

INTERLOCAL AGREEMENT

PW Road Paving

THIS INTERLOCAL AGREEMENT (this "Agreement") is made and entered into this ____ day of January, 2026, effective as of the ____ day of _____, 2026 by and between the CITY OF PANAMA CITY, FLORIDA, a Florida municipal corporation (the "City") and the CITY OF PANAMA CITY COMMUNITY REDEVELOPMENT AGENCY, a Dependent Special District of the City of Panama City (the "CRA,") (the City and CRA are sometimes hereinafter referred to individually as a "Party" and collectively as the "Parties").

RECITALS

WHEREAS, both parties agree that efficiently improving and maintaining the City's infrastructure is vital to citizens' quality of life; and

WHEREAS, both parties agree that improving the infrastructure within a community enhances safety and transportation, provides for increased mobility and connectivity for the citizens and improves neighborhood aesthetics which in turn promotes more investment in the area; and

WHEREAS, an objective of the Panama City redevelopment plan is to improve the infrastructure, mobility, and connectivity in the CRA districts, to enhance public safety and to encourage investment in the districts; and

WHEREAS, the CRA Board set aside funds for road paving and resurfacing in its budget for the Millville and Downtown North districts over the next five (5) years and the St. Andrews district over the next four (4) years beginning in fiscal year 2026-2027; and

WHEREAS, the City's public works department has the capability to repave and resurface roadways within the CRA at a lower overall cost compared to the CRA hiring private contractors; and

WHEREAS, the CRA and the City recognize the cost savings as enhancing fiscal responsibility and stewardship by utilizing the lower cost public works department for paving and resurfacing so that an increased amount of linear miles of roadways within the specified redevelopment area can be improved for the same amount of funding; and

WHEREAS, the CRA desires to contract with the City to provide road paving and resurfacing services within the Millville, St. Andrews and Downtown North CRA districts; and

WHEREAS it is in the best interest of the CRA, the City, and the citizens of the City of Panama City, Florida to establish this Program.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the CRA agree as follows:

Section 1. Recitals and Authority.

1.1 Recitals. The Recitals set forth above are true and correct and are incorporated in this Agreement by reference.

1.2 Authority. This Agreement is entered into by the Parties pursuant to Section 163.01, Florida Statutes, known as the "Florida Interlocal Cooperation Act of 1969," and Section 163.400, Florida Statutes, entitled "Cooperation by Public Bodies."

Section 2. Intent. The intent of this Agreement is to provide the terms and conditions by which the City of Panama City's Public Works Department (PW Department) will provide road paving and resurfacing for the designated lineal miles per year for the next five (5) years of the City's roadways within the Millville and Downtown North CRA districts, and the next four (4) years within the St. Andrews district beginning in fiscal year 2026-2027.

2.1 The Panama City PW Department will provide road paving and resurfacing each year in the three designated districts in the amount of linear miles listed each year as listed in Exhibit A.

2.2 The Director of the PW Department, and/or his designee, will oversee all aspects of the Program.

Section 3. Method of Reimbursement and Compensation.

3.1 Cost of the Service. CRA agrees to pay City of Panama City a total of Four Hundred Fifty Thousand Dollars (\$450,000) for the Millville District, Two Hundred Fifty Thousand Dollars (\$250,000) for the Downtown North District, annually for a period of five (5) years for the above-mentioned services. The CRA agrees to pay City of Panama City a total of Two Hundred Fifty Thousand Dollars (\$250,000) for the St. Andrews District, annually for a period of four (4) years beginning in fiscal year 2026-2027 for the above-mentioned services.

3.2 Reimbursement to City. In consideration of providing the services described in Article 2 hereof by the City commencing on _____, the CRA will compensate the City, to the extent funds of the CRA are budgeted and available and eligible for payment in accordance with section 163.387(6), Florida Statutes, as consideration for services provided to the CRA during fiscal years 2025-2026, 2026-2027, 2027-2028, 2028-2029, and 2029-2030 by the City. The CRA's payment obligations under this Agreement constitute an obligation to pay and indebtedness in accordance with the Act. These payments will be made in full upon receipt of an invoice from the City.

3.3 Method of Payment. The parties agree that the CRA's obligation to compensate the City pursuant to section 3.1 hereinabove shall be made to City in accordance with the CRA approved budget and with available funds. Provided, however, any outstanding payment obligation not waived shall be budgeted by the CRA and made available to the City prior to the termination of the trust fund as provided in Chapter 163 of Florida Statutes.

3.4 Annual Statement and Payment. The City shall prepare and present to the CRA an annual statement each fiscal year to be approved as part of the CRA annual budget process. The annual statements shall reflect the upcoming fiscal year anticipated costs for the amount of lineal miles to be paved in each district area as well as any unpaid obligations from prior periods. Any amounts contained in the approved CRA budget for payment to City shall be paid by the CRA.

Section 4. Term. The term of this Contract shall begin on the date of approval and execution of this Contract and shall ends on September 30, 2030. On an annual basis, the scope of services provided herein and the corresponding costs for said services will be reevaluated based on needs of the specified redevelopment area for each additional fiscal year. Renewal of this Agreement shall be for successive one-year terms upon written consent of all parties to the Agreement. The payments referenced in Exhibit A hereto will be made in full upon receipt of an invoice from the City.

Section 5. Records. City and CRA shall keep such records and accounts as may be necessary to support the cost of services incurred by the CRA in accordance with this agreement. Such books and records will be available at all reasonable times for examination and audit by CRA and shall be retained as provided by law or for no less than a period of six (6) years after completion of each requested service performed pursuant to this Agreement.

Section 6. Miscellaneous.

6.1 Headings. The headings of the sections of this Agreement are for convenience only and do not affect meanings of any provisions hereof.

6.2 Amendment. The terms, covenants, conditions and provisions of this Agreement cannot be altered, changed, modified or added to, except in writing signed by the City and the CRA and approved by the CRA Board and the City Commission.

6.3 Third Party Beneficiaries. Neither of the Parties intend to directly or substantially benefit any third party by this Agreement. Therefore, Parties agree that there are no third-party beneficiaries to this Agreement and that no third party shall be entitled to assert a claim against either of them based upon this Agreement.

6.4 Construction. Both Parties have substantially contributed to the drafting and negotiation of this Agreement and this Agreement shall not, solely as a matter of judicial construction, be construed more severely against one of the Parties than the other.

6.5 Governing Law; Venue. This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Venue for litigation concerning this Agreement shall be solely in Bay County, Florida.

6.6 Invalidity. If any term or provision of this Agreement, or the application thereof to any person or circumstance is determined to be invalid or unenforceable, then to the extent that the invalidity or unenforceability thereof does not deprive a Party of a material benefit afforded by this Agreement, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, will not be affected thereby, and each term and provision of this Agreement will be valid and will be enforced to the full extent permitted by law.

6.7 Waiver. No express or implied consent or waiver by a Party to or of any breach or dealt by the other Party in the performance by such other Party of its obligations under this Agreement will be deemed or construed to be a consent or waiver to or of any other breach or dealt in the performance by such other Party of the same or any other obligations of such other Party hereunder. Failure by a Party to complain of any act or failure to act of the other Party or to declare the other Party in default, irrespective of how long such failure continues will not constitute a waiver by such Party of its rights hereunder. The giving of consent by a Party in any one instance will not limit or waive the necessity to obtain such Party's consent in any future instance.

6.8 Independent Contractor. In performing its obligations hereunder, the City shall be deemed an independent contractor and not an agent or employee of the CRA.

6.9 Assignment. Neither this Agreement, or any interest herein, shall be assigned, transferred or otherwise encumbered by the CRA or the City without the prior written consent of the other Party.

6.10 Notice. Whenever any party desires or is required by this Agreement to give notice to the other party, it must be in writing and given by hand, sent by certified mail, with return receipt requested, or sent by a recognized overnight courier (e.g., Federal Express) addressed to the party for whom it is intended, at the address specified for notice by the Parties from time to time. Notice may also be given by electronic means (e.g., facsimile or email) provided such is followed up with a hard copy by one of the methods in the previous sentence.

6.11 Entire Agreement. No statements, representations, warranties, either written or oral, from whatever source arising, except as expressly stated in this Agreement, shall have any legal validity between the parties or be binding upon any of them. The Parties acknowledge that this Agreement contains the entire understanding and agreement of the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the City and the CRA hereto have caused this Agreement to be executed as of the date first above written.

CITY:

CRA:

CITY OF PANAMA CITY

CITY OF PANAMA CITY COMMUNITY
REDEVELOPMENT AGENCY

By: _____
Allan Branch
Mayor

By: _____
Jonathan H. Hayes
Executive Director

ATTEST:

By: _____
Janette Smith, CPA, CMC
City Clerk-Treasurer

Approved as to form and legal sufficiency:

Approved as to form and legal sufficiency:

By: _____
Nevin J. Zimmerman, City Attorney

By: _____
Nevin J. Zimmerman, Esq., CRA Attorney

Exhibit A

The following identifies the total lineal miles per year in each identified district of the CRA that the City's Public Works Department is to provide.

Millville:

- Year One (FY26) 0.80 centerline miles (4,224 linear feet)
- Years Two through Five (FY27 – FY30) 0.88 centerline miles per year (4,646 linear feet)
- Total length of 4.30 centerline miles over five years

Downtown North:

- Year One (FY26) 0.40 centerline miles (2,112 linear feet)
- Years Two through Five (FY27 – FY30) 0.50 centerline miles per year (2,640 linear feet)
- Total length of 2.40 centerline miles over five years

St. Andrews:

- Year One (FY27) 0.40 centerline miles (2,112 linear feet)
- Years Two through Four (FY28 – FY30) 0.50 centerline miles per year (2,640 linear feet)
- Total length of 1.90 centerline miles over four years

COST BREAKDOWN

<i>CRA District</i>	<i>Annual Cost Per District</i>
Millville	\$450,000.00
St. Andrews	\$250,000.00
Downtown North	\$250,000.00