

TERM SHEET FOR
GRANT AWARD AGREEMENT BETWEEN
TRIUMPH GULF COAST, INC.

AND

WALTON COUNTY, FLORIDA, ACTING BY AND THROUGH ITS BOARD OF COUNTY
COMMISSIONERS
(Public Safety Communications System/Project #324)

This Term Sheet summarizes the basic terms upon which Triumph Gulf Coast, Inc. (“**Triumph**”) is considering awarding a grant to Walton County, Florida, acting by and through its Board of County Commissioners (“**Grantee**”) under the Triumph Gulf Coast Trust Fund. This Term Sheet is intended for discussion and negotiation purposes only and (a) does not constitute a grant, or an approval of a grant, by Triumph to Grantee, and (b) does not create any binding obligations on Triumph or Grantee with respect to (i) any grant, (ii) any approval of a grant, or (iii) engaging in any further discussions or negotiations with respect to a grant. Any binding agreement between Triumph and Grantee with respect to any grant must be contained in a definitive grant award agreement (the “**Agreement**”), approved by Grantee and the Board of Directors of Triumph and executed by Triumph and Grantee. At any time prior to such execution of the Agreement, either Triumph or Grantee may terminate negotiations, and upon such termination, neither party shall have any liabilities or obligations to the other.

GRANT AMOUNT: Up to \$20,152,671

PURPOSE: To provide partial funding for the following project (the “**Project**”): (i) the purchase and installation of a new County-wide land mobile radio (LMR) system, including but not limited to, the purchase and installation of P25 master cores and dispatch centers equipment, simulcast and microwave backhaul systems, P25 equipment for 21 Tower sites (as defined below), talk group systems for smartphones, and multi-band mobile and portable radio systems (collectively, the “**Equipment**”), (ii) the purchase, lease, and installation, and rental of approximately 21 towers (the “**Towers**”) in support of the foregoing Equipment, (iii) long-term system maintenance of the foregoing, and (iv) the engagement of consultants to assist with the development and operation of the Project, all as further described in Grantee’s Application for Funds submitted to Triumph (the “**Grant Application**”).

COMPETITIVE
BIDS:

For contracts and/or purchases exceeding \$325,000, Grantee shall obtain competitive bids when required under the applicable laws, statutes,

ordinances, rules and regulations when purchasing services or commodities, or contracting for construction or renovations to public property, and Grantee shall upload a copy of the applicable standards or procedures to Triumph's SmartSheet system and submit for Triumph review. When awarding contracts according to the applicable laws, statutes, ordinances, rules and regulations, Grantee shall award the contract to the lowest cost qualified responsive bidder considering the selection criteria contained within the solicitation. Triumph shall have the right to review and approve the proposed award.

PLANS AND SPECIFICATIONS:

Grantee shall upload to SmartSheet for Triumph's review and approval of the plans and specifications for the construction and any proposed changes to said plans and specifications. Triumph shall have fifteen (15) days from receipt of the plans and specifications or proposed change to notify Grantee of its approval or disapproval. Upon any disapproval, Grantee shall have ten (10) days to revise plans and specifications or proposed change ("Revised Plans") for resubmission for approval or disapproval by Triumph. Triumph shall have fifteen (15) days from receipt of the Revised Plans and specifications or proposed change to notify Grantee of its approval or disapproval of Revised Plans. If Triumph fails to approve or disapprove of the plans and specifications or proposed change within such fifteen (15) day period, the plans and specifications or proposed change shall be deemed approved. If Grantee fails to upload and notify Triumph, that failure shall be sufficient cause for nonpayment by Triumph.

COMPLIANCE WITH CONSULTANTS' COMPETITIVE NEGOTIATION

Grantee shall be deemed an "Agency" under, and shall comply in full with, the provisions of Chapter 287.055, Florida Statutes, Consultants' Competitive Negotiation Act with respect to engineering, architecture or surveying services, and shall certify to Triumph that all selections have been accomplished in compliance with said statute.

OWNERSHIP OF EQUIPMENT AND IMPROVEMENTS

Grantee acknowledges and agrees that all equipment and improvements

purchased with Grant funds shall be owned by Grantee.

FUNDING:

The total cost of the Project is \$40,596,971, of which (i) a match is being contributed by Grantee and others in the amount of \$20,444,300 (the “**Matching Funds**”), and (ii) up to \$20,152,671 is being provided by the Grant. The total estimated cost of the Project is based upon the Budget attached hereto (the “**Budget**”). To the extent that the actual cost of the Project exceeds \$40,596,971, Grantee shall be solely responsible for such excess.

Grantee shall submit to Triumph a separate Request for Funding for each Budget category (a “**Request for Funding**”) in accordance with the Budget and shall submit information pursuant to a SmartSheet system by Grantee’s authorized users. After the first Request for Funding, each subsequent Request for Funding may only be submitted after Triumph’s approval of the immediately preceding Request for Funding. Each Request for Funding shall include the following items (A) through (H): (A) completed detailed Project account spreadsheet (i.e., in a tab on the Budget), (B) a completed Expense Itemization Sheet in a form provided by Triumph (“**Expense Itemization Sheet**”) for each category of funds requested and for Matching Funds category, together with invoices, receipts, or contracts from vendors providing equipment, materials, and services; (C) payroll ledgers, percentage of time dedicated to the Project, and job descriptions as they relate to the Project, (D) documentation evidencing the completion of the work that is the subject of the requested funding, (E) to the extent that any portion of the current funding request is for reimbursement of amounts already paid by Grantee, copies of front and back of cancelled checks for funding, (F) to the extent that all or any portion of the prior funding was a disbursement for items to be paid rather than a reimbursement of amounts already paid, a completed Expense Itemization Sheet and receipts or other documentation evidencing that the funds disbursed previously were in fact paid in the proper amounts to the proper vendors for such items, including copies of front and back of cancelled checks for funding (G) copies of the insurance policies required under the Agreement and evidence that such policies are in current force and effect, and (H) such other documents as Triumph shall require in order to determine that the funding is consistent with the purposes of the Grant. Grantee shall notify the Triumph Program Administrator via email each time a Request for Funding is submitted. Other than the final Request for Funding, no single Request for Funding shall be submitted for a funding request amount of less than \$503,817. In no event shall the cumulative fundings made by Triumph exceed the \$20,152,671 maximum amount of the Grant. Upon Triumph’s receipt of (a) notification to the Program

Administrator, and (b) a Request for Funding that includes all required supporting documents, Triumph shall have forty-five (45) days from receipt to review and either approve or disapprove of a Request for Funding. If Triumph approves a Request for Funding, then it shall fund the approved amount to Grantee within thirty (30) days after approval. If Triumph disapproves a Request for Funding, Triumph shall deliver a notice of disapproval within such forty-five (45) day period that states the reasons for such disapproval. If the stated reasons for disapproval can be cured by Grantee's submittal of missing or corrective items, Grantee shall have thirty (30) days following receipt of the notice of disapproval to submit such missing or corrective items. If Triumph fails to notify Grantee of its disapproval of the Request for Funding within forty-five (45) days of receipt, such Request for Funding shall be deemed disapproved.

None of the Grant funds shall be used as a reimbursement of items purchased by Grantee prior to the date of the Agreement. None of the amounts paid by Grantee in connection with the invoices submitted in a Request for Funding and then funded by Triumph shall also have been or will in the future be in any manner (a) reimbursed, returned, refunded, rebated, or otherwise credited to, Grantee by any contractor, materialman, vendor, or any other person or entity, or (b) paid, reimbursed, returned, refunded, rebated, or otherwise credited to Grantee by the State of Florida, the United States, or any agency or instrumentality of any of the foregoing, whether under any grant or loan program or other method of contribution, it being expressly understood and agreed that Grantee shall not receive payments, refunds, reimbursements, rebates or credits from any sources in amounts collectively exceeding 100% of the amounts paid or owing by Grantee.

None of the Grant funds or the Matching Funds shall be used to pay, reimburse, or recover any overhead or other indirect costs, including, but not limited to, general and/or administrative overhead, facilities overhead, continuing education fees, and auxiliary fees.

Triumph will honor requests for funding; provided, however, that Triumph may elect by notice in writing not to make a payment if:

- (a) There is missing or incomplete documentation;
- (b) The Request for Funding seeks funding for items other than as shown in the Budget or seeks funding for more than amounts actually invoiced by contractors, materialmen, or other vendors under any contracts;
- (c) The amount requested for funding under the Request for Funding, together with all amounts previously funded under the Grant,

would exceed the \$20,152,671 maximum amount of the Grant; or the amount requested for funding under the Request for Funding for a particular Budget category, together with all amounts previously funded for such Budget category, would exceed the maximum amount allocated to such Budget category; or Grantee failed to use any Grant funds funded to date in the amounts and for the purposes stated in the Budget;

(d) Grantee made a misrepresentation or omission of a material nature in the Grant Application, or any supplement or amendment to the Grant Application, or with respect to any document or data furnished with the Grant Application or pursuant to the Agreement;

(e) There is any pending litigation with respect to the performance by Grantee of any of its duties or obligations pursuant to the Grant which may jeopardize or adversely affect the Project, the Agreement, or funding of the Grant;

(f) Grantee has taken any action pertaining to the Project which, under the Agreement, requires the approval of Triumph, and Grantee failed to obtain such approval;

(g) There has been a violation of the prohibited interests provisions of the Agreement;

(h) Grantee is in material violation, default, or breach of or under any provision of the Agreement;

(i) Grantee is in breach of any material representation or warranty contained in the Agreement;

(j) Grantee and/or any federal, state, or local government, organization or agency providing financial assistance to the Project has revoked, suspended, or terminated that financial assistance to the Project, including, but not limited to, the Matching Funds;

(k) The Matching Funds are not being used for the intended purposes and in the amounts and at the times as set forth in the Budget, and/or Grantee has failed to provide Triumph with evidence of payment of the Matching Funds toward completion of the Project;

(l) With respect to previous fundings of the Grant and payments under contracts, Grantee has failed to pay, or has failed to provide Triumph with evidence of payment of, the Grant for the purposes of such funding. Such evidence shall include, but not be limited to, payroll ledgers, state and federal payroll returns, job descriptions, invoices, cancelled checks, wire transfer confirmations;

(m) Prior to December 31, 2036 (the “**Completion Deadline**”), Grantee has abandoned or discontinued the Project, or for any reason the commencement, prosecution, or timely completion of the Project by Grantee is rendered improbable, infeasible, impossible, or illegal;

(n) All or any portion of the requested funding includes funding for items that are outside the scope of the Project that is contemplated under the Budget;

(o) One or more of the contracts previously approved or deemed approved by Triumph have been modified, amended, or terminated, or have been subject to a change order, without the prior written consent or deemed approval of Triumph; provided, however, that any change order under \$65,000 shall not be subject to approval under the Agreement;

(p) Intentionally omitted;

(q) Without the prior approval of Triumph, the total Project cost as set forth in the Budget, the overall Budget, and/or a particular Budget category, has been cumulatively increased or decreased by more than 5%; and/or the Matching Funds have cumulatively increased or decreased by more than 5%;

(r) Completion of the Project is not on schedule for completion by the Completion Deadline and it is objectively unlikely that the Project will be completed by the Completion Deadline;

(s) Grantee has failed to maintain in full force and effect all insurance required under the Agreement;

(t) Grantee is not in substantial compliance with all applicable environmental laws and regulations in accordance with the Agreement;

(u) Grantee is not in compliance with the competitive bidding requirements described above; and/or

(v) Grantee is not in compliance with the equal employment opportunity and other labor provisions as required by the Agreement.

ELIGIBLE
COSTS/
DOCUMENT-

ATION:

Grantee shall seek funding only for costs of the Project as shown or contemplated under the Budget. All amounts paid by Grantee with respect to the Project shall be supported by properly executed invoices, contracts, and other records evidencing in proper detail the nature and propriety of the charges and use of the Matching Funds. All checks, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to the Project shall be clearly identified and readily accessible.

**MAINTENANCE
OF RECORDS:**

Grantee shall establish and maintain within its existing accounting system or independently from its accounting system a detailed listing of all expenses related to the project. Records of costs incurred under terms of the Agreement shall be maintained in the listing along with supporting documentation and be made available upon request to Triumph during the period of the Agreement and for five (5) years after final payment of the Grant is made.

AUDITS:

The Grant shall be subject to audits and/or monitoring by Triumph. Grantee shall on an annual basis on or before October 31 of each year submit to Triumph an activity report which contains, in addition to any other information requested by Triumph (a) the progress of the Project, (b) costs incurred to date, (c) how Grantee is progressing with the purchase and construction of the Towers and Equipment, (d) Grantee's most recent audited financial statements, and (e) a report on the amounts, sources, and uses of any Private Sector Income Payments (as defined below) received. Grantee's failure to be making substantial progress toward the purchase and installation of the Towers and Equipment shall be grounds for suspension or termination of funding any unfunded portion of the grant. In addition, Triumph shall have the right, at any time and from time to time upon reasonable notice to Grantee, to access the Project and inspect any work being performed or as completed. Grantee shall also make available to Triumph copies of any and all invoices, contracts, plans and specifications, and other documentation relating to the Project.

RESTRICTIONS ON
USE OF TOWER
IMPROVEMENTS/
SALE OF
EQUIPMENT
AND/OR TOWERS

Prior to December 31, 2036, in the event Grantee leases, licenses, or otherwise grants rights to use any space, technology, or capacity (in each case, a “**Use Right**”) on or from any of the Equipment or Towers purchased with grant funds, and such Use Right directly or indirectly results in, the payment of money and/or any other compensation or consideration to Grantee from any person, trust, corporation, partnership, limited liability company, or other entity (“**Private Sector Income Payments**”), Grantee shall use any and all such Private Sector Income Payments exclusively for investment in (a) economic development in Walton County, Florida, and/or (b) training and equipment to support Walton County Public Safety’s response to disasters. Grantee shall keep and maintain accurate records of any and all Private Sector Income Payments received (including the sources and amounts thereof) as well as the uses to which such Private Sector Income Payments were put, shall make such records available to Triumph upon request, and shall report such amounts, sources, and uses to Triumph as required above. Nothing shall (i) restrict or prohibit Grantee from itself using any space, technology, or capacity on the Towers for any purposes unrelated to the emergency communications system that is the subject of the Grant, or (ii) restrict or prohibit Grantee from granting Use Rights in favor of any federal, state, or local governmental body or agency, with or without the payment of money and/or any other compensation or consideration to Grantee.

If Grantee determines that it is in its best interest to sell one or more of the Towers and/or the Equipment and then lease back such Tower(s) and/or Equipment for its use, Grantee may do so provided that (i) Grantee notify Triumph in writing not less than thirty (30) day prior to the closing date of the sale of such Tower(s) and/or Equipment, and (ii) concurrently with the closing of such sale, Grantee shall pay to Triumph an amount equal to the amount of Grant funds used by Grantee to purchase and install the Equipment on the Towers being sold. The foregoing provision shall expire and be of no further force or effect on December 31, 2036, and, accordingly, after such date Grantee shall be free to sell any Tower(s) and/or Equipment without notice or payment to Triumph.

Nothing in the Agreement shall restrict or prohibit Grantee, at Grantee's sole cost and expense, from (i) replacing any Equipment purchased with Grant funds when such Equipment has become inoperable, obsolete, or reached its end of operational life, and (ii) disposing of such radio Equipment and other equipment in accordance with Grantee's regular disposal process.

**TERMINATION
OR
SUSPENSION
OF PROJECT:**

If Grantee abandons or, before completion, finally discontinues the Project; or for any other reason, the commencement, prosecution, or timely completion of the Project by Grantee is rendered improbable, infeasible, impossible, or illegal, Triumph will, by written notice to Grantee, suspend any or all of its obligations under the Agreement until such time as the event or condition resulting in such suspension has ceased or been corrected, and if not timely corrected Triumph may terminate any or all of its obligations under the Agreement. Upon receipt of any final termination or suspension notice, Grantee shall upon demand by Triumph remit to Triumph all or a portion of the Grant previously received.

**APPROVAL
OF
CONTRACTS/
COMPLIANCE
WITH LAWS:**

Triumph shall have the right to review and approve any and all third party contracts with respect to the Project before Grantee executes or obligates itself in any manner requiring the funding of Triumph funds. Grantee shall also comply with all applicable laws regarding public records, third party contracts, labor laws, civil rights laws, and environmental laws.

INSURANCE:

At all times during the term of the Agreement, Grantee shall keep and maintain (i) casualty insurance on all improvements, the cost of which was in whole or in part was paid for using Triumph grant funds, but only to the extent that such improvements can in fact be insured, and (ii) workers compensation insurance with respect to the construction of any

improvements.

CLAWBACK:

Some or all Grant funds funded by Triumph to Grantee shall be subject to being repaid (“clawed back”) in the event Grantee (i) shall have made any misrepresentation of a material nature in the Grant Application, or any supplement or amendment to the Grant Application, or with respect to any document or data furnished with the Grant Application, (ii) shall have breached a representation or warranty made in the Agreement and/ or shall have made any materially false certification or representation to Triumph in connection the Agreement and/or any request for funding under the Agreement, and/or (iii) Grantee breached, violated, or is in any way in material default under any of its obligations under the Agreement, and/or (iv) Grantee fails to timely achieve the following performance metrics (the “**Performance Metrics**”):

(a) **Performance Metric #1:** By December 31, 2028, the purchase and installation of the Tower and the Equipment (the “**Construction Project**”) shall be Substantially Complete (as defined below). In the event that Grantee fails to Substantially Complete the Project by such date, Grantee shall re-pay to Triumph an amount equal to the total amount of the Grant that was funded to Grantee. As used herein, the Construction Project shall be deemed Substantially Complete when the Towers and the Equipment are substantially complete in accordance with the contract documents governing the purchase and installation thereof such that the Project is operational and can be used for its intended purposes.

(b) **Performance Metric #2:** By December 31, 2036, all Grant funds and Matching Funds shall have been expended on the Project as contemplated in the Budget. In the event that by December 31, 2036, the Project is completed but not all of the Matching Funds were expended on the Project as contemplated in the Budget, then Grantee shall re-pay to Triumph an amount equal to (A) \$20,444,300, minus (B) the actual amount of Matching Funds expended on the Project.

In the event Grantee (i) shall have made any misrepresentation of a material nature in the Grant Application, or any supplement or amendment to the Grant Application, or with respect to any document or data furnished with the Grant Application, (ii) shall have breached a

Dated: December 16, 2024

TRIUMPH:

Triumph Gulf Coast, Inc.

By: David M. Bear
Name: David M. Bear
Title: Chairman

GRANTEE:

Walton County, Florida, acting by and through its Board of County Commissioners

By: Don W. Clark
Name: Donald W. Clark
Title: Chief Deputy

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representation or warranty made in the Agreement and/ or shall have made any materially false certification or representation to Triumph in connection with the Agreement and/or any request for funding under the Agreement, and/or (iii) Grantee breached, violated, or is in any way in material default under any of its obligations under the Agreement, Grantee shall within ninety (90) days of written demand by Triumph repay to Triumph all of the Grant theretofore funded to and received by Grantee.

Triumph shall have the discretion to waive, reduce, extend, or defer any amounts due above if it determines in its sole and absolute discretion that (i) a breach of a representation and warranty in the Agreement or in the Grant Application, or a breach, violation, or default of or under any other provision of the Agreement, was not material in nature, (ii) based on quantitative evidence, the Project was not completed due to negative economic conditions beyond Grantee's reasonable control, (iii) Grantee made a good faith effort to complete the Project, and/or (iv) based on quantitative evidence, the effects of a named hurricane or tropical storm, or specific acts of terrorism, adversely affected Grantee's ability to complete the Project.

**OTHER
TERMS
AND**

CONDITIONS: The Agreement shall contain such other terms and conditions as required by Triumph and its counsel.

By signing below, the parties are indicating a willingness to proceed with having a draft grant award Agreement prepared on substantially the terms set forth herein. However, as indicated above, this Term Sheet is merely intended for discussion and negotiation purposes only and (a) does not constitute a grant, or an approval of a grant, by Triumph to Grantee, and (b) does not create any binding obligations on Triumph or Grantee with respect to (i) any grant, (ii) any approval of a grant, or (iii) engaging in any further discussions or negotiations with respect to a grant. Any binding agreement between Triumph and Grantee with respect to any grant must be contained in a definitive grant award Agreement, approved by the Board of Directors of Triumph and Grantee and executed by Triumph and Grantee. At any time prior to such execution of the Agreement either Triumph or Grantee may terminate negotiations, and upon such termination neither party shall have any liabilities or obligations to the other.

[signature page follows]

BUDGET

(see attached)

Exhibit B

#324 Walton County Public Safety Communication System

Budget

Estimated construction start date if applicable

1/2/25

Estimated education component start date if applicable

n/a

	Radio Equipment	Radio Maintenance	Tower Construction	Tower rent/maintenance	Consultants	Total
Project Total						
Calendar Year 2025	6,045,801.00	-	10,000,000.00	-	121,000.00	16,166,801.00
Calendar Year 2026	6,045,801.00	-	-	200,000.00	121,600.00	6,367,401.00
Calendar Year 2027	8,061,069.00	-	-	201,000.00	122,200.00	8,384,269.00
Calendar Year 2028	-	-	-	202,000.00	54,500.00	256,500.00
Calendar Year 2029	-	1,470,000.00	-	203,000.00	-	1,673,000.00
Calendar Year 2030	-	740,000.00	-	204,000.00	-	944,000.00
Calendar Year 2031	-	760,000.00	-	205,000.00	-	965,000.00
Calendar Year 2032	-	775,000.00	-	206,000.00	-	981,000.00
Calendar Year 2033	-	790,000.00	-	207,000.00	-	997,000.00
Calendar Year 2034	-	1,575,000.00	-	208,000.00	-	1,783,000.00
Calendar Year 2035	-	825,000.00	-	209,000.00	-	1,034,000.00
Calendar Year 2036	-	835,000.00	-	210,000.00	-	1,045,000.00
Project Total	20,152,671.00	7,770,000.00	10,000,000.00	2,255,000.00	419,300.00	40,596,971.00

Triumph

Calendar Year 2025	6,045,801.00					6,045,801.00
Calendar Year 2026	6,045,801.00					6,045,801.00
Calendar Year 2027	8,061,069.00					8,061,069.00
Calendar Year 2028						
Calendar Year 2029						
Calendar Year 2030						
Calendar Year 2031						
Calendar Year 2032						
Calendar Year 2033						
Calendar Year 2034						
Calendar Year 2035						
Calendar Year 2036						
Triumph Total	20,152,671.00					20,152,671.00

49.6%

Grantee

Calendar Year 2025			10,000,000.00		121,000.00	10,121,000.00
Calendar Year 2026				200,000.00	121,600.00	321,600.00
Calendar Year 2027				201,000.00	122,200.00	323,200.00
Calendar Year 2028				202,000.00	54,500.00	256,500.00
Calendar Year 2029	1,470,000.00			203,000.00		1,673,000.00
Calendar Year 2030	740,000.00			204,000.00		944,000.00
Calendar Year 2031	760,000.00			205,000.00		965,000.00
Calendar Year 2032	775,000.00			206,000.00		981,000.00
Calendar Year 2033	790,000.00			207,000.00		997,000.00
Calendar Year 2034	1,575,000.00			208,000.00		1,783,000.00
Calendar Year 2035	825,000.00			209,000.00		1,034,000.00
Calendar Year 2036	835,000.00			210,000.00		1,045,000.00
Grantee Total	7,770,000.00		10,000,000.00	2,255,000.00	419,300.00	20,444,300.00

50.4%