SUPPLEMENTAL PROVISION TO THE INTERLOCAL AGREEMENT BETWEEN THE FLORIDA KEYS AQUEDUCT AUTHORITY AND THE CITY OF KEY WEST

THIS SUPPLEMENTAL PROVISION is entered into this 8th day of March, 2022 by and between Florida Keys Aqueduct Authority (FKAA) and the City of Key West;

RECITALS

WHEREAS, the City of Key West approved and executed that certain proposed Interlocal Agreement between the City of Key West and the Florida Keys Aqueduct Authority (FKAA) on February 22, 2022 as approved by Resolution No. 22-046, and:

WHEREAS, the City of Key West and the Florida Keys Aqueduct Authority have received a demand letter from a third-party utility threatening certain legal challenges to the Interlocal Agreement claiming the ILA to be unlawful:

NOW THEREFORE:

- 1. In the event the third-party utility successfully challenges the proposed ILA between the City of Key West and the FKAA, then either party shall have the right to terminate the ILA upon reasonable notice to the other party.
- 2. Notwithstanding the Interlocal Agreement (ILA) previously negotiated and approved by the City of Key West, with respect to claim(s) from a third-party utility, FKAA agrees to indemnify, defend, and hold free and harmless, the CITY and each of its members, agents, servants, employees, officers, and directors, from and against any and all actions, claims, liabilities, assertions, of liability, losses, costs, and expenses including, but not limited to, attorney fees, reasonable investigative and discovery costs, and court costs, which in any manner may arise or be alleged to have arisen, or resulted, or alleged to have resulted, from the presence and activities, or any nature or otherwise of

FKAA, its agents, servants, or employees relating to this ILA and claim(s) from a third-party utility and shall additionally include but not be limited to, appellate, supplemental or bankruptcy proceedings. This indemnification shall survive the term of this agreement. In the event that any action or proceeding is brought against the City of Key West by reason of such claim or demand, FKAA shall resist and defend such action or proceeding by counsel of FKAA's choosing.

3. Counterparts. This Supplement may be executed in several counterparts, each of which shall be deemed an original and such counterparts shall constitute one and the same instrument.

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IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

| (SEAL) | FLORIDA KEYS AQUEDUCT AUTHORITY BY: J. Robert Dean, Chairman |
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| ATTEST: | By: <u>Ontrinotte M. Appall</u> Antoinette Appell, Secretary/Treasurer |
| | CITY OF KEY WEST, FLORIDA |
| | By: Patti McLauchlin, City Manager |
| Clerk | , |