

**SPECIAL MEETING
DESTIN CITY COUNCIL
SEPTEMBER 23, 2024
ANNEX COUNCIL CHAMBERS
5:15 PM**

*****Core Value of the Month - Integrity*****

CALL TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

NEW BUSINESS

A. Lease extension between DWU and the City of Destin - Morgan Sports Center

PUBLIC COMMENTS

If a person decides to appeal any decision made by the council with respect of any matter considered at this meeting, he/she may need a record of the proceeding, and for such purpose, he/she may need to ensure that verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. FS286.0105

Persons with disabilities who required assistance to participate in this meeting are requested to notify the City Clerk's Office at (850) 837-4242 as soon as possible.

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: September 23, 2024**TYPE OF AGENDA ITEM:** Action Item**AGENDA OUTLINE NUMBER:** A.**TO:** City Council**THRU:** Larry Jones , Interim City Manager
Kimberly Kopp, City Attorney**FROM:** Jeffrey Cozadd, Projects, Grants and Contracts Manager**DATE:** 9/19/24**SUBJECT:** Lease extension between DWU and the City of Destin - Morgan Sports Center**I. BACKGROUND:**

II. DISCUSSION: The city has identified a capital improvement project to place a bathroom/fieldhouse building at Morgan Sports Center. The Morgan Sports Center property is owned by Destin Water Users and leased to the City of Destin. To support this project the City identified a funding opportunity through the Florida Department of Environmental Protection called the Florida Recreational Development Assistance Program (FRDAP).

An eligibility requirement for the FRDAP program is that the applicant demonstrate site control for 30 years from the time of application. The City's current lease with DWU expires September 30, 2042, and therefore does not satisfy the 30-year requirement.

DWU has agreed to extend the lease for 30 years, from October 1, 2024, to October 1, 2054. The DWU board passed this motion on October 17, 2024. DWU will execute the agreement after the city council approves the extension, then the city will execute it. This extension agreement will satisfy the FRDAP requirement for site control.

A. Link to Strategic Goals / Objectives:

B. Effect on Budget (EOB):

C. Level of Service (LOS):

D. Legislative Sponsor:

III. CONCLUSION:

IV. RECOMMENDED MOTION: I move that the City Council approve the Fourth Amendment to the Lease Agreement for the Morgan Sports Center property.

Attachments:

1. DWU lease ext 9.19.24
2. Morgan's Sports Center Lease
3. DWU First Amendment to Lease -
City of Destin
4. DWU Second Amendment to Lease -
City of Destin
5. 3rd Amendment to Lease

FOURTH AMENDMENT TO LEASE AGREEMENT

The parties, Destin Water Users, Inc., a not for profit corporation, whose address is P.O. Box 308, Destin, Florida, 32541 (hereafter referred to as "Lessor" or "DWU"), and the City of Destin, Florida, a Florida municipal corporation, whose address is 4200 Indian Bayou Trail, Destin, Florida, 32541 (hereafter referred to as "Lessee" or "Destin"), hereby amend the Lease Agreement dated July 14, 1997, and the First, Second, and Third Amendments thereto.

Paragraph three (3) entitled "Term" shall be amended as follows:

3. Term. This lease shall be for a term of thirty (30) years, effective October 1, 2024, as herein defined, terminating on October 1, 2054.

All other provisions of the Lease Agreement not specifically amended herein shall remain in full force and effect.

Dated this _____ day of _____, 2024.

ATTEST:

DESTIN WATER USERS, INC.
a Florida Not-For-Profit Corporation

By: _____
Secretary

By: _____
Print: Lockwood Wernet
Title: General Manager

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____ 2024, by Lockwood Wernet, as General Manager of DESTIN WATER USERS, INC., a Florida Non-For-Profit Corporation, on behalf of the corporation, who is ☐ personally known to me or ☐ who has produced _____ as identification.

(SEAL)

NOTARY PUBLIC
Printed Name: _____

ATTEST:

CITY OF DESTIN,
a Florida Municipal Corporation

By: _____
City Clerk

By: _____
Print: _____
Title: _____

STATE OF FLORIDA
COUNTY OF OKALOOSA

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____ 2024, by _____, as City Manager, of CITY OF DESTIN, a Florida Municipal Corporation, on behalf of the corporation, who is ☐ personally known to me or ☐ who has produced _____ as identification.

(SEAL)

NOTARY PUBLIC
Printed Name: _____

LEASE AGREEMENT

STATE OF FLORIDA
COUNTY OF OKALOOSA

THIS LEASE AGREEMENT made and entered into this 14th day of July, 1997, by and between the Destin Water Users, a not for profit corporation, whose address for the purposes of this Lease is P. O. Box 308, Destin, Florida 32541 ("Lessor", "DWU"), and the City of Destin, a Florida municipal corporation, whose address for the purposes of this Lease is 4200 Two Trees Road, Destin, Florida 325431 ("Lessee", "Destin").

WHEREAS, Lessor owns the Leased Premises, as hereinafter defined, on which Lessor has a permit for, and operates, a spray field for the disposal of treated waste water; and

WHEREAS, Lessee and Lessor desire to cooperate in the development and construction of a sports and recreation facility on the Leased Premises which will benefit the citizens of Destin; and

WHEREAS, Lessor and Lessee believe it to be in their mutual best interest to enter into this Lease agreement for the long term use of the Leased Premises by Lessee.

NOW THEREFORE, in consideration of the above and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties do hereby agree as follows:

1. Definitions. As used in this Lease agreement, the words defined immediately below shall have the meaning stated. Words imparting the singular number include the plural number and vice versa, the male gender shall include the female gender and vice versa, unless the context clearly requires otherwise.

(a) "Development Plan" means collectively the development, construction and engineering specifications, renderings, drawings and plans of the Improvements to the Premises as more specifically described in Exhibit "A" attached hereto and incorporated by reference herein, and are subject to the Destin City Council's approval.

(b) "DWU" means Destin Water Users, a not-for-profit corporation established under and existing in good standing in the State of Florida as a corporation exempt from taxation under Section 501(12)(c) of the Internal Revenue Code, as amended from time to time.

(c) "Governmental Requirements" means any permit, law, statute, code, rule, regulation, ordinance, order, judgment, decree, writ, injunction, franchise, condition, certificate, license, authorization, or other direction or requirement of any

governmental and/or regulatory national, state or local entity with jurisdiction over Destin, DWU, the Premises and/or Improvements . Governmental Requirements shall include all applicable, relevant, or appropriate Florida Statutes, Florida Administrative Code rules, and Destin Ordinances and Codes or regulations; and all Florida Statutes, Destin Ordinances and regulations or rules now existing or in the future enacted, promulgated, adopted, entered, or issued, both with and outside present contemplation of the respective parties to this transaction.

(d) "Hazardous Materials" means any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, asbestos, radon, petroleum products, hazardous or toxic substances or related materials, including, without limitation, those defined in:

- (i) The Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. §§ 9601 et seq.);
- (ii) The Hazardous Materials Transportation Act, as amended (42 U.S.C. §§ 1808 et seq.);
- (iii) The Resources Conservation and Recovery Act of 1976, as amended (42 U.S.C. §§ 6901 et seq.);
- (iv) Regulations adopted and publications promulgated pursuant to the foregoing;
- (v) Any other Governmental Requirement; and
- (vi) Any other material, of which its use, release, disposal, or presence may result in liability under any Governmental Requirement or common law action.

(e) "Improvements" shall mean collectively the development, planning, design, permitting, construction, improvement or equipping, or any combination or combinations thereof, and related activities for development and construction of certain improvements, structures and facilities at the Premises which shall be performed generally in conformance with the Development Plan including, but not limited to, sports activities' fields, soccer fields, maintenance buildings, shade cabanas, promotional kiosk/signs, scoreboards, drainage facilities, spectator stands and other seating areas, access (ingress and egress) facilities and gates including bridges where necessary, recreational activity areas, natural preserves, nature trails, exercise areas, parking areas and field house facility, with administration, food and beverage area, sports equipment/apparel area, medical treatment/training area, and locker room/restroom facilities, which are necessary to utilize the Premises for Destin's permitted purposes and uses.

(f) "Destin" means the City of Destin, Florida, a municipal corporation established by and existing under the Laws of Florida, as amended and supplemented, including and representative or agent of Destin with respect to the Premises.

(g) "Premises" means the following described real property situated in the County of Okaloosa, State of Florida, to wit:

See attached Exhibit "B".

2. Lease. DWU does hereby demise and lease to Destin the Premises described more particularly in the attached Exhibit "B" in accordance with all of the provisions, conditions and terms herein.

3. Term. This lease shall be for a term of twenty (20) years, beginning on the Effective Date, as herein defined.

4. Consideration. The consideration paid by Lessee to Lessor hereunder shall be seven thousand five hundred dollars (\$7,500) per year, which amount shall be renegotiated every five years.

5. Maintenance. During the term of this lease, Lessee shall be responsible for the ongoing and continuous maintenance of all of the recreational facilities and other improvements, with the exception of the underground effluent disposal system and wells, located on the Premises at its sole cost and expense.

6. Uses.

(a) Lessee shall use the Premises for its sports and recreation programs and other events sponsored by Lessee, as well as other uses and purposes related thereto. Such use by Lessee is designed to include the admission of the general public to the Premises.

(b) Lessor shall continue to have the right and privilege to dispose of treated effluent on the Premises by utilizing present facilities, a proposed underground effluent disposal system (UEDS) and a proposed surface irrigation system. Utilization of the UEDS is for the benefit of the Lessor. Utilization of the surface irrigation system is for the mutual benefit of the Lessor and Lessee.

(c) Lessee shall be responsible for the maintenance and operation of the surface irrigation system during the term of this lease. Lessor shall be responsible for the operation and maintenance of the UEDS.

(d) Lessor shall have the right and privilege, at its sole costs and expense, to install necessary groundwater monitoring

wells required by regulatory agencies.

(e) Lessor shall have the right of ingress and egress to the Leased Premises to repair, maintain and monitor all facilities relating to the disposal of treated effluent.

(f) Lessor shall make every effort to ensure that the operation of the facilities relating to the disposal of treated effluent does not materially interfere with Lessee's use of the Leased Premises. In the event the operation of the facilities relating to the disposal of treated effluent does materially interfere with Lessee's use of the Leased Premises, and Lessor is unable to satisfactorily remedy the problem within ninety (90) days from notice thereof by Lessee, Lessee at its option shall have the right to terminate this lease. Lessee shall make every effort to ensure that the use of the facilities by Lessee does not materially interfere with the Lessor's use of the Leased Premises for the disposal of treated effluent. In the event that use of the facilities by Lessee does materially interfere with Lessor's use of the Leased Premises and Lessee is unable to satisfactorily remedy the problem within ninety (90) days from notice thereof by Lessor, Lessor at its option, shall have the right to terminate this Lease.

(g) Should this Lease Agreement be terminated by the Lessee in accord with the provisions of paragraph (f) above, Lessor shall remit to the Lessee the cost of the underground effluent disposal and above ground irrigation systems installed on the Leased Premises pursuant to this Lease Agreement pro rated by the number of years that the lease was in effect prior to termination under paragraph (f).

7. Improvements. Lessor shall be responsible for the development, planning, design, permitting, construction, equipping, or any combination for combinations thereof, and other related activities for the development and construction of certain improvements, structures and facilities at the Premises in accord with the Development Plan. DWU will present the cost estimates, including engineering fees, and the initial conceptual plan for the recreational facility to Destin. [Attachment A] Destin shall have thirty (30) days from the time the cost estimates and the plans are presented to the City to signify their approval. In the event the City of Destin does not approve the plan and fund the engineering fees within the thirty (30) day time period, the Lessor shall have the option of terminating the Lease Agreement.

Upon approval of the initial conceptual plan and the funding of the initial engineering fees, the final Development Plan for Destin's utilization of the Premises will be completed. Destin will have thirty (30) days from the submission of the Development Plan to approve the final Development Plan. Upon approval, Destin will furnish DWU the funds necessary to cover the cost of the

approved Development Plan. In the event the Development Plan is not approved, DWU shall have the right to terminate the Lease Agreement.

It is specifically understood that all construction after the initial phase of the Development Plan will be the responsibility of Destin and that operation of the improvements, other than the underground portion of the effluent disposal system, shall be Destin's responsibility, including but not limited to, maintenance, utility bills (electricity, sewer, water, telephone, etc.) DWU shall be responsible for the operation and maintenance of the underground portion of the effluent disposal system.

8. Title to Premises and Improvements. Title to the Premises shall remain vested with DWU, subject to the covenants, conditions and terms of this Lease, and Destin shall have no interest in the title to the Premises but shall only have a leasehold interest thereto. Permanent Improvements made to the Premises which relate to the effluent disposal system and the irrigation system shall be vested with DWU who shall have title thereto, subject to the covenants, conditions and terms of this Lease. Title to all other Permanent Improvements shall be vested with Destin subject to the covenants, conditions and terms of this Lease. Destin shall have control of the Premises and the Permanent Improvements, subject to the covenants, conditions and terms of this Lease Agreement. Notwithstanding the foregoing, DWU shall always retain the control necessary to ensure that all Governmental Requirements affecting the Premises and the operation of the effluent disposal system, irrigation system and water wells are complied with. Destin, with the cooperation and assistance of DWU, shall be responsible for obtaining the approval of the Federal Aviation Administration (FAA) for any Improvements to the Premises. FAA approval shall be necessary prior to the commencement of construction of any recreational facilities on the Premises.

9. Development of Improvements. All of the structures and facilities at the Premises shall be developed and constructed in accordance with applicable Destin rules, Codes and regulations. All improvements to the Premises must be in accordance with the Development Plan. DWU shall comply with the Development Plan and any changes, modifications, supplements or amendments to the Development Plan shall require the consent of Destin.

10. Insurance and indemnity. Lessee shall include the Premises under its comprehensive and general liability insurance coverages for the full amount of coverage as Lessee carries for all of its other municipal facilities. Lessee agrees to hold harmless and indemnify Lessor for any and all losses or liabilities that may be incurred as a result of the operation of the Leased Premises as a recreational complex which are the result of Lessee's negligence or the intentional acts or omissions of Lessee or any of Lessee's

agents, employees, licensees, invitees or agents.

Lessor shall include the Premises under its comprehensive and general liability insurance coverages for the full amount of coverage as Lessor carries for all of its other facilities. Lessor shall hold Lessee harmless and indemnify Lessee for any and all losses or liabilities that may be incurred arising out of:

- a) the Lessor's failure to perform any of the covenants, agreements, conditions or terms of this Lease;
- b) any laws, ordinances, requirements, orders, directives, rules or regulations of any federal, state, county or city governmental authority with regard to the operation of the Premises as an effluent disposal system or source of potable or nonpotable water;
- c) any negligent or intentional acts or omissions of Lessor or any of Lessor's agents, employees, licensees, invitees, or agents; or
- d) any toxic or hazardous waste or substance stored, spilled, or disposed of on the Premises by the Lessor or any of the Lessor's agents, representatives, employees, licensees, or invitees.

Nothing herein shall be deemed a waiver of the Lessee's sovereign immunity.

11. Compliance with Governmental Requirements. During the Lease Term, Lessor and Lessee shall comply with all Governmental Requirements as defined herein which govern or affect the Premises and the use thereof for any reason. Each party shall notify the other of its violation of any Governmental Requirement promptly after either receives knowledge thereof, and each party, shall diligently and prudently take requisite action to correct any violations of Governmental Requirements, for which that party is responsible pursuant to the terms and conditions of this Lease, as soon as reasonably possible after the discovery of same.

12. Hazardous Materials. DWU shall not knowingly use, store or permit the use, handling or storage of Hazardous Materials, with the exception of chlorine gas, on the Premises. Should any Hazardous Materials, (other than chlorine gas) be used, stored, or spilled on the Premises, DWU shall immediately commence and diligently pursue the removal of any such material and shall remediate, clean and restore the Hazardous Material area in compliance all applicable governmental requirements, and pay all fines, fees, assessments and penalties arising therefrom.

If DWU shall fail to comply with any of the provisions of this

paragraph, Destin shall have the right, but shall not have the obligation, to enter into and go upon the Premises without thereby causing or constituting a termination of this Lease or interference with DWU's use of the Premises, and to take such steps and incur such expenses as Destin, in its sole discretion, shall deem necessary to correct DWU's default, including but not limited to, making all of the repairs or replacements for which DWU is responsible and DWU shall reimburse Destin on demand for any expense incurred by Destin as a result thereof, provided, however, that Destin shall take no such steps or incur any such expenses without first notifying DWU in writing of the problem and giving DWU 10 days to correct such problem.

13. Default. Each of the following events shall be a default hereunder by Destin and DWU and a breach of this Lease:

(a) Destin shall fail to pay to DWU the lease amount when the same shall become payable and due and the same remains unpaid for forty-five (45) days after DWU's written demand for payment;

(b) DWU shall fail to perform any of the covenants, conditions and terms of this Lease on DWU's part to be performed and such non-performance shall continue for a period of thirty (30) days after written notice thereof by Destin to DWU; or if DWU shall fail to act in good faith to commence and undertake performance within such thirty (30) day period to cure a non-performance which cannot be cured within the initial thirty (30) day period and DWU shall designate in writing a reasonable time period to cure such non-performance and its intent to do so, or, DWU having commenced to undertake such performance within the initial thirty (30) day period, shall fail to diligently proceed therewith to completion within the designated reasonable time period to cure such non-performance.

(c) Destin shall fail to perform any of the covenants, conditions and terms of this Lease on Destin's part to be performed and such non-performance shall continue for a period of thirty (30) days after written notice thereof by DWU to Destin; or if Destin shall fail to act in good faith to commence and undertake performance within such thirty (30) day period to cure a non-performance which cannot be cured within the initial thirty (30) day period and Destin shall designate in writing a reasonable time period to cure such non-performance and its intent to do so, or, Destin having commenced to undertake such performance within the initial thirty (30) day period, shall fail to diligently proceed therewith to completion within the designated reasonable time period to cure such non-performance.

If an event of default shall occur and be continuing for ninety (90) days, then Destin shall have the right to terminate and cancel this Lease by giving to DWU not less than ninety (90) days

notice of such termination and cancellation, and upon the expiration of the time fixed in such notice, this Lease and the Lease Term shall expire and thereafter be null and void with no further force and effect. In addition to this remedy, in the event of default Destin may exercise any and all other remedies available to it at law or in equity.

If an event of default shall occur and be continuing for ninety (90) days, then DWU shall have the right to terminate and cancel this Lease by giving to Destin not less than ninety (90) days notice of such termination and cancellation, and upon the expiration of the time fixed in such notice, this Lease and the Lease Term shall expire and thereafter be null and void with no further force and effect. In addition to this remedy, in the event of default DWU may exercise any and all other remedies available to it at law or in equity.

Both parties agree that in the event of nonperformance of either party caused by an act of God such nonperformance shall not be considered an event of default.

14. Termination. Notwithstanding the term of this lease stated herein, after an initial period of five (5) years, this lease may be terminated by either party at any time upon six (6) months written notice to the other party; provided, however, that any such termination by Lessor shall be only after the finding by a regulatory agency with authority over Lessor that the Leased Premises are necessary and the most cost-effective means for the expansion of, or exclusive use in, the mission of Lessor. Upon termination of this Lease, Lessor shall have the right to re-enter and retake possession of the Premises.

15. Subletting and Assignment. Destin shall have the right to sublet certain portions of the Improvements or Premises for the administration, management, maintenance or operation of the Premises. No sublease shall grant to the lessee any benefit or right greater than such benefit or right held by Destin under the terms and conditions of this Lease. Any such subletting or agreement shall be in compliance with the Governmental Requirements and all other covenants, terms and conditions of this Lease. This Lease shall not be transferred, sublet or assigned, without DWU's written consent thereto, which consent shall not be unreasonably withheld. Any subletting or assignment not in compliance with this paragraph shall be null and void with no force and effect.

16. Expiration of Term.

(a) Within 6 months of the end of the initial lease term, both parties to this Lease Agreement shall give written notice to the other party either that that party wishes to engage in renegotiation of this Lease Agreement or that that party wishes to

terminate the Lease Agreement at the end of the initial term. To the extent that parties have not come to a final agreement at the end of the initial lease term, but are in the process of negotiating in good faith a new Lease Agreement, the terms and conditions of this Lease Agreement shall continue in full force and effect until the new Lease Agreement is finalized or the parties agree to terminate the negotiations for a new Lease Agreement.

(b) At the expiration of the initial Lease Term, Destin shall peaceably return to DWU the Premises. It is understood and agreed that upon the termination or expiration of this Lease that Destin shall have the responsibility for the removal of all Permanent recreational improvements and for the restoration of the Premises to a condition reasonably acceptable to DWU. It is also understood that all temporary or non-attached improvements or additions to the Premises, which shall include, but are not limited to: stadium/field lighting; scoreboards; bleachers and fences, shall remain the property of Destin at the expiration or termination of this Lease. All Permanent Improvements associated with the irrigation system, wells or underground effluent disposal system shall either become or remain the property of DWU at the termination of this Lease Agreement.

17. Dispute resolution. Any controversy, claim, misunderstanding, cause of action, matter in question, breach or disagreement arising out of, or relating to, this Lease (hereinafter called "Dispute") shall be decided by the Circuit Court of Okaloosa County, Florida. The party seeking a resolution of a Dispute must provide the other party with written notice describing the Dispute, allow the responding party to file a written response within 10 days and meet at least once with the responding party within the thirty (30) day period immediately prior to filing a complaint with the Circuit Court.

18. Environmental Warranty.

(a) Being familiar with the Leased Premises, and in reliance on a Phase I Environmental Study conducted by Smith and Gillespie Engineers, Inc., Lessor warrants that the Leased Premises contain none of the following: (i) hazardous substances, pollutants or contaminants, as defined in the Comprehensive Environmental Response Compensation and Liability Act or other similar state or Federal environmental legislation; or (ii) underground storage tanks. Lessor agrees to defend and save Lessee harmless from and against any and all losses, claims, liabilities, judgments, damages, penalties, expenditures, costs, including reasonable attorney's fees, or other expenses which Lessee may suffer or incur as a result of a breach of the foregoing warranty.

(b) Being familiar with the processes involved with the disposal of treated effluents as provided in this section, Lessor

hereby warrants that such disposal will be distributed in a manner consistent with local, state and federal laws, rules and regulations and shall not cause or contribute to any cause of action under the Comprehensive Environmental Response Compensation and Liability Act or other similar state or federal environmental legislation. Lessor agrees to defend and save Lessee harmless from and against any and all losses, claims, liabilities, judgments, damages, penalties, expenditures, cost, including reasonable attorney's fees, or other expenses which lessee may suffer or incur as a result of a breach of the foregoing warranty.

19. Miscellaneous.

(a) Operation. Lessee shall keep the Leased Premises clean and free of rubbish and shall not allow the accumulation of any unsightly matter(s) or object(s). Lessee shall develop, operate and maintain any improvements to the subject property so as not to unreasonably interfere with the property rights of the adjacent property owners.

(b) Notices. Any and all notices required to either party shall be in writing and shall be duly delivered and given when personally served or mailed to the person at the address designated below. If notice is mailed, the same shall be mailed, postage prepaid, in the United States mail by certified or registered mail - return receipt requested. Notice shall be deemed to have occurred on the date of receipt; in the case of receipt of certified or registered mail, the date of receipt shall be evidenced by return receipt documentation. Failure to accept certified or registered mail shall be deemed a receipt thereof within ten (10) days after the first notice of delivery of the certified or registered mail. Any entity may change its address as designated herein by giving notice thereof as provided herein.

If to Destin: Office of the City Manager
Destin City Hall
4200 Two Trees Road
Destin, Florida 32541

If to DWU: Destin Water Users
P. O. Box 308
Destin, Florida 32541

or such other address as either party may from time to time specify in writing to the other.

(c) Legal Representation. Each respective party to this Lease has been represented by counsel in the negotiation of this Lease and accordingly, no provision of this Lease shall be construed against a respective party due to the fact that it or its counsel drafted, dictated or modified this Lease or any covenant,

condition or term thereof.

(d) Further instruments. Each respective party hereto shall, from time to time, execute and deliver such further instruments as any other party or parties or its counsel may reasonably request to effectuate the intent of this Lease.

(e) Effective Date. The date of this lease will be the date after the last one of the Lessee and the Lessor have signed this Lease Agreement and the City Council of the City of Destin has adopted an ordinance approving this Lease Agreement (the "Effective Date"). The ordinance adoption process is a dynamic process subject to public participation and the ordinance adoption process is discretionary with the Council. Therefore, Lessee may unilaterally withdraw from this Lease Agreement if the City Council fails to adopt the ordinance on or before July 1, 1997.

(f) Entire Agreement. This Lease Agreement contains the entire agreement between the parties hereto and no verbal or oral agreements, promises or understandings shall be binding upon either Lessor or Lessee in any dispute, controversy or proceeding at law, and any addition, variation, or modification to this Lease Agreement shall be void and ineffective unless made by a writing signed by Lessor and Lessee. Lessee agrees that it will not use its ability to enact ordinances to modify the duties, obligations, rights and liabilities of DWU under this Lease Agreement in derogation of the language of this section. Ordinances passed by the City subsequent to the execution of this Lease Agreement which affect the duties, rights, obligations and liabilities of all persons within the city limits of Destin shall not constitute a breach of this provision.

(g) Headings. Paragraph headings of this Lease Agreement are inserted only for reference and in no way define, limit, or describe the scope or intent of this Agreement nor affect its terms or provisions.

(h) Multiple Counterparts. This Lease Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(i) Attorney's Fees and Costs. In any Dispute arising out of or pertaining to this Lease, the prevailing party shall be entitled to an award of its attorney's fees and costs, whether incurred before, after or during litigation or at the appellate level.

(j) Successors and Assigns. This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

(k) Recording. This Lease shall be recorded in the public records of Okaloosa County, Florida.

(l) Survival of Representations and Warranties. T h e respective indemnifications, representations and warranties of the respective parties to this Lease shall survive and remain in effect.

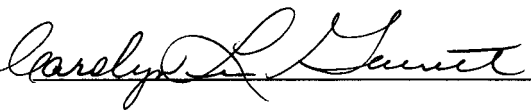
(m) Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of Florida and the Ordinances of the City of Destin. Wherever possible, each provision, condition and term of this Lease shall be interpreted in such a manner as to be valid under applicable law. A finding that any term, provision or condition of this Lease is invalid or prohibited under applicable law shall not affect the remaining terms, provisions or conditions of this Lease or of any documentation executed and delivered pursuant hereto.

IN WITNESS WHEREOF, the parties hereby have caused the signatures of their officers to be set hereunder and the seals to be placed thereon to be effective as of the latest date of execution.

DATED this 14th day of JULY, 1997.

ATTEST:

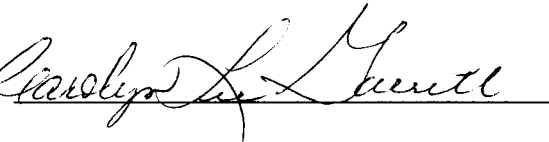
DESTIN WATER USERS,
Destin, Florida

By: 

By: 
Herb Brough, President

ATTEST:

CITY OF DESTIN,
a Florida Municipal Corporation

By: 

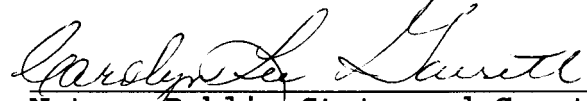
By: 
Robert A. Mearns,
City Manager

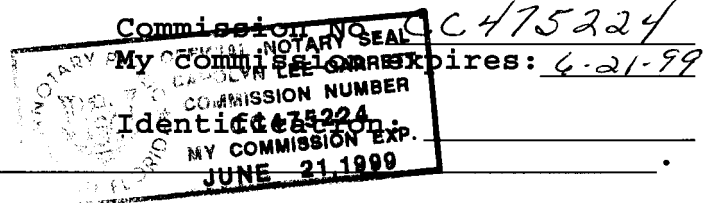
FORM APPROVED:


J. Jerome Miller, Esq.
City Attorney

STATE OF FLORIDA
COUNTY OF OKALOOSA

The foregoing was acknowledged before me this 14th day of JULY, 1997, by Herb Brough and Robert A. Mearns, the President and City Manager, respectively, of Destin Water Users and the City of Destin, who are personally known to me or have produced the identification referenced below and who did take an oath.


Notary Public State and County
Aforesaid



c:1823


**BASKERVILLE-
DONOVAN, INC.**

ARCHITECTS ■ ENGINEERS ■ PLANNERS ■ SURVEYORS

AA 0001177

EB 0000340

LC 00000126

LB 0000340

17 April, 1997

**** OFFICIAL RECORDS ****
BK 2237 PG 4296

 Destin Water Users, Inc.
 P.O. Box 308
 Destin, FL 32541
 Attention: Mr. Erik Smith

Re: Proposed Destin Sports Park
Our Project Number Unassigned

Dear Erik:

This letter conveys our understanding of the Scope of the referenced project and the associated fee quote to perform professional services consistent with the Scope.

Scope

Prepare plans and specifications suitable for competitive bidding for the following site elements to be included in the proposed Sports Park:

1. Parking - in two phases of approximately 200 spaces per phase
2. Access road from Two Trees Road to the site
3. Restroom / Concession facility of approximately 2,000 square feet
4. Phased athletic fields as follows:
 - a. 2 adult soccer fields and 2 adult softball fields
 - b. 2 Little League softball fields
 - c. 2 Senior softball fields
 - d. 2 adult soccer fields and 1 Tee Ball field
5. Phased ball field lighting for all fields except Tee Ball
6. Preservation of the existing dunes in the Gulf Power right-of-way
7. Irrigation for all athletic fields
8. Trash facilities
9. Bleachers for Phase 4a
10. Enlarge the existing pond at the Destin City Hall
11. Site Amenities - Walkways, bleachers, fences, dugouts, scoreboards, drinking fountains, benches, landscaping, signage, etc.

Records Memo:

 Legibility of some entries on this page not
 suitable for Microfilm/Imaging records.

Professional Services

Surveying

- *1. From existing data, prepare a master site plan showing descriptions, ownership, and jurisdiction.
2. Locate a limited number of underground utilities - water, sewer,
3. Prepare a limited amount of topographic survey data

Site Planning

4. Prepare a schematic site plan showing the project elements
5. Prepare a Preliminary Construction Cost Estimate

Engineering (Construction Plans)

6. Site Demolition Plan
7. Site Grading Plan
8. Site Layout Plan
9. Sports Field Design including consultation with a turf specialist
10. Stormwater Master Plan
11. Irrigation System - both pumping and distribution
12. Ballfield lighting and site electrical
13. Restroom / Concession Stand design
14. Site Amenities - Walkways, bleachers, fences, dugouts, scoreboards, drinking fountains, benches, landscaping, signage, etc.

Permitting

15. FDEP Wastewater Treatment Plant - Operating Permit Modification
16. FDEP Stormwater Permit
17. Okaloosa County - City of Destin Concurrency Review
18. City of Destin - Driveway Connection
19. Gulf Power Use Agreement
20. FAA Permitting to be prepared by the City of Destin
21. Traffic Study - to be quoted at a later date

Construction Services

22. Bidding Services
23. Construction Administration
24. Certification of Permits

Recorders Memo:
Legibility of some entries on this page not
suitable for Microfilm/Imaging records.

24. Certification of Permits

Time

25. BDI will meet the time frames listed in the Interlocal Agreement between DWU and the City of Destin. Once the schematic design is approved, construction plans and specifications will be completed within 60 days. Permits will be submitted within 30 days after plans are approved by DWU/ City.

Fee

Surveying	17,500
Meeting w/FDEP	Scope and Permitting Issues prior to design
Site Plan / Cost Estimating	10,500
Construction Plans	8% of Construction (Budget: \$1.5 - 2.0M)
Permitting	Hourly, with an estimate of 12,500 for items 16 - 19. Potential judicial aspects of permitting will be handled on an hourly basis, also.
Geotechnical Investigation	Budget: 10,000 (By Others)

Our goal in preparing this proposal was to define the scope and make the fee proposal consistent with the FMHA fee curve normally used as a guide by DWU.

If we have accurately described both scope and fee, please sign and return one copy of this proposal to serve as our Task Order. All conditions of the DWU-BDI Agreement will apply to this Task Order.

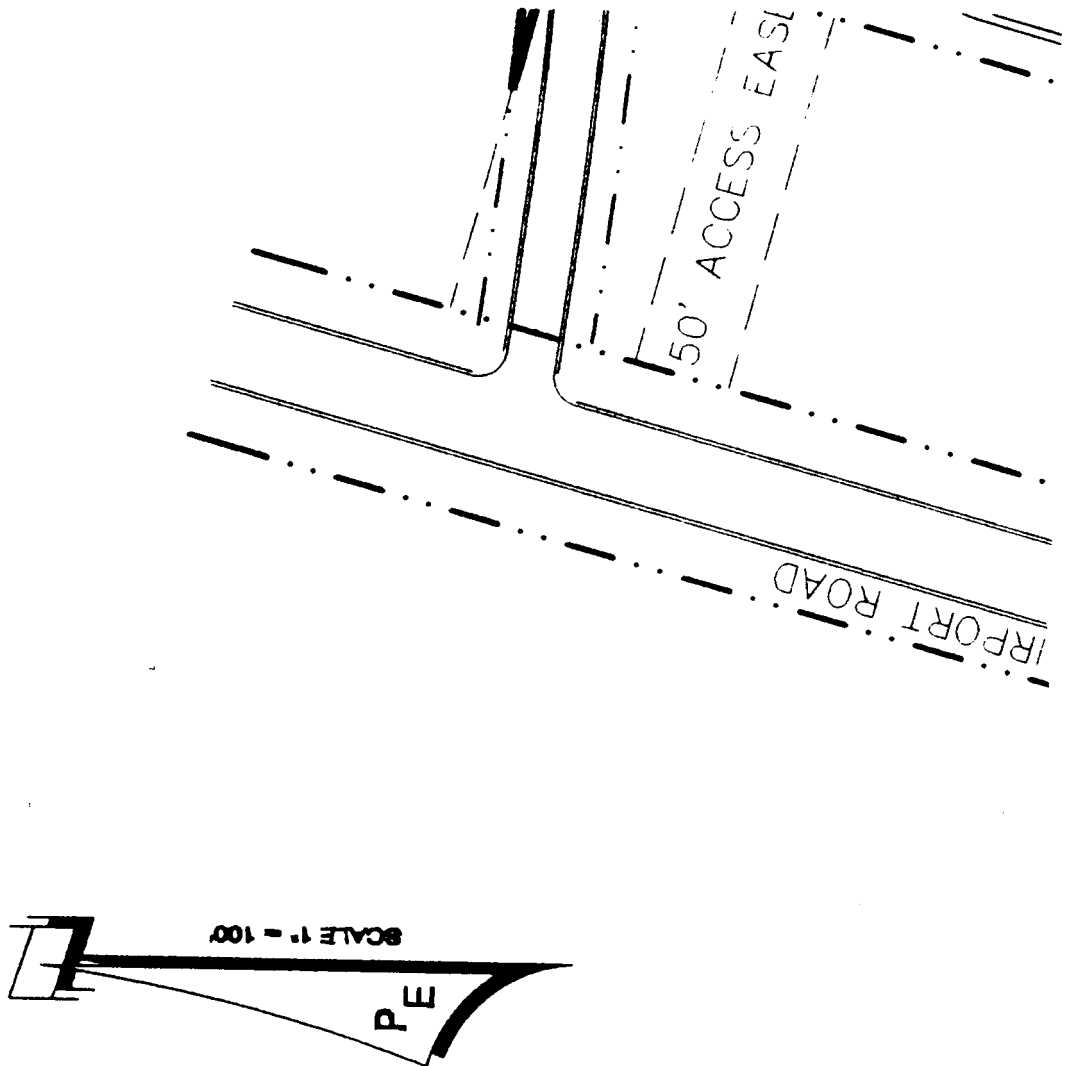
Very truly yours,

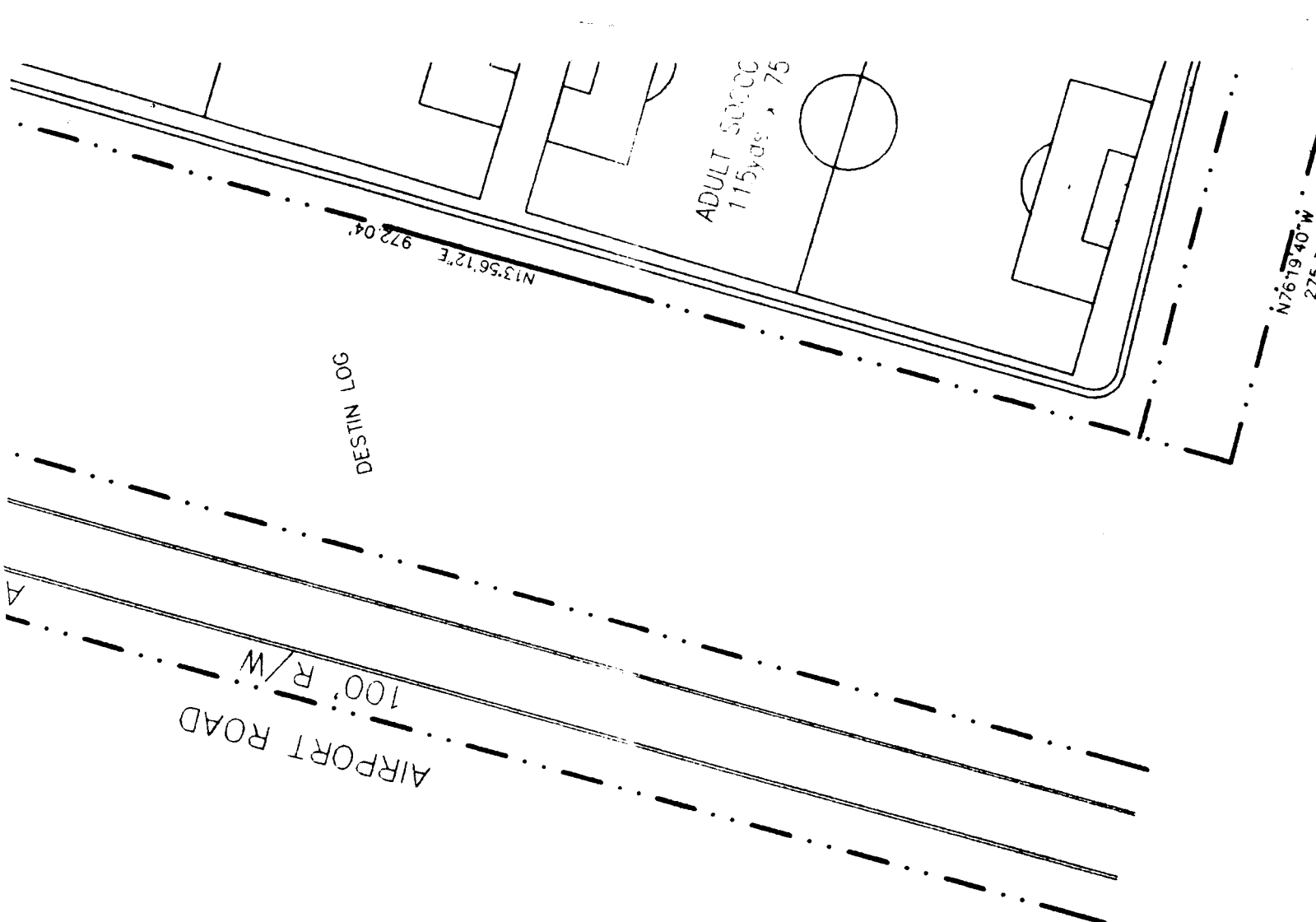
BASKERVILLE-DONOVAN, INC.

Dave Hemphill

Dave Hemphill
Landscape Architect

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suitable for Microfilm/Imaging records.





Recorders Memo:
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 suitable for Microfilm/Imaging records.

**** OFFICIAL RECORDS ****
BK 2237 PG 4301

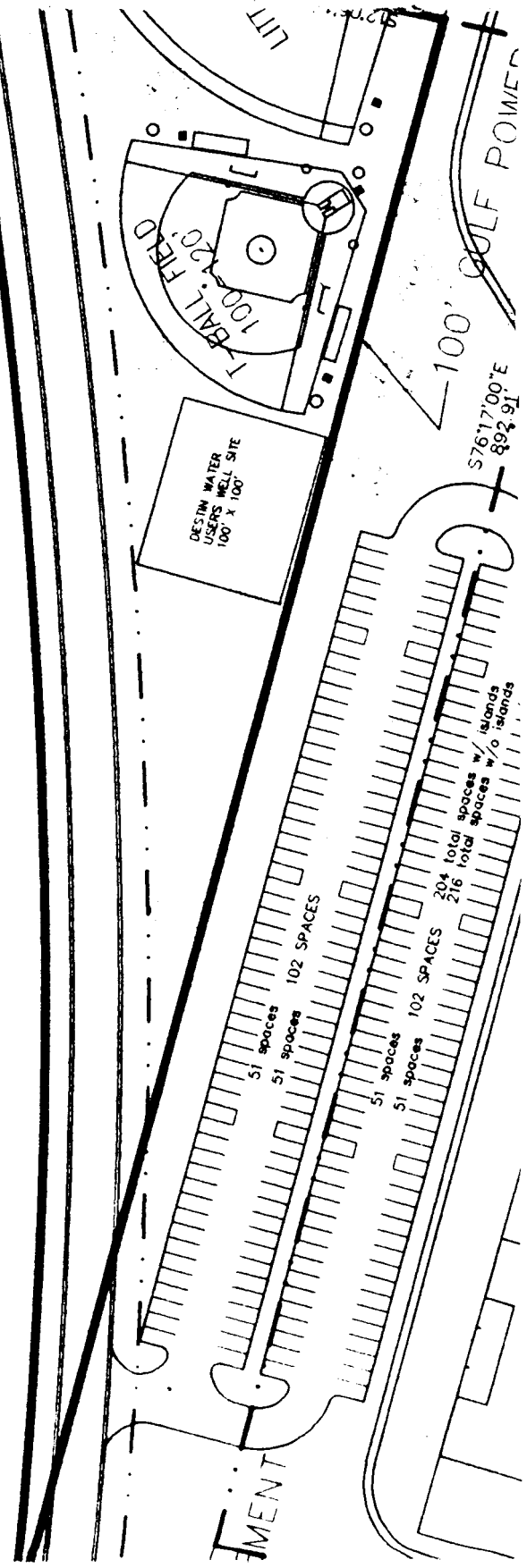
WINGS

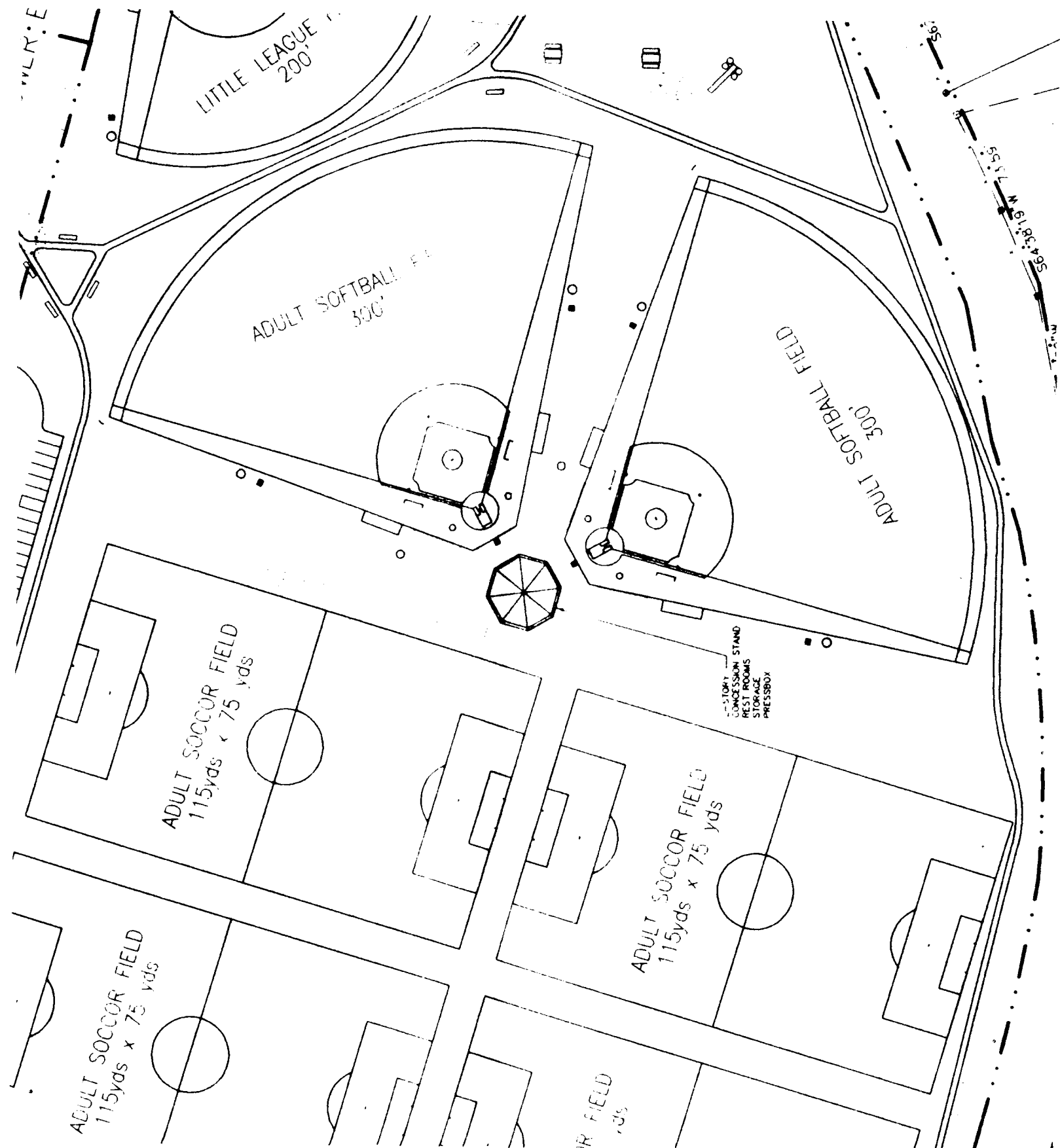
CONCRETE ENTRANCE
 TO "THE TRACK"

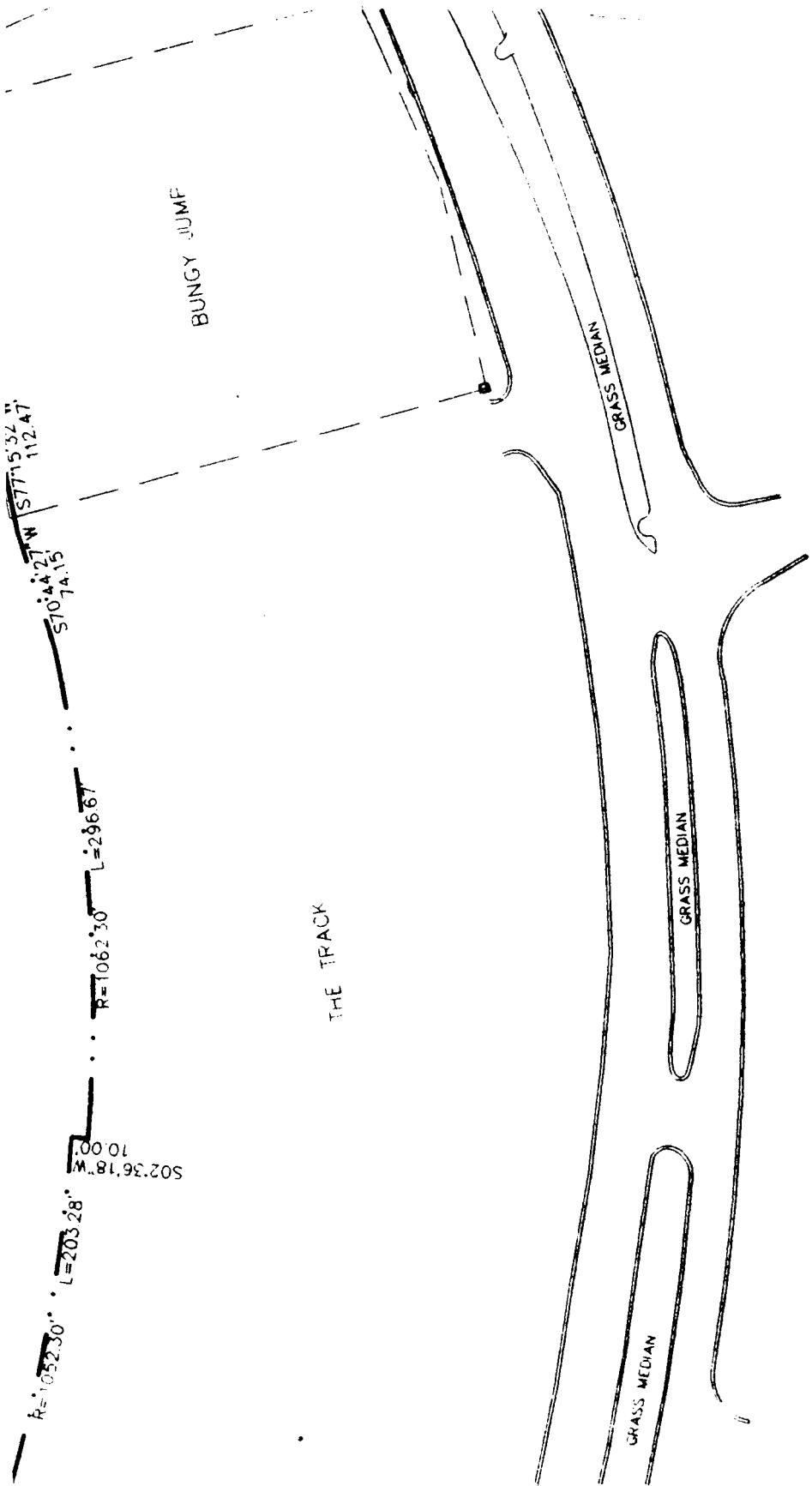


REV	DATE	BY	REVISIONS
01	03/03/97	MDC	T-BALL FIELD ADDITION
RELEASED FOR CONSTRUCTION BY DATE			

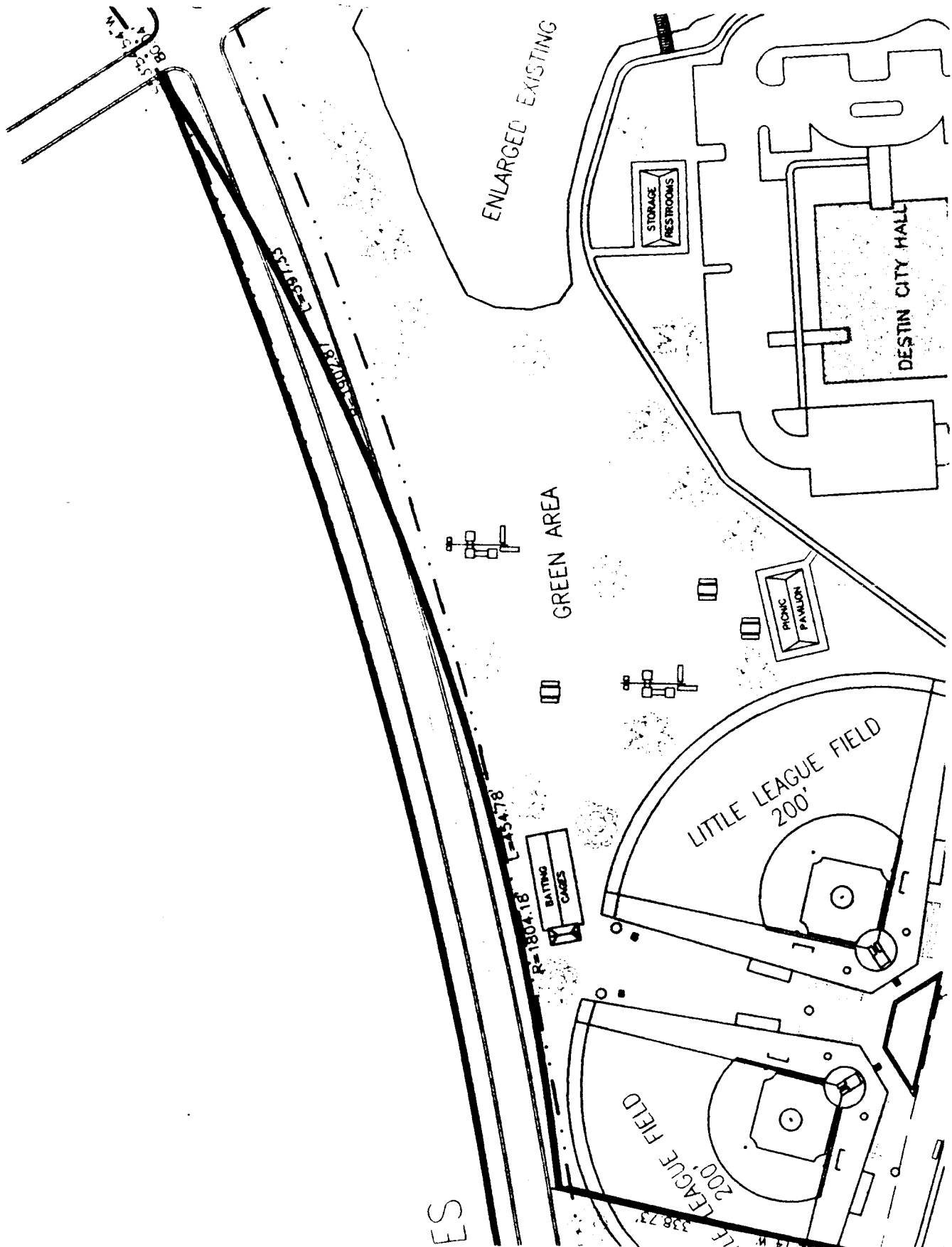
3.55 ACR

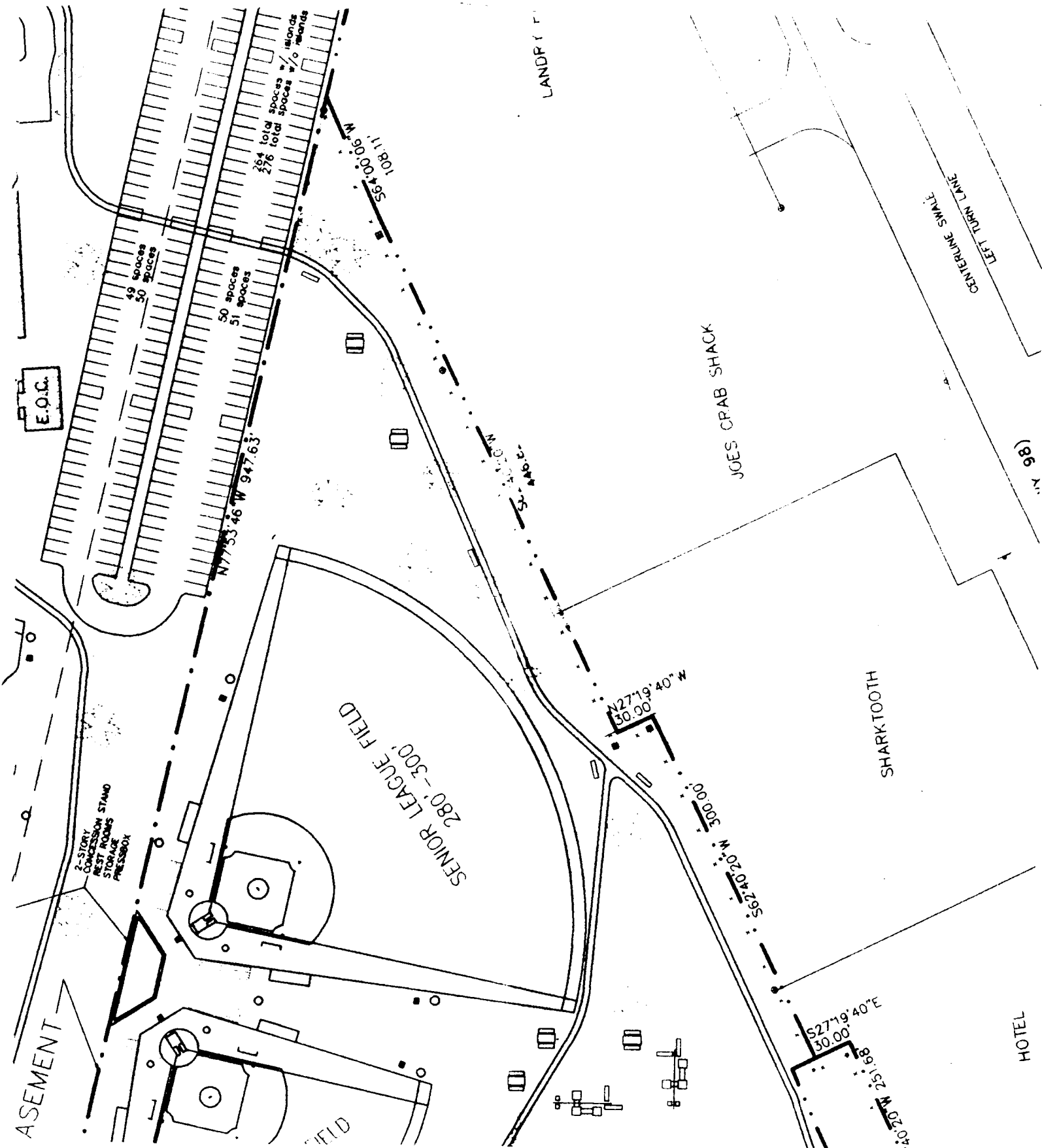


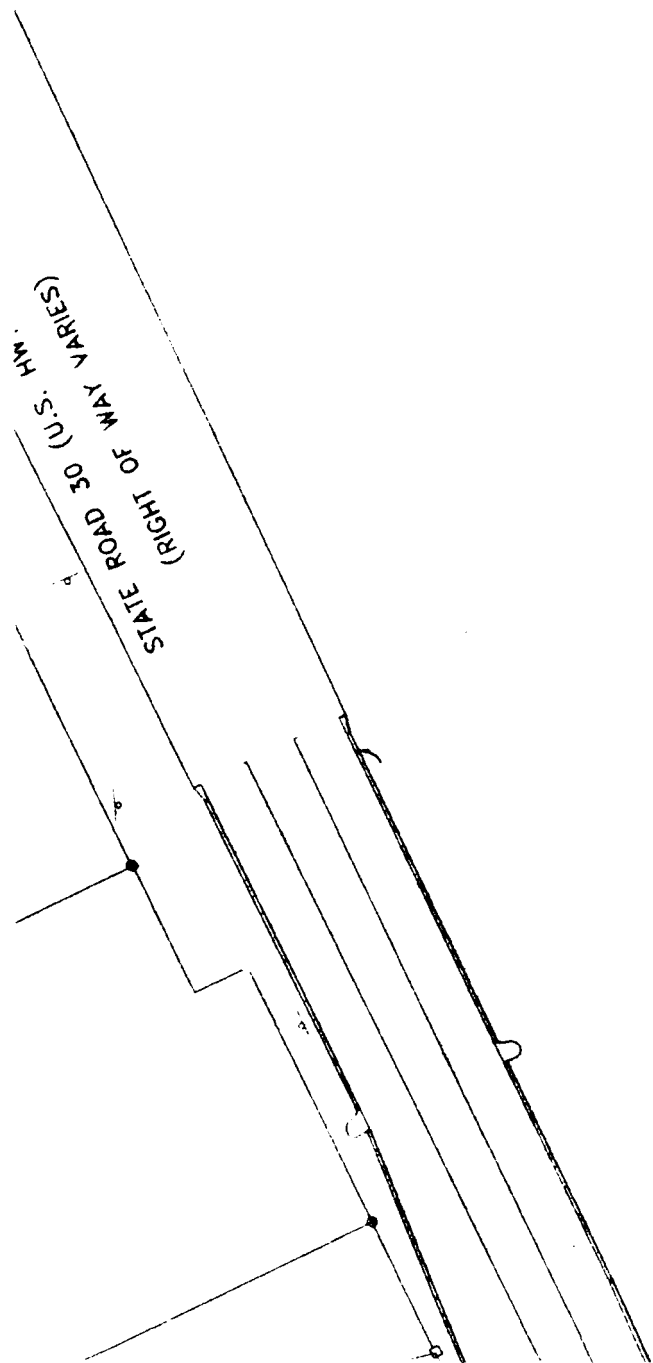




PANHANDLE ENVIRONMENTAL ENGINEERS 1234 AIRPORT ROAD, SUITE VOICE (904) 650-3001 FAX (904) 650-3002	
SCALE: 1"=100' DESIGNED BY: MDC DRAWN BY: MDC REVIEWED BY: DOC ISSUE DATE: _____ FILE NAME: COMPLEX.DWG	







S
DESTIN

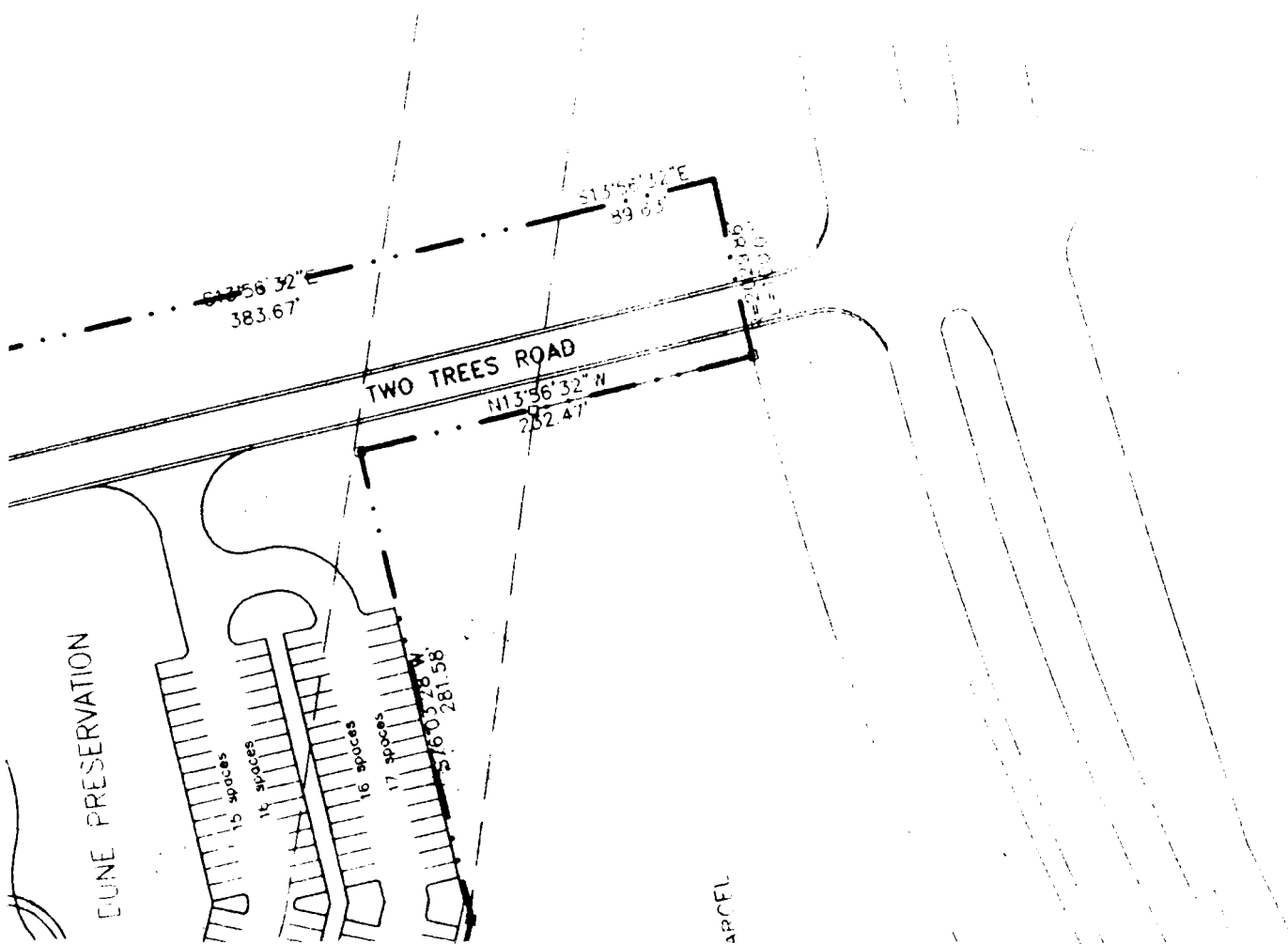
DES

ENGINEERING, INC.
• CIVIL ENGINEERS • LAND PLANNERS
TE 215 DESTIN, FLORIDA 32541
350-2840 E MAIL peinc @ emeraldcoast.com



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suitable for Microfilm/Imaging records.

** OFFICIAL RECORDS **
BK 2237 PG 4309



17324 SPORTS PARK

ITE PLAN
SPORTS PARK

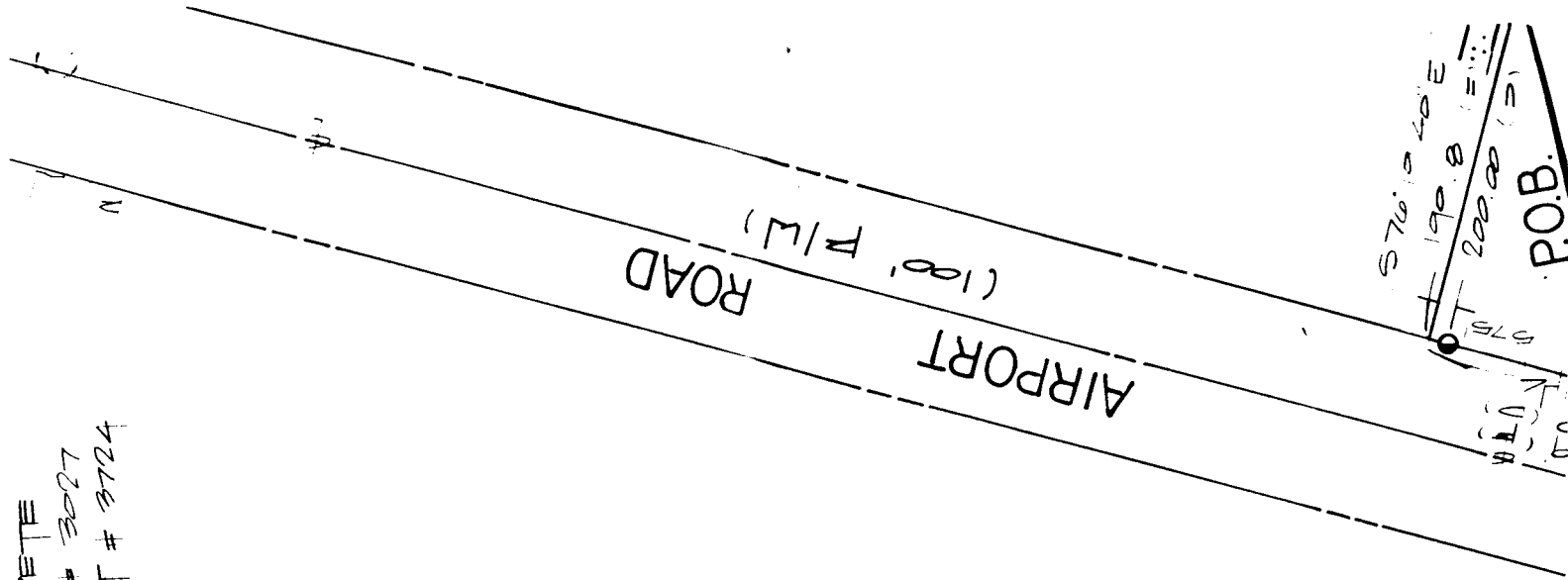
STIN FLORIDA

Exhibit A

1

17324

— ELEV	POINT OF COMPLEVEMENT
POC =	POINT OF BEGINNING
POB =	POINT OF VIEW
PIV =	TYPICAL
PIV =	DEGRADATION
PIV =	FIELD
PIV =	RADIUS
PIV =	DELTA
PIV =	— ELEV. OF 226
PIV =	CHORD
PIV =	CHORD BEARING
PIV =	STATE ROAD
PIV =	SET CAPPED POB 200 # 0360
PIV =	FOULD F.P.O.T. CAPPED POB 200
PIV =	FOULD CAPPED POB 200 # 4004
PIV =	FOULD CAPPED POB 200 # 3726

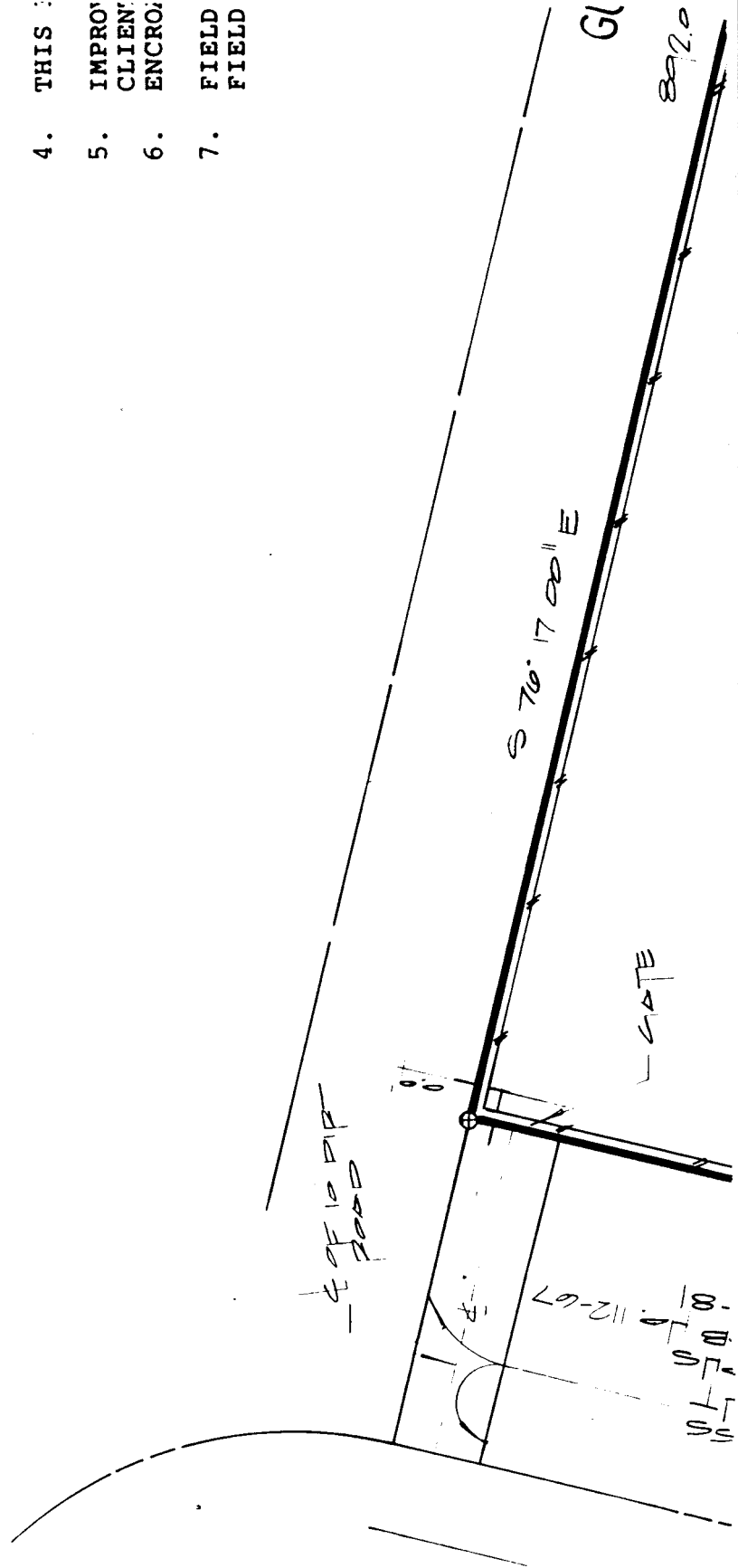


- SET PAINTED HOLE IN CONCRETE
- FOUND CONCRETE MONUMENT # 3027
- FOUND CONCRETE MONUMENT # 3224
- POINT OF CURVATURE
- POINT OF INTERSECTION
- POINT OF TANGENCY
- WIRE FENCE
- CENTER LINE

[illegible]

GENERAL NO:

1. SURVEY
1143,
2. NO TIT
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6. FIELD
FIELD



27.03

ACRES ± 1

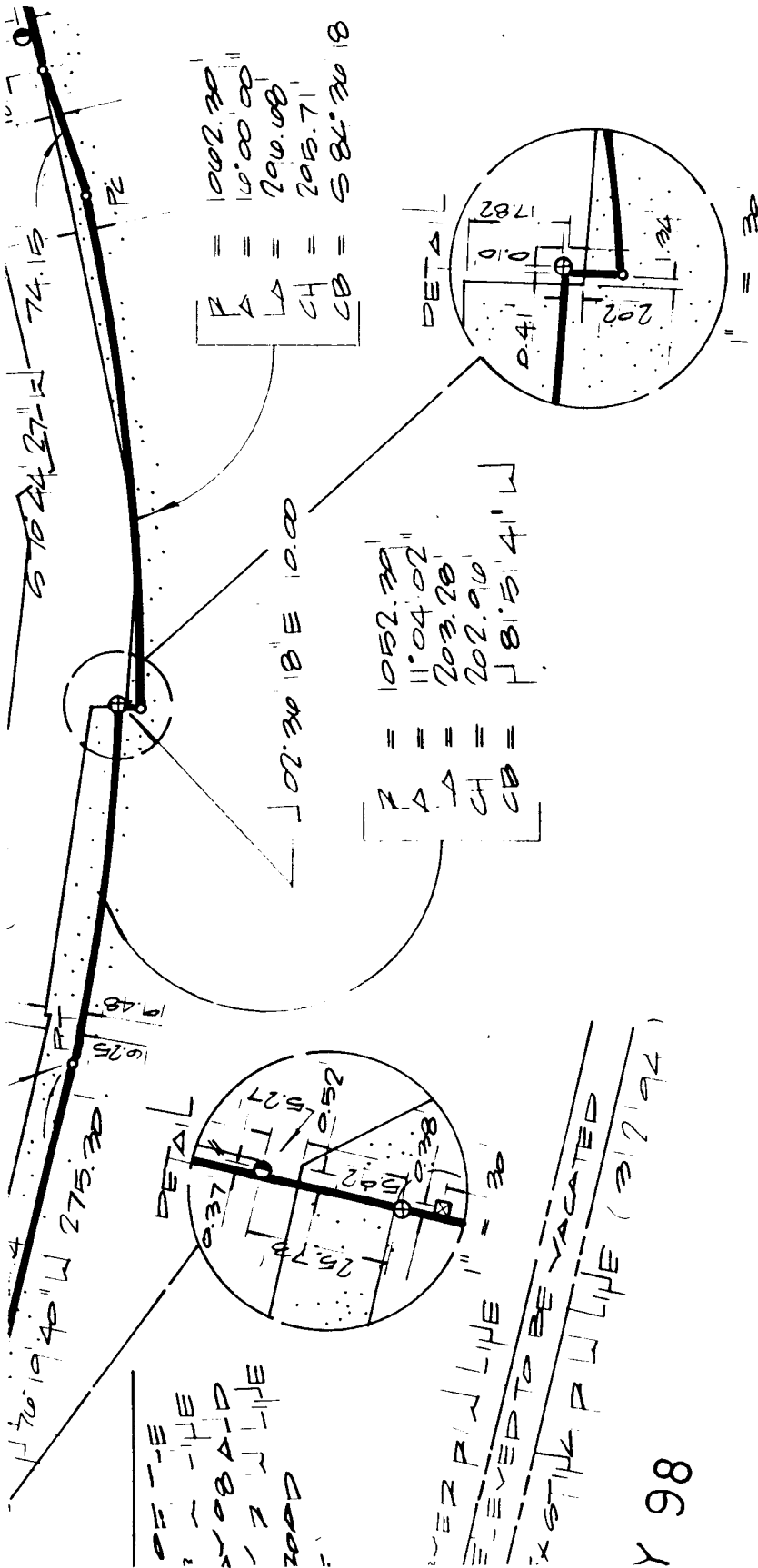
W A W A W A W A W A

NOTE: UNABLE TO SET CAPPED PORTS - 27 REFERENCE COUNTERS AT THESE LOCATIONS DUE TO CORRUPT AREA. (TYP.)

(ELECTRICAL)

~~7-10-68~~

577.532" $\sqrt{}$ 112.47
1052' 11"



NOTES:

1. DATUM: DESCRIPTION AS FURNISHED, RECORDED IN O.R. BOOK
AT PAGE 1142, OKALOOSA COUNTY, FLORIDA.

2. TITLE SEARCH, TITLE OPINION, OR ABSTRACT WAS PERFORMED BY NOR
DED TO THIS FIRM FOR THE SUBJECT PROPERTY. THERE MAY BE DEEDS
CORD, UNRECORDED DEEDS, EASEMENTS, RIGHTS-OF-WAY, BUILDING
CKS, RESTRICTIVE COVENANTS OR OTHER INSTRUMENTS WHICH COULD
P THE BOUNDARIES OR USE OF THE SUBJECT PROPERTY.

3. ZONE: C, BASE FLOOD ELEVATION N/A FEET, AS SCALED FROM
AL EMERGENCY MANAGEMENT AGENCY FLOOD INSURANCE RATE MAP OF:
OSA COUNTY, FLORIDA PANEL NO. 120173 0245 D, REVISED 7/18/85.

4. IS A BOUNDARY SURVEY.

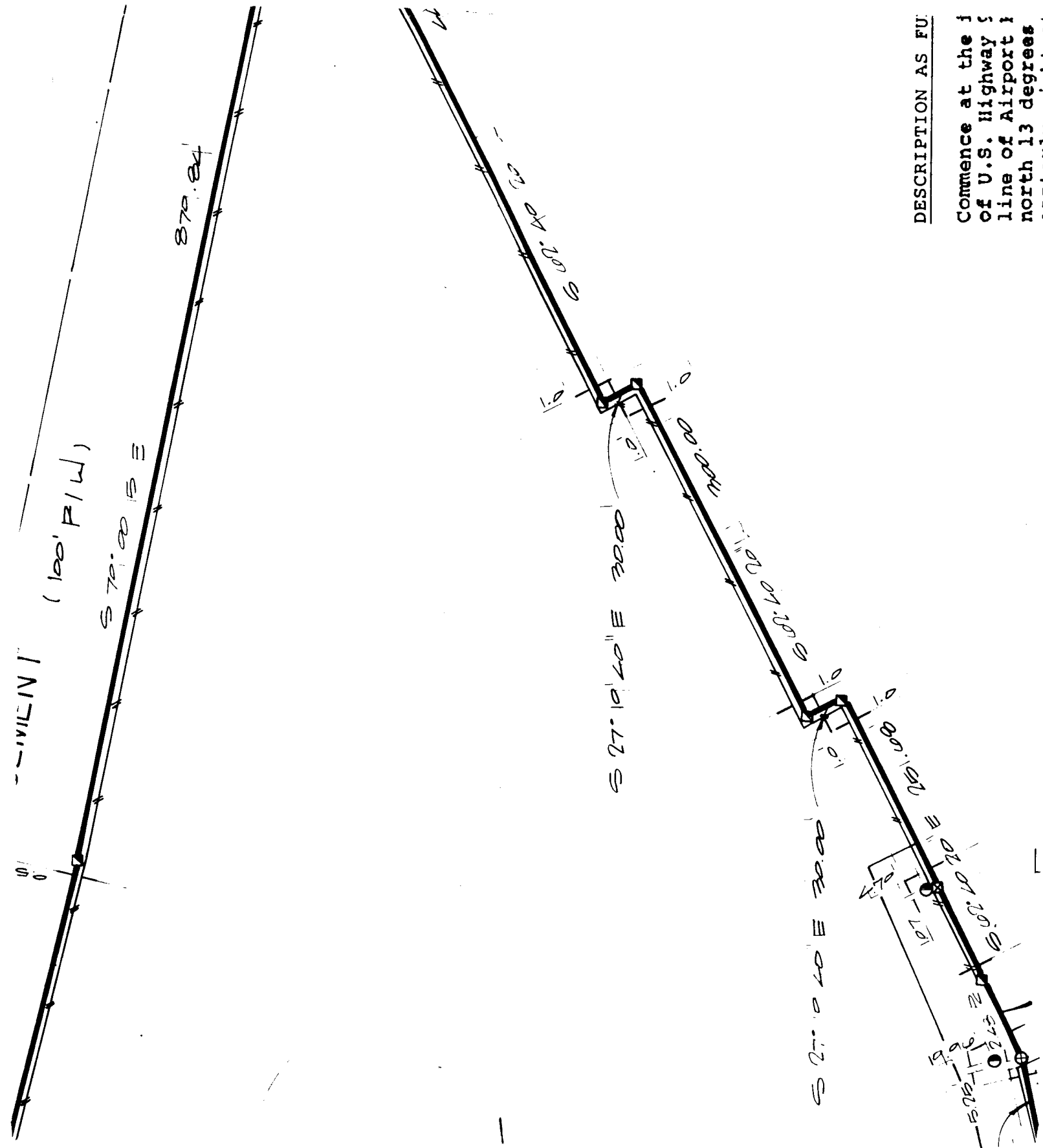
5. EASEMENTS OTHER THAN SHOWN HEREON WERE NOT LOCATED PER THE
FIRM'S REQUEST.
EASEMENTS ARE AS SHOWN.

DATES: 1/25/94, 2/11/94 AND 3/02/94
DATA RECORDED IN F. VOL.'S: 573, Pp. 48-50 AND
748, Pp. 25-26, 42-43

JL F POWER EASEMENTS

DESCRIPTION AS FOLLOWS

Commence at the intersection
 of U.S. Highway 1
 line of Airport
 north 13 degrees
 east 10' right of



2.72
74.5
P = 1072.39
A = 03.55 58
CH = 73.61
CB = 73.59
504.38 10' ~

thence go south
distance of 200.0
north 13 degrees
feet to a point
100 foot Gulf Poi
17 minutes 00 sec
a Gulf Power Comp
go south 79 degre
said southerly l
of 879.84 feet t
being concave sou
thence go southw
distance of 108.
point of tangenc
seconds west a d
degrees 19 minut
thence go south
of 300.00 feet;
east a distance
minutes 20 secon
curvature; then
of 1072.39 feet
CH BRG= S 64°38'
32 seconds west
degrees 44 minut
a point on a cur
radius of 1062.3
aforesaid curve
of 296.68 feet
north 02 degrees
feet to a point
a radius of 1052
aforesaid curve
of 203.28 feet
point of tangenc
seconds west a d
The above descri
South Range 22 W
27.028 acres.

SURVEYOR'S CERTIFICATE:

I HEREBY DECLARE THE SURVEY SHOWN HEREON WAS MADE
IN ACCORDANCE WITH THE MINIMUM TECHNICAL STANDARDS
FOR LAND SURVEYING IN THE STATE OF FLORIDA:
CHAPTER 61G17-6 F.A.C., AS ESTABLISHED BY THE
FLORIDA BOARD OF LAND SURVEYORS PURSUANT TO SECTION
472.027 FLORIDA STATUTES TO THE BEST OF MY
KNOWLEDGE AND BELIEF.

FOR: BASKERVILLE-DONOVAN, INC.
CORP. NO. 0340

BY: Dennis E. Blankenship
DENNIS E. BLANKENSHIP, P.L.S.
FLORIDA REGISTRATION NO. 3292

3/12/94
DATE

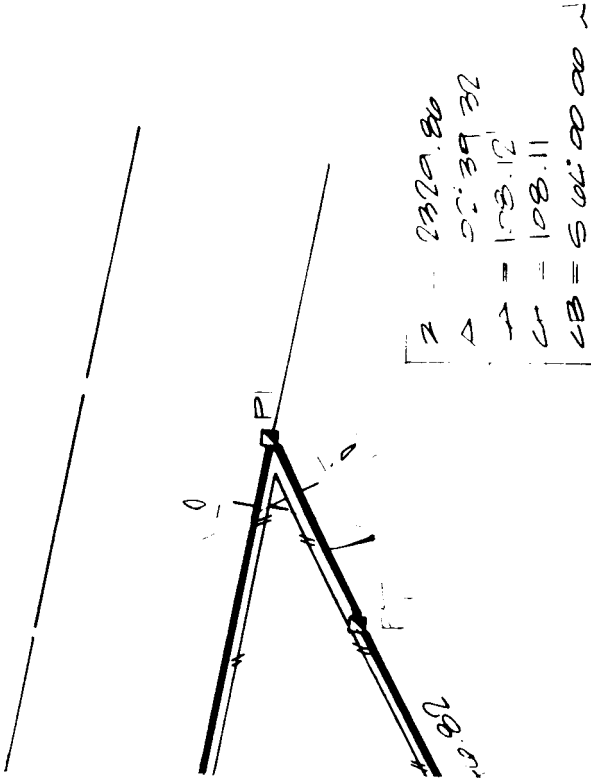
NOT VALID
UNLESS
SEALED
WITH AN
EMBOSSED
SEAL

NOT RELEASED FOR CONSTRUCTION

SCALE	DESIGNED	DRAWN	CHECKED	DATE

316 S. BAYLEN ST., SUITE 300 • P.O. BOX 13370 • PENSACOLA, FL 32591

**BASKERVILLE-
DONOVAN, INC.**



FNISHED; O.R. BOOK 1143 PG. 1142

Intersection of the northerly right of way line
18 (R/W varies) and the easterly right of way
road (State Road S-30-F, 100' R/W); thence go
56 minutes 12 seconds east along the aforesaid
way line of Airport Road a distance of 280.00

BOUNDARY SURVEY Exhibit B

→ 707-01 OF 05 - 707-01-260-4, 7A-4E
22 - 707-01-260-4, FLORIDA.

PREPARED FOR: ZEG - DATE: 6E76

PROJECT NO.	NO.
11209.01	1
INDEX	OF
11/10	1

LETTER OF INTENT

STATE OF FLORIDA
COUNTY OF OKALOOSA

THIS LETTER OF INTENT is entered into this 22nd day of May, 1997, by and between the Destin Water Users, Inc. a not-for-profit corporation whose address for the purposes of this Letter of Intent is P.O. Box 308, Destin, Florida 32541 ("DWU"), and the City of Destin, a Florida municipal corporation, whose address for the purposes of this Letter of Intent is 4200 Two Trees Road, Destin, Florida 32541 ("City", "Destin").

WHEREAS, DWU owns real property located adjacent to City Hall ("Premises") on which Lessor has a permit for, and operates, a spray field for the disposal of treated waste water; and

WHEREAS, the City and DWU desire to cooperate in the development and construction of a sports and recreation facility on the Premises which will benefit the citizens of Destin; and

WHEREAS, the City and DWU believe it to be in their mutual best interest to enter into this Letter of Intent in order to facilitate the execution of a lease agreement.

NOW THEREFORE, in consideration of the above and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties do hereby agree as follows:

1. Both parties agree that to adequately ensure the protection of the citizens of Destin, that environmental studies of the Premises should be conducted prior to the execution of a lease agreement. With that goal in mind, DWU hereby gives the City and its agents access to the Premises to perform any environmental testing reasonably required by the City. The City shall, at its expense, complete a Phase I environmental study of the Premises within six (6) weeks of the execution of this Letter of Intent. The City will also have the option, at its sole discretion and at its own expense, of conducting a Phase II environmental study of the Premises. Should a Phase I or Phase II environmental study reveal that the Premises does not meet all applicable federal, state and local statutes, rules and regulations, the City, at its sole option, shall have the right not to proceed with lease negotiations upon giving DWU thirty (30) days notice.

2. Should the City decline to execute a lease agreement pursuant to the provisions of Paragraph 1, all reasonable expenses incurred by DWU in the development of this project to that date shall be paid to DWU.

3. Should the environmental studies indicate that all applicable federal, state and local regulations are met, the City will tender a lease agreement to DWU within fifteen (15) business days of that determination. If the City does not do so, DWU, at

its sole discretion, shall have the right to reject any subsequently tendered lease agreement.

IN WITNESS WHEREOF, the parties hereby have caused the signatures of their officers to be set hereunder and the seals to be placed thereon to be effective as of the latest date of execution of this document.

DATED this 22nd day of May, 1997.

ATTEST:

DESTIN WATER USERS, INC.
Destin, Florida

By: *Carolyn L. Garrett*

By: *Herb Brough*
Herb Brough, President

ATTEST:

CITY OF DESTIN,
a Florida Municipal Corporation

By: *Carolyn L. Garrett*

By: *Robert Mearns*
Robert Mearns,
City Manager

a:1823a

FIRST AMENDMENT TO LEASE AGREEMENT

The parties, Destin Water Users, Inc., a not for profit corporation, whose address is P.O. Box 308, Destin, Florida 32541 ("Lessor", "DWU"), and the City of Destin, Florida, a Florida municipal corporation, whose address is 4200 Two Trees Road, Destin, Florida 32541 ("Lessee", "Destin"), hereby amend the Lease Agreement dated July 14, 1997:

Paragraph two entitled "Lease" shall be amended as follows:

2. Lease. DWU does hereby demise and lease to Destin the Premises described more particularly in the attached Exhibit "B-1", a survey and legal description dated May 18, 2001, Project No. 1123703, prepared by Baskerville Donovan, Inc. which replaces the original legal description found in Exhibit "B" for the Premises in accordance with all of the provisions, conditions and terms herein.

All other provisions of the Lease Agreement not specifically amended herein shall remain in full force and effect.

Dated this 20th day of NOVEMBER, 2001.

ATTEST:

DESTIN WATER USERS, INC.,
a Florida Not-for-Profit Corporation

By: *Sarah B. Dodge*

Secretary

By: *Richard F. Griswold*

Print: RICHARD F. GRISWOLD

Title: GENERAL MANAGER

CITY OF DESTIN,
a Florida Municipal Corporation

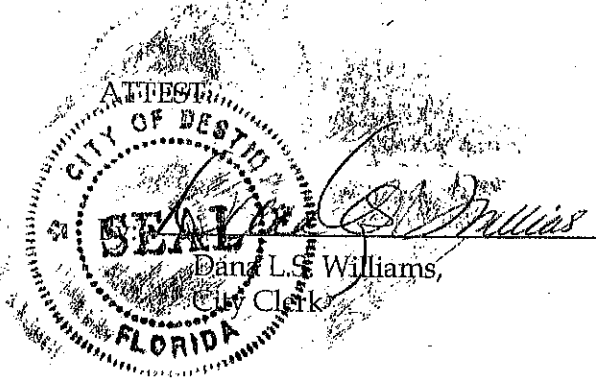
Larry J. Rubenstein
Larry J. Rubenstein,
City Manager

FORM APPROVED:

By: *Suzanne Brownless*

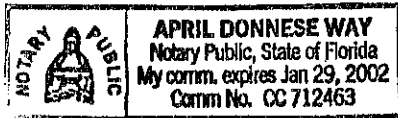
Suzanne Brownless, Franchise Attorney

FILE # 1887882 RCD: Dec 19 2001 @ 07:29AM
Newman C. Brackin, Clerk, Okaloosa Cnty Fl



STATE OF FLORIDA
COUNTY OF OKALOOSA

The foregoing was acknowledged before me this 7 day of November 2001, by Larry J. Rubenstein, the City Manager of the City of Destin, Florida, who is personally known to me or has produced the identification referenced below and who did take an oath.



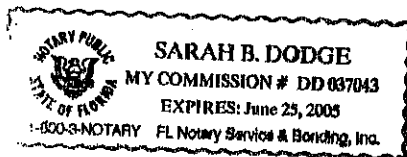
April Donnese Way

Notary Public State and County Aforesaid

Print Name: April Donnese Way
My Commission Expires: January 29, 2002

STATE OF FLORIDA
COUNTY OF OKALOOSA

The foregoing was acknowledged before me this 20th day of NOVEMBER 2001, by RICHARD F. GRISWOLD, an officer of Destin Water Users, Inc., legally empowered to bind Destin Water Users, Inc., who is personally known to me or has produced the identification referenced below and who did take an oath.



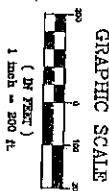
Sarah B. Dodge

Notary Public State and County Aforesaid

Print Name: SARAH B. DODGE
My Commission Expires: JUNE 25, 2005

SPECIFIC PURPOSE SURVEY

EXHIBIT "B-1"



1C3=S65D8'18"W
(584°00'08"W) Q.R. 1842 PG 1142

LEGAL DESCRIPTION PREPARED BY BASKERVILLE-DONOVAN, INC.)

[illegible]

SURVEYOR'S CERTIFICATE

BRANDEN VILLE - DONOVAN INC
CORPORATE NUMBER 0540

COPIES DESTROYED IN NOV. 1950

SPECIFIC PURPOSE SURVEY
A PORTION OF UNDIVIDED
TOWNSHIP 2 SOUTH, RANGE 22 WEST,
OKALOOSA COUNTY, FLORIDA

PREPARED FOR: DESTIN WATER USERS

PROJECT NO:	
11237.03	
SCALE:	1"=200'
DRAWN BY:	RWH
CHK'D BY:	MAN
PROJ. MGR:	RSM
DATE:	5/18/01

NOT VALID WITHOUT
THE SIGNATURE AND
THE ORIGINAL RAISED SEAL
OF A FLORIDA LICENSED
SURVEYOR AND MAPPER

[illegible]

**BASKERVILLE-
DONOVAN, INC.**
ENGINEERS ■ ARCHITECTS ■ SURVEYORS
PENSACOLA ■ PANAMA CITY ■ TALLAHASSEE ■ MOBILE
316 S. BAYLEN ST., SUITE 300
PENSACOLA, FLORIDA 32501 (850) 438-9051
ENGINEERING BUSINESS: ED-0000340

SECOND AGREEMENT TO LEASE AGREEMENT

The parties, Destin Water Users, Inc., a not for profit corporation, whose address is P.O. Box 308, Destin, Florida, 32541 (hereafter referred to as "Lessor" or "DWU"), and the City of Destin, Florida, a Florida municipal corporation, whose address is 4200 Two Trees Road, Destin, Florida, 32541 (hereafter referred to as "Lessee" or "Destin"), hereby amend the Lease Agreement dated July 14, 1997, and the First Amendment to Lease Agreement dated November 20, 2001:

Paragraph three (3) entitled "Term" shall be amended as follows:

3. Term. This lease shall be for a term of thirty-eight (38) years, beginning on the Effective Date, as herein defined.

All other provisions of the Lease Agreement not specifically amended herein shall remain in full force and effect.

Dated this 30th day of SEPTEMBER, 2004.

ATTEST:

DESTIN WATER USERS, INC.
a Florida Not-for-Profit Corporation

By: Kim Mooso
Secretary

By: [Signature]
Print: RICHARD F. GRISWOLD
Title: GENERAL MANAGER

ATTEST:

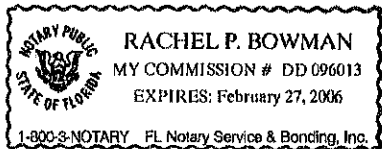
CITY OF DESTIN,
a Florida Municipal Corporation

By: [Signature]
City Clerk

[Signature]
Greg Kisela
City Manager

STATE OF FLORIDA
COUNTY OF OKALOOSA

The foregoing instrument was acknowledged before me this 30th day of SEPT, 2004, by RICHARD F. GRISWOLD as GENERAL MANAGER, of DESTIN WATER USERS, INC., a Florida Not-for-Profit corporation, on behalf of the corporation.



Rachel P. Bowman
Notary Public
Printed Name Rachel P. Bowman
Commission Number DD 096013
My commission expires 02-27-06

Personally known to me X OR _____ Produced identification
Type of identification produced _____

STATE OF FLORIDA
COUNTY OF OKALOOSA

The foregoing instrument was acknowledged before me this 13th day of September, 2004, by GREG KISELA, a City Manager, of CITY OF DESTIN, a Florida Municipal Corporation, on behalf of the corporation.

KIMBERLY I. MONTGOMERY
Notary Public, State of Florida
My comm. exp. Mar. 5, 2006
Comm. No. DD 097433

Kimberly I. Montgomery
Notary Public
Printed Name _____
Commission Number _____
My commission expires _____

Personally known to me ✓ OR _____ Produced identification
Type of identification produced _____

THIRD AMENDMENT TO LEASE AGREEMENT

The parties, the City of Destin, a Florida municipal corporation, whose address is 4200 Indian Trail, Destin, FL, 32541 (hereafter referred to as "Lessee" or "Destin"), and Destin Water Users, Inc., a not for profit corporation, whose address is P.O. Box 308, Destin, FL 32540 (hereafter referred to as "Lessor" or "DWU"), hereby amend the Lease Agreement dated July 14, 1997 (the "Lease Agreement"). The amendments are set forth herein below.

A. Paragraph 1.(g) entitled "Premises" shall be amended as follows:

1(g). "Premises" means the following described property situated in the County of Okaloosa, State of Florida, to wit:

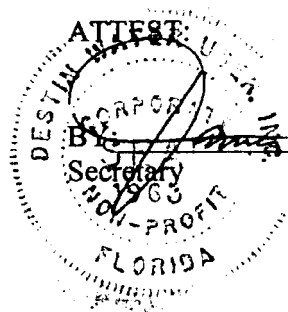
Parcel number: 00-2S-22-2300-000F-0020

B. Paragraph 4. entitled "Consideration" shall be amended as follows:

4. Consideration. The consideration paid by Lessee to Lessor hereunder shall be Seven Thousand Dollars (\$7000.00) per year, which amount shall be renegotiated every five years.

All other provisions of the Lease Agreement not specifically amended herein shall remain in full force and effect.

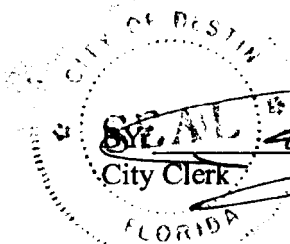
Dated this 19th day of July, 2022.



DESTIN WATER USERS, INC.
A Florida Not-For-Profit Corporation

BY: Lockwood Wernet
Lockwood Wernet
General Manager

ATTEST:



CITY OF DESTIN
A Florida Municipal Corporation

Lance Johnson
Lance Johnson
City Manager

EXHIBIT "C"

SECOND AMENDMENT TO RECLAIMED WATER LEASE AGREEMENT

The parties, the City of Destin, a Florida municipal corporation, whose address is 4200 Indian Bayou Trail, Destin, FL, 32541 (hereafter referred to as "Lessor" or "Destin"), and Destin Water Users, Inc., a not for profit corporation, whose address is P.O. Box 308, Destin, FL 32540 (hereafter referred to as "Lessee" or "DWU"), hereby amend the Lease Agreement dated May 3, 1999. The amendments are set forth herein below.

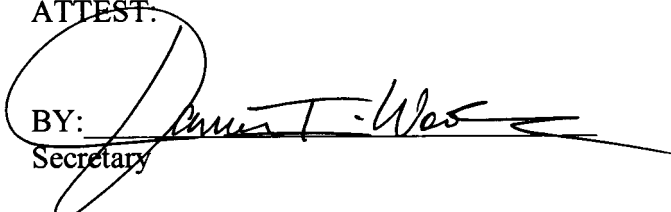
A. Paragraph 3 entitled "Term" shall be amended as follows:

This lease shall be for a term of 43 years, beginning on the Effective Date, as defined herein, and run until September 30, 2042.

All other provision of the Lease Agreement not specifically amended herein shall remain in full force and effect.

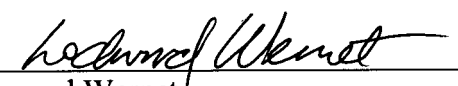
Dated this 15th day of AUGUST, 2022.

ATTEST:

BY: 

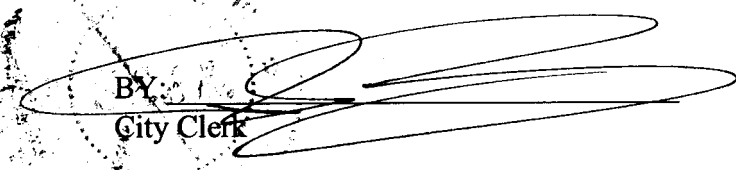
Secretary

DESTIN WATER USERS, INC.
A Florida Not-For-Profit Corporation

BY: 

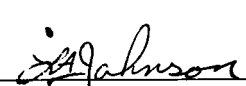
Lockwood Wernet
General Manager

ATTEST:

BY: 

City Clerk

CITY OF DESTIN
A Florida Municipal Corporation


Lance Johnson
City Manager