

## EXHIBIT B

### CONTRACT, LEASE, AGREEMENT CONTROL FORM

Date: 3/4/97

Contract/Lease Control #: C97-0155-P11-12

Bid #: N/A Contract/Lease Type: INTERLOCAL

Award To/Lessee: TOWN OF SHALIMAR, FL

Lessor: \_\_\_\_\_

Effective Date: 3/4/97

Term: INDEFINITE

Description of Contract/Lease: CODE INSPECTIONS

Department Manager: PLANNING & INSPECTION

Department Monitor: G. MAHLMAN

Monitor's Telephone #: 651-7180

Monitor's FAX #: 651-7706

Date Closed: \_\_\_\_\_

**INTERLOCAL AGREEMENT  
ARTICLE ONE  
INTRODUCTION**

**THIS INTERLOCAL AGREEMENT** is made and entered into as of this 29th day of October, 1996 by and between Okaloosa County, Florida, a political subdivision of the State of Florida (the "County") and the Town of Shalimar, a municipality organized under the laws of the State of Florida (the "Town").

**NOW, THEREFORE,** in consideration of the mutual promises, covenants, representations and agreements contained herein, together with ten (10) dollars and other good valuable consideration exchanged between the parties, the parties to this Agreement do undertake, promise and agree for themselves, their successors and assigns as follows:

**Section I.** In consideration of the benefits that will accrue to both parties, the Town of Shalimar, Florida, and the inhabitants therefore of Okaloosa County, a Political Subdivision of the State of Florida, its successors and assigns, hereinafter sometimes referred to as the "County", is hereby given, granted and vested with the exclusive right, authority, easement, privilege and franchise to construct, erect, install, extend, renew, repair, maintain, operate and conduct in said Town of Shalimar a system for the transmission and distribution of water and the handling and collection of sewage for all purposes whatsoever.

**Section II.** The said County, its successors and assigns, is hereby further given, granted and vested, with the exclusive right, authority, easement, privilege and franchise to construct, erect, install, extend, renew, repair, maintain, operate and conduct in said Town of Shalimar a system of water distribution and sewage collection mains together all fittings, appliances, stations and appurtenances necessary or desirable to furnishing the Town of Shalimar and its inhabitants and corporations within and without said Town a competent water and sewer service. The further right is granted to use in, over, under, along, upon and across all streets, avenues, alleys, ways, bridges and public places in said Town, as they now exist or as they may hereinafter be laid out or extended within the present and future limits of said Town, for such purposes with the Town being notified a priori of the work to be done.

The County shall have the duty and obligation to provide a water and sewer system throughout the Town of Shalimar exactly as it provides that system throughout the balance of the unincorporated Okaloosa County areas.

**Section III.** All work by the County shall be so constructed as not to unreasonably interfere with the proper use of the streets, avenues, alleys, ways, bridges and public places in the Town and shall be maintained in reasonably good condition and repair.

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Any work done by the county will be subject to regulation by the Police Department of the Town of Shalimar regarding the times and circumstances under which roads are to be disturbed or blocked and will be coordinated with the Town of Shalimar if service is to be disrupted.

**Section IV.** Whenever the County shall cause any opening or alteration to be made in any of the streets, avenues, alleys, ways, bridges or public places of the Town for the purpose set out herein, the work shall be completed within a reasonable time restoring facilities to their same condition and repair.

The County will abide by existing and future Town ordinances regarding the repair and reconstruction of streets, and the use of easements within the Town. The easements otherwise granted to the County by this franchise shall be non-exclusive easements which may also be exercised and used by others. The County shall be obligated to coordinate with all other franchisees and owners of easements throughout the Town of Shalimar to minimize disruption of all utility systems that service the Town.

**Section V.** The County shall hold the Town harmless from any and all liability or damages resulting from the negligence of the County in constructing, maintaining, or operating the aforesaid systems.

**Section VI.** The County may, from time to time, declare, make and enforce such reasonable rules and regulations and fix and collect such rates, fees and other charges for the services and facilities of the aforesaid system as shall be consistent with and required by those certain bond resolutions by the Board of County Commissioners of Okaloosa County and shall be uniform with such rules and charges applicable to all other users of said systems of the same class. Upon installation of new mains, meters and fire hydrants, water rates shall be consistent with the bond resolutions set out above.

**Section VII.** In the event sewer services or water services are interrupted or fail by reason of accident or any cause beyond the control of the County, County shall restore service within a reasonable time and such interruption shall not constitute a breach of this franchise nor shall County or the Town be liable for any loss or damages by reason of such interruption or failure.

**Section VIII.** The exclusive franchise granted by this Agreement shall exist and continue for a period of fifteen (15) years only, and, as a condition subsequent to the taking effect of this franchise, said Town is hereby reserving the right to purchase the aforesaid systems at a valuation to be fixed in accordance with

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Chapter 167 of the Florida Statutes. This franchise is subject to all terms and conditions of the Charter of the Town of Shalimar. This provision shall apply to any subsequently annexed territory.

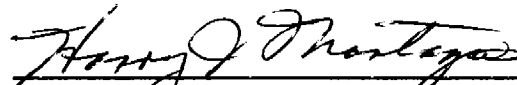
**Section IX.** Fire hydrants shall be installed in accordance with specifications as required by the South-Eastern Underwriters Association.

**Section X.** The County will grant to the Town of Shalimar, for property actually owned by the Town of Shalimar, such tap-ons or connections to the water and sewer systems as may be necessary for Town usage, without charge.

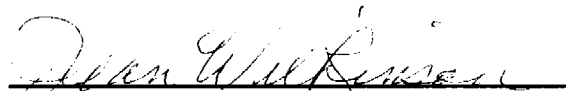
**Section XI.** Whenever in this Ordinance either the Town of Shalimar or Okaloosa County is named or referred to, it shall include successors or assigns of either with all rights, privileges and obligations binding and inuring to benefit of such successors of assigns of each.

**Section XII.** This Agreement shall take effect when approved by the Mayor or passed over his disapproval by the Commission as required by law, and accepted in writing by County which acceptance must be filed within ninety (90) days from date with the Town Clerk.

ADOPTED AND PASSED this 29th day of October, 1996.


  
\_\_\_\_\_  
Mayor Harry V. Montague

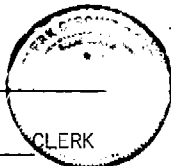
ATTEST:

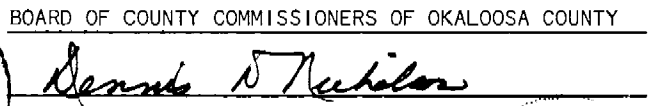
  
\_\_\_\_\_  
Jean Wilkinson, Town Clerk

  
\_\_\_\_\_  
Town Attorney D. Michael Chesser

ATTEST:

  
\_\_\_\_\_  
Robert D. McGuire, Deputy  
CLERK



BOARD OF COUNTY COMMISSIONERS OF OKALOOSA COUNTY  
  
\_\_\_\_\_  
By: Dennis D. Nicholson, Chairman

WITNESSES:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF OKALOOSA



**INTERLOCAL AGREEMENT**

THIS AGREEMENT made and entered into this 4th day of March, 1997, by and between the TOWN OF SHALIMAR, FLORIDA, hereinafter referred to as "Town", and OKALOOSA COUNTY, a political subdivision of the State of Florida, hereinafter referred to as "County", both of which understand and agree as follows:

WHEREAS, the parties hereto have the common power to establish code requirements for the construction of improvements and regulate and enforce such requirements by inspection within their geographic jurisdictions; and

WHEREAS, the Town desires to contract with the County for said services; and

WHEREAS, the County is agreeable to provide these services under the terms and conditions hereinafter set forth.

**WITNESSETH:**

1. The purpose of this agreement is for the County to provide the following services to the Town in the manner hereinafter set forth:

(a) The county will provide, through the Okaloosa County Planning and Inspection Department, inspections of all new installations and reinspection of all installations in accordance with all Okaloosa County Building Codes and regulations. More specifically, the County will provide building, electrical, plumbing, heat and air conditioning inspections.

2. The Okaloosa County Code Enforcement Board will have jurisdiction over all matters over which that Board would have jurisdiction if the property were in unincorporated Okaloosa County.

3. The County is designated as the party to administer this agreement by and through its departments and officers.

4. The Okaloosa County Planning and Inspection Department shall, upon receipt of a Town of Shalimar Certificate of Zoning Compliance and Floodplain Development Permit issued by the Administrative Official or the Assistant Administrative Official and upon application by the individual requesting an inspection, make inspections of all new installations and re-inspections of all installations as provided in the Okaloosa County Code.

(a) When a Contractor/Builder or Owner requests a final inspection from County for a Certificate of Occupancy, the County shall call the Town to determine if the Town approves it for a final inspection. If not, the County is notified by telephone; if

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yes, the Town will fax to the Planning and Inspection Department a signed final approval.

5. The County shall collect the entire cost of performing each function or service called for herein from the applicant and at the rate charged to all other county applicants in accordance with Okaloosa County Code of Ordinances. The Town of Shalimar is not precluded from collecting for the issuance of its Certificate of Zoning Compliance or any other enforcement costs within the scope of its Land Development Code or Code of Ordinances.

6. Rendition of service, standards of performances, discipline of officers, employees and other matters incident to performance of services and control of personnel shall remain in the County; wherein County performs the service and is responsible. In the event of dispute between the parties as to the extent of duties and functions to be rendered hereunder or the level or matter of performance of such service shall be by negotiation between the County and Town; based upon facts presented by the County Manager and the Town's Mayor or Administrative Official.

7. To facilitate performance under this agreement, the County and Town shall full cooperation and assistance from the officers, agents and employees of the other.

8. The County, its officers and employees shall not be deemed to assume any liability for the acts, omissions, and negligence of the Town. The Town, its officers and employees, in turn, shall not be deemed to assume any liability for the acts, omissions, and negligence of the County, its officers and employees.

9. The Town shall assume no liability for the payment of salary, wages or other compensation or entitlement to officers, agents or employees of the county performing services hereunder provided in this agreement. The Town shall not be liable for compensation or indemnity to officers of employees of the County or others for injury or illness arising out of the performance of this agreement.

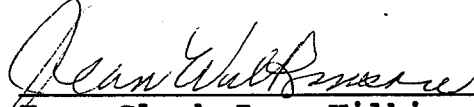
10. If there are problems with inspections on the side of either party, information will be given to the other party as to the status of such inspection upon request.

11. This contract shall become effective on the date mentioned above and shall run for an indefinite period of time.

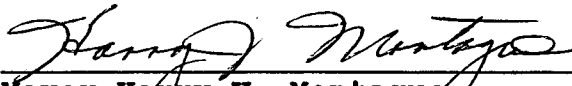
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12. In the event that the Town desires to revise or amend this agreement for any reason, its governing body shall notify the governing body of the County that it wishes to revise or amend the same, whereupon the governing body of the County shall notify the governing body of the Town in writing of its willingness to accept such amendment. Notwithstanding the provisions of this paragraph, either party may terminate this agreement as of the first day of January of any year upon notice in writing to the other party of not less than three calendar months prior to the date of termination.

ATTEST:

  
Town Clerk Jean Wilkinson

TOWN OF SHALIMAR

  
Mayor Harry V. Montague

ATTEST:

  
County Clerk

OKALOOSA COUNTY, a political  
subdivision of the State of Florida

  
Chairman, Board of County  
Commissioners