

BCC Mtg. Date: January 15, 2019

**INTERLOCAL AGREEMENT CREATING THE  
FLORIDA MUNICIPAL POWER AGENCY**

**WHEREAS**, the United States as a whole and the State of Florida in particular face an energy shortage arising from an increasing demand for energy, particularly for oil and natural gas, and insufficient supplies of oil and natural gas to satisfy that demand; and

**WHEREAS**, this energy shortage has precipitated a national energy crisis of unparalleled proportions; and

**WHEREAS**, the electric utilities in the State of Florida will of necessity be faced with a challenge of great magnitude to assure the citizens of Florida that the demands for growth in electric power will be met with a reasonable balance between the need for new facilities and the environmental impact resulting from the construction and operation of these new facilities; and

**WHEREAS**, the undersigned parties operate municipal electric systems; and

**WHEREAS**, mutual advantage may be obtained from the coordinated planning, construction and operation of these systems, and joint purchases, sales and exchanges of electric power; and

**WHEREAS**, additional mutual advantage may be obtained from the coordinated planning, constructing and operating of certain joint electric power supply projects and any and all facilities, including all equipment, structures, machinery, and tangible and intangible property, real and personal, for the joint generation or transmission of electrical energy, or both, including any fuel supply or source useful for such a project; and

**WHEREAS**, in addition and supplemental to their other powers, the undersigned parties, pursuant to Chapter 361, Part II, Florida Statutes, as amended, commonly known as the "Joint Power Act," are authorized and empowered to join with each other and any other electric utility or group of electric utilities for the purposes of jointly financing, acquiring, constructing, managing, operating, utilizing and owning any joint electric power supply project or projects; and

**WHEREAS**, in addition and supplemental to their other powers, the undersigned parties, pursuant to Chapter 163.01, Florida Statutes, as amended, commonly known as the "Florida Interlocal Cooperation Act of 1969," are authorized and empowered to join with each other and any other electric utility or group of electric utilities for the purposes of jointly financing, acquiring, constructing, managing, operating, utilizing and owning any joint electric power supply project or projects; and

**WHEREAS**, in the implementation of Chapter 361, Part II, Florida Statutes, as amended, the undersigned parties may create any organization, association, or legal entity for the accomplishment of the purposes thereof; and

**WHEREAS**, in addition and supplemental to their other powers, the undersigned parties, pursuant to Chapter 163.01, Florida Statutes, as amended, commonly known as the "Florida Interlocal Cooperation Act of 1969," are authorized and empowered to cooperate with each other on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population, and other factors influencing the needs and development of local communities; and

**WHEREAS**, mutual advantage can be obtained from the implementation of pooled financing or borrowing for electric projects and other needs of the Florida Municipal Power Agency and its members financing alternatives and flexibility that might not otherwise be available to them individually; and

**WHEREAS**, the development of the All-Requirements Power Supply Project established and created by the Florida Municipal Power Agency makes it advantageous to clarify certain provisions regarding governance contained in this Interlocal Agreement; and

**WHEREAS**, Section 163.01, Florida Statutes, has been amended to allow pooled financing or borrowing for purposes in addition to electric projects.

**NOW, THEREFORE**, this Interlocal Agreement is entered into pursuant to Chapter 361, Part II, Florida Statutes, as amended, and/or Section 163.01, Florida Statutes, as amended, and such other statutes, ordinances and charters as may from time to time be applicable.

#### **ARTICLE I**

##### **Establishment of Agency, Location, Agency Seal and Fiscal Year**

**SECTION 1. Establishment of Agency.** An agency, constituting a separate governmental legal entity with the purposes and powers hereinafter set forth, is hereby created under the authority of Chapter 361, Part II, Florida Statutes, as amended, and Chapter 163.01, Florida Statutes, as amended, to exercise the powers granted by either provision and to be known as the Florida Municipal Power Agency (hereinafter referred to as the "Agency").

**SECTION 2. Location.** The principal office of the Agency in Florida shall be located in Tallahassee, Florida. The Board of Directors may change the location of the principal office in Florida and/or establish such other offices either within or without the State of Florida as it deems appropriate.

**SECTION 3. Seal.** The Board of Directors may adopt a seal of the Agency and shall have the authority to change or alter such seal.

**SECTION 4. Fiscal Year.** The fiscal year of the Agency shall end September 30.

**ARTICLE II**  
**Purposes and Powers of the Agency; Designation of Projects;**  
**Termination of Projects**

**SECTION 1. Purpose of the Agency.** The Agency is formed to undertake the financing, acquiring, constructing, managing, operating, utilizing and owning, either with or without other electric utilities or groups of utilities, of any joint electric supply project or projects and any and all facilities, including all equipment, structures, machinery, and tangible and intangible property, real and personal, for the joint generation or transmission of electrical energy, or both, including any fuel supply or source useful for such a project, either within or without the State of Florida.

In addition, the Agency is formed to act on behalf of the undersigned parties jointly exercising their powers as permitted by Section 163.01, Florida Statutes, as amended. It is expressly recognized and agreed that such exercise of powers by the Agency pursuant to Section 163.01, Florida Statutes, as amended, may be broader in scope than the powers granted pursuant to Chapter 361, Part II, Florida Statutes, as amended.

The Agency is also formed for the purpose of pooled financing or borrowing and the establishment of a pooled loan project to be utilized by the Agency and the undersigned parties and other governmental entities for all costs incurred or to be incurred by the Agency and the undersigned parties and other governmental entities, including any costs relating to any project designed or intended to decrease the costs of the utility system of the Agency, the undersigned parties or other governmental agencies or to increase the capacity or reliability of such utility system, including, without limitation, costs incurred in connection with the planning, engineering, designing, acquiring, leasing, constructing, installing, financing, operating, maintaining, retiring, decommissioning or disposing of (A) any part of the Agency's or the undersigned parties' or other governmental entities' electric, water, wastewater, waste or refuse disposal, telecommunications, resource recovery or gas systems or any other utility system of the Agency or the undersigned parties or other governmental entities permitted by law, (B) any part of an electric, water, wastewater, waste or refuse disposal, telecommunications, resources recovery or gas facility or of any other utility facility in which the Agency or the undersigned party or other governmental entity has a joint ownership interest, or (C) any project entered into by the Agency permitted by law. Such costs include, but are not limited to, planning, engineering, designing, acquiring, leasing, construction, installing, financing, operating, maintaining, retiring, decommissioning, obtaining of governmental approvals, certificates, permits and licenses, acquisition of real and personal property, acquisition of fuel or facilities for the production, transportation and storage of fuel, payments and prepayments for electricity and fuel, payments under various derivative contracts, including, without limitation, financial and commodity hedges, working capital and reserves, all types of insurance including self-insurance, legal, engineering and financial fees, bank commitment and letter of credit fees, expenses of trustees, registrars and paying agents, any amounts required to be paid

into any fund or account by any bond resolution of the Agency or the undersigned parties or other governmental entities, prepayment of interest, principal, premium or any obligation, bond or note of the Agency or the undersigned parties or other governmental entities, including the purchasing thereof of the open market or in response to a request for tender offers and any other lawful purposes as authorized by the Agency or the undersigned parties or other governmental entities from time to time. The costs for which borrowings may be made from the pooled loan project are intended to be construed as broadly as possible to the extent permitted by applicable law.

As used herein, "other governmental entities" means Florida governmental entities, whether or not such governmental entities are an undersigned party to this Interlocal Agreement.

**SECTION 2. Powers of the Agency.** In order to carry out the purposes of the Agency set forth herein, the Agency shall have the following powers:

- (a) to plan, finance, acquire, construct, purchase, operate, maintain, use, share cost of, own, lease, sell or dispose of any joint electric power supply project or projects and any and all facilities, including all equipment, structures, machinery, and tangible and intangible property, real and personal, for the joint generation or transmission of electrical energy, or both, including any fuel supply or source, within or without the State of Florida;
- (b) to investigate the desirability of and necessity for additional sources and supplies of electrical energy and fuel of any kind for such purposes and transmission facilities therefore, and make studies, surveys and estimates as may be necessary to determine the feasibility and cost thereof;
- (c) to cooperate with other persons or other entities, public or private, in the development of sources and supplies of electrical energy and fuel of any kind for such purposes and transmission facilities therefore, and give assistance financial or otherwise in any such development;
- (d) to apply to any person or other entity, public or private, for consents, permits, authorizations or approvals required for any project undertaken in accordance with this Agreement and take all actions necessary to comply with the conditions thereof;
- (e) to acquire, hold, use, and dispose of income, revenues, funds and money;
- (f) to exercise all powers in connection with the authorization, issuance and sale of bonds and bond anticipation notes as are conferred by Section 163.01,

Florida Statutes, as amended, and by such other applicable statutes as may hereafter be adopted;

- (g) to invest money of the Agency not required for immediate use, including proceeds from the sale of any bonds, in such obligations, securities, and other investments as authorized by applicable law and any applicable provisions of any bond resolution or other instruments governing the fund or funds in which such money is deposited;
- (h) to exercise the power to eminent domain;
- (i) to enter into, on its own behalf or as agent for any one or more of the parties hereto, any contract or agreement necessary, appropriate or incidental to the effectuation of its lawful purposes and the exercise of the power granted herein, including, without limitation, contracts or agreements for the purchase, sale, prepayment, exchange, interchange, wheeling, pooling, transmission, distribution or storage of electrical capacity or energy from any source, and fuel or any rights thereto of any kind for any such purposes, within and without the State of Florida, and any contracts or agreements constituting any form of financial or commodity hedge in such amounts as it shall determine to be necessary and appropriate to make the most effective use of its powers and to meet its responsibilities and with such persons or other entities, public or private, on such terms and for such period of time as its Board of Directors or Executive Committee, as appropriate, determines; provided, however, that the Agency shall not sell, transfer or distribute any electrical power except on a wholesale basis and the Agency shall not sell, transfer or distribute any electrical power in violation of the provisions of Section 361.14, Florida Statutes;
- (j) to procure insurance from such insurers as it deems desirable or to self-insure, or both, against any losses in connection with its property, operations, or assets;
- (k) to make and enter into contracts in its own name, to employ agents or employees, to acquire, construct, manage, maintain or operate buildings, works or improvements, to acquire, hold or dispose of property;
- (l) to incur debts, liabilities, or obligations which do not constitute debts, liabilities or obligations of the parties to this Interlocal Agreement;
- (m) to sue and be sued;

- (n) to exercise any power, privilege or authority which is necessary and proper to further the purposes of the Agency and which the parties to this Interlocal Agreement might exercise in their individual capacities;
- (o) to exercise any other power or powers conferred presently or in the future under the laws of Florida, as are in furtherance of the purposes of the Agency;
- (p) to establish, operate and manage a pooled loan project or projects for utilization by the Agency, the undersigned parties and other governmental entities;
- (q) to exercise all powers in connection with the authorization, issuance and sale of bonds and bond anticipation notes as are conferred by Section 163.01, Florida Statutes, and by such other applicable statutes as may be hereinafter adopted;
- (r) to procure insurance from such insurers as it deems desirable, to establish self-insurance, to otherwise establish a program or project to provide insurance for the Agency and/or the undersigned parties or any combination thereof to insure against any losses in connection with the activities, property, operations or assets of the Agency or the undersigned parties;
- (s) to enter into interlocal agreements with any one or more public agencies, including other separate legal entities created pursuant to Section 163.01, Florida Statutes, as amended pursuant; and
- (t) to do all other things and take all other actions deemed necessary or desirable by the Board of Directors or Executive Committee, as appropriate, to carry out any one or more of the foregoing powers.

**SECTION 3. Designation of Projects.** Prior to undertaking any project, including any Study Project, the Board of Directors shall adopt a resolution supplementing this Interlocal Agreement and authorizing said project, and designating it as a project hereunder. In addition, such resolution may state that this Interlocal Agreement as supplemented by said resolution shall constitute "an agreement to implement a project," a "joint power agreement" and a "project agreement" for such project, as those terms are used in Chapter 361, Part II, Florida Statutes, as amended, or a joint exercise of powers, privileges, and authorities pursuant to Section 163.01, Florida Statutes, as amended, and shall specify (in case of any project other than a Study Project) the interest or method of determining such interest, if any, of each member in such project. Any such resolution shall be maintained by the Secretary of the Agency among the permanent records of the Agency and shall be subject to modification or amendment from time to time by further resolution of the Board of Directors. As used in this Section 3, the term "Study Project" shall include the investigation of the desirability of and necessity for

(1) one or more additional sources or supplies of electric capacity or energy or both; (2) transmission facilities; (3) acquisition, extraction, conversion, transportation, storage or reprocessing of fuel of any kind; and (4) joint action projects associated with electric utility operations; and the study to determine the feasibility and costs of one or more proposed projects. "Study Project" shall also include, in connection with the foregoing, the causing to be performed engineering, legal, financial and other services as may be necessary or advisable to determine the legality and the financial and engineering feasibility thereof.

In implementing any pooled loan project, the Board of Directors shall adopt a Resolution supplementing this Interlocal Agreement and authorizing said project, designating it as a project hereunder, stating that this Interlocal Agreement as supplemented by said Resolution shall constitute an "agreement to implement a project."

**SECTION 4. Termination of Projects.** Upon the termination of any project of the Agency (other than a Study Project) and after

- (a) all bonds, notes or other evidences of indebtedness of the Agency with respect to such project, and the interest thereon, shall have been paid or adequate provision for such payment made in accordance with the provisions of such bonds, notes or other evidences of indebtedness and
- (b) all contractual obligations undertaken by the Agency with respect to such project and all liens, charges and encumbrances to which the property constituting a part of such project is subject shall have been satisfied, released or adequately provided for,

then all property, real, personal, tangible and intangible of the Agency constituting a part of such project shall promptly be divided among and distributed to the parties participating in such project in the proportion that each party's participation in such project bears to the participation of all parties participating in such project or in such other manner as such parties shall agree.

### **ARTICLE III Structure of the Agency**

**SECTION 1. Board of Directors.** Except as to matters relating to the All-Requirements Power Supply Project as provided in Section 4 of this Article III, the Agency shall be governed by a Board of Directors. The Board of Directors shall be composed of one Director designated in writing by each party to this Interlocal Agreement, who shall serve at the pleasure of the party designating him. Parties may appoint in writing such alternate directors as they deem necessary. Any such alternate shall be entitled to vote in the absence of the Director for whom he is an alternate at meetings of the Board of Directors, but shall not be entitled to assume or perform the duties of any office of the Agency held by the Director for whom he is an alternate.

**SECTION 2. Meetings.** The Board of Directors shall meet annually within the State of Florida at a time and place as determined by the Board of Directors. Special meetings of the Board of Directors may be held within or without the State of Florida. The By-laws (hereinafter all references to the by-laws are references to the Agency by-laws adopted by the Board of Directors unless otherwise expressly stated) may provide for regular meetings of the Board of Directors to be held within the State of Florida at times and places selected by the Board of Directors. Special meetings of the Board of Directors may be called by the Chairman or any two or more Directors in accordance with the By-laws.

**SECTION 3. Quorum and Voting.**

- (a) Each Director shall have at least one vote to cast on each matter submitted to a vote of the Board of Directors. Furthermore, (i) each Director representing a member system that participates in a power supply project of the Agency, but not participating in the All-Requirements Power Supply Project, shall have 1.5 votes; and (ii) each Director representing a member system that participates in the All-Requirements Power Supply Project shall have 2 votes.
- (b) The number of votes held by each Director as of the time of adoption of the seventh amendment to the Interlocal Agreement (approved by the Board of Directors on March 26, 2009) is reflected on Schedule "A" attached hereto.
- (c) Schedule "A" shall be modified by the Secretary (or at the Secretary's direction by any Assistant Secretary), as necessary, to reflect all changes in member systems' participation in the Agency's projects. All modifications to Schedule "A" shall be promptly distributed to the Board of Directors by Agency staff.
- (d) A quorum exists at any meeting of the Board of Directors when a majority of the total votes of the Board of Directors is present at such meeting, which is noted on Schedule "A" attached hereto. Directors may participate in any meeting of the Board of Directors by means of conference telephone, video conference or other communications equipment by means of which all persons attending such meeting can hear each other. During any such meeting, one or more Directors, may, but need not, be together in one location. Participation in such a meeting of the Board of Directors shall constitute presence in person at the meeting. If a quorum exists, a majority vote of the total votes present and constituting a quorum shall be necessary to take any action except upon such



matters as a vote of greater than a majority is required pursuant to this Agreement or the by-laws.

- (e) All questions regarding project matters, except as otherwise provided herein, shall be decided by the Board of Directors. Within the decision-making process the individual needs and desires of the participants within the project shall be given the strongest consideration consistent with the best interest of all members of the Agency and all other projects of the Agency.

Each project shall have a project committee; provided, however, notwithstanding this Article III, Section 3(e), the All-Requirements Power Supply Project shall be governed pursuant to Article III, Section 4. The project committee shall be comprised of no more than one representative from each member system participating in each project. Each project committee will meet as necessary to discuss questions involving the administration of the project and will make recommendations to the Board of Directors regarding the policy decisions to be made about the project (except for the All-Requirements Power Supply Project). The implementation of those policy decisions shall be the responsibility of the Agency Staff. A quorum exists at any meeting of any project committee when a majority of the total votes of the project committee is present at such meeting, unless otherwise determined by the project committee or provided for in the by-laws. Each member system with a representative on the project committee shall be entitled to one vote. If a quorum exists, a majority vote of the quorum shall be necessary to take any action, unless otherwise determined by the project committee or the by-laws.

The project related contract between the Agency and the participating member will include a provision by which the member recognizes that the Agency will be responsible for making all decisions with regard to the project.

**SECTION 4. Executive and Other Committees.** Except as to matters relating to the Agency generally or as otherwise specifically provided herein, all matters relating to the business and affairs of the All-Requirements Power Supply Project, including but not limited to the incurrence of indebtedness and other contractual obligations, shall be governed and managed by the Executive Committee. Any reference in the any resolution of the Agency, including bond resolutions, any contract, policy, instrument, or other writing, to the Chairman and the Board of Directors (or the Board), with respect to the business or affairs of the All-Requirements Power Supply Project, shall be deemed, as of the effective date of Amendment Number Six hereto, to be a reference to the Chairperson of the Executive Committee and the Executive Committee,

respectively. Any reference in any resolution of the Agency, including bond resolutions, any contract, policy, instrument or other writing, to the Executive Committee or the Chairman of the Executive Committee, with respect to the business or affairs of any project of the Agency other than the All-Requirements Power Supply Project, shall be deemed, as of the effective date of Amendment Number Six hereto, to be a reference to the Board of Directors and the Chairman of the Agency, respectively. The Executive Committee shall be composed of one (1) representative designated in writing by each Participant in the All-Requirements Power Supply Project pursuant to the All-Requirements Power Supply Project Contract (ARP Contract), who shall serve as provided in the ARP Contract or as otherwise provided for in the Executive Committee by-laws. The Executive Committee shall exercise such powers as are provided in this Interlocal Agreement, the by-laws, or as delegated to it in writing by the Board of Directors, and it may adopt Executive Committee by-laws to govern the conduct of Executive Committee business.

The Board of Directors and the Executive Committee may create other committees and shall decide the manner in which such other committees shall conduct their business.

**SECTION 5. Resignations of Members of Board of Directors and Executive Committee.** Any Director or Member of the Executive Committee may at any time resign his office by the delivery of his resignation in writing to the Agency (Attention: the Secretary), or as otherwise provided in the by-laws of the Agency or the Executive Committee, as appropriate. Any such resignation shall be effective upon receipt, and acceptance thereof shall not be necessary to make it effective unless it so states.

**SECTION 6. Vacancies on the Board of Directors and Executive Committee.** Any vacancy on the Board of Directors shall be filled by the party who designated the Director by written notice to the Agency (Attention: the Secretary). The filling of any vacancy on the Board of Directors shall be effective upon receipt of such notice. Any vacancy on the Executive Committee shall be filled as provided for in the by-laws of the Executive Committee.

**SECTION 7. By-Laws.** The Board of Directors shall adopt By-laws governing rules of order and other subjects required for the orderly conduct of the Agency's business within 30 days of the first meeting of the Board of Directors.

The original By-laws of the Agency shall be unanimously adopted by the Board of Directors. When a quorum exists at any meeting of the Board of Directors as specified in Article III, Section 3(d) of this Interlocal Agreement, amendments to the By-laws shall be adopted by a two-thirds (2/3) vote of such quorum at any meeting thereof or as otherwise provided in the By-laws.

Subject to the provisions of the ARP Contract, the Executive Committee within thirty (30) days of the effective date of Amendment Number Six to this Interlocal Agreement shall adopt by-laws governing its structure, rules of order, its operations and procedures, how it shall do

business, and other subjects required for the orderly conduct of the business of the All-Requirements Power Supply Project. The Board of Directors shall review the initial by-laws of the Executive Committee adopted pursuant to this Article III, Section 7 and shall have the authority to require changes to the Executive Committee by-laws based upon such review; provided, however, the Board of Directors shall have no authority to review or require changes to the Executive Committee by-laws after its review of the initial Executive Committee by-laws as provided for in this Article III, Section 7.

#### **ARTICLE IV Officers**

**SECTION 1. Designation and Qualification.** The officers of the Agency, as specified in the by-laws, shall consist of a Chairman, a Treasurer, a Secretary, and such other officers, including one or more Vice Chairmen, Assistant Treasurers, Assistant Secretaries, as the Board of Directors may determine. The Chairman, any Vice Chairman, the Secretary and the Treasurer shall be Directors, but no other officer need be a Director. A person may hold more than one office at the same time except that the Chairman and the Secretary may not be the same person. The Treasurer and all Assistant Treasurers shall each give the Agency a bond for the faithful performance of his or her duties in such sum and with such surety or sureties as may be requested from time to time by the Board of Directors or the Executive Committee, in the exercise of their respective discretion. The by-laws of the Executive Committee shall provide for the election of a Chairperson and Vice Chairperson and other officers as the Executive Committee, in accordance with the by-laws of the Executive Committee, deems appropriate. The Secretary, all Assistant Secretaries, the Treasurer, all Assistant Treasurers, the General Manager, and the General Counsel shall also serve the same roles for the Executive Committee.

**SECTION 2. Election and Term.** All elected officers of the Agency shall be elected by the Board of Directors, and they shall hold their office for a term of one (1) year, or as otherwise provided for in the by-laws.

**SECTION 3. Chairman.** The Chairman shall preside at all meetings of the Board of Directors at which he is present. The Chairman shall also have the powers and duties prescribed in the by-laws and such other powers and duties as may be expressly assigned to him by the Board of Directors.

**SECTION 4. Vice Chairman.** The Vice Chairman or Vice Chairmen, if any, shall have such powers and perform such duties of the Chairman as may be assigned to them by the Board of Directors or the Chairman. In the event of the absence, resignation, removal or incapacity of the Chairman, the Vice Chairman, if any, or if there be more than one Vice Chairman, the First Vice Chairman, shall have and exercise all the power and duties of the Chairman until such time as the Chairman is able to resume his duties or until such time as a new Chairman is elected by the Board of Directors.

**SECTION 5. Treasurer and Assistant Treasurers.** The Treasurer shall have, subject to the by-laws or the direction of the Board of Directors or the Executive Committee, as appropriate, general oversight over the funds and financial affairs of the Agency and shall have general oversight responsibility to ensure that full and accurate records thereof be kept. The Treasurer shall render, or cause appropriate Agency staff to render, to the Board of Directors and the Executive Committee, at their regular meetings and such other times as they may determine, a statement of the financial condition of the Agency and a report of the financial transactions of the Agency. In the event of the refusal, absence, resignation, removal or incapacity of the Treasurer, the Assistant Treasurer, or if there be more than one, the First Assistant Treasurer, shall have and exercise all powers and duties of the Treasurer until such time as the Treasurer is willing and able to resume his duties or until such time as a new Treasurer is elected by the Board of Directors.

In addition to the foregoing, any Assistant Treasurers shall be assigned such duties and powers of the Treasurer as the Board of Directors and/or the Executive Committee may determine.

**SECTION 6. Secretary and Assistant Secretaries.** The Secretary shall attend all meetings of the Board of Directors and Executive Committee and shall have general oversight responsibility to ensure that an accurate record of the proceedings is kept in books provided for that purpose. He shall notify, or cause appropriate Agency staff to notify, the Directors and Members of the Executive Committee of their meetings in accordance with the provisions of this Interlocal Agreement and the respective by-laws. In the event of the refusal, absence, resignation, removal or incapacity of the Secretary, the Assistant Secretary, or if there be more than one, the First Assistant Secretary, shall have and exercise the powers and duties of the Secretary until such time as the Secretary is willing and able to resume his duties or until such time as a new Secretary is elected by the Board of Directors.

In addition to the foregoing, any Assistant Secretary shall be assigned such duties and powers of the Secretary as the Board of Directors and/or Executive Committee may determine.

**SECTION 7. Resignation.** Any officer may at any time resign his office by the delivery of a resignation in writing to the Agency (Attention: the Secretary). Such resignation shall be effective upon receipt, and acceptance thereof shall not be necessary to make it effective unless it so states.

**SECTION 8. Removal of Officers.** Other than the Chairperson and Vice Chairperson and other elected or appointed officers of the Executive Committee, any officer may be removed from office at any time by the Board of Directors in accordance with the by-laws. The Chairperson and vice Chairperson of the Executive Committee and any other officers elected or appointed by the Executive Committee may be removed from office at anytime by the Executive Committee in accordance with the by-laws of the Executive Committee.

**ARTICLE V**  
**Cash Contributions**

Effective as of the commencement of the fiscal year of the Agency beginning October 1, 1980, each party of this Agreement shall make an annual, cash contribution to the Agency in an amount based upon its kWh Sales (retail) as last reportable by each party to the Florida Municipal Electric Association, Inc., or as the reporting/collecting of such kWh Sales (retail) information may otherwise be established by a resolution adopted at any annual meeting of the Board of Directors, according to the formula set forth on Schedule "B" attached hereto; provided, however, that no party to this Agreement which has entered into a Power Supply Development Agreement with the Agency or has entered into an agreement evidencing its participation in any other specific project of the Agency shall be required to pay any annual cash contribution to the Agency for any fiscal year of the Agency commencing after the execution of any such agreement and ending on or prior to September 30, 1982; provided, further, however, that the Board of Directors shall always have and retain the right to change the assessment policy of the Agency and to require cash contributions from the parties in accordance with the terms of a resolution changing such assessment policy and requiring cash contributions from the parties adopted at any annual meeting of the Board of Directors. After September 30, 1982, members receiving power from a project of the Agency will not be required to pay assessment payments under Schedule B, but in lieu thereof will pay an allocable portion of the project administrative costs of each project in which it is a participant and may, in addition, be required to pay a management fee as determined by the Board of Directors, not to exceed 0.5 mills per kilowatt hour sold to it by the Agency payable to the General Fund of the Agency for the development of future Agency projects.

**ARTICLE VI**  
**Miscellaneous Provisions**

**SECTION 1. Duration.** This Interlocal Agreement shall continue in full force and effect, subject to the right to rescind this Interlocal Agreement and dissolve the Agency provided by Section 2 of this Article VI, until September 30, 2042, or until such later date as all bonds, notes or other evidences of indebtedness of the Agency and the interest thereon shall have been paid in full or adequate provision for such payment shall have been made in accordance with the instruments governing such bonds, notes or other evidences of indebtedness; however, any party, by written notice to the Agency and each of the other parties to this Agreement, may terminate its participation in this Agreement subject to any contractual obligations undertaken.

**SECTION 2. Dissolution of the Agency.** This Interlocal Agreement shall continue in full force and effect, and the Agency shall continue to possess the powers herein conferred upon it, until the parties shall have rescinded this Interlocal Agreement (in accordance with this Section 2) or it shall terminate (in accordance with Section 1 of this Article VI). Any such termination or rescission of this Agreement shall constitute a dissolution of the Agency. Rescission of this Interlocal Agreement may only be accomplished by a writing or writings executed by each party and

approved by resolution of each party's governing body. In no event shall this Interlocal Agreement or the powers herein granted to the Agency be rescinded until (a) all bonds, notes and other evidences of indebtedness of the Agency and the interest thereon shall have been paid or adequate provision for such payment shall have made in accordance with the instruments governing such bonds, notes and other evidences of indebtedness and (b) all contractual obligations undertaken by the Agency and all liens, charges and encumbrances to which property of the Agency is subject shall have been satisfied, released or adequately provided for.

**SECTION 3. Annual Budget.** When a quorum exists at any meeting of the Board of Directors as specified in Article III, Section 3(d) of this Interlocal Agreement, the annual budget shall be amended and/or adopted, from time to time by a two-thirds (2/3) vote of such quorum at any meeting thereof.

**SECTION 4. Liquidation.** Upon dissolution of the Agency, the Board of Directors shall liquidate the business, assets and property of the Agency, as expeditiously as possible, and all property of the Agency, real, personal, tangible and intangible shall be distributed (a) in the case of property constituting a part of a project of the Agency, to the parties hereto participating in such project and in the manner set forth in Section 4 of Article II hereof, and (b) in the case of all other property of the Agency, the parties hereto will share in the proportion that each party's aggregate kilowatt hours of energy purchased from the Agency in the five years prior to dissolution bears to total kilowatt hours of energy purchased by all parties from the agency during that time.

**SECTION 5. Audit.** The Board of Directors and the Executive Committee, as appropriate, shall at least once per year cause an independent audit to be made of the Agency's books and accounts by a certified public accountant.

**SECTION 6. Effective Date.** This Agreement shall be effective as to each party immediately at such time that it is executed by authority of the governing board or body of such parties.

**SECTION 7. Construction.** The provisions of this Agreement shall be given a liberal construction to effectuate its broad purposes. All references in this Interlocal Agreement to terms in the masculine shall also be deemed to include the feminine, and vice versa.

**SECTION 8. New Members.** The Board of Directors, to the extent authorized in the by-laws and applicable statutes, may permit any public entity operating a municipal electric system within the State of Florida to become a party to this Interlocal Agreement; provided, however, that no such public entity shall become a party hereto until (i) its admission is approved at a regular or special meeting of the Board of Directors and (ii) such public entity agrees to the conditions precedent to its membership as determined by the Board of Directors.

**SECTION 9. Amendments.** When a quorum exists at any meeting of the Board of Directors as specified in Article III, Section 3(d) of this Interlocal Agreement, this Interlocal Agreement may be amended by a seventy-five percent (75%) vote of such quorum at any meeting thereof. No amendment of this Interlocal Agreement which would affect the powers, rights or obligations of the Executive Committee may be adopted by the Board of Directors or become effective unless it has previously been approved by a seventy-five percent (75%) vote of a quorum present at a meeting of the Executive Committee called for the purpose of considering such amendment. A copy of all proposed amendments to be considered at any meeting of the Board of Directors shall be mailed to each Director not less than ten (10) days prior to the meeting at which any proposed amendment shall be submitted to a vote.

**SECTION 10. Statutory References.** All references in this Interlocal Agreement to statutes of the State of Florida shall be deemed to refer to such statutes as presently enacted or hereafter amended and also to any statutes hereafter adopted by the State of Florida amending, modifying, replacing or expanding the scope of such statutes.

**SECTION 11. Duplicate Originals.** This Interlocal Agreement may be executed in several counterparts, each of which will be an original but all of which together shall constitute one and the same instrument.

**SECTION 12. Severability.** In the event that any of the terms, covenants or conditions of this Interlocal Agreement or their application shall be held invalid as to any person, corporation or circumstances by any court having jurisdiction, the remainder of this Interlocal Agreement and the application and effect of its terms, covenants or conditions to such persons, corporations or circumstances shall not be affected thereby.

The foregoing Interlocal Agreement was amended to include changes made pursuant to the approval of the Board of Directors on March 26, 2009, by no less than a 75% majority via **Amendment Number Seven**.

The foregoing Interlocal Agreement was amended to include changes made pursuant to the approval of the Board of Directors on May 24, 2007, by no less than a 2/3 majority via **Amendment Number Six**.

The foregoing Interlocal Agreement was amended to include changes made via **Amendment Number Five, Approved on October 27, 2004**.

The agreement was amended on September 29, 1989 to include changes made via

Amendment Number Four, approved by the Board on 6/28/89.

Previous changes made to the original Interlocal Agreement (and incorporated into this document via previous revisions) are:

Amendment Number Three, Approved on 6/23/86  
Amendment Number Two, Approved on 3/27/81  
Amendment Number One, Approved on 6/26/80

Original Interlocal Agreement dated 1977/1978.



IN WITNESS WHEREOF, the undersigned party has duly executed  
this Interlocal Agreement in quintuplicate as of this 10th day  
of September, 1979.

CITY OF VERO BEACH

By: W. A. Smith

MAYOR

ATTEST: Caryl R. Stevens

CITY CLERK

C. J. Smith  
CITY MANAGER

W. J. Jaro  
FINANCE DIRECTOR

(SEAL)

APPROVED AS TO FORM:

Wm. J. Jaro  
CITY ATTORNEY

# SCHEDULE A

## FLORIDA MUNICIPAL POWER AGENCY BOARD OF DIRECTORS VOTING SCHEDULE

Member System	Project Participation	Votes
Alachua	SL	1.5
Bartow		1
Blountstown		1
Bushnell	ARP	2
Chattahoochee		1
Clewiston	ARP and SL	2
Fort Meade	ARP and SL	2
Fort Pierce	ARP, ST, ST2, SL, and TC	2
Gainesville		1
Green Cove Springs	ARP and SL	2
Havana	ARP	2
Homestead	ST, ST2, SL, and TC	1.5
Jacksonville Beach	ARP and SL	2
Key West	ARP, ST2, and TC	2
Kissimmee	ARP, ST, ST2, and SL	2
Lakeland		1
Lake Worth	ARP, ST, and SL	2
Leesburg	ARP and SL	2
Moore Haven	SL	1.5
Mount Dora		1
New Smyrna Beach	SL	1.5
Newberry	ARP and SL	2
Ocala	ARP	2
OUC		1
Quincy		1
St. Cloud	ST2	1.5
Starke	ARP, ST, ST2, and SL	2
Tallahassee		1
<del>Vero Beach</del>	<del>ARP, ST, ST2, and SL</del>	<del>2</del>
Wachula		1
Williston		1
Winter Park		1
TOTAL		<u>49.547.5</u>
Quorum to Conduct Business		<u>2524</u>

Project Designations:

- ARP - All-Requirements Power Supply Project
- ST - Stanton Project
- ST2 - Stanton II Project
- SL - St. Lucie Project
- TC - Tri-City Project

INTERLOCAL AGREEMENT CREATING THE  
FLORIDA MUNICIPAL POWER AGENCY

Schedule B - Cash Assessments

Members not participating in an Agency project will be assessed each fiscal year to pay for the administrative costs of the Agency as follows:

- a) \$6.75 per million kWh for the first 300 million kWh
- b) \$4.05 per million kWh for the next 500 million kWh
- c) \$ .39 per million kWh for all sales over 800 million kWh

The minimum assessment shall be \$500.00 and the maximum assessment shall be \$15,000. Members who are party to a Power Supply Development Agreement or who are participating in an Agency project shall not be required to pay a cash assessment.

Schedule B  
Amended at Board of Directors Meeting January 13, 1984