

MEMORANDUM OF UNDERSTANDING

THIS Memorandum of Understanding made and entered into this ____ day of May, 2016 by and between the Utility Board of the City of Key West, ("Keys Energy") and the City of Key West, Florida ("The City").

RECITALS

WHEREAS, the City of Key West is constructing a new City Hall at White and United Streets; and

WHEREAS, the new City Hall will have parking structures with solar arrays to help power the new City Hall; and

WHEREAS, Keys Energy desires to assist in reimbursing the City the cost of the solar arrays on two parking structures, as a benefit to the Citizens of Key West.

WITNESSETH

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and for consideration hereinafter set forth, it is understood as follows:

- 1) **RECITALS:** The foregoing recitals are incorporated by reference and made a part of this Memorandum.
- 2) Utility Board of the City of Key West, "KEYS", shall provide up to \$240,000 to the City to fund the solar arrays that will be installed on the first and second carport structures that the City is installing at the new City Hall at the corner of White and United streets.
- 3) Payment will be made upon invoice from the City to KEYS with supporting documentation showing the installation is complete and the City has been billed by and has paid the contractor in full for the panels and their installation.
- 4) The City will complete the Standard Interconnection Agreement for Customer-Owned Renewable Generation and the Tri Party Net Metering Agreement.
- 5) The City shall solely bear all operational costs and maintenance costs of the Solar panels.
- 6) The City will receive 100% of the energy output from the solar panels.
- 7) The City will own all environmental attributes and environmental incentives.
- 8) Unless otherwise agreed, and excluding Acts of God, The City agrees the system will not be removed, dismantled, disconnected, sold, leased, assigned, mortgaged, pledged or otherwise alienated or encumbered for twenty years. During the first twenty years of installation KEYS reserves the right of first refusal to acquire the Solar Panels from the City if the City decides it will not continue to maintain or operate the Solar panels. (Subject to those certain terms of insurance or other conditions which may be required by City concerning the method or manner of their removal.)
- 9) As the system has a finite yet unknown lifespan, any future modification, upgrade or replacement of the system will be the sole responsibility of the City and any such modification upgrade or replacement valued at one half of the original contribution will void the requirements of clause #8.

- 10) In the event of a catastrophic failure, replacement will be the sole responsibility of the City and any such replacement will void the requirements of clause #8.
- 11) KEYS and the City shall jointly develop and cause to be installed a Commemorative Plaque or Signage memorializing KEYS donation to fund the two solar panels on the Parking Structure. The design, production and installation costs will be the sole responsibility of KEYS. Any permitting fees for associated plaque/signage will be waived by the City.
- 12) The City shall include recognition of KEYS during the dedication ceremony within either the City Manager's remarks or the Mayor's remarks; additionally, the Utility Board Chairman shall be provided seating in a "place of honor".
- 13) The City and KEYS shall arrange for an appropriate photo opportunity between the Mayor and Utility Board Chairman that KEYS may use in press releases, on its website and on its social media platforms. Additionally, the City agrees to acknowledgement in all press releases and on the appropriate City website page regarding the new City Hall, that KEYS supports sustainability by funding the two solar panels.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals as of the date first set forth above.

Peter Batty, Chairman of Utility Board
of Key West FL

Craig Cates, Mayor, City of Key West,
FL

Lynne Tejeda, General Manager and
CEO of the Utility Board of Key West FL

Jim Scholl, City Manager, City of Key
West FL