

**THIRD AMENDMENT TO INTERAGENCY AGREEMENT
BETWEEN THE CITY OF JACKSONVILLE AND JEA
REGARDING THE TRANSFER OF WATER QUALITY CREDITS**

This Third Amendment to the Interagency Agreement between the City of Jacksonville and JEA Regarding the Transfer of Water Quality Credits (“Amendment”) is made and entered into this _____ day of _____, 2023 (the “Effective Date”) between the **CITY OF JACKSONVILLE**, a Florida municipal corporation (the “City”), whose address is 117 West Duval Street, Jacksonville, Florida 32202 and **JE A**, a body politic and corporate organized and existing under the laws of the State of Florida (“JEA”), whose address is 225 North Pearl Street, Jacksonville, Florida 32202.

Recitals

WHEREAS, the City and JEA entered into an Interagency Agreement dated March 22, 2016, as amended by that certain First Amendment to Interagency Agreement dated February 28, 2019 (“First Amendment”), as further amended by that certain Second Amendment to Interagency Agreement dated August 18, 2022 (“Second Amendment”) (collectively, the “Agreement”) , as authorized by City Ordinances 2015-764-E, 2018-747-E, and 2021-118-E, respectively, and a copy of the Agreement is attached hereto as Exhibit A; and

WHEREAS, under the Agreement, JEA shall provide nutrient credits to the City in the amount of 30.34 Metric Tons (“MT”) per year with an option to provide an additional 10-15 MT per year as requested by the City, for a total maximum contribution to the City of 45.34 MT per year by JEA; and

WHEREAS, in order for the City to meet its Florida Department of Environmental Protection (“FDEP”) Lower St. Johns River Basin Management Action Plan (“BMAP”) requirements, the total nutrient credit contribution required from JEA is 74.69 MT per year; and

WHEREAS, the parties wish to amend the Agreement as set forth herein, to increase the current option in order to cover the deficiency; and

WHEREAS, the term of the Agreement extends through September 30, 2023; and

WHEREAS, under Section 4.9 of the Agreement, the parties agreed to engage in discussions regarding a plan for meeting the future needs of both parties with respect to the regulatory reduction of total nitrogen in the Lower St. Johns River and its tributaries; and

WHEREAS, in order to ensure that the future needs of the parties are met, the parties wish to ratify and extend the term of the Agreement.

NOW THEREFORE, in consideration of the covenants, promises, and conditions contained herein, the receipt and sufficiency of which is mutually acknowledged, the City and JEA agree as follows:

Section 1 – Recitals

1.1 The City and JEA acknowledge that the recitals contained above are true and accurate to the best of their knowledge. Said recitals are hereby incorporated herein by reference.

Section 2 – Term

2.1 The Term of the Agreement is hereby extended to replace September 30, 2023 with December 31, 2024 (the “Amended Term”).

Section 3 – Definitions

3.1 Except as otherwise provided herein, all definitions provided in the Agreement and the shall apply to this Amendment.

Section 4 – BMAP Water Quality Credits

4.1 Section 4.3 of the First Amendment is hereby amended to read in its entirety as follows:

JEA agrees to transfer additional excess Water Quality Credits (“Supplemental Credits”) to the City subject to the appropriate regulatory agency approval. JEA shall diligently pursue the approval of the Supplemental Credits on behalf of the City. Supplemental Credits shall be between 35 to 45 MT per year of TN and subject to continued regulatory approval shall be reserved and transferred to the City for the Term of this Agreement, including any renewal term thereof.

4.2 JEA’s obligation to provide Supplemental Credits is conditioned upon (i) the availability of credits for transfer and (ii) the issuance of all required permits by FDEP or any other regulatory agency having jurisdiction over the transfer of Water Quality Credits.

4.3 The City acknowledges that as of the effective date of this Amendment JEA is contractually obligated to provide Water Quality Credits to American Water Military Services, LLC, and Keystone Investments II, LLC, and that any obligation to provide Water Quality Credits to the City shall be subject to JEA’s first having fulfilled all pre-existing contractual obligations to third parties.

Section 5 – Amended Agreement

5.1 This Amendment, upon execution by the parties, will become an Amendment to the attached Agreement, which shall remain in full force and effect except as modified by this Amendment, and the Agreement as amended hereby is ratified and confirmed. The parties are not bound by any stipulations, representations, agreements, or promises, oral or otherwise, not printed or inserted herein. If any part of this Amendment shall be determined to be invalid or unenforceable by a court of competent jurisdiction, or by any other legally constituted body having jurisdiction to make such a determination, the remainder of this Amendment shall remain in full force and effect provided that the part of this Amendment thus invalidated or declared unenforceable is not material to the intended operation of this Amendment.

IN WITNESS WHEREOF, the City has caused this Amendment to be executed on the day and year written below in its name by the Mayor, and JEA has caused this Amendment to be executed on the day and year written below in its name by its duly authorized representative.

CITY OF JACKSONVILLE

Donna Deegan, Mayor

Date: _____

ATTEST:

Form Approved:

James R. McCain, Jr.
Corporation Secretary
JEA

Office of General Counsel

CEO/Managing Director

Date: _____

Secretary

Date: _____

I do hereby certify that there is an unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing Amendment; and that provision has been made for the payment of monies provided therein to be paid.

Ted Phillips
JEA Chief Financial Officer

Form Approved:

Office of General Counsel