteration, use, operation, maintenance, repair, removal, or replacement of any such Public Utilities, excluding however any damage to any improvements prohibited by paragraph a above.

3. Binding Effect; Run With the Land; Personal Obligations of Transferee. The rights, obligations, and easements set forth in this Agreement shall run with the land, shall burden the Easement Parcel, and shall be binding upon and against Grantor and Grantee and their respective successors, successors-in-title and assigns.

4. Miscellaneous. This instrument shall be governed by and construed in accordance with the laws of the State of Florida. This Agreement may not be modified, waived, or amended except by a written instrument executed by Grantor and Grantee. This Agreement contains the entire agreement and understanding between Grantor and Grantee with respect to the subject matter hereof, and all prior and contemporaneous agreements, understandings, and negotiations between Grantor and Grantee with respect to the subject matter hereof are hereby superseded.

IN WITNESS WHEREOF, Grantor and Grantee have executed this instrument as of the day and year first above written.

GRANTOR:

Signed, sealed and delivered
in the presence of:

**THE SCHOOL BOARD OF
SANTA ROSA COUNTY, FLORIDA**
a Florida district school board

Print Name: _____

By: _____
Clifton L. "Buddy" Hinote,
Chairperson
Date: _____

Print Name: _____

GRANTEE:

CITY OF GULF BREEZE
a Florida municipal corporation

By: _____
Cherry Fitch, Mayor

Attest:

City Clerk (AFFIX CITY SEAL)

Signed, sealed and delivered in the presence of:

Print Name: _____

Print Name: _____

Legal in form and valid as drawn:

Approved as to content:

Mary Jane Bass, City Attorney

Samantha D. Abell, City Manager

STATE OF FLORIDA
COUNTY OF SANTA ROSA

The foregoing instrument was acknowledged before me by means of physical presence this ____ day of _____, 2020, by Clifton L. "Buddy" Hinote, Chairperson of The School Board of Santa Rosa County, Florida, a district school board, on behalf of said board. Said person is personally known to me or presented his current Florida driver's license as identification.

AFFIX NOTARY SEAL

Notary Public
Print Name: _____
My commission expires: _____

STATE OF FLORIDA
COUNTY OF SANTA ROSA

The foregoing instrument was acknowledged before me by means of physical presence this ____ day of _____, 2020, by Cherry Fitch, as Mayor of City of Gulf Breeze, a Florida municipal corporation, on behalf of said corporation. Said person is personally known to me or presented her current Florida driver's license as identification.

AFFIX NOTARY SEAL

Notary Public
Print Name: _____
My commission expires: _____

EXHIBIT "A"

LEGAL DESCRIPTION OF EASEMENT PARCEL

Easements 20 feet wide, extending from the south line of Santa Rosa Drive south to the north line of the WWTP Expansion Property, approximately as shown on the sketch attached as Exhibit "A-1" to that certain Purchase and Sale Agreement dated _____, 2020, between the City of Gulf Breeze, as seller, and The School Board of Santa Rosa County, Florida, as buyer. The final legal description of the Easement Parcel will be determined by a current survey that is consistent with the foregoing, and such survey legal description shall be substituted for this Exhibit "A" prior to the execution of this Utilities Easement Agreement.

EXHIBIT "E"

Form and Legal Description of Temporary Road Easement

THIS INSTRUMENT PREPARED BY:
John P. Daniel, Esq.
Beggs & Lane, RLLP
Post Office Box 12950
Pensacola, FL 32591-2950
Fla. Bar No. 784291

STATE OF FLORIDA
COUNTY OF SANTA ROSA

TEMPORARY ROAD ACCESS EASEMENT AGREEMENT

THIS TEMPORARY ROAD ACCESS EASEMENT AGREEMENT (this "Agreement") is made and entered into this the ____ day of _____, 2020, by and between **THE SCHOOL BOARD OF SANTA ROSA COUNTY, FLORIDA**, a district school board constituted as provided in Article IX, Section 4, of the Florida Constitution, whose address is 5086 Canal Street, Milton, Florida 32570 ("Grantor") and **CITY OF GULF BREEZE**, a Florida municipal corporation, whose address is 1070 Shoreline Drive, Gulf Breeze, Florida 32562 ("Grantee").

WITNESSETH:

WHEREAS, Grantor is the owner in fee simple of that certain parcel of real property described in Exhibit "A" attached hereto and incorporated herein by reference, on which Grantor intends to construct and operate a school facility (the "School Parcel"); and

WHEREAS, Grantee is the owner of those certain parcels of real property, described in Exhibit "B" attached hereto and incorporated herein by reference, on which Grantor intends to operate, construct or expand a waste water treatment plant (the "WWTP Parcels"); and

WHEREAS, Grantor has agreed to grant to Grantee a temporary road access easement on, over, and across that portion of the School Parcel described in Exhibit "C" attached hereto and incorporated by reference (the "Temporary Access Easement Parcel"), upon the terms and subject to the conditions set forth herein below;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and conditions hereinafter set forth, and for other good and valuable consideration, the parties hereby agree as follows:

1. Grant of Easement. Grantor hereby grants and conveys to Grantee a temporary, exclusive easement on, over, and across the Temporary Access Easement Parcel for vehicular and pedestrian ingress, egress, and access to, from, and between public roads and the WWTP Parcels, together with the right, at Grantee's sole expense, to construct, maintain, and repair, a temporary paved or graveled road on the Temporary Access Easement Parcel, including appurtenant shoulders and drainage facilities permitting storm water runoff from such road onto Grantor's adjacent land. Grantor further agrees that the Temporary Access Easement Parcel and any road constructed thereon may be used by any and all manner of motor vehicles used in the process of the construction and/or expansion of a waste water treatment plant on the WWTP Parcels, including but not limited to cars, trucks of any size, and construction equipment and vehicles (e.g., bulldozers, cranes, etc.). This easement is

given upon the express understanding that the Temporary Access Easement Parcel may be used by Grantor, its successors, assigns, employees, contractors, invitees, and licensees, for ingress, egress, and access to the School Parcel provided that such use by Grantor shall not interfere with use by Grantee. The easement hereby granted to Grantee shall be deemed to be a private easement for the sole and exclusive use and benefit of (i) Grantee and Grantee's employees, contractors, guests and invitees, and (ii) all other persons and entities whom Grantee, in its sole discretion, may allow to use such easement from time to time.

2. Construction of Improvements on School Parcel. Grantee acknowledges that Grantor intends to construct educational facilities on the School Parcel and agrees that Grantee's use of the Temporary Access Easement Parcel shall not unreasonably interfere with the construction of such improvements on the School Parcel.

3. Termination of Agreement. The rights, obligations, and easements set forth in this Agreement shall terminate on the earlier to occur of (i) the date that is six (6) months after full and final completion of construction of Grantee's waste water treatment plant and/or expansion on the WWTP Parcels or (ii) the fourth (4th) anniversary of the date of this Agreement, unless extended by the mutual written agreement of the parties. Within six (6) months after the termination of this Agreement, Grantee shall restore the Temporary Access Easement Parcel to substantially the same condition as exists on the date of this Agreement. Upon completing such restoration, Grantee shall deliver to Grantor, in recordable form, a quit-claim deed conveying to Grantor all of Grantee's right, title, and interest in and to the Temporary Access Easement Parcel.

4. Binding Effect; Run with the Land. The rights, obligations, and easements set forth in this Agreement shall run with the land, shall burden the Temporary Access Easement Parcel, shall benefit the persons and entities identified in Section 1 above, and shall be binding upon and against Grantor and Grantee and their respective successors, successors-in-title and assigns.

5. Miscellaneous. This instrument shall be governed by and construed in accordance with the laws of the State of Florida. This Agreement may not be modified, waived, or amended except by a written instrument executed by Grantor and Grantee. This Agreement contains the entire agreement and understanding between Grantor and Grantee with respect to the subject matter hereof, and all prior and contemporaneous agreements, understandings, and negotiations between Grantor and Grantee with respect to the subject matter hereof are hereby superseded.

IN WITNESS WHEREOF, Grantor and Grantee have executed this instrument as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

Print Name: _____

Print Name: _____

GRANTOR:

**THE SCHOOL BOARD OF
SANTA ROSA COUNTY, FLORIDA**
a Florida district school board

By: _____
Clifton L. "Buddy" Hinote,
Chairperson
Date: _____

GRANTEE:

CITY OF GULF BREEZE
a Florida municipal corporation

By: _____
Cherry Fitch, Mayor
Date: _____

Attest:

City Clerk

(AFFIX CITY SEAL)

Signed, sealed and delivered in the presence of:

Print Name: _____

Print Name: _____

Legal in form and valid as drawn:

Approved as to content:

Mary Jane Bass, City Attorney

Samantha D. Abell, City Manager

STATE OF FLORIDA
COUNTY OF SANTA ROSA

The foregoing instrument was acknowledged before me by means of physical presence this ____ day of _____, 2020, by Clifton L. "Buddy" Hinote, Chairperson of The School Board of Santa Rosa County, Florida, a district school board, on behalf of said board. Said person is personally known to me or presented his current Florida driver's license as identification.

AFFIX NOTARY SEAL

Notary Public
Print Name: _____
My commission expires: _____

STATE OF FLORIDA
COUNTY OF SANTA ROSA

The foregoing instrument was acknowledged before me by means of physical presence this ____ day of _____, 2020, by Cherry Fitch, as Mayor of City of Gulf Breeze, a Florida municipal corporation, on behalf of said corporation. Said person is personally known to me or presented her current Florida driver's license as identification.

AFFIX NOTARY SEAL

Notary Public
Print Name: _____
My commission expires: _____

EXHIBIT "A"

LEGAL DESCRIPTION OF SCHOOL PARCEL

The approximate location of the School Parcel, containing approximately 45 acres, is shown as "SRCSB Purchase" on the sketch attached as Exhibit "A-1" to that certain Purchase and Sale Agreement dated _____, 2020, between the City of Gulf Breeze, as seller, and The School Board of Santa Rosa County, Florida, as buyer. The final legal description of the School Parcel will be determined by a current survey that is consistent with the foregoing, and such survey legal description shall be substituted for this Exhibit "A" prior to the execution of this Temporary Road Access Agreement.

EXHIBIT "B"

LEGAL DESCRIPTION OF WWTP PARCELS

The approximate location of the WWTP Parcels is shown as "WWTP Expansion Property" and "Existing WWTP" on the sketch attached as Exhibit "A-1" to that certain Purchase and Sale Agreement dated _____, 2020, between the City of Gulf Breeze, as seller, and The School Board of Santa Rosa County, Florida, as buyer. The final legal description of the WWTP Parcels will be determined by a current survey that is consistent with the foregoing, and such survey legal description shall be substituted for this Exhibit "B" prior to the execution of this Temporary Road Access Agreement.

EXHIBIT "C"

LEGAL DESCRIPTION OF TEMPORARY ACCESS EASEMENT PARCEL

An easement 35 feet wide, extending from Santa Rosa Drive south to the north line of the WWTP Parcels, approximately as shown on the sketch attached as Exhibit "A-1" to that certain Purchase and Sale Agreement dated _____, 2020, between the City of Gulf Breeze, as seller, and The School Board of Santa Rosa County, Florida, as buyer. The final legal description of the Temporary Access Easement Parcel will be determined by a current survey that is consistent with the foregoing, and such survey legal description shall be substituted for this Exhibit "C" prior to the execution of this Temporary Road Access Agreement.

EXHIBIT "F"

Legal Description of WWTP Property

The WWTP Property is shown as the "WWTP Expansion Property" and the "Existing WWTP" on the sketch attached to this Agreement as Exhibit "A-1".

EXHIBIT "G"

Form and Legal Description of Stormwater Drainage Ditch Easement

THIS INSTRUMENT PREPARED BY:

John P. Daniel, Esq.
Beggs & Lane, RLLP
Post Office Box 12950
Pensacola, FL 32591-2950
Fla. Bar No. 784291

STATE OF FLORIDA
COUNTY OF SANTA ROSA

STORMWATER EASEMENT AGREEMENT

THIS STORMWATER EASEMENT AGREEMENT (this "Agreement") is made and entered into this the ____ day of _____, 2020, by and between **CITY OF GULF BREEZE**, a Florida municipal corporation, whose address is 1070 Shoreline Drive, Gulf Breeze, Florida 32562 ("Grantor") and **THE SCHOOL BOARD OF SANTA ROSA COUNTY, FLORIDA**, a district school board constituted as provided in Article IX, Section 4, of the Florida Constitution, whose address is 5086 Canal Street, Milton, Florida 32570 ("Grantee").

WITNESSETH:

WHEREAS, Grantor is the owner in fee simple of that certain parcel of real property described in Exhibit "A" attached hereto and incorporated herein by reference (the "Easement Parcel"); and

WHEREAS, the Easement Parcel is located on and across property that is owned by Grantor and on which a wastewater treatment plant is located (the "WWTP Property"); and

WHEREAS, Grantee is the owner of those certain parcels of real property described in Exhibit "B" attached hereto and incorporated herein by reference (the "Grantee Parcels"); and

WHEREAS, storm water from the Grantee Parcels is presently discharged into and through a single existing pond located partly on the WWTP Property and partly on the Grantee Parcels, which pond then discharges into an existing drainage ditch within the Easement Parcel; and

WHEREAS, Grantor intends to construct a dam on the WWTP Property which will separate such existing pond into two separate ponds, one located on the WWTP Property (the "Grantor Pond") and the other located on the Grantee Parcels (the "Grantee Pond"), and storm water from the Grantee Parcels may thereafter continue to discharge into the Grantee Pond (but not the Grantor Pond) and then into the drainage ditch within the Easement Parcel;

WHEREAS, the drainage ditch within the Easement Parcel also receives storm water discharge from properties other than the WWTP Property and the Grantee Parcels and, therefore, the easement hereby granted shall be non-exclusive; and

WHEREAS, Grantor has agreed to grant to Grantee a perpetual, non-exclusive easement for storm water discharge on, over, through, and across the existing drainage ditch

within the Easement Parcel, upon the terms and subject to the conditions set forth herein below;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and conditions hereinafter set forth, and for other good and valuable consideration, the parties hereby agree as follows:

1. Grant of Easement. Grantor hereby grants and conveys to Grantee a perpetual, non-exclusive easement on, over, through, and across the existing drainage ditch on the Easement Parcel for the sole purpose of discharging storm water presently generated upon the Grantee Parcels, including the right but not the obligation to repair, construct, reconstruct, improve, expand, and maintain the drainage ditch. provided that Grantee shall observe and comply with all federal, state, and local laws, statutes, ordinances, rules and regulations applicable to such storm water discharge and to any repair, construction, reconstruction, improvement, expansion, and maintenance activity undertaken by Grantee on or within the drainage ditch.

2. Grantor's Rights and Reservations. Grantor reserves all rights of ownership in and to the Easement Parcel which are not inconsistent with this Agreement, including without limitation the right to grant further and other easements on, above, under, over and across the Easement Parcel.

3. Binding Effect; Run With the Land; Personal Obligations of Transferee. The rights, obligations, and easements set forth in this Agreement shall run with the land, shall burden the Easement Parcel, shall benefit the Grantee Parcels, and shall be binding upon and against Grantor and Grantee and their respective successors, successors-in-title and assigns, including but not limited to each and every transferee of all or any part of Grantee's interest in the Easement Parcel.

4. Miscellaneous. This instrument shall be governed by and construed in accordance with the laws of the State of Florida. This Agreement may not be modified, waived, or amended except by a written instrument executed by Grantor and Grantee. This Agreement contains the entire agreement and understanding between Grantor and Grantee with respect to the subject matter hereof, and all prior and contemporaneous agreements, understandings, and negotiations between Grantor and Grantee with respect to the subject matter hereof are hereby superseded.

IN WITNESS WHEREOF, Grantor and Grantee have executed this instrument as of the day and year first above written.

GRANTOR:

CITY OF GULF BREEZE
a Florida municipal corporation

By: _____
Cherry Fitch, Mayor

Attest:

Leslie Guyer, City Clerk

(AFFIX CITY SEAL)

Signed, sealed and delivered in the presence of:

Print Name: _____

Print Name: _____

Legal in form and valid as drawn:

Approved as to content:

Mary Jane Bass, City Attorney

Samantha D. Abell, City Manager

Signed, sealed and delivered
in the presence of:

Print Name: _____

Print Name: _____

GRANTEE:

**THE SCHOOL BOARD OF
SANTA ROSA COUNTY, FLORIDA**
a Florida district school board

By: _____
Clifton L. "Buddy" Hinote,
Chairperson
Date: _____

STATE OF FLORIDA
COUNTY OF SANTA ROSA

The foregoing instrument was acknowledged before me by means of physical presence this ____ day of _____, 2020, by Cherry Fitch, as Mayor of City of Gulf Breeze, a Florida municipal corporation, on behalf of said corporation. Said person is personally known to me or presented her current Florida driver's license as identification.

AFFIX NOTARY SEAL

Notary Public
Print Name: _____
My commission expires: _____

STATE OF FLORIDA
COUNTY OF SANTA ROSA

The foregoing instrument was acknowledged before me by means of physical presence this ____ day of _____, 2020, by Clifton L. "Buddy" Hinote, Chair of The School Board of Santa Rosa County, Florida, a district school board, on behalf of said board. Said person is personally known to me or presented his current Florida driver's license as identification.

AFFIX NOTARY SEAL

Notary Public
Print Name: _____
My commission expires: _____

EXHIBIT "A"

LEGAL DESCRIPTION OF EASEMENT PARCEL

An easement 20 feet wide, extending from the south line of the Grantee Parcels (designated as "SRCSB Purchase" on the sketch attached as Exhibit "A-1" to that certain Purchase and Sale Agreement dated _____, 2020, between the City of Gulf Breeze, as seller, and The School Board of Santa Rosa County, Florida, as buyer) south along the entire length of the west property line of the WWTP Expansion Property as designated on said sketch; then east along the south property line of the WWTP Expansion Property to the Existing WWTP Property; then south to the north right-of-way of Maplewood Drive, the approximate location of which Easement Parcel is shown on said sketch. The final legal description of the Easement Parcel will be determined by a current survey that is consistent with the foregoing, and such survey legal description shall be substituted for this Exhibit "A" prior to the execution of this Stormwater Easement Agreement.

EXHIBIT "B"

LEGAL DESCRIPTIONS OF GRANTEE PARCELS

The approximate location of the Grantee Parcels, containing approximately 45 acres, is shown as "SRCSB Purchase" on the sketch attached as Exhibit "A-1" to that certain Purchase and Sale Agreement dated _____, 2020, between the City of Gulf Breeze, as seller, and The School Board of Santa Rosa County, Florida, as buyer. The final legal description of the Grantee Parcels will be determined by a current survey that is consistent with the foregoing, and such survey legal description shall be substituted for this Exhibit "B" prior to the execution of this Stormwater Easement Agreement.

EXHIBIT "H"

Escrow Agreement for Disputed Taxes

PROPERTY TAX ESCROW AGREEMENT

THIS PROPERTY TAX ESCROW AGREEMENT (this "Agreement") is made and entered into this ____ day of _____, 2020 (the "Effective Date") by, between and among **CITY OF GULF BREEZE**, a Florida municipal corporation, whose address is 1070 Shoreline Drive, Gulf Breeze, Florida 32562 ("Seller"); **THE SCHOOL BOARD OF SANTA ROSA COUNTY, FLORIDA**, a district school board constituted as provided in Article IX, Section 4, of the Florida Constitution, whose address is 5086 Canal Street, Milton, Florida 32570 ("Buyer"); and **BEGGS & LANE, RLLP**, a Florida registered limited liability partnership ("Escrow Agent").

WITNESSETH

WHEREAS, Seller has this day sold and conveyed to Buyer that certain parcel of real property in Santa Rosa County, Florida, described in Exhibit "A" attached hereto and incorporated herein by reference (the "Land") pursuant to that certain Purchase and Sale Agreement dated _____, 2020, between Seller, as seller, and Buyer, as buyer (the "Purchase Agreement");

WHEREAS, the ad valorem property taxes assessed against the Land for calendar years 2016, 2017, 2018, and 2019 (hereinafter referred to as the "Disputed Taxes", which term includes interest, penalties, and other charges heretofore and hereafter accruing thereon) have not been paid and are in dispute. The Circuit Court in and for Santa Rosa County, Florida, issued a Final Judgment on or about November 6, 2019, in litigation styled *Gregory S. Brown, as Santa Rosa County Property Appraiser, Plaintiff v. City of Gulf Breeze, a municipal corporation, et al., Defendants*, Case No. 2017-CA-000012, finding the Land exempt from taxation and voiding the 2016 and 2017 tax bills, which judgment is now on appeal. The 2018 and 2019 Disputed Taxes are the subject of litigation styled, respectively, *City of Gulf Breeze, a Florida Municipal Corporation v. Gregory S. Brown, Property Appraiser for Santa Rosa County, Florida, et al*, Case No. 2018-CA-852, and *City of Gulf Breeze, a Florida Municipal Corporation v. Gregory S. Brown, Property Appraiser for Santa Rosa County, Florida, et al*, Case No. 2019-CA-928, pending in the Circuit Court in and for Santa Rosa County, Florida. The aforesaid pending appeal and circuit court litigation are collectively referred to herein as the "Tax Litigation";

WHEREAS, the Tax Litigation is still pending as of the Effective Date; and

WHEREAS, the Purchase Agreement provides that Seller and Buyer shall enter into this Escrow Agreement and that Seller shall deposit into escrow the sum of money hereinafter set forth;

NOW, THEREFORE, for and in consideration of the premises, and the mutual covenants and conditions hereinafter set forth, and for other good and valuable consideration, Seller, Buyer and Escrow Agent hereby agree as follows:

1. Recitals. The foregoing recitals are true and correct and are hereby incorporated by reference.

2. Seller's Agreement to Pay Disputed Taxes and Indemnity. If, as, and when a final judgment is entered in the Tax Litigation which adjudicates that all or any portion of the Disputed Taxes is valid, due and payable, and such judgment has become non-appealable either by the expiration of time or by appellate court rulings (a "Final Non-Appealable Judgment Against Seller"), Seller shall pay that portion of the Disputed Taxes that is subject to such Final Non-Appealable Judgment Against Seller within thirty (30) days after the date that such Final Judgment became non-appealable. Seller shall to the extent allowed by law indemnify, defend, and hold harmless the Buyer and Buyer's successors and successors-in-title to the Land (each being hereinafter referred to as an "Indemnified Party") from and against any and all claims, suits, causes of action, damages, loss, costs, and expenses asserted against or suffered or incurred by the Indemnified Party under or by reason of the City's failure to pay all or any portion of the Disputed Taxes in accordance with the preceding sentence.

3. Escrow Account. To secure Seller's obligation to pay the Disputed Taxes as set forth in Section 2 above, concurrently with the execution of this Agreement, Seller has delivered to Escrow Agent the sum of \$_____ (collectively, the "Escrow Funds"), being the sum of the following amounts:

- A. \$_____, being the amount required to pay in full the Disputed Taxes for 2016, including penalties and interest, on and as of the Effective Date; and
- B. \$_____, being the amount required to pay in full the Disputed Taxes for 2017, including penalties and interest, on and as of the Effective Date; and
- C. \$_____, being the amount required to pay in full the Disputed Taxes for 2018, including penalties and interest, on and as of the Effective Date; and
- D. \$_____, being the amount required to pay in full the Disputed Taxes for 2019, including penalties and interest, on and as of the Effective Date; and
- E. \$_____, representing Seller's share of the estimated amount of Disputed Taxes that will be assessed for calendar year 2020, prorated as of the Effective Date; and
- F. \$_____, being the estimated amount of interest and penalties that will accrue between the Effective Date and December 31, 2020, on the amount of Disputed Taxes set forth in paragraphs (A) through (E) above; and
- G. \$20,000.00.

In addition, until the Disputed Taxes have been paid in full, within thirty (30) days after Buyer's written requests from time to time delivered to Seller after October 1, 2021, or after October 1 of any subsequent calendar year, Seller shall make additional deposits into the Escrow Account equal to the amount of interest and penalties that are reasonably estimated to accrue on the Disputed Taxes during the twelve month period that begins on January 1, 2021, or January 1 of any subsequent calendar year, as the case may be.

Escrow Agent shall place and maintain the Escrow Funds in an interest-bearing demand deposit account with BBVA Compass Bank in the name of Escrow Agent, pursuant to the terms of this Agreement. Such demand deposit account shall be titled "Tax Escrow Account for the benefit of City of Gulf Breeze" (hereinafter the "Escrow Account"). All interest earned on the Escrow Account shall be the property of Seller but subject to the terms of this Agreement.

4. Deficiency in Escrow Fund. Notwithstanding any contrary provision in this Escrow Agreement, Seller agrees to always maintain a minimum balance in the Escrow Fund necessary sufficient to pay the Disputed Taxes that would be due six (6) months in the future. Seller agrees to cure any deficiency within thirty (30) days of written notice by Buyer that a deficiency exists. The minimum required balance shall be determined based upon the best available documentation accessible or provided from the Santa Rosa County, Florida Tax Collector.

5. Redemption of Tax Certificate by Buyer. If the Buyer, on behalf of the Seller, redeems a tax certificate concerning any portion or all of the Land, and if a Final Non-Appealable Judgment Against Seller is subsequently entered with respect to the tax year(s) subject to such tax certificate, then in lieu of paying the Disputed Taxes for such tax year(s) pursuant to Section 2 above, Seller shall reimburse Buyer for the sums paid to redeem the tax certificate. Such payment shall be made within thirty (30) days after such judgment becomes non-appealable.

6. Escrow Agent. The Escrow Agent hereby accepts the appointment as Escrow Agent upon the terms and conditions set forth in this Agreement. The Escrow Agent's duties hereunder shall be limited to the Escrow Agent's compliance with the obligations expressly imposed upon the Escrow Agent hereunder. The Escrow Agent acts hereunder solely as a depository and is not responsible or liable in any manner whatsoever for the identity or authority of any person executing this Agreement or depositing the Escrow Funds. The responsibility of the Escrow Agent extends only to the duties affirmatively stated in this Agreement and to the exercise of ordinary diligence. The Escrow Agent shall not be responsible for any act or omission except for fraud, dishonesty or bad faith. No implied duties or obligations of the Escrow Agent shall be read into this Agreement, and the Escrow Agent shall not in any event be required to construe or determine the rights of any party under this Agreement.

7. Distribution of the Escrow Funds. The Escrow Agent is hereby authorized and directed to promptly pay and distribute the Escrow Funds as follows:

A. In the event that Seller fails to pay the Disputed Taxes if, as, and when required under Section 2 above, and upon receipt of written notice thereof from Seller or Buyer, Escrow Agent shall apply the Escrow Funds to the payment of that portion of the Disputed Taxes then claimed by the Santa Rosa County Tax Collector that is subject to a Final Non-Appealable Judgment Against Seller.

B. Within ten (10) days after Escrow Agent's receipt of written notice from Seller that a "Final Non-Appealable Judgment in favor of Seller" (hereinafter defined) has been entered in the Tax Litigation, the Escrow Agent shall pay and distribute to Seller that portion of

the Disputed Taxes that is subject to such Final Non-Appealable Judgment in favor of Seller. As used herein, a "Final Non-Appealable Judgment in favor of Seller" is a final judgment entered in the Tax Litigation which adjudicates that all or any portion of the Disputed Taxes is not due and owing to the Santa Rosa County Tax Collector or any other taxing authority and such judgment has become non-appealable either by the expiration of time or by appellate court rulings.

C. If, as, and when all of the Disputed Taxes have either been paid in full or become subject to a Final Non-Appealable Judgment in favor of Seller, the Escrow Agent shall promptly pay and distribute to the Seller all funds then remaining in the Escrow Account.

The Escrow Agent may conclusively rely on any such written notices from Seller and Buyer and on the authenticity of all such notices, whether delivered by hard copy or via e-mail. The Escrow Agent shall not be liable for any act taken, or omitted to be taken, in good faith or in reliance on any written notice, certificate or other documents believed by it in good faith to be accurate and genuine and to be signed or submitted by an authorized signatory.

8. Termination of Escrow. Unless sooner terminated pursuant to the other terms of this Agreement, this Agreement shall terminate upon disbursement of all Escrow Funds in accordance with the terms of this Agreement.

9. Disputes. In the event of any disagreement between or among any of the parties to this Agreement or between any of them and any other person which may result in adverse claims or demands being made in connection with the Escrow Funds or the Escrow Account, or in the event that the Escrow Agent in good faith should be in doubt as to what action it should take hereunder, the Escrow Agent may, at its option, refuse to comply with any claims or demands on it or refuse to take any other action hereunder. The Escrow Agent may consult with legal counsel of its choice (including without limitation any attorney of Beggs & Lane, RLLP) in the event of any dispute or question asked to the construction of any of the provisions hereof or the Escrow Agent's duties hereunder, and the Escrow Agent shall incur no liability and shall be fully protected in acting in accordance with the opinion and instructions of such legal counsel. So long as any such disagreement or doubt continues to exist, the Escrow Agent shall not be or become liable in any way whatsoever or to any person for its failure or refusal to comply with any directions or instructions that would otherwise be mandatory with respect to the Escrow Funds or the Escrow Account. The Escrow Agent shall be entitled to continue to so refrain from acting until (i) the rights of all parties have been fully and finally adjudicated of a Court of competent jurisdiction or (ii) all differences shall have been adjusted and all doubt resolved by agreement among all interested persons, and the Escrow Agent shall have been notified thereof in writing by all such persons. The rights of the Escrow Agent under this paragraph are cumulative of all other rights that it may have by law or otherwise. Further, it is understood and agreed that in the event of a dispute regarding the Escrow Funds, the Escrow Agent may, in its discretion, pay the Escrow Funds into a Court of competent jurisdiction in the State of Florida and allow such Court to determine the proper disposition of the Escrow Funds or may continue to hold the Escrow Funds pending receipt by the Escrow Agent of signed written directions from all parties hereto. Further, the Buyer acknowledges that Beggs & Lane, RLLP represents the Seller with respect to this Agreement, the Purchase Agreement, and the transactions contemplated thereby, and the Buyer expressly agrees that Beggs & Lane, RLLP

and its attorneys shall not be disqualified from representing the Seller with respect to any dispute, disagreement, or litigation arising out of, by reason of, or concerning this Agreement, the Purchase Agreement, or the transactions contemplated thereby by reason of Beggs & Lane, RLLP's designation and services as Escrow Agent under this Escrow Agreement.

10. Escrow Agent's Expenses. The Escrow Agent agrees to waive any fees for serving as the Escrow Agent hereunder. However, in the event that attorney's fees and/or costs are incurred by the Escrow Agent due to a dispute or litigation concerning the acts, omissions, or obligations of the Escrow Agent with respect to the Escrow Funds or this Agreement and Escrow Agent is determined by a court of competent jurisdiction to be without fault, Seller and Buyer shall be jointly and severally responsible to reimburse the Escrow Agent for such expenses, including without limitation its reasonable attorneys' fees; however, if one party pays more than its one-half share of such attorneys' fees and costs, then such party shall be promptly reimbursed by the other party for the excess payment.

11. Resignation of the Escrow Agent. The Escrow Agent may resign as Escrow Agent upon giving not less than ten (10) day's written notice to the Seller and the Buyer specifying the effect date of the resignation, of which event, prior to the effective date of such resignation, the Seller and the Buyer shall appoint a successor Escrow Agent to serve upon the same terms, conditions and covenants set forth herein. Upon receipt of such notice from the Seller and the Buyer, the Escrow Agent shall promptly arrange a transfer of the Escrow Funds to the successor Escrow Agent, and upon such transfer the resigning Escrow Agent shall have no further obligations to the Seller or the Buyer under this Agreement. If the resigning Escrow Agent does not receive a written notice from the Seller and the Buyer of the appointment of a Successor Escrow Agent prior to the effective date of such resignation, the resigning Escrow Agent shall the right, without the obligation, to pay the Escrow Funds into a Court of competent jurisdiction in the State of Florida, and thereupon shall have no further obligation to the Seller or the buyer hereunder.

12. Seller's Federal ID number. Seller represents that its federal tax identification number is 59-0948304. The federal tax identification number of the Seller shall be used for reporting purposes with respect to the Escrow Account, including the reporting of any interest earned thereon.

13. Notices. Any notice, delivery, communication, request, reply or advice (herein collectively referred to as a "Notice") in this Agreement provided, required or permitted to be given or made by any party to any other party must be in writing and delivered by (i) registered or certified mail, return receipt requested, postage prepaid; (ii) hand -delivery; (iii) over-night courier service or (iv) e-mail, with an original by first class mail (postage pre-paid). Notice delivered in the manner hereinabove described shall be effective at the time of receipt or refusal. For purposes of Notice, the addresses of the parties shall, until changed by Notice to the other parties in the manner provided herein shall be:

If to the Seller:

City of Gulf Breeze
Attn: Samantha D. Abell, City Manager
1070 Shoreline Drive
Gulf Breeze, Florida 32562

If to the Buyer:

The School Board of Santa Rosa County, Florida
Attn: Superintendent of Schools
5086 Canal Street
Milton, Florida 32570

If to Escrow Agent:

Beggs and Lane, RLLP
Attn: John P. Daniel
P. O. Box 12950 (32591-2950)
501 Commendencia Street
Pensacola, Florida 32502

14. Assignment and Amendment. The Seller and the Buyer may each assign its rights under this Agreement, upon written notice to all of the other parties hereto. This Agreement may not be modified or amended except by a written instrument executed and delivered by and to all parties hereto.

15. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. The parties submit to the jurisdiction of the Courts of the State of Florida with respect to all disputes arising under this Agreement.

16. Counterparts. This Agreement may be executed in several counterparts and as so executed, shall constitute one agreement binding on all parties hereto, notwithstanding that all parties are not signatories to the original or the same counterpart.

17. Indemnification. The Seller and the Buyer hereby agree, jointly and severally, agree to indemnify and hold harmless the Escrow Agent, its partners, employees and agents (collectively, "the Indemnified Parties") from and against any and all liabilities, losses, actions, claims, suits and proceedings at law or in equity and any other expenses, fees or charges of any character or nature, including without limitation reasonable attorneys' fees and expenses, which an indemnified party may incur or with which it may be threatened by reason of acting as or on behalf of the Escrow Agent under this Agreement or arising out of the existence of the Escrow Account, except to the extent the same shall be caused by the Escrow Agent's fraud, dishonesty or bad faith. The Escrow Agent shall have a first lien against the Escrow Account to secure the obligations of the parties hereunder. The terms of this Section 17 shall survive termination of this Escrow Agreement.

18. LIMITATION OF LIABILITY. NOTWITHSTANDING ANY CONTRARY PROVISION IN THIS AGREEMENT, THE ESCROW AGENT SHALL NOT BE LIABLE, DIRECTLY OR INDIRECTLY FOR ANY (A) DAMAGES, LOSSES OR EXPENSES ARISING OUT OF THE SERVICES PROVIDED HEREUNDER, OTHER THAN DAMAGES, LOSSES OR EXPENSES WHICH HAVE BEEN FINALLY ADJUDICATED TO HAVE DIRECTLY RESULTED FROM THE ESCROW AGENT'S FRAUD, DISHONESTY OR BAD FAITH, OR (B) SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES OR LOSSES OF ANY KIND WHATSOEVER, (INCLUDING WITHOUT LIMITATION LOSS PROFITS) EVEN IF THE ESCROW AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES AND REGARDLESS OF THE FORM OF ACTION.

19. No Financial Obligation. The Escrow Agent shall not be required to use its own funds in the performance of any of its obligations or duties or the exercise of any of its rights or powers hereunder and shall not be required to take any action which, in the Escrow Agent's sole and absolute discretion, could involve it in expense or liability, unless furnished with security and indemnity which it deems, in its sole and absolute discretion, to be satisfactory.

20. FDIC Insurance. The parties acknowledge that as of the effective date of this Agreement, the maximum Federal Deposit Insurance Corporation ("FDIC") coverage for the amount on deposit in the Escrow Account is \$250,000.00 per depositor for each account ownership category. Accordingly, the Escrow Funds on deposit in the Escrow Account may not be covered in its entirety by FDIC insurance.

21. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO WAIVES THE RIGHT TO TRIAL BY JURY IN RESOLVING ANY CLAIM, COUNTERCLAIM OR CROSS-CLAIM RELATING TO OR ARISING OUT OF THIS AGREEMENT.

*REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.
SIGNATURES ON FOLLOWING PAGES.*

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be executed as of the day and year first above written.

CITY OF GULF BREEZE
a Florida municipal corporation

By: _____
Cherry Fitch, Mayor

Attest:

City Clerk (AFFIX CITY SEAL)

Signed, sealed and delivered in the presence of:

Print Name: _____

Print Name: _____

Legal in form and valid as drawn:

Approved as to content:

Mary Jane Bass, City Attorney

Samantha D. Abell, City Manager

Signed, sealed and delivered
in the presence of:

**THE SCHOOL BOARD OF
SANTA ROSA COUNTY, FLORIDA**
a Florida district school board

Print Name: _____

By: _____
Clifton L. "Buddy" Hinote,
Chairperson
Date: _____

Print Name: _____

Signed, sealed and delivered
in the presence of:

BEGGS & LANE, RLLP
a Florida registered limited liability partnership

Print Name: _____

By: _____
John P. Daniel, Partner

Print Name: _____

STATE OF FLORIDA
COUNTY OF SANTA ROSA

The foregoing instrument was acknowledged before me by means of physical presence this ____ day of _____, 2020, by Cherry Fitch, as Mayor of City of Gulf Breeze, a Florida municipal corporation, on behalf of said corporation. Said person is personally known to me or presented her current Florida driver's license as identification.

AFFIX NOTARY SEAL

Notary Public
Print Name: _____
My commission expires: _____

STATE OF FLORIDA
COUNTY OF SANTA ROSA

The foregoing instrument was acknowledged before me by means of physical presence this ____ day of _____, 2020, by Clifton L. "Buddy" Hinote, Chair of The School Board of Santa Rosa County, Florida, a Florida district school board, on behalf of the school board. Said person is personally known to me or presented his current Florida driver's license as identification.

AFFIX NOTARY SEAL

Notary Public
Print Name: _____
My commission expires: _____

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me by means of physical presence this ____ day _____, 2020, by John P. Daniel, as Partner in Beggs & Lane, RLLP, a Florida registered limited liability limited partnership, on behalf of the partnership. Said person is personally known to me and/or produced his current Florida driver's license as identification.

(Notary Seal Must be Affixed)

Signature of Notary Public

Print Name: _____

My commission expires: _____

EXHIBIT "A"

LEGAL DESCRIPTIONS OF THE LAND

The approximate location of the Land, containing approximately 45 acres, is shown as "SRCSB Purchase" on the sketch attached as Exhibit "A-1" to that certain Purchase and Sale Agreement dated _____, 2020, between the City of Gulf Breeze, as seller, and The School Board of Santa Rosa County, Florida, as buyer. The final legal description of the Land will be determined by a current survey that is consistent with the foregoing, and such survey legal description shall be substituted for this Exhibit "A" prior to the execution of this Property Tax Escrow Agreement.