



AGENDA
Special & Regular City Council Meeting
Tuesday, September 5, 2023, 6:00 P.M.
Council Chambers, 116 First Street, Neptune Beach, Florida

1. CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE
- PH* 2. ORDINANCE NO. 2023-07, ADOPTING FINAL MILLAGE RATE, FIRST READ AND PUBLIC HEARING. An Ordinance of the City of Neptune Beach, Florida, Adopting a Final Millage Rate and Levying Ad Valorem Taxes for the Fiscal Year Beginning October 1, 2023, and ending September 30, 2024; Setting Forth Certain Information Regarding "Rolled-Back Rate"; Directing the City Manager to Adjust the Adopted Millage Rate in the Event of Changes in the Assessment Roll and Taxable Value; and Providing an Effective Date. p. 3
- PH* 3. ORDINANCE NO. 2023-08, ADOPTING A FINAL BUDGET, FIRST READ AND PUBLIC HEARING. An Ordinance of the City of Neptune Beach, Florida, Adopting a Final Budget and Appropriating Funds for the Fiscal Year beginning October 1, 2023, and ending September 30, 2024; and Providing an Effective Date. p. 6
4. ADJOURN

REGULAR CITY COUNCIL MEETING IMMEDIATELY FOLLOWING THE ABOVE BUDGET MEETING

1. CALL TO ORDER / ROLL CALL
2. AWARDS / PRESENTATIONS / RECOGNITION OF GUEST / NONE
3. APPROVAL OF MINUTES: August 7, 2023, Regular City Council Meeting
August 21, 2023, Special City Council Meeting p. 8
August 21, 2023, Workshop City Council Meeting
August 29, 2023, Emergency City Council Meeting
4. COMMENTS FROM THE PUBLIC
5. COMMUNICATIONS AND CORRESPONDENCE: p. 29
 - Mayor
 - City Council
 - City Manager
 - City Attorney
 - City Clerk
 - Police Chief
6. CONSENT AGENDA / NONE
7. VARIANCES / SPECIAL EXCEPTIONS / DEVELOPMENT ORDERS / NONE
8. ORDINANCES

- PH* A. ORDINANCE NO. 2023-05, SECOND READ AND PUBLIC HEARING. An Ordinance of the City of Neptune Beach, Florida, Amending Section 6-31, Regarding Dogs on the Beach to Establishing Consistency with Atlantic Beach; Clarifying Leash Requirements; Requiring Certain Protections for Dogs; Providing for Severability; and Providing an Effective Date. p. 34
- PH* B. ORDINANCE NO. 2023-06, SECOND READ AND PUBLIC HEARING. An Ordinance of the City of Neptune Beach, Florida, Amending Chapter 2, Article VI, Section 2-377, Competitive Bidding; Written Contracts, Providing for Severability; and Providing an Effective Date. p. 39
- PH* C. ORDINANCE NO. 2023-09, FIRST READ AND PUBLIC HEARING. An Ordinance of the City of Neptune Beach, Florida, Amending Chapter 27, Unified Land Development Regulations, Article IV, Land Use and Article V, Accessory Structures and Uses, Providing Severability; Providing for Repeal of Laws in Conflict; and Providing an Effective Date. p. 43
9. OLD BUSINESS
- A. Termination of Declaration of Emergency
- B. Request to Purchase Section of Right-of-Way (Kings Circle S/Marsh Point Rd/Florida Blvd) p. 53
10. NEW BUSINESS
- A. RESOLUTION NO. 2023-09, A Resolution of the City of Neptune Beach, Florida, Establishing the Order of Business for Regular and Workshop City Council Meetings. p.140
- B. RESOLUTION NO. 2023-10, A Resolution of the City of Neptune Beach, Florida, Relating to the State Revolving Fund Loan Program; Making Findings; Authorizing the Loan Application; Authorizing the Loan Agreement; Establishing Pledged Revenues; Designating Authorized Representatives; Providing Assurances; Providing For Conflicts, Severability, and Effective Date. p. 143
- C. Consideration of Approval of 3rd Street Gravity Sewer Geotechnical Investigation Project p. 195
- D. Consideration of Emergency Stormwater Tractor Preventive Maintenance and Boom Mower Repair/Rehabilitation p. 204
- E. Consideration of Approval of Sanitary Sewer Manhole Monitors p. 209
11. COUNCIL COMMENTS
12. ADJOURN

Residents attending public meetings can use the code **1LWE** to validate their parking session at no cost. After 5:30 on the date of the meeting, follow these steps:

Make sure you are parked in a North Beaches public parking space – we can't validate valet parking or parking in private lots.

· To use a kiosk: Using a nearby kiosk, press the Start button and then select 2 to enter your plate and the validation code.

· To use the Flowbird app: Tap the nearest yellow balloon and tap "Park here." From the payment screen, select "Redeem a code" at the top. Confirm your information and tap "Purchase" – the price will show "Free."



INTRODUCED BY:

ORDINANCE NO. 2023-07

**MAYOR ELAINE BROWN, VICE MAYOR KERRY CHIN, COUNCILOR LAUREN KEY,
COUNCILOR NIA LIVINGSTON, COUNCILOR JOSH MESSINGER**

A BILL TO BE ENTITLED

**AN ORDINANCE OF THE CITY OF NEPTUNE BEACH, FLORIDA,
ADOPTING FINAL MILLAGE RATE AND LEVYING AD VALOREM
TAXES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND
ENDING SEPTEMBER 30, 2024; SETTING FORTH CERTAIN
INFORMATION REGARDING "ROLLED-BACK RATE"; DIRECTING
THE CITY MANAGER TO ADJUST THE ADOPTED MILLAGE RATE IN
THE EVENT OF CHANGES IN THE ASSESSMENT ROLL AND
TAXABLE VALUE; PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the City Council of the City of Neptune Beach has held a public hearing on the tentative budget and proposed millage rate for the 2023-2024 fiscal year, and has adopted a tentative budget and proposed millage rate necessary to fund the tentative budget; and

WHEREAS, the City of Neptune Beach proposed by separate ordinance to finally adopt a budget and make appropriations for various funds for the City of Neptune Beach for fiscal year beginning October 1, 2023, and ending September 30, 2024; and

WHEREAS, the budget as proposed will require revenues be raised and collected by ad valorem tax levy.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF NEPTUNE BEACH, FLORIDA:

SECTION 1. Revenues shall be raised and collected for the City of Neptune Beach by ad valorem taxes for fiscal year beginning October 1, 2023, and ending September 30, 2024, as follows:

- A. There is hereby levied on all nonexempt property within the City of Neptune Beach an ad valorem tax of 4.0387 mills for operational purposes, and an ad valorem tax of 0.0000 mills for debt service, making a total of 4.0387 mills.
- B. Such millage shall be levied upon the dollar amount of the assessed valuation of all nonexempt taxable property in the City of Neptune Beach as returned by the Duval County Property Appraiser as shown in the 2023 assessment roll for the City, allowing homestead and other lawful

exemptions. All such taxes so specified and levied are ordered extended upon the assessment roll to show the tax attributable to all taxable property, and shall be collected by the Duval County Tax Collector as provided by law.

SECTION 2. The ad valorem taxes hereby levied are for the purpose of raising funds, revenues and monies to be used, set aside, and exempted for the functions and purposes of the municipal government of the City of Neptune Beach pursuant to the provisions of the City Charter and the laws of the State of Florida.

SECTION 3. The following information is set forth as required by Section 200.065(2)(d), Florida Statutes;

- A. As to the entire City of Neptune Beach, the millage rate levied herein is 31.35 percent more than the "rolled-back rate," 3.0747, which represented the "percentage increase in property taxes" according to the characterization ascribed to said percentage by Florida law.

SECTION 4. Pursuant to Section 200.065(6), Florida Statutes, the City Manager is hereby authorized to adjust the adopted millage rate set forth herein if the taxable value within the jurisdiction of the City of Neptune Beach as certified by the property appraiser is at variance by more than one percent with the taxable value shown on the assessment roll to be extended, such that the taxes are computed by applying the adopted rate against the certified taxable value are equal to the taxes computed by applying the adjusted adopted rate to the taxable value on the roll extended, except that no adjustment shall be made to levies required by law to be a specific millage amount. The City Manager shall certify to the property appraiser of the aggregate change in the assessment roll and taxable value, if any, from that certified.

SECTION 5. Effective Date. This ordinance shall become effective immediately upon its adoption by the City Council.

VOTE RESULTS OF FIRST PUBLIC HEARING AND READING:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Lauren Key
Councilor Nia Livingston
Councilor Josh Messinger

Passed on First Reading this 5th day of September, 2023.

VOTE RESULTS OF SECOND AND FINAL PUBLIC HEARING AND READING:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Lauren Key
Councilor Nia Livingston
Councilor Josh Messinger

Passed on Second and Final Reading this 18th day of September, 2023.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC
City Clerk

Approved as to form and contents:

Zachary R. Roth, City Attorney

INTRODUCED BY:



ORDINANCE NO. 2023-08

**MAYOR ELAINE BROWN, VICE MAYOR KERRY CHIN, COUNCILOR LAUREN KEY,
COUNCILOR NIA LIVINGSTON, COUNCILOR JOSH MESSINGER**

A BILL TO BE ENTITLED

**AN ORDINANCE OF THE CITY OF NEPTUNE BEACH, FLORIDA,
ADOPTING A FINAL BUDGET AND APPROPRIATING FUNDS FOR THE
FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND ENDING
SEPTEMBER 30, 2024; PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the City Council of the City of Neptune Beach has held a public hearing on its proposed millage rate and its tentative budget for the 2023-2024 fiscal year, and has adopted a tentative budget and proposed millage rate necessary to fund the tentative budget; and

WHEREAS, a further public hearing has been held to adopt a final millage rate and to adopt a final budget.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF NEPTUNE BEACH, FLORIDA:

SECTION 1. The budget for the City of Neptune Beach as attached, marked Exhibit "A", is hereby adopted as the final and approved budget for fiscal year beginning October 1, 2023 and ending September 30, 2024.

SECTION 2. Funds are hereby appropriated in accordance with the City Charter as set forth in the budget adopted above.

SECTION 3. The City Council may amend this budget in order to make any appropriations, transfers, authorizations, or adjustments by adoption of a Resolution.

SECTION 4. All funds appropriated for the 2022-2023 fiscal year which are encumbered, but unexpended as of the last day of the fiscal year, shall be deemed re-appropriated for the same purpose for the 2023-2024 fiscal year.

SECTION 5. Effective Date. This ordinance shall become effective immediately upon its adoption, but the budget adopted hereby shall take effect as of October 1, 2023.

VOTE RESULTS OF FIRST PUBLIC HEARING AND READING:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Lauren Key
Councilor Nia Livingston
Councilor Josh Messinger

Passed on First Reading this 5th day of September, 2023.

VOTE RESULTS OF SECOND AND FINAL PUBLIC HEARING AND READING:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Lauren Key
Councilor Nia Livingston
Councilor Josh Messinger

Passed on Second and Final Reading this 18th day of September, 2023.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC
City Clerk

Approved as to form and contents

Zachary R. Roth, City Attorney

Exhibit A

City of Neptune Beach, Florida
Proposed Annual Budget
For the Fiscal Year 2023-2024

COUNCIL

Elaine Brown, Mayor
Kerry Chin, Vice-Major
Josh Messinger, Councilor
Lauren Key, Councilor
Nia Livingston, Councilor

*

CITY MANAGER – Richard Pike
CITY ATTORNEY – Zachary Roth
CITY CLERK – Catherine B. Ponson, C.M.C.

*

CHIEF FINANCIAL OFFICER – Jaime F. Hernandez, MBA
CHIEF OF POLICE – Michael J. Key, Jr.
CHIEF INFORMATION OFFICER – Ricardo Pizarro
PUBLIC WORKS DIRECTOR – Deryle Calhoun, Jr., P.E.
COMMUNITY DEVELOPMENT DIRECTOR – Heather Whitmore, AICP, PTP
SENIOR CENTER DIRECTOR – Leslie Lyne
PARKS AND SUSTAINABILITY DIRECTOR – Collin Moore

Background

The City of Neptune Beach was organized under Section 6 of Chapter 15356 Laws of Florida, 1931 and is currently governed as a municipal corporation under the Home Rule Charter of the City of Neptune Beach, Florida adopted by Laws of Florida Chapter 88-481, effective October 1, 1988.

Since 1989, the City has operated under an elected Mayor-Council form of government. The City Council is responsible for enacting the ordinances and resolutions that govern the City. The Mayor presides over public meetings and ceremonial events. The Council appoints the City Manager. As Chief Executive Officer, the City Manager is charged with the enforcement of all ordinances and resolutions passed by the Council. Department heads for Public Safety, Public Works and Finance are recruited by the City Manager. By special referendum the City Clerk became an appointed position in October 1999. The City Clerk is appointed by the City Council and serves as Clerk to the Council and is charged with the custody of all public records.

The City of Neptune Beach is located on Duval County's barrier island, adjacent to the Atlantic Ocean. The structure of government with the consolidated City of Jacksonville (Duval County) makes an uncommon relationship between the City of Neptune Beach and its county government. As an entity, the City of Neptune Beach exists as approximately 2.25 square miles bounded on the east by the Atlantic Ocean, the west by the Intra-Coastal Waterway, the north by Atlantic Beach and the south by Jacksonville Beach.

Since its inception in 1931, the City of Neptune Beach has grown to have a population of approximately 7,500. That growth is nearing its maximum capacity due to build-out of all available land. Less than 5% of the City's area is non-residential. A portion of that 5% includes two schools and six churches within the City limits.

Lacking industrial development, the limited commercial district is primarily retail, with restaurants occupying a considerable percentage of the commercial base. Neptune Beach is primarily a residential community. Tourism is minimal due to the residential character of the city and limited hotel accommodations. Town Center, the central business district joining Atlantic Beach and Neptune Beach at Atlantic Boulevard and the ocean, was completed in fiscal year 2001 transforming parking, lighting, landscaping, and brick-laid walkways.

The overall economic outlook for the City of Neptune Beach continues to mirror the economy of Florida.

General Budgetary Principles

The annual budget is the primary financial planning tool for the City. It sets forth management's estimate of available resources and describes the way in which those resources will be expended. Like any plan, the budget is carefully monitored throughout the year to identify and address material variances. Since no plan can accurately predict all future events, management must have sufficient flexibility to adjust during the year without altering the general intent of the City Council as reflected in the adopted budget. The rules set forth below are intended to provide that control and flexibility.

- Formal budgetary integration is employed as a management control device during the year for the General Fund and the Special Revenue Funds. Formal budgetary integration is not employed for Debt Service or Enterprise Funds.
- The City maintains the legal level of budgetary control at the fund level in the General Fund and for all other governmental funds. Total expenditures for each fund may not exceed appropriations without approval by Council.
- The City Manager is authorized to transfer budgeted amounts between accounts within a fund at any time during the year. The City Manager may transfer unencumbered appropriated balances among line items within one department, or between departments within the same fund, provided that such transfer does not exceed the total appropriation for that fund.
- If uncontrollable circumstances cause deviations from budget in an amount greater than that which can be remediated through line-item transfer, flexibility and relief are provided by budget amendment procedures as established by Florida Statutes. These statutes give the City Council the authority to adopt a budget and modify it as necessary during the fiscal year.
- The city also maintains an encumbrance accounting system to assist in budgetary control. At year-end, outstanding encumbrances are recorded as reservations of fund balance.

FUNDS

A fund is a fiscal and accounting entity with a self-balancing set of related accounts recording cash and other financial resources, related liabilities, residual equity or fund balance, and any changes therein, that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses the fund accounting system makes possible for the City of Neptune Beach to both:

- Presents fairly and with full disclosure the funds and activities in conformity with generally accepted accounting principles (GAAP), and
- Determine and demonstrate compliance with finance-related legal and contractual requirements.

There are three broad categories of fund: governmental funds, proprietary funds, and fiduciary funds. Within each of the three categories, the individual funds are further categorized by fund type. The City uses all the categories of funds just described.

GASB Statement No. 54, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise funds combined for

the determination of major funds. Governmental and enterprise funds, which do not meet the criteria for reporting as major funds, are designated as nonmajor.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the better Jacksonville half-cent tax fund, which are major funds. Data from the other ten governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for all funds. Budgetary comparison schedules have been provided for all governmental funds to demonstrate compliance with budget.

Major Governmental Funds:

General Fund: The General Fund is used to account for the resources devoted to financing the general services the City performs for its citizens, such as police, building and zoning, maintenance of streets and roads, and other services. Property taxes, sales taxes, franchise fees, fines and other sources of revenue used to finance the fundamental operations of the City are included in the General Fund. The General Fund is also charged with all the costs of operating the government for which a separate fund has not been established. The financial resources of the General Fund are expended for current operations. Debt service and large capital projects are recorded in the Debt Service Fund and Capital Projects Fund respectively.

Better Jacksonville Half-Cent Tax Fund: The Better Jacksonville Half-Cent Tax Fund is the Duval County Gas Tax revenues to be used to support capital outlay projects and maintenance of local roads and drainage systems. This includes public transportation, maintenance of roadways, rights-of-ways, drainage systems, street lighting, bridge maintenance, traffic engineering, signs, pavement markings, equipment, structures for the storage of equipment, supporting personnel costs for maintenance of city streets and rights of way, and debt service on projects related to the above programs.

Non-Mayor Governments Funds:

The city combines all non-major governmental funds into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. Police Education Fund, CDBG Fund, Convention Development Fund, Local Option Gas Tax, Radio Communication Trust Fund, Better Jax ½ Cent Tax, Holiday Decoration Fund, Street Improvement Fund, and Capital Improvement Funds.

Special Revenue Funds: As previously mentioned, the city maintains ten (10) small governmental funds. These funds are categorized as Special Revenue Funds. A special revenue fund is a fund that is used by government entities to accumulate proceeds from certain revenue sources whose use is restricted to specific purposes or activities. The primary reason for establishing such a fund is to demonstrate accountability and transparency when tracking cash inflows and outflows for special purposes. Through a special revenue fund, the government ensures it maintains the accountability of specially allocated funds.

Under the GASBS 54, restricted or committed resources should continually comprise a large part of the reported inflows in the special revenue fund. The government may also report other proceeds, such as earning from investments or transfer from other funds, provided the proceeds are expended in accordance with their purpose.

If a significant portion of the inflows is not expected to come from the committed revenue sources, the government is obliged to stop reporting a special revenue fund. Rather, the fund's remaining proceeds should be reported to the general fund.

Proprietary Funds

The second category of fund is the enterprise fund. The City maintains five enterprise funds and three internal service funds. Proprietary funds are used to report activities that are like business-type enterprises in the government-wide financial statements.

Enterprise funds: The City uses enterprise funds to account for its water and sewer fund, the sanitation fund, stormwater fund, and the paid parking fund. These funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer fund, the sanitation fund, and the stormwater fund, which are considered major funds of the City. The paid parking fund is reported as a non-major fund. The basic proprietary fund financial statements can be found on pages NN - NN of this report.

Internal Service Funds: Internal service funds provide services to other city departments and charges a fee to provide such services. The City uses three Internal service funds to account for the operations of Information Technologies, Central Purchasing, and Payroll services. Revenues and expenses have the same value. Budgeted revenues have an equal budgeted expenses in other operating funds, which is basically budget neutral and does not represent a change in fund balance.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City (e.g., pension beneficiaries). Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary financial statements can be found on pages 22 - 23 of this report.

Pension Fund: The city has one pension fund that accounts for the defined pension plan for the police. The fund balance is restricted to make payments for current and future retirees.

Appropriation and Encumbrances

In all funds, encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. Encumbered appropriations are carried forward into the subsequent year's budget without being re-budgeted. All unencumbered appropriations, except project budgets lapse at the end of each fiscal year. Unencumbered project budgets are carried forward for the life of the project.

An encumbrance is an estimated open amount of expenditure commitment to a transaction created in the General Ledger, such as purchase order (PO), contract, or any other expected expenditure chargeable to an appropriation. An encumbrance is used for budgetary purpose and is not considered an actual expense and is not included in the actual-expenses balance.

Appropriation is decision made by the City Council representing the maximum amount of expenditure that allow the city to incur in obligations and to make payments for a specific purpose with a specific sum of money (*fund*), or indefinite sum of money for a long-term commitment.

PROJECTED REVENUES

MAYOR AND CITY COUNCIL

MISSION The City Council is the legislative branch of the City Government. The City Council is responsible to creating and enforcing the laws, ordinance, promulgates the ordinances and resolutions and defines the policies to be carried out by the City Administration. The Council represents the City's interests before other legislative and regulatory bodies and can establish citizen advisory boards and committees to assist the Council in its duties.

MAJOR GOALS AND CHANGES

- Establish an effective policy framework to ensure efficient operations of the City of Neptune Beach to meet the needs of the residents and visitors of the City.

DESCRIPTION	ACTUAL FY 2021-22	ADOPTED FY 2022-23	PROPOSED FY 2023-24
MAYOR & COUNCIL EXPENDITURES			
EXECUTIVE SALARIES	\$ 27,810	\$ 27,000	\$ 27,810
FICA	1,725	1,900	2,127
WORKER'S COMPENSATION	380	400	47
MEDICARE	405	500	
PROFESSIONAL SERVICES	-	-	-
TRAVEL & PER DIEM	1,200	1,500	1,500
COMMUNICATIONS SERVICES	-	1,570	1,570
INSURANCE	800	1,450	1,494
PROMOTIONAL & ADVERTISING	3,000	3,000	3,200
OFFICE SUPPLIES	600	1,000	500
BOOKS, SUBSCRIPTIONS & MEMBERSHIPS	2,000	1,500	1,500
EDUCATIONAL COURSES	1,200	1,200	500
BUILDING IMPROVEMENTS	-	-	-
MACHINERY & EQUIPMENT	-	-	-
Subgroup : [60] CAPITAL OUTLAY	-	-	-
TOTAL	\$ 39,120	\$ 41,020	\$ 40,248

CITY MANAGER

MISSION The mission of the City Manager is to provide professional leadership and guidance in the execution of policies and programs established by the City Council. To administer and monitor the daily affairs of the City government, which includes law enforcement, public works, water and sewer, sanitation, financial operations, human resources, community development, and paid parking. Creates and implements new management techniques to facilitate the effective delivery of municipal services. Fosters the effective use of all City assets and a safe work environment for all employees. Recruits and maintains a skilled work force to handle the daily needs of the citizens to create a clean and safe environment that includes those amenities that produce a sense of pride, a sense of community and a high quality of life.

MAJOR GOALS AND CHANGES

1. To implement new management techniques as necessary to ensure the effective operation of the various department of the City.
2. Implement Individual Development Plans with Department Heads and create succession plans for respective departments.
3. Invest in educational opportunities for staff to better assist in service-delivery for residents and promote longevity for employee tenure.

DESCRIPTION	FINAL FY 2021-22	ADOPTED FY 2022-23	PROPOSED FY 2023-24
REGULAR SALARIES	\$ 108,810	\$ 122,350	\$ 81,658
OVERTIME	-	-	-
SPECIAL PAY	500	500	436
VEHICLE ALLOWANCE			
PTO EXPENSE/LIABILITY	-	7,875	4,388
FICA	6,800	7,750	6,883
RETIREMENT CONTRIBUTIONS	8,000	8,500	6,054
LIFE & HEALTH INSURANCE	25,000	27,500	14,509
WORKER'S COMPENSATION	200	250	150
MEDICARE	1,600	1,800	-
Subgroup : [10] Personnel Services	\$ 150,910	\$ 176,525.00	\$ 114,078.35
PROFESSIONAL SERVICES	-	-	
OTHER CONTRACTUAL SERVICES	6,973	1,500	3,000
TRAVEL & PER DIEM	3,200	4,000	10,500
INSURANCE	5,200	7,575	17,534
REPAIR & MAINTENANCE	2,900	2,900	-
PROMOTIONAL & ADVERTISING	1,500	1,500	-
OFFICE SUPPLIES	5,000	5,000	4,000
OPERATING SUPPLIES	1,875	2,800	-
BOOKS, SUBSCRIPTIONS & MEMBERSHIPS	6,200	6,200	2,500
EDUCATIONAL COURSES	9,400	9,400	3,000
VEHICLE REPAIR & MAINTENANCE	1,500	1,500	-
GAS, OIL & LUBRICANTS	1,500	1,500	-
Subgroup : [30] Operating Expenditures	\$ 45,248	\$ 43,875.00	\$ 40,534.00
BUILDING IMPROVEMENTS	\$ -	\$ -	-
MACHINERY & EQUIPMENT	6,500	-	364
Subgroup : [60] CAPITAL OUTLAY	\$ 6,500	\$ -	\$ 364
TOTAL	\$ 202,658	\$ 220,400	\$ 154,976

FINANCE

MISSION To enhance and promote professional management of governmental resources, accomplished in part by identifying, developing and advancing fiscal strategies and practices for the public benefit, and by maximizing the return to the City on each dollar spent for equipment and services. The Finance Department coordinates, administers and invests the pooled financial resources of the City and provides accounting, billing, bookkeeping and cashiering services to all departments and divisions. To provide inventory management and to dispose of surplus materials and equipment no longer required by the City.

DESCRIPTION	ACTUAL FY 2022-22	FINAL FY 2023-24	PROPOSED FY 2023-24
REGULAR SALARIES	\$ 143,000	\$ 126,750	\$ 215,322
OVERTIME	2,000	2,700	436
SPECIAL PAY	300	600	945
VEHICLE ALLOWANCE			3,053
PTO LIABILITY	-	7,500	8,282
FICA	9,000	9,000	17,206
RETIREMENT CONTRIBUTIONS	9,950	9,100	15,073
LIFE & HEALTH INSURANCE	15,000	19,750	-
WORKER'S COMPENSATION	180	225	940
MEDICARE	2,100	2,100	-
Subgroup : [10] Personnel Services	\$ 181,530	\$ 177,725	\$ 261,257
ACCOUNTING & AUDIT	\$ 13,650	\$ 14,000	\$ -
OTHER CONTRACTUAL SERVICES	30,000	4,600	4,600
TRAVEL & PER DIEM	1,200	5,500	5,500
COMMUNICATION SERVICES	960	1,500	1,500
POSTAGE (INC. FED EX)	100	100	100
INSURANCE	1,200	8,800	8,800
REPAIR & MAINTENANCE	4,950	4,900	4,900
PRINTING & BINDING	-	500	500
OFFICE SUPPLIES	3,800	4,200	4,200
OPERATING SUPPLIES	2,600	3,600	3,600
BOOKS, SUBSCRIPTIONS & MEMBERSHIPS	2,475	3,000	3,000
EDUCATIONAL COURSES	1,000	2,500	2,500
REAIR & MAINTENECE			-
GAS, OIL & LUBRICANTS	-	-	-
Subgroup : [30] Operating Expenditures	\$ 61,935	\$ 53,200	\$ 39,200
BUILDING IMPROVEMENTS	\$ -	\$ -	-
MACHINERY & EQUIPMENT	-	5,000	-
Subgroup : [60] CAPITAL OUTLAY	\$ -	\$ 5,000	-
TOTAL	\$ 243,465	\$ 235,925	\$ 300,457

LEGAL COUNSEL

MISSION The Legal Counsel is responsible for providing effective legal counseling services to the City Council and City Staff. These services include providing legal advice on federal, state and local laws, drafting and review of legislation, defense of suits brought against the City, initiation of legal actions on behalf of the City, and prosecution of violations of City ordinances. Additionally, the City Legal Counsel defends the City’s interest in mediations; provides legal advice in negotiation of contracts; and advises the Boards and Commissions of the City Council. In the latter part of fiscal year 2019, the City’s Council voted to contract Ansbacher Law firm as a City’s Legal Counsel.

DESCRIPTION	FINAL BUDGET FY 2021-22	FINAL BUDGET FY 2022-23	PROPOSED BUDGET FY 2023-24
Professional Services	150,000	150,000	150,000
Books, Subscriptions & Memberships	125	150	150
Subgroup : [30] Operating Expenditures	\$ 150,125	\$ 150,150	\$ 150,150
TOTAL	\$ 150,125	\$ 150,150	\$ 150,150

COMMUNITY DEVELOPMENT

MISSION To provide the City of Neptune Beach residents and contractors with courteous, friendly, and knowledgeable information. To review and process permits. To provide a thorough inspection process that assures the residents and business owners of a well-constructed structure. Maintain zoning regulations, process variance requests and commercial development applications.

DESCRIPTION	ACTUAL FY 2021-22	ADOPTED FY 2022-23	PROPOSED FY 2023-24
REGULAR SALARIES	\$ 195,000	\$ 285,000	\$ 270,902
OVERTIME	500	-	-
SPECIAL PAY	1,600	1,800	2,100
PTO LIABILITY	-	10,500	10,420
FICA	12,300	18,000	21,682
RETIREMENT CONTRIBUTIONS	7,300	22,000	18,963
LIFE & HEALTH INSURANCE	23,700	40,750	41,121
WORKER'S COMPENSATION	1,200	2,000	2,351
MEDICARE	2,900	4,250	-
Subgroup : [10] Personnel Services	\$ 244,500	\$ 384,300	\$ 367,539
PROFESSIONAL SERVICES	\$ 126,557	\$ 85,000	\$ 90,000
OTHER CONTRACTUAL SERVICES	75,000	10,000	12,000
TRAVEL & PER DIEM	5,500	5,000	5,000
COMMUNICATIONS SERVICES	480	2,000	2,000
INSURANCE	4,000	18,750	15,805
REPAIR & MAINTENANCE	6,150	2,000	-
PRINTING & BINDING	-	500	500
PROMOTIONAL & ADVERTISING	-	1,500	1,000
OFFICE SUPPLIES	-	1,400	2,500
OPERATING SUPPLIES	3,800	3,600	-
BOOKS, SUBSCRIPTIONS & MEMBERSHIPS	13,792	12,000	6,000
EDUCATIONAL COURSES	6,000	3,000	3,000
VEHICLE REPAIR & MAINTENANCE	-	1,500	1,000
GAS, OIL & LUBRICANTS	-	2,500	1,500
Subgroup : [30] Operating Expenditures	\$ 241,279	\$ 148,750	\$ 140,305
BUILDING IMPROVEMENTS	\$ -	\$ -	\$ -
MACHINERY & EQUIPMENT	20,000	2,000	-
MUNICIPAL BOARDS	200	-	-
Subgroup : [60] CAPITAL OUTLAY	\$ 20,200	\$ 2,000	\$ -
TOTAL	\$ 505,979	\$ 535,050	\$ 507,844

CITY CLERK

MISSION The mission of the City Clerk is to record and maintain orderly and accessible records of all City Council meetings, discussions and other communications. Additionally, the City Clerk transcribes and maintains the records of all advisory commission activities as directed by the City Council. The City Clerk acts as the repository to preserve all official municipal documents in an efficient and dependable manner. All contracts with value in excess of \$10,000 are maintained in the Clerk's files. Further, the City Clerk is the Supervisor of Elections for all City Referenda and Elections.

DESCRIPTION	ACTUAL	ADOPTED	PROPOSED
	FY 2021-22	FY 2022-23	FY 2023-24
REGULAR SALARIES	\$ 78,000	\$ 140,000	\$ 147,320
OVERTIME	-	-	-
SPECIAL PAY	-	300	300
PTO LIABILITY	-	2,850	5,666
FICA	4,800	8,700	11,726
RETIREMENT CONTRIBUTIONS	5,500	10,250	10,312
LIFE & HEALTH INSURANCE	9,500	25,000	10,311
WORKER'S COMPENSATION	150	250	155
MEDICARE	1,150	2,100	-
Subgroup : [10] Personnel Services	\$ 99,100	\$ 189,450	\$ 185,790
OTHER CONTRACTUAL SERVICES	\$ 3,000	\$ 5,500	\$ 10,000
TRAVEL & PER DIEM	2,000	3,000	5,000
COMMUNICATIONS SERVICES	480	1,200	900
INSURANCE	1,000	4,400	14,007
REPAIR & MAINTENANCE	1,750	1,000	-
PRINTING & BINDING	3,000	4,500	4,500
PROMOTIONAL & ADVERTISING	4,750	2,250	3,900
OFFICE SUPPLIES	600	750	1,800
OPERATING SUPPLIES	-	-	-
BOOKS, SUBSCRIPTIONS & MEMBERSHIPS	2,600	4,500	5,000
EDUCATIONAL COURSES	2,000	2,000	4,000
Subgroup : [30] Operating Expenditures	\$ 21,180	\$ 29,100	\$ 49,107
BUILDING IMPROVEMENTS	\$ -	\$ -	\$ -
MACHINERY & EQUIPMENT	-	6,500	-
Subgroup : [60] CAPITAL OUTLAY	\$ -	\$ 6,500	\$ -
TOTAL	\$ 120,280	\$ 225,050	\$ 234,897

NON-DEPARTMENTAL

MISSION Non-departmental accounts are used for expenses that are not specifically allocable to any other department.

DESCRIPTION	PROPOSED FY 2023-24
Town Center District	100,000.00
Lobbyist Fees	42,000.00
Promotional and Advertisement	40,000.00
	<u>182,000.00</u>

POLICE

MISSION The mission of the Neptune Beach Police Department is to actively engage in the provision of police services to the public. The combined efforts of Patrol, Communications, Administration, Detectives, and School Crossing Guards provides patrol of the city streets, crime deterrence and prevention, criminal investigations, traffic investigations and enforcement, narcotic investigations, neighborhood watch programs, record keeping, and response to emergency and non-emergency calls for service by the citizens.

DESCRIPTION	BUDGET	BUDGET	PROPOSED
	FY 2021-22	FY 2022-23	FY 2023-24
REGULAR SALARIES	\$ 1,950,000	\$ 2,125,500	\$ 2,499,440
OVERTIME	295,000	195,000	210,000
SPECIAL PAY	75,000	45,000	45,000
PTO LIABILITY	-	166,500	89,922
FICA	148,000	146,000	222,264
RETIREMENT CONTRIBUTIONS	310,000	390,000	395,889
LIFE & HEALTH INSURANCE	320,000	335,000	364,420
WORKER'S COMPENSATION	60,000	72,250	81,071
MEDICARE	35,000	35,000	-
Subgroup : [10] Personnel Services	\$ 3,193,000	\$ 3,510,250	\$ 3,908,006
PROFESSIONAL SERVICES	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
OTHER CONTRACTUAL SERVICES	24,890	37,550	37,550
INVESTIGATIONS	1,200	1,200	1,200
TRAVEL & PER DIEM	4,000	5,500	5,500
COMMUNICATIONS SERVICES	90,000	80,480	80,480
UTILITY SERVICES	300	300	300
POSTAGE	-	-	-
INSURANCE	65,000	129,400	66,463
REPAIR & MAINTENANCE	39,000	40,850	40,850
PROMOTIONAL & ADVERTISING	3,000	3,000	3,000
OTHER CURRENT CHARGES	-	-	-
OFFICE SUPPLIES	10,000	10,000	10,000
OPERATING SUPPLIES	39,725	39,000	40,000
BOOKS, SUBSCRIPTIONS & MEMBERSHIPS	1,000	20,200	20,200
EDUCATIONAL COURSES	10,000	14,500	14,500
RADIO REPAIR & MAINTENANCE	-	-	-
VEHICLE REPAIR & MAINTENANCE	35,000	35,000	35,000
GAS, OIL & LUBRICANTS	42,000	75,500	75,500
UNIFORMS	37,800	30,800	40,800
MISCELLANEOUS EXPENDITURES	-	-	-
JAG C GRANT	-	35,000	58,600
Subgroup : [30] Operating Expenditures	\$ 404,415	\$ 559,780	\$ 531,443
BUILDING IMPROVEMENTS	\$ -	\$ 5,000	\$ 32,400
MACHINERY & EQUIPMENT	137,048	131,113	135,000
Subgroup : [60] CAPITAL OUTLAY	\$ 137,048	\$ 136,113	\$ 167,400
TOTAL	\$ 3,734,463	\$ 4,206,143	\$ 4,606,849

ANIMAL CONTROL DIVISION

MISSION To provide the City of Neptune Beach residents with courteous, friendly animal control coverage.

DESCRIPTION	BUDGET	BUDGET	PROPOSED
	FY 2021-22	FY 2022-23	FY 2023-24
REGULAR SALARIES	\$ 41,200	\$ -	\$ 48,265
OVERTIME	5,000	-	5,000
SPECIAL PAY	320	-	600
PTO LIABILITY	-	-	1,856
FICA	2,600	-	4,263
RETIREMENT CONTRIBUTIONS	3,000	-	3,901
LIFE & HEALTH INSURANCE	9,000	-	9,315
WORKER'S COMPENSATION	780	-	95
MEDICARE	-	-	-
Subgroup : [10] Personnel Services	\$ 61,900	\$ -	\$ 73,294
PROFESSIONAL SERVICES	\$ -	\$ -	\$ -
OTHER CONTRACTUAL SERVICES	200	-	-
INVESTIGATIONS	-	-	-
TRAVEL & PER DIEM	-	-	-
COMMUNICATIONS SERVICES	480	-	-
UTILITY SERVICES	-	-	-
INSURANCE	2,000	-	5,650
REPAIR & MAINTENANCE	1,850	-	-
PROMOTIONAL & ADVERTISING	-	-	-
OTHER CURRENT CHARGES	-	-	-
OFFICE SUPPLIES	-	-	-
OPERATING SUPPLIES	1,000	-	-
BOOKS, SUBSCRIPTIONS & MEMBERSHIPS	850	-	-
EDUCATIONAL COURSES	-	-	-
RADIO REPAIR & MAINTENANCE	-	-	-
VEHICLE REPAIR & MAINTENANCE	-	-	500
GAS, OIL & LUBRICANTS	1,500	-	1,500
UNIFORMS	-	-	-
MISCELLANEOUS EXPENDITURES	-	-	-
JAG C GRANT	-	-	-
Subgroup : [30] Operating Expenditures	\$ 7,880	\$ -	\$ 7,650
BUILDING IMPROVEMENTS	-	-	-
MACHINERY & EQUIPMENT	-	-	-
Subgroup : [60] CAPITAL OUTLAY	\$ -	\$ -	\$ -
TOTAL	\$ 69,780	\$ -	\$ 80,944

PUBLIC WORKS DEPARTMENT

MISSION The department's mission is to build, maintain, improve and regulate all public rights-of-way, which include roadways, drainage, curbs and walkways. Also, to improve the landscaping of public parks, including

their adjacent rights-of-way and their associated irrigation systems. To install and maintain traffic control related items such as signs, markings and stripings.

DESCRIPTION	BUDGET FY 2021-22	ADOPTED FY 2022-23	PROPOSED FY 2023-24
REGULAR SALARIES	\$ 162,000.00	\$ 215,000.00	\$ 225,245.81
OVERTIME	5,000.00	8,500.00	2,531.25
SPECIAL PAY	2,500.00	2,500.00	810.00
PTO LIABILITY	10,200.00	26,021.00	8,670.38
FICA	8,900.00	14,500.00	18,150.19
RETIREMENT CONTRIBUTIONS	-	16,000.00	16,608.02
LIFE & HEALTH INSURANCE	26,000.00	34,500.00	13,500.00
WORKER'S COMPENSATION	8,200.00	9,900.00	6,247.46
MEDICARE	2,400.00	3,500.00	1,350.00
Subgroup : [10] Personnel Services	\$ 225,200.00	\$ 330,421.00	\$ 293,113.11
PROFESSIONAL SERVICES	\$ -	\$ 15,000.00	\$ 85,000.00
OTHER CONTRACTUAL SERVICES	17,000.00	25,000.00	25,000.00
TRAVEL & PER DIEM	2,000.00	2,500.00	1,000.00
COMMUNICATIONS SERVICES	5,000.00	5,500.00	5,500.00
UTILITY SERVICES	120,000.00	75,000.00	50,000.00
RENTALS & LEASES	2,000.00	11,000.00	12,000.00
INSURANCE	18,000.00	22,500.00	41,632.00
REPAIR & MAINTENANCE	41,500.00	43,000.00	41,500.00
PROMOTIONAL & ADVERTISING	-	20,000.00	20,000.00
OFFICE SUPPLIES	1,125.00	1,200.00	600.00
OPERATING SUPPLIES	29,000.00	29,000.00	15,000.00
BOOKS, SUBSCRIPTIONS & MEMBERSHIPS	17,200.00	17,600.00	5,000.00
EDUCATIONAL COURSES	6,000.00	6,000.00	2,500.00
VEHICLE REPAIR & MAINTENANCE	27,500.00	15,000.00	15,000.00
GAS, OIL & LUBRICANTS	12,000.00	14,000.00	12,500.00
UNIFORMS	2,200.00	1,200.00	1,500.00
A1A LANDSCAPING	-	1,000.00	2,500.00
Subgroup : [30] Operating Expenditures	\$ 300,525.00	\$ 304,500.00	\$ 336,232.00
BUILDING IMPROVEMENTS	\$ 25,000.00	\$ 25,000.00	\$ 800,000.00
IMPROVEMENTS NOT BUILDINGS	\$ 20,000.00	\$ 40,000.00	\$ 210,000.00
MACHINERY & EQUIPMENT	\$ 65,850.00	\$ 30,000.00	\$ 65,000.00
Subgroup : [60] CAPITAL OUTLAY	\$ 110,850.00	\$ 95,000.00	\$ 1,075,000.00
TOTAL	\$ 636,575.00	\$ 729,921.00	\$ 1,704,345.11

OCEAN RESCUE / BEACH CLEANUP

MISSION This mission of this division is to provide beach cleanup and trash removal on beaches within the City limits and to provide lifeguard services during the summer season.

DESCRIPTION	FINAL BUDGET			FINAL BUDGET	POSED BUDG
	FY 2021-22	FY 2022-23	FY 2023-24		
REGULAR SALARIES	\$ 210,000	\$ 230,450	\$ 219,532		
OVERTIME	8,000	9,750	9,750		
SPECIAL PAY	-	125	-		
FICA	13,400	15,000	16,794		
RETIREMENT CONTRIBUTIONS	-	1,000	2,822		
LIFE & HEALTH INSURANCE	-	2,750	2,750		
WORKER'S COMPENSATION	8,600	9,750	9,750		
MEDICARE	3,200	3,500	3,500		
Subgroup : [10] Personnel Services	\$ 243,200	\$ 272,325	\$ 264,898		
PROFESSIONAL SERVICES	-	-	-		
OTHER CONTRACTUAL SERVICES	500	1,000	1,000		
COMMUNICATIONS SERVICES	-	1,000	1,000		
UTILITY SERVICES	160	500	500		
INSURANCE	3,500	9,600	9,807		
REPAIR & MAINTENANCE	2,500	2,500	2,500		
PROMOTIONAL & ADVERTISING	3,000	-	-		
OFFICE SUPPLIES	-	1,000	1,000		
OPERATING SUPPLIES	-	3,500	3,500		
BOOKS, SUBSCRIPTIONS & MEMBERSHIPS	-	-	-		
EDUCATIONAL COURSES	600	600	600		
RADIO REPAIR & MAINTENANCE	-	-	-		
VEHICLE REPAIR & MAINTENANCE	500	500	500		
GAS, OIL & LUBRICANTS	1,000	1,500	1,500		
UNIFORMS	1,500	3,200	3,200		
MISCELLANEOUS EXPENDITURES	-	-	-		
Subgroup : [30] Operating Expenditures	\$ 13,260	\$ 24,900	\$ 25,107		
BUILDING IMPROVEMENTS	\$ -	\$ -	\$ -		
MACHINERY & EQUIPMENT	-	-	-		
Subgroup : [60] CAPITAL OUTLAY	\$ -	\$ -	\$ -		
TOTAL	\$ 256,460	\$ 297,225	\$ 290,005		

PARKS AND SUSTAINABILITY

DESCRIPTION	PROPOSED FY 2023-24
REGULAR SALARIES	\$ 161,890
OVERTIME	8,000
SPECIAL PAY	1,395
PTO LIABILITY	5,858
FICA	13,551
RETIREMENT CONTRIBUTIONS	12,399
LIFE & HEALTH INSURANCE	28,516
WORKER'S COMPENSATION	18,015
MEDICARE	-
Personnel Services	\$ 249,624
PROFESSIONAL SERVICES	\$ -
OTHER CONTRACTUAL SERVICES	-
TRAVEL & PER DIEM	-
COMMUNICATIONS SERVICES	2,000
UTILITY SERVICES	-
RENTALS & LEASES	5,000
INSURANCE	19,286
REPAIR & MAINTENANCE	-
MAINTENANCE	50,000
PROMOTIONAL & ADVERTISING	-
MAYPORT FLYOVER	-
OFFICE SUPPLIES	500
OPERATING SUPPLIES	25,000
BOOKS, SUBSCRIPTIONS & MEMBERS	-
EDUCATIONAL COURSES	-
VEHICLE REPAIR & MAINTENANCE	1,500
GAS, OIL & LUBRICANTS	1,500
UNIFORMS	300
A1A LANDSCAPING	2,500
Operating Expenditures	\$ 107,586
BUILDING IMPROVEMENTS	-
IMPROVEMENTS NOT BUILDINGS	-
MACHINERY & EQUIPMENT	-
Subgroup : [60] CAPITAL OUTLAY	\$ -
TOTAL	\$ 357,210

Senior Center

DESCRIPTION	ADOPTED FY 2022-23	PROPOSED FY 2023-24
REGULAR SALARIES	89,500.00	81,892.31
PTO LIABILITY	7,640.00	7,640.00
FICA	5,750.00	6,849.22
RETIREMENT CONTRIBUTIONS	6,875.00	6,267.26
LIFE & HEALTH INSURANCE	10,975.00	10,975.00
WORKERS' COMPENSATION	750.00	750.00
Medicare	1,500.00	1,500.00
Personnel Services	\$ 122,990.00	\$ 115,873.79
PROFESSIONAL SERVICES	41,570.00	41,570.00
OTHER CONTRACTUAL SERVICES.	-	-
TRAVEL & PER DIEM	1,000.00	1,000.00
COMMUNICATIONS SERVICES.	2,100.00	2,100.00
UTILITY SERVICES	8,000.00	8,000.00
INSURANCE	4,500.00	25,028.00
REPAIRS & MAINTENANCE	1,500.00	1,500.00
PROMOTIONAL & ADVERTISING	1,000.00	1,000.00
OTHER CURRENT CHARGES	4,500.00	4,500.00
OFFICE SUPPLIES	5,000.00	5,000.00
OPERATING SUPPLIES	5,000.00	5,000.00
Operating Expenditures	\$ 74,170.00	\$ 94,698.00
TOTALS	\$ 197,160.00	\$ 210,571.79

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for a particular purpose. They are fully appropriated each year.

Police Education Fund - This fund accounts for revenues derived from county court costs. Expenditures are used to provide criminal justice education degree programs and training courses for police department personnel.

Capital Improvement Fund - This fund accounts for capital expenditures throughout the City to consolidate these expenditures for tracking purposes.

Community Development Block Grant Fund - This fund accounts for federal grants through the Jacksonville entitlement program, which provides funding for community development and improvements for qualified populations within the City.

Convention Development Tax Fund - This fund accounts for funds received from the levy of the convention development tax which are used to promote convention and tourist development. Due to the size of our community, it is to be used for capital outlay in support of lifeguards and parks.

Forfeiture Proceeds Fund - This fund accounts for revenue derived from confiscated property and cash. Proceeds are used to augment police activities.

Local Option Gas Tax Fund - This fund accounts for the City's share of county gas tax revenues. Funds may be used to support capital outlay and maintenance for local roads and drainage systems.

Radio Communications Fund - This fund accounts for a portion of the revenues obtained from traffic violations. Expenditures are used to enhance public safety communications and automation.

Better Jacksonville Tax - This fund accounts for the revenues obtained from the new ½ cent sales tax. Expenditures are used for capital projects to be determined by the Council.

Holiday/Special Events Fund - This fund accounts for expenditures for Holiday decorations and special events sponsored by the City.

Street Improvements Fund - This fund accounts for the 8th Cent Gasoline Tax. The revenue is restricted per Florida Statutes and may only be used for street construction and paving.

Proprietary Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the

general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

Enterprise Funds

Water and Sewer Fund - This fund accounts for the activities of the City's water and sewer utility.

Sanitation Fund - This fund accounts for the activities of the City's sanitation and recycling services.

Stormwater Utility Fund - This fund accounts for the activities of the City's stormwater utility.

Paid Parking Fund - This fund accounts for the activities of the City's public streets parking program.

Internal Service Funds

Information Technologies – Provide services to other city departments involving activities undertaken to achieve efficient and effective use of information technology to support government priorities and program delivery, to increase productivity, and to enhance services to the public.

WATER & SEWER FUND

DESCRIPTION	ADOPTED BUDGET FY 2022- 23	PROPOSED BUDGET FY 2023- 24
REVENUE		
WATER TAPS	10,000	3,500
WATER BASE CHARGE	885,000	785,500
WATER VOLUME CHARGE	767,000	861,500
SEWER TAPS	8,000	5,400
SEWER BASE CHARGE	1,238,000	1,150,000
SEWER VOLUME CHARGE	1,750,000	1,755,000
Utility Credit Card Fees	-	-
SET-UP FEES	7,500	7,500
RECONNECT FEES	5,000	4,500
DELINQUENT FEES	55,000	30,000
BAD DEBT RECOVERY	1,000	800
INTEREST ON INVESTMENTS	2,500	2,500
APPROPRIATED FUND BALANCE	3,913,005	3,200,000
[300] Total Revenue	\$ 8,642,005	\$ 7,806,200
PERSONNEL SERVICES		
REGULAR SALARIES	1,279,500	1,039,198
OVERTIME	27,250	18,613
SPECIAL PAY	8,050	8,153
PTO EXPENSE	-	38,872
FICA	81,650	77,832
RETIREMENT CONTRIBUTIONS	91,500	69,621
LIFE & HEALTH INSURANCE	229,000	32,192
WORKERS' COMPENSATION	39,050	44,018
MEDICARE	19,300	8,031
OTHER POST EMPLOYMENT BENEFIT EXPENSE	-	-
Merit Pay Increase Policy	-	-
[433110] Personnel-Administration	\$ 1,775,300	\$ 1,336,530
OPERATIONS		
PROFESSIONAL SERVICES	1,039,700	659,000
ACCOUNTING AND AUDIT	14,160	10,150
	30,000	13,200
COMMUNICATIONS SERVICES	10,300	3,700
	46,000	40,000
	182,500	182,500
	52,890	57,521
INSURANCE	62,750	129,015
REPAIR AND MAINTENANCE	361,500	410,000
OTHER CURRENT CHARGES	190,000	214,765
OPERATING SUPPLIES	343,525	285,000
BOOKS, SUBSCRIPTIONS. & MEMBER	40,800	10,000
EDUCATIONAL COURSES	27,500	19,500
VEHICLE REPAIR & MAINTENANCE	35,500	35,000
	16,000	16,000
UNIFORMS	2,510	2,850
[433130] Operating Expenses - General Administration	\$ 2,583,075	\$ 2,257,030
CAPITAL OUTLAY		
Improvements - Buildings	2,075,000	-
IMPROVEMENTS - NOT BUILDINGS	1,310,000	1,223,000
MACHINERY & EQUIPMENT	456,500	95,000
[433560] Capital Outlay - Sewer Services	\$ 3,841,500	\$ 1,318,000
	-	-
DEBT SERVICE		
	-	-
FINANCE LEASE	-	279,606
INTEREST EXPENSE	-	60,970
TOTAL FINANCE EXPENSES	-	340,576
	-	-
TOTAL EXPENSES FOR WATER & SEWER	\$ 8,199,875	\$ 4,911,560

442,130

2,894,640

WATER & SEWER-SEWER

DESCRIPTION	ADOPTED BUDGET FY 2022-23	PROPOSED BUDGET FY 2023-24
PERSONNEL SERVICES		
REGULAR SALARIES	442,000	633,228
OVERTIME	10,750	12,223
SPECIAL PAY	1,800	2,513
PTO EXPENSE		24,728
FICA	28,250	50,879
RETIREMENT CONTRIBUTIONS	29,000	47,113
LIFE & HEALTH INSURANCE	83,000	5,900
WORKERS' COMPENSATION	21,000	31,966
MEDICARE	6,600	7,475
Personnel Services - Sewer	622,400	816,025
OPERATING		
PROFESSIONAL SERVICES	587,000	287,000
OTHER CONTRACTUAL SERVICES	118,600	100,000
TRAVEL AND PER DIEM	5,000	1,200
COMMUNICATIONS SERVICES	4,200	2,600
POSTAGE & SHIPPING	6,000	-
UTILITY SERVICES	180,000	180,000
RENTALS AND LEASES	36,140	5,000
INSURANCE	17,000	49,781
REPAIR AND MAINTENANCE	336,500	285,000
OTHER CURRENT CHARGES	-	159,765
OPERATING SUPPLIES	316,625	270,000
BOOKS, SUBSCRIPTIONS, & MEMBER	21,500	6,000
EDUCATIONAL COURSES	7,500	2,500
VEHICLE REPAIR & MAINTENANCE	15,500	15,000
GAS, OIL, & LUBRICANTS	12,500	12,500
UNIFORMS	2,250	2,250
[433530] Operating Expenses - Sewer Services	\$ 1,666,315	\$ 1,378,596
CAPITAL OUTLAY		
Improvements - Buildings	2,050,000	-
IMPROVEMENTS - NOT BUILDINGS	60,000	-
MACHINERY & EQUIPMENT	360,000	-
[433560] Capital Outlay - Sewer Services	\$ 2,470,000	\$ -
DEBT SERVICE		
FINANCE LEASE	-	-
INTEREST EXPENSE	-	-
TOTAL FINANCE EXPENSES	\$ -	\$ -
TOTAL EXPENSES -WATER	\$ 4,758,715	\$ 2,194,621

WATER & SEWER-WATER

DESCRIPTION	ADOPTED BUDGET FY 2022-23	PROPOSED FY 2023-24
PERSONNEL SERVICES		
REGULAR SALARIES	310,000	267,656
OVERTIME	15,000	4,890
SPECIAL PAY	4,000	3,230
PTO EXPENSE	-	10,294
FICA	20,500	21,661
RETIREMENT CONTRIBUTIONS	25,000	17,350
LIFE & HEALTH INSURANCE	69,000	22,362
WORKERS' COMPENSATION	12,750	8,344
MEDICARE	5,000	278
[433610] Personnel Services - Water Services	\$ 461,250	\$ 356,065
Water & Sewer Fund		
OTHER CONTRACTUAL SERVICES	437,700	360,000
TRAVEL AND PER DIEM	5,000	1,500
COMMUNICATIONS SERVICES	25,000	12,000
POSTAGE (INC. FED EX)	5,000	-
UTILITY SERVICES	40,000	40,000
RENTALS AND LEASES	2,500	2,500
INSURANCE	16,750	52,521
REPAIR AND MAINTENANCE	29,500	130,000
OTHER CURRENT CHARGES	-	100,000
OPERATING SUPPLIES	180,000	45,000
BOOKS, SUBSCRIPTIONS. & MEMBER	22,100	6,000
EDUCATIONAL COURSES	7,500	2,500
VEHICLE REPAIR & MAINTENANCE	15,000	15,000
GAS, OIL, & LUBRICANTS	15,000	15,000
UNIFORMS	3,500	3,500
[433630] Operating Expenses - Water Services	\$ 804,550	\$ 785,521
Water & Sewer Fund		
BUILDINGS	25,000	-
IMPROVEMENTS - NOT BUILDINGS	1,250,000	1,223,000
MACHINERY & EQUIPMENT	96,500	95,000
[433660] Capital Outlay - Water Services	\$ 1,371,500	\$ 1,318,000
Debt Service-Water Services		
FINANCE LEASE	-	-
INTEREST EXPENSE	-	-
[433670] Debt Service - Water Services	\$ -	\$ -
TOTAL EXPENSES - SEWER	\$ 2,637,300	\$ 2,459,586

SANITATION FUND			
DESCRIPTION	FINAL BUDGET		PROPOSED
	FY 2023		Fy 23-24
GARBAGE PICKUP	\$	1,340,000	\$ 1,360,000
TIPPING FEES		25,200	24,000
INTEREST ON INVESTMENTS		-	-
<i>Transfer from Water Sewer to Sanitation</i>		-	-
[300] Total Revenues	\$	1,365,200	\$ 1,384,000
Personnel Services			
REGULAR SALARIES	\$	82,000	\$ -
OVERTIME		1,000	-
SPECIAL PAY		750	-
FICA		5,200	-
RETIREMENT CONTRIBUTIONS		6,000	-
LIFE & HEALTH INSURANCE		6,500	-
WORKERS' COMPENSATION		2,200	-
MEDICARE		1,500	-
OTHER POST EMPLOYMENT BENEFIT EXPENSE		-	-
[10] Personnel Services	\$	105,150	\$ -
[30] Operating Expenses			
ACCOUNTING & AUDIT	\$	4,700	\$ -
WASTE HAULING FEE - TIPPING		-	-
OTHER CONTRACTUAL SERVICES.		1,200,000	1,150,000
COMMUNICATIONS SERVICES		-	-
POSTAGE (INC. FED EX)		5,000	-
INSURANCE		5,600	8,800
REPAIR AND MAINTENANCE		15,000	7,500
OTHER CURRENT CHARGES		4,200	-
OPERATING SUPPLIES		7,500	6,500
UNIFORMS		150	-
[30] Operating Expenses	\$	1,242,150	\$ 1,172,800
[91] Interfund Transfer Out	\$	-	\$ 150,000
NET (INCOME) LOSS - SANITATION FUND			
	\$	17,900	\$ 61,200

STORM WATER UTILITIES

DESCRIPTION	FINAL BUDGET	
	FY 2022	FY 2023
REVENUES		
Emergency Management Grant	\$ -	\$ -
STORM WATER UTILITY FEES	1,090,500	1,275,000
Interest Income	-	-
TRANSFER FROM 401	442,130	-
TRANSFER FROM GAS TAX	-	-
APPROPRIATED RESERVES		
[300] Total Revenues	\$ 1,532,630	\$ 1,275,000

PERSONNEL		
REGULAR SALARIES	\$ 335,000.00	\$ 388,488.59
OVERTIME	2,000	-
SPECIAL PAY	5,200	3,000
PTO		14,942
FICA	21,250	31,092
RETIREMENT CONTRIBUTIONS	24,000	27,194
LIFE & HEALTH INSURANCE	66,500	56,824
WORKERS' COMPENSATION	9,000	26,152
MEDICARE	5,000	-
[10] Personnel Services	\$ 467,950	\$ 547,692

OPERATIONS		
PROFESSIONAL SERVICES	375,000	150,000
ACCOUNTING & AUDIT	5,000	5,000
OTHER CONTRACTUAL SERVICES.	38,000	45,000
TRAVEL & PER DIEM	-	-
COMMUNICATIONS SERVICES	1,200	1,400
INSURANCE	18,000	19,200
REPAIR AND MAINTENANCE	25,000	18,000
OTHER CURRENT CHARGES	500	10,000
OPERATING SUPPLIES	6,500	6,500
EDUCATIONAL COURSES	4,000	1,000
VEHICLE REPAIR & MAINTENANCE	50,000	25,000
GAS, OIL & LUBRICANTS	15,000	13,000
UNIFORMS	650	1,500
[30] Operating Expenses	\$ 538,850	\$ 295,600

Capital Outlay		
BUILDING IMPROVEMENTS	25,000	1,500
IMPROVEMENTS, NOT BUILDINGS	100,000	100,000
MACHINERY & EQUIPMENT	359,500	180,000
[60] Capital Outlay	\$ 484,500	\$ 281,500

Debt Service		
Finance Lease	\$ 39,530	\$ -
INTEREST EXPENSE	-	-

MOBILITY MGMT		
DESCRIPTION	ADOPTED BUDGET FY 2023	PROPOSED FY 23-24
PERSONNEL SERVICES		
PAID PARKING - EV CHARGING STATION FEES	\$ 3,500	\$ 4,500
PAID PARKING - PARKING FEES	720,000	725,000
PAID PARKING CITATIONS	75,000	75,000
INTEREST INCOME	-	-
MISCELLANEOUS REVENUE	-	-
PAID PARKING TRANSFERS FROM OTHER FUNDS	-	-
PAID PARKING TRANSFER FROM OTHER FUNDS	-	-
METERED PARKING FINES	-	-
Subgroup : [500] Revenue	\$ 798,500	\$ 804,500
PERSONNEL SERVICES		
REGULAR SALARIES	\$ 228,000	\$ 90,295
OVERTIME	-	-
SPECIAL PAY	75	-
PTO LIABILITY	8,405	-
FICA	14,150	6,785
RETIREMENT CONTRIBUTIONS	10,150	-
LIFE & HEALTH INSURANCE	23,200	-
WORKER'S COMPENSATION	3,700	3,883
MEDICARE	3,300	-
Subgroup : [10] Personnel Services	\$ 290,980	\$ 100,963
OPERATING		
PROFESSIONAL SERVICES	\$ 25,000	\$ 10,000
OTHER CONTRACTUAL SERVICES	48,867	55,000
PAID PARKING - COURTYARD REV. SHARE	12,000	13,000
TRAVEL & PER DIEM	2,500	1,500
COMMUNICATIONS SERVICES	8,000	1,000
UTILITY SERVICES	2,000	2,500
INSURANCE	25,000	8,800
REPAIR & MAINTENANCE	29,000	29,000
OFFICE SUPPLIES	3,550	3,550
OPERATING SUPPLIES	14,500	5,500
BOOKS, SUBSCRIPTIONS & MEMBERSHIPS	44,500	44,500
EDUCATIONAL COURSES	3,800	3,800
VEHICLE REPAIR & MAINTENANCE	4,000	4,000
GAS, OIL & LUBRICANTS	-	-
UNIFORMS	2,000	2,000
PAID PARKING - ATLANTIC BEACH REV. SHARE	120,000	120,000
PAID PARKING - MISCELLANEOUS	-	-
PAID PARKING - DEPRECIATION EXPENSE	-	-
Subgroup : [30] Operating Expenditures	\$ 344,717	\$ 304,150
CAPITAL OUTLAY		
BUILDING IMPROVEMENTS	\$ -	\$ -
IMPROVEMENTS NOT BUILDINGS	50,000	-
MACHINERY & EQUIPMENT	7,000	7,000
TRANSFER TO GENERAL FUND	105,000	214,750
Subgroup : [60] CAPITAL OUTLAY	\$ 162,000	\$ 221,750
TOTAL (SURPLUS)/DEFICIT	\$ 1,596,197	\$ 177,637

Internal Service

DESCRIPTION	FINAL BUDGET FY 2022-23	PROPOSED BUDGET FY 2023-24
Information Technologies Services		\$ 548,986
Internal Service-Charges & Fees		\$ 548,986
PERSONNEL SERVICES		
REGULAR SALARIES		\$ 134,612
OVERTIME		-
SPECIAL PAY		-
PTO EXPENSE		6,534
FICA		10,298
RETIREMENT CONTRIBUTIONS		3,645
LIFE & HEALTH INSURANCE		10,293
WORKER'S COMPENSATION		229
MEDICARE		-
Subgroup : [10] Personnel Services	\$ -	\$ 165,611
OPERATING		
OTHER CONTRACTUAL SERVICES		\$ 160,000
COMMUNICATIONS SERVICES		55,000
POSTAGE & SHIPPING		15,000
RENTAL & LEASES		20,000
INSURANCE		13,675
REPAIR & MAINTENANCE		50,000
OFFICE SUPPLIES		2,000
OPERATING SUPPLIES		15,000
GAS, OIL & LUBRICANTS		1,500
MISCELLANEOUS EXPENDITURES		1,200
HURRAICINE EXPENSES		2,500
VIRUS PROTECTION EXPENSE		8,000
CONTINGENCIES & EMERGENCIES		-
Subgroup : [30] Operating Expenditures	\$ -	\$ 333,375
CAPITAL OUTLAY		
MACHINERY & EQUIPMENT	\$ -	\$ 50,000
Subgroup : [60] CAPITAL OUTLAY	\$ -	\$ 50,000
TOTAL	\$ -	\$ 548,986

ADDITIONAL INFORMATION

The City's operating budget contains specialized and technical terminology and acronyms that are unique to government and to public finance and budgeting. This glossary has been included in the budget to assist the reader in understanding the more unique terms.

Accrual basis of accounting – method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of the related cash flows.

ACFR – Annual Comprehensive Financial Report

Ad valorem Tax – a tax assessed on the value of real and personal property. Adopted (approved) budget – the financial plan of revenues and expenditures for a fiscal year, as approved by the City Council.

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AICPA – American Institute of Certified Public Accountants.

Amortization – gradual reduction of an amount over time. An example is amortized principal and interest payments on debt. An asset or liability with a limited life is usually amortized over the period benefitted (i.e., the life of the loan).

Appropriation – a specific amount of funds authorized by the City Council with which financial obligations may be made.

ARP – All Requirements Project

ARPA – American Rescue Plan Act

ARRA – American Recovery and Reinvestment Act

Assessed Valuation – value placed by the government on real estate or other property for the purpose of levying taxes. The City of Neptune Beach accepts the assessment value of real and personal property as determined by the Duval County Property Appraiser.

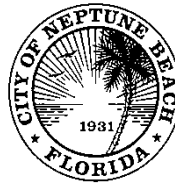
Basis of Accounting – Timing of recognition for financial reporting purpose (when the effects of transactions or events should be recognized in financial statements). [SGAS 11]

Bond -

Budget – total anticipated revenues plus available fund balance, excess of authorized reserves, equals total budgeted expenditures plus required reserves for each fund.

Budget Amendment – a change to the adopted budget which may increase or decrease a fund's balance. total appropriation.

Budgetary Integration – Use of budgetary accounts to record the operations budget in the general ledger to facilitate control during the year by providing a point of reference for comparison with actual results.



MINUTES
REGULAR CITY COUNCIL MEETING
MONDAY, AUGUST 7, 2023, 6:00 P.M.
NEPTUNE BEACH CITY HALL
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266

Pursuant to proper notice, a Regular City Council Meeting of the City Council of the City of Neptune Beach was held on Monday, August 7, 2023, at 6:00 p.m., at Neptune Beach City Hall, 116 First Street, Neptune Beach, Florida 32266.

Attendance:

IN ATTENDANCE:

Mayor Elaine Brown
 Vice Mayor Kerry Chin
 Councilor Lauren Key
 Councilor Nia Livingston
 Councilor Josh Messinger

STAFF:

City Manager Richard Pike
 City Attorney Zachary Roth (via CMT)
 Police Chief Michael Key
 Senior Center Director Leslie Lyne
 Community Development Director Heather Whitmore
 Public Works Director Deryle Calhoun
 Parks and Sustainability Director Colin Moore
 Senior Project Manager Ryan Shaneyfelt
 IT Administrator Ryan Vogel
 City Clerk Catherine Ponson

Call to Order/Roll
 Call/Pledge

Mayor Brown called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

Brittany
 Norris, COJ
 Mayor's Office

Brittany Norris, Director of Intergovernmental Affairs with the Office of City of Jacksonville Mayor Donna Deegan introduced herself. She stated her role is to build a relationship with the Beaches Communities and be a door to the administration.

Confirmation of
 Chief of Police

Confirmation of Chief of Police. Mayor Brown announced that City Manager Richard Pike has recommended Commander Michael J. Key, Jr., who had been acting as Interim Chief of Police, as the new Chief of Police.

City Manager Richard Pike stated he and Commander Key had worked together for a long time before he himself had become Chief of Police. Commander Key is dedicated to the City and the Department and has been on the forefront of everything the department has accomplished.

Councilor Key stated she would be recusing herself from voting on this item as Commander Key is her husband. Pursuant to F.S. Section 112.3143, Form 8B has been submitted and has been incorporated as a part of these minutes.

Made by Messinger, seconded by Livingston.

MOTION:

TO ACCEPT THE CITY MANAGER'S RECOMMENDATION OF CHIEF OF POLICE/DIRECTOR OF PUBLIC SAFETY, CHIEF

MICHAEL J. KEY, JR.

Roll Call Vote:

Ayes: 4-Livingston, Messinger, Chin, and Brown

Noes: 0

Abstain: 1-Key

MOTION CARRIED

Newly confirmed Chief of Police Michael J. Key, Jr. stated that it is his honor to carry the torch from his mentor, Richard Pike. He expressed to Council, citizens and more importantly to the men and women of the Neptune Beach Police Department that he would always create a safe, friendly and professional organization to work for. He added that the citizens and visitors would always be kept safe.

APPROVAL OF MINUTES

Minutes Made by Messinger, seconded by Livingston.

MOTION: TO APPROVE THE FOLLOWING:

June 5, 2023, Regular City Council Meeting

June 20, 2023, Special & Workshop City Council Meeting

June 28, 2023, Special City Council Meeting

July 17, 2023, Special & Workshop City Council Meeting

July 19, 2023, Emergency City Council Meeting

July 26, 2023, Special City Council Meeting

Roll Call Vote:

Ayes: 5-Livingston, Messinger, Key, Chin, and Brown

Noes: 0

MOTION CARRIED**PUBLIC COMMENTS**

Public Comments Miriam Cinotti, 1031 Marvone Lane, Neptune Beach, spoke regarding removing the Senior Activity Center 501(c)(3) and the Penman Road project.

Shellie Thole, 124 Margaret Street, Neptune Beach, questioned where the money is going that is coming in. She also asked why impact fees had not been implemented or why a bed tax was not in place. She requested to think outside the box and not raise taxes.

CITY MANAGER REPORT

City Manager Report City Manager Pike reported that department heads and staff were doing great job. He added that department heads would be giving updates.

Finance Dept Chief Financial Officer Jaime Hernandez reported that the first round of department head meetings had been held for the FY24 budget. He is currently working on the General Ledger to balance out FY22-23. The FY21-22 audit is scheduled to start in September.

IT Update IT Administrator Ryan Vogel gave an overview on updating the City's systems, including upgrading access control, camera, and phone system in City Hall and Public Works. He added that the City is going to be expanding the network at Public Works so all departments have reliable Wi-Fi access.

- Public Works Public Works Director Derlye Calhoun gave an update of Public Works projects and introduced Senior Project Manager Ryan Shaneyfelt.
- Mr. Shaneyfelt gave an update of the Senior Center landscaping project and fire suppression system.
- Police Chief Report Chief Key reported he had distributed the July 2023 monthly incident report, which includes noteworthy incidents as well as crime analysis.

VARIANCES / SPECIAL EXCEPTIONS / DEVELOPMENT ORDERS

- DP 23-01, Pete's Bar **DP23-01**, Application for Final Development Order as outlined in Chapter 27, Article II, Division 2 of the Unified Land Development Code of Neptune Beach for Pierre's LLC for the properties known as Pete's Bar at 117 First Street, 120 & 110 Lemon Street (RE#172782-0000, 172783-0000 & 172784-0000).
- Community Development Director Heather Whitmore reported this item was brought before the Community Development Board on July 12, 2023 and was unanimously approved. The Final Development Order requires review and approval by City Council.
- Staff Presentation Pete's is requesting a final development order approval. The existing building has previously been used for a bar and it has a current building permit for interior renovations only. The applicant must obtain an exterior remodeling building permit and Development Order. The applicant requested a historically significant parking exemption from the Community Development Board as permitted in Section 27-540 (b) of the Land Development Code to provide the additional required parking spaces. The new total number of seats including the deck requires a total of 49 parking spaces. The sites 30 spaces is 19 spaces short of the required 49 spaces. The Community Development Board may exempt, in whole or in part, any historically significant property from providing required parking. The Final Development Plan as presented here is consistent the Preliminary Development Plan and does not contain land uses different than those approved in the Preliminary Development Plan.
- Discussion Councilor Messinger expressed that he is not in support of approving this application. He is in support of Pete's. He commented that this is a request to build a ground-level slatted deck structure, however construction has already taken place. He does think the improvements are great. He stated that when we looked at the Land Development Codes, one of the items was this property and other properties being able to be improved. This is why the provision for payment in lieu of was inserted so parking space designations could be purchased. Those funds could be used to improve the Town Center as a whole.
- Councilor Messinger continued that he is in support of Pete's using the payment in lieu of method to get their 19-space requirement. He is not in favor of approving a request that basically waives the financial commitment. We are always looking for funding mechanisms to improve the quality of life and the parking capacity within the Town Center. There are parking spaces now that aren't properly utilized.
- Ms. Whitmore confirmed Councilor Key's inquiry that staff became aware that all of the improvements had taken place without a building permit. In order for Pete's to get the building permit for the work they have done, they need to get a development order. There is a stop-work order in place. All of the exterior improvements have been completed. There are some interior improvements still to be completed. They have been deemed eligible to be recognized as historically significant and can apply for an exception.
- Shahab Derazi, co-owner, stated that the permit was obtained to do the bathrooms inside and updated the outside that previously had a deck and bar. He did not realize a

permit was needed for the outside. He added that the historic designation puts an applicant on the Florida Registry List and a plaque with the history could be placed on the building.

Councilor Key commented that she struggles with this as there is a parking issue and paying in lieu of parking was added to provide relief. If we can't provide relief, there would be a monetary value to it. She added she is leaning towards paying in lieu of parking but would like to hear from other Council Members.

Mr. Derazi stated that they would not have an issue paying for parking in lieu of. He and the partners are in support of the City.

Vice Mayor Chin remarked that the property has not officially received the historical designation and it would be premature to base a decision on that. He also has concerns regarding the dumpster in the right-of-way. He is in agreement with his fellow Council Members regarding the payment in lieu of parking. At this point, he would like to know what the payment in lieu of would look like. He is not against the project, but time is needed to work that through.

Mr. Derazi requested if there was a way possible for Council to approve this and then agree on a number, which would be paid in a certain amount of time.

Councilor Livingston agreed with what has been stated and she added we do need to come up with a number. She asked if there is a way to pass this knowing we would be calculating the amount.

City Attorney Zachary Roth advised that, if the applicant was open to it, an approval with a condition could be proposed. The condition would be that upon determination of the payment in lieu amount for the 19 spaces. The development order could be revoked if the applicant does not agree to the 19 spaces.

Councilor Key would like to look into the Community Development Board having the authority to determine the historically significant parking exemption.

Mr. Roth clarified that the way the Code defines "historically significant" is that if it is eligible for inclusion in the Florida Master Site File, it can be determined to be historically significant by the Community Development Board. For the purposes of today, Council should consider that it has been found historically significant by the CDB. He also added that the CDB has the right to exempt a structure from the parking requirements. The CDB does not have final say on development orders. The structure has been determined to be historically significant for purposes of this development order. Council determines whether to accept that designation and apply it to the development order or reject it and apply the development order without the designation.

Made by Key, seconded by Livingston.

MOTION: TO APPROVE THE DEVELOPMENT ORDER WITH THE CONDITION OF PAYMENT IN LIEU OF PARKING ONCE DETERMINED AND FAILURE TO PAY WOULD RESULT IN REVOCATION OF THE DEVELOPMENT ORDER

Roll Call Vote:

Ayes: 4-Messinger, Key, Livingston, and Brown

Noes: 1-Chin

MOTION CARRIED

ORDINANCES

Ord. No. 2023-04, FY23 Budget Amendment Ordinance No. 2023-04, Second Read and Public Hearing. An Ordinance of the City of Neptune Beach Amending the Operating Budget for the City of Neptune Beach, Florida for Fiscal Year 2023, Beginning October 1, 2022, and Ending September 30, 2023.

Public Hearing Mayor Brown opened the public hearing. There being no comments from the public, the public hearing was closed.

Made by Messinger, seconded by Chin.

MOTION: TO ADOPT ORDINANCE NO. 2023-04, AMENDING THE OPERATING BUDGET FOR THE CITY OF NEPTUNE BEACH, FLORIDA FOR FISCAL YEAR 2023, BEGINNING OCTOBER 1, 2022, AND ENDING SEPTEMBER 30, 2023

Roll Call Vote

Ayes: 5-Key, Livingston, Messinger, Chin, and Brown

Noes: 0

MOTION CARRIED

Ord. No. 2023-05, Dogs on the Beach Ordinance No. 2023-05, First Read and Public Hearing. An Ordinance of the City of Neptune Beach Amending Section 6-31, Regarding Dogs on the Beach to Establishing Consistency with Atlantic Beach; Clarifying Leash Requirements; Requiring Certain Protections for Dogs; Providing for Severability; Providing for an Effective Date.

Public Hearing Mayor Brown opened the public hearing. There being no comments from the public, the public hearing was closed.

Vice Mayor Chin stated he still has reservations about this. If people coming from Atlantic Beach to Neptune Beach are confused about the hours, it is a matter of education. Neptune Beach and Jacksonville Beach have different considerations, such as having more visitors. What is in place now is the best compromise at the moment. He is not in support of this at this time.

Councilor Key commented that she is not a fan of dogs on the beach, but after speaking with Animal Services Officer Dee Zagari, she understands how this legislation would help her do her job. She added that we can always revoke this if it is not working.

Made by Livingston, seconded by Key.

MOTION: TO APPROVE ORDINANCE NO. 2023-05, AMENDING SECTION 6-31, REGARDING DOGS ON THE BEACH TO ESTABLISHING CONSISTENCY WITH ATLANTIC BEACH; CLARIFYING LEASH REQUIREMENTS; REQUIRING CERTAIN PROTECTIONS FOR DOGS AT FIRST READ

Roll Call Vote:

Ayes: 4-Livingston, Messinger, Key, and Brown

Noes: 1-Chin

MOTION CARRIED

Ord. No. 2023-06, Spending Threshold Ordinance No. 2023-06, First Read and Public Hearing. An Ordinance of the City of Neptune Beach Amending Chapter 2, Article VI, Section 2-377, Competitive Bidding; Written Contracts, Providing for Severability; and Providing an Effective Date.

Public Hearing Mayor Brown opened the public hearing. There being no comments from the public, the public hearing was closed.

Made by Messinger, seconded by Key.

MOTION: **TO APPROVE ORDINANCE NO. 2023-06, AMENDING CHAPTER 2, ARTICLE VI, SECTION 2-377, COMPETITIVE BIDDING; WRITTEN CONTRACTS, AT FIRST READ**

Roll Call Vote:

Ayes: 5-Messinger, Key, Livingston, Chin, and Brown

Noes: 0

MOTION CARRIED

OLD BUSINESS

City Hall Roof Bid Award

Award City Hall Roof CONB 2023-02. Mr. Calhoun explained there were two bids received on July 14, 2023: Advanced Roofing, Inc-\$263, 411.00 (\$145,711.00 base bid plus \$117,700.00 for reinstallation of solar panels and appurtenances) and NexGen Restoration and Roofing, LLC (\$94,144.60 base bid plus \$24,000 reinstallation of solar panels and appurtenances).

Mr. Calhoun is recommending to not reinstall the solar panels. The panels on the standing seam metal roof will remain.

Made by Messinger, seconded by Key.

MOTION: **TO AWARD CONB 2023-02, CITY HALL ROOF REPAIR TO NEXGEN RESTORATION AND ROOFING, LLC IN THE AMOUNT OF \$70,144.60**

Roll Call Vote:

Ayes: 5-Key, Livingston, Messinger, Chin, and Brown

Noes: 0

MOTION CARRIED

NEW BUSINESS

Wastewater Plant 2 Improvements

Water Reclamation Facility -Bid of Wastewater Plant 2 Improvements. Mr. Calhoun reminded everyone that the City of Neptune Beach entered into a consent order with Florida Department of Environmental Protection to correct violations of its wastewater permit, primarily regarding Total Nitrogen exceedances.

CONB engaged Dewberry Engineers, Inc. in December 2021 to provide consent order support, and to provide planning, permitting, design, bid and construction phase services for Plant 2 modifications necessary to provide nitrogen removal capability. In addition, Plant 2 electrical and control panels will be moved out of the flood plain and provide for future relocation of Plant 1 equipment.

Dewberry has presented 90% plans and specifications for staff review and currently anticipate Plant 2 improvements ready for bid in August.

Made by Messinger, seconded by Chin.

MOTION: TO APPROVE BIDDING OF WASTEWATER PLANT 2 IMPROVEMENTS

Roll Call Vote:

Ayes: 5-Livingston, Messinger, Key, Chin, and Brown

Noes: 0

MOTION CARRIED

Plant 1, Phase II,
Hazen and Sawyer

Water Reclamation Facility Plant 1, :Phase II – Operations Study. Mr. Calhoun explained Hazen and Sawyer completed a study which reviewed historical operations data and developed an operational model of the plant (BioWin) which permits considerations of improvements.

During the study, an aeration header blew apart which led to additional operational challenges. As a result, a decision to replace the IFAS media or not will be necessary. Estimates for replacement are in the \$1M range.

This requested study would further evaluate the biological nutrient removal (BNR) process capabilities and other items as noted in the proposal.

Made by Messinger, seconded by Livingston.

MOTION: TO APPROVE PHASE II WITH HAZEN AND SAWYER IN THE AMOUNT OF \$34,810.00

Roll Call Vote:

Ayes: 5-Messinger, Key, Livingston, Chin, and Brown

Noes: 0

MOTION CARRIED

LDC Updates

LDC Updates - Section 27-332: Home-Based Businesses. Section 27-335 and 27-336: Recreational/Commercial Vehicles in Residential Districts. Ms. Whitmore stated she is presenting this to review and make recommendations to move forward with a first read on an ordinance to enact the provisions.

Ms. Whitmore explained this legislation adds Sections 27-335 and 27-336, which were inadvertently left out of the LDC revision. The sections state you can't have RVs or commercial vehicles in the front yard. More clarity was needed for the definition of commercial vehicles.

This will be on the September 5, 2023 agenda.

Civil Service Board

Civil Service Board. Mr. Pike explained the Civil Service Board was established many years ago and has not been active since 1992. The three-member Board needs to be activated for an employee who has chosen this option for his review. Notice has been issued to employees. Council will select two and a third member will be elected by all employees.

Once the board is established, the board will review the facts of the grieving employee and will agree on the discipline, enhance the discipline or dismiss the discipline. We will be moving forward on this and will be coming back with a member list.

Res. No. 2023-08,
Funding Sources

Resolution No. 2023-08, Funding Sources. Councilor Messinger stated that Council has been discussing long-term, consistent revenue streams. There are a few mechanisms in place, such as a Community Redevelopment Agency and adjusting the percentages in the Interlocal Agreement. This resolution instructs staff and our existing lobbyist to immediately pursue in the short-term, an amendment to our Interlocal Agreement to

adjust the percentages more favorably. It also instructs staff and our lobbyist to look at a CRA and pursue those activities actively. This is a direction of a high priority for our staff.

Made by Messinger, seconded by Key.

MOTION: **TO ADOPT RESOLUTION NO. 2023-08, A RESOLUTION OF THE CITY OF NEPTUNE BEACH, FLORIDA, INSTRUCTING STAFF AND LOBBYISTS TO ACTIVELY PURSUE ADDITIONAL FUNDING MECHANISMS FROM THE CITY OF JACKSONVILLE**

Roll Call Vote:

Ayes: 5-Key, Livingston, Messinger, Chin, and Brown

Noes: 0

MOTION CARRIED

COUNCIL COMMENTS

Council Comments Councilor Key commented that she wanted to address comments made earlier regarding a bed tax. She explained this is not something we can do as a municipality and is limited to the County. She is a fan of impact fees, but looking at what is required to have impact fees, the City would be at a loss. This is why we are seeking other ways to create more revenue

Vice Mayor Chin thanked Public Works for their response to a water main break in his area. They worked nonstop without a taking a break until it was repaired.

Councilor Messinger commented the County levies a bed tax that is dictated by the state. A few municipalities around the state are allowed a different percentage or an additional tax specially approved by the State. We do receive a bed tax that is remediated back to us, but the percentage is fixed. The state has made it difficult for municipalities to enact impact fees.

Adjournment There being no further business, the meeting adjourned at 7:45 p.m.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC
City Clerk

Approved: _____

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME Key Lauren D	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE City of Neptune Beach
MAILING ADDRESS _____ CITY _____ COUNTY _____	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: <input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY
DATE ON WHICH VOTE OCCURRED 8/7/2023	NAME OF POLITICAL SUBDIVISION: _____ MY POSITION IS: <input checked="" type="checkbox"/> ELECTIVE <input type="checkbox"/> APPOINTIVE

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which would inure to his or her special private gain or loss. Each elected or appointed local officer also **MUST ABSTAIN** from knowingly voting on a measure which would inure to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent, subsidiary, or sibling organization of a principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies (CRAs) under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * *

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

* * * * *

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you are not prohibited by Section 112.3143 from otherwise participating in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on page 2)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Lauren Key, hereby disclose that on August 7, 20 23:

(a) A measure came or will come before my agency which (check one or more)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____;
- inured to the special gain or loss of my relative, Michael Key _____;
- inured to the special gain or loss of _____, by whom I am retained; or
- inured to the special gain or loss of _____, which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

\$ consideration of promoting my husband

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

8/21/23
Date Filed

[Signature]
Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.



**MINUTES
SPECIAL CITY COUNCIL MEETING
MONDAY, AUGUST 21, 2023, 6:00 P.M.
NEPTUNE BEACH CITY HALL
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266**

Pursuant to proper notice, a Special City Council Meeting of the City Council of the City of Neptune Beach was held on Monday, August 21, 2023, at 6:00 p.m., at Neptune Beach City Hall, 116 First Street, Neptune Beach, Florida 32266.

Attendance:

IN ATTENDANCE:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Lauren Key
Councilor Nia Livingston
Councilor Josh Messinger

STAFF:

City Manager Richard Pike
City Attorney Zachary Roth
Public Works Director Deryle Calhoun
CFO Jaime Hernandez
Parks and Sustainability Director Colin Moore
Police Chief Michael Key
Community Development Director Heather Whitmore
City Clerk Catherine Ponson

Call to
Order/Roll
Call/Pledge

Mayor Brown called the Special Meeting to order at 6:00 p.m. and Councilor Livingston led the Pledge of Allegiance.

Life Saving
Award

Life Saving Award. Police Chief Michael Key and Sergeant William Torres presented Officer Kelly Camacho with the Life Saving Award. She received the award due to her proactive response, quick recognition of the severity of a medical emergency, her immediate actions and effective performance of CPR.

Reimbursement
of Legal Fees-
Key

Reimbursement of Legal Fees-Councilor Lauren Key. City Attorney Zachary Roth explained that Code Section 2-236 provides that Council Members or employees who are provided with a defense if something is filed against them or if defense isn't provided, then they are entitled to a reimbursement of attorney's fees. Florida Statutes Section 111.071 also addresses this. The City reimburses the Council Members and the City is reimbursed by insurance.

Councilor Key announced she is recusing herself on this item which is for her as well as the next item requesting the same thing for her fellow Council Member.

Councilor Messinger announced he is recusing himself from this vote and the following vote due to they are requesting the same thing.

Pursuant to F.S. Section 112.3143, Form 8B has been submitted and has been incorporated as a part of these minutes.

Made by Chin, seconded by Livingston.

MOTION: **TO APPROVE REQUEST FOR REIMBURSEMENT OF LEGAL FEES FOR COUNCILOR LAUREN KEY**

Roll Call Vote:

Ayes: 3-Livingston, Chin, and Brown

Noes: 0

Abstain: Key and Messinger

MOTION CARRIED

Reimbursement of Legal Fees-Messinger Reimbursement of Legal Fees-Councilor Joshua Messinger.

Councilors Key and Messinger recused themselves from voting on this item. Pursuant to F.S. Section 112.3143, Form 8B has been submitted and has been incorporated as a part of these minutes.

Made by Livingston, seconded by Chin.

MOTION: **TO APPROVE REQUEST FOR REIMBURSEMENT OF LEGAL FEES FOR COUNCILOR JOSHUA MESSINGER**

Roll Call Vote:

Ayes: 3-Livingston, Chin, and Brown

Noes: 0

Abstain: Key and Messinger

MOTION CARRIED

Lead Service Line EPA Lead Service Line Rule -Planning and Design Services proposal from Saltus Engineering, Inc. Public Works Director Deryle Calhoun explained that on December 22, 2020, Environmental Protection Agency finalized an update to the Lead and Copper Rule which in part requires community water systems, regardless of size, to develop and maintain an inventory of service lines that the public can access (40 CFR 141.84(a)). The inventory must describe both system-owned and customer-owned segments of the service line. Utilities must submit the initial inventory by October 16, 2024.

Saltus Engineering, Inc., assisted CONB in applying to FDEP's State Revolving Fund (SRF) for financial assistance in complying with this rule; FDEP has awarded \$320,800 for the planning and design phase of the work. The award includes up to \$157,094 in principal forgiveness.

Made by Messinger, seconded by Key.

MOTION: **TO APPROVE PROPOSAL FROM SALTUS ENGINEERING, INC. FOR LEAD SERVICE LINE IDENTIFICATION IN THE AMOUNT OF \$29,800.00.**

Roll Call Vote:

Ayes: 5-Messinger, Key, Livingston, Chin, and Brown

Noes: 0

MOTION CARRIED

Pump Station and Well Fencing Pump Station and Well Fencing. Mr. Calhoun explained fencing at various wastewater pump stations and wells are currently in disrepair and require replacement. A JEA contract with Armstrong Fence Company was utilized and quotes were obtained. We have not received a signed and executed copy of that contract.

Made by Messinger, seconded by Chin.

MOTION: TO APPROVE THE REPLACEMENT OF FENCING FOR THE PUMP STATIONS AND WELLS IN THE AMOUNT OF \$31,907.20 CONDITIONED UPON RECEIVING THE SIGNED CONTRACT

Roll Call Vote:

Ayes: 5-Key, Livingston, Messinger, Chin, and Brown

Noes: 0

MOTION CARRIED

Surplus Property Surplus Property. Mr. Calhoun explained that the surplus list includes the solar panels. He reported that we would still have 30% capacity if we eliminate the flat roof solar panels. He is working on options for the panels, such as donation or reselling on our surplus selling site.

Made by Messinger, seconded by Livingston.

MOTION: TO APPROVE THE SURPLUS PROPERTY LIST AS REQUESTED

Roll Call Vote:

Ayes: 5-Livingston, Messinger, Key, Chin, and Brown

Noes: 0

MOTION CARRIED

PUBLIC COMMENT

Public Comment Chuck McCue, 1908 Third Street, Neptune Beach, spoke regarding the reimbursement for legal fees, purchasing, and responding to constituents.

Adjournment There being no further business, the Special Meeting adjourned at 6:30 p.m.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC
City Clerk

Approved: _____

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME <i>Key Lauren D</i>	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE <i>Neptune Beach City Council</i>
MAILING ADDRESS	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: <input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY
CITY _____ COUNTY _____	NAME OF POLITICAL SUBDIVISION:
DATE ON WHICH VOTE OCCURRED <i>8/21/23</i>	MY POSITION IS: <input checked="" type="checkbox"/> ELECTIVE <input type="checkbox"/> APPOINTIVE

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

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For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * *

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

* * * * *

APPOINTED OFFICERS:

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APPOINTED OFFICERS (continued)

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DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Lauren Key, hereby disclose that on August 21, 20 23 :

(a) A measure came or will come before my agency which (check one or more)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____ ;
- inured to the special gain or loss of my relative, _____ ;
- inured to the special gain or loss of _____, by whom I am retained; or
- inured to the special gain or loss of _____, which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Vote for reimbursement of my attorneys fees.

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

8/21/23

Date Filed

Lauren Key
Signature

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FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME <i>Messinger Joshua Hyatt</i>	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE <i>Neptune Beach City Council</i>
MAILING ADDRESS <i>219 Bowles St</i>	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: <input checked="checked" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY
CITY <i>Neptune Beach</i>	COUNTY <i>Duval</i>
DATE ON WHICH VOTE OCCURRED <i>8/21/23</i>	NAME OF POLITICAL SUBDIVISION:
	MY POSITION IS: <input checked="checked" type="checkbox"/> ELECTIVE <input type="checkbox"/> APPOINTIVE

WHO MUST FILE FORM 8B

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For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * *

ELECTED OFFICERS:

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PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

* * * * *

APPOINTED OFFICERS:

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IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

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APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Joshua Messinger, hereby disclose that on Aug 21, 20 23 :

(a) A measure came or will come before my agency which (check one or more)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____ ;
- inured to the special gain or loss of my relative, _____ ;
- inured to the special gain or loss of _____, by whom I am retained; or
- inured to the special gain or loss of _____, which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Vote for reimbursement of My fellow council members attorney fees as I was making the same request

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

8/22/23
Date Filed

[Signature]
Signature

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APPOINTED OFFICERS (continued)

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DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Joshua Messinger, hereby disclose that on Aug 21, 20 23:

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- inured to the special gain or loss of my business associate, _____;
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Date Filed

[Signature]
Signature

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FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME <i>Key Lauren D</i>	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE <i>Neptune Beach City Council</i>
MAILING ADDRESS . . .	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: <input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY
CITY _____ COUNTY _____	NAME OF POLITICAL SUBDIVISION: _____
DATE ON WHICH VOTE OCCURRED <i>8/21/23</i>	MY POSITION IS: <input checked="" type="checkbox"/> ELECTIVE <input type="checkbox"/> APPOINTIVE

WHO MUST FILE FORM 8B

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For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * *

ELECTED OFFICERS:

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PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

* * * * *

APPOINTED OFFICERS:

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APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
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IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Lauren Key, hereby disclose that on August 21, 20 23 :

(a) A measure came or will come before my agency which (check one or more)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____ ;
- inured to the special gain or loss of my relative, _____ ;
- inured to the special gain or loss of _____, by whom I am retained; or
- inured to the special gain or loss of _____, which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

vote for reimbursement of my attorneys fees, because the same manner was being requested for me as a fellow councilmember.

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

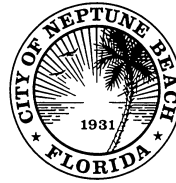
8/21/23

Date Filed



Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.



**MINUTES
WORKSHOP CITY COUNCIL MEETING
IMMEDIATELY FOLLOWING THE SPECIAL MEETING
MONDAY, AUGUST 21, 2023, 6:30 P.M.
NEPTUNE BEACH CITY HALL
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266**

Pursuant to proper notice, a Workshop City Council Meeting of the City Council of the City of Neptune Beach was held on Monday, August 21, 2023, at 6:30 p.m., in Council Chambers, City Hall, 116 First Street, Neptune Beach, Florida, 32266

Attendance

IN ATTENDANCE:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Lauren Key
Councilor Nia Livingston
Councilor Josh Messinger

STAFF:

City Attorney Zachary Roth
City Manager Richard Pike
Chief Financial Officer Jaime Hernandez
Public Works Director Deryle Calhoun
Parks and Sustainability Director Colin Moore
Police Chief Michael Key
Community Development Director Heather Whitmore
City Clerk Catherine Ponson

Call to Order/Roll Call

Mayor Brown called the workshop meeting to order at 6:30 p.m.

AWARDS/PRESENTATIONS/RECOGNITION OF GUESTS / NONE

COMMITTEE REPORTS

Finance Committee

Councilor Lauren Key reported the Finance Committee met on Wednesday, August 9, 2023. Chief Financial Officer Jaime Hernandez gave a brief overview of where everything stands financially. The City will begin the FY22 audit in September.

TIP Committee

Mayor Brown reported there would be a meeting of the Transportation and Infrastructure Planning Committee on August 31, 2023, at 9:00 a.m.

Adjournment

There being no further business, the workshop meeting adjourned at 6:32 p.m.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC
City Clerk

Approved: _____



**MINUTES
EMERGENCY CITY COUNCIL MEETING
TUESDAY, AUGUST 29, 2023, 5:00 P.M.
NEPTUNE BEACH CITY HALL
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266**

Pursuant to proper notice, an Emergency City Council Meeting of the City Council of the City of Neptune Beach was held on Tuesday, August 29, 2023, at 5:00 p.m., at Neptune Beach City Hall, 116 First Street, Neptune Beach, Florida 32266.

Attendance:

IN ATTENDANCE:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Lauren Key
Councilor Nia Livingston
Councilor Josh Messinger

STAFF:

City Manager Richard Pike
City Attorney Zachary Roth
Public Works Director Deryle Calhoun
City Clerk Catherine Ponson

Call to
Order/Roll Call/

Mayor Brown called the Emergency Meeting to order at 5:00 p.m.

Mayor Brown announced the City is proclaiming a Declaration of Emergency due to Hurricane Idalia.

Made by Messinger, seconded by Key.

MOTION: TO APPROVE THE DECLARATION OF A STATE OF EMERGENCY FOR THE CITY OF NEPTUNE BEACH

Roll Call Vote:

Ayes: 5-Key, Livingston, Messinger, Chin, and Brown

Noes: 0

MOTION CARRIED

Adjournment

There being no further business, the Emergency Meeting adjourned at 5:01 p.m.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC
City Clerk

Approved: _____

Good Evening, Council Members

City Manager's report.

This report goes beyond mere facts and figures as it represents our city's commitment to the welfare of our community. The report concludes by projecting the outlook of our city, discussing our long-term objectives, strategic planning, and initiatives aimed at improving the quality of life for our residents.

Departmental Summaries-Week Ending 09/01/23

City Clerk/Catherine Ponson

- Compile Agenda Packet for the 9/7/2023 Special and Workshop Council Meeting
- Fulfill public records requests
- Prepare a Declaration of Emergency for Hurricane Idalia
- Prepare required public notices for ordinances for newspaper

Community Development Department/Heather Whitmore

1. CRS
 - a. Received additional comments this week – given five days to respond
 - b. Requires Floodplain Ordinance rewrite to remain compliant with state/federal minimum
 - c. Three other minor outstanding items
 - d. Anticipate retaining a level (8) rating, may possibly move up to a (7)
2. Updates to go to Council September 5th: all to go to October 2nd meeting for final review
 - a. Bakkes “weird alley” ROW purchase
 - b. First Read - LDC Update: Recreational Vehicles/Commercial Vehicles in Residential Districts
 - c. First Read - LDC Update: Duplexes in the RC
 - d. First Read - LDC Update: Landscape Buffer Adjacent to Residential Districts
3. September 18th Council Workshop
 - a. Floodplain Ordinance rewrite
 - b. Parking Fee in lieu recommendations
4. Items for Council October 2nd
 - a. Floodplain Ordinance rewrite
 - b. Parking Fee in lieu Ordinance update
 - c. Parking Fee in lieu resolution
5. Annual Florida American Planning Association conference is next week in Jacksonville.
 - a. September 5th – 8th
6. CDB September 13th
 - a. 412 South St Side Setback Variance
 - b. 2101Bartolome Lot Split

Finance Department/Jaime Hernandez

- The FY 21-22 Audit is rescheduled to start on September 4 and is expected to end on December 8, 2023. Having an audit meeting to discuss the audit schedule.
- Wrapping up the budget meetings with department heads:
 - Compile new or additional data,
 - Completed budget meeting with department head, City Manager, and CFO.
 - Update budget spreadsheets accordingly.
 - Working on Final review and final FY 22-23 budget draft.
- FEMA projects for Nichole and Ian have been closed (debris pick up). The funds will be sent to the state by FEMA, and then the state will send us the funds for the reimbursement, around \$57,000. Waiting on Payment from the state.
- Initial DR-420 certification submitted to the Property Appraisal
 - Recommended an increase of \$.6731 Per \$1,000 of assessed value or 20 percent.
 - About \$302.90 for a property with an assessed value of \$500,000.
 - Waiting for City Council approval or disapproval of the millage rate, hearing scheduled for 9/5/2023.
 - The property tax increase will represent an additional \$800,000. Mostly, the revenue will be used for IT infrastructure and other critical infrastructure projects:
 - Update IT infrastructure,
 - Establish and maintain security requirements,
 - Convert city records from hard copy to soft copy / digital.
 - Design and implement a Geographical Information System (GIS)

Human Resources/Jillian McCann

- New Hires
 - Ricardo Pizarro-joined as the new CIO on 8/21/2023
 - Roya Nateghi-will be joining the Wastewater Division in Public Works on 9/05/2023
 - Kenny Mendenhall-appointed Lead Wastewater Operator
- Still Recruiting for Police Officers and Beaches Parking Ambassadors
- Paycor Implementation Ongoing
- Will be auditing each employee's PTO and Comp time accruals as they did not match up with Great Plains after the last payroll run.

IT/Ricardo Pizarro

- Assess current environments across campus locations- Site survey and inventory on all locations for hardware and software
- Evaluate Endpoint Security- Determine the best security application to meet the needs of our environment and devices
- Develop DR Plan- Develop a proper disaster recovery plan for critical infrastructure and develop recommendations for updates/changes to current challenges we face
- Evaluate ITSM- Evaluate and implement a proper Information Technology Systems Management program to monitor resources, assets, issue tracking and resolution, contracts, vendors
- Evaluate Albert in collaboration with DHS- Security operations center provided by the Department of Homeland Security. Albert is an application that is placed inside our organization

that monitors traffic produced internally and externally for known threat actors and malicious content

Parks & Sustainability/Colin Moore

- Meeting with Beaches Energy to coordinate new locations for path lighting held on August 9 – next steps involve Beaches Energy field crew checking existing wiring
- Various resident pedestrian safety concerns will be addressed at the next Transportation Infrastructure Planning Committee meeting
- Next meeting concerning Little League baseball field refurbishment is scheduled for September 5th
- Conduit for new pump for Jarboe Park ponds has been installed – skid for pump is being fabricated by Public Works
- Penman Road presentation/public meeting for Neptune Beach City Council will be coordinated with COJ Public Works for late September or October

Public Safety Department/Chief Michael Key

Police Department:

- PD began monitoring Invest 93L (later turned into Hurricane Idalia) as of 08/24/23. Preparedness efforts and readiness checklists are ongoing.
- FY24 PD budget needs have been submitted. Three formal meetings to review and solidify.
- PD is still experiencing issues accessing the budget system & credit card system for some PD employees. Actively working with IT and Finance to resolve the issue.
- An E-bike safety campaign at FHS, NBE & Beaches Chapel has begun. Currently, it has been assigned to an officer for curriculum development.
- AT&T billing dispute issue is ongoing. PD is being charged an 'out of contract' absorbent monthly rate. Currently working to be lowered back into contract pricing while.
- DEA Gun Range Donation of \$50k forthcoming.
- FY23 Jag Grant Award received, actively being implemented.

Paid Parking:

- Currently researching a cashless/kiosk-less experience.
- Names of officers placed on citations for greater accountability and transparency.
- Orientation training ongoing. Onboarding to PD.
- New rules & SOP are currently being developed.
- Currently hiring new employees

Ocean Rescue:

- As summer draws to an end, the guard population begins to lower. This is expected. Staffing levels are still adequate.
- Numerous preventative measures are being taken to prevent rescues/drowning. The beach is still extremely hot, and heat issues are still present.

Public Works Department/Deryle Calhoun

CUP and Well 5

- Consultant reengaged with WMD now that decision is made for new Well 5
- WMD approved of new Well 5 location on the plant site
- Subcontractor has begun subsurface work to identify pipes, etc. for locating Well 5
- Subcontractor for the survey is scheduled

Wastewater Plant 2 Upgrades for Nitrogen Removal

- Engineer missed the end of August estimate for bid; will have the package ready on 9/01
- There will be an addendum to the bid package for structural and clarifier improvements not originally scoped
- Waiting on the engineer to produce a list of equipment for CONB pre-purchase consideration

Stormwater Strategic Planning

- Plan has been approved by the Transportation and Infrastructure Committee
- Constructability review of proposed 3rd Street crossing improvements has been provided to FDOT for incorporation into their complete street design
- Propose to close this item from scorecard

Senate Bill 64

- FRWA has begun legislative outreach regarding expected costs to comply

Senior Center Improvements

- Fire system is approved
- Architect signed off on the structure
- Contractor working on parking and prepping for landscaping
- Roofing has not yet started
- Certificate of Occupancy on schedule for the end of October

Water Tower Repairs and Maintenance

- First phase of work is complete; contractor shut down for hurricane
- Contractor gave notice at the progress meeting that the project will likely be pushed into December or January due to crew availability

City Hall Roof Replacement

- Contract being developed

Senior Activity Center/Leslie Lyne

- CDBG Contract 2023-2024 Requesting \$48,000 APPROVED
- Event Stats YTD **amended** 743 Total Events offered
- Services Delivered YTD 524 Unduplicated Individuals
- Construction on Forest Ave. Anticipated Move-in mid-November 2023
- Ordering Outdoor ceiling fans 4-72" fans for porch-Lowe's
- Ordering tables 13 for community areas
- Partnering with Seniors on a Mission iPhone & tablet instructions
- Status Report to Eckstein Charitable Trust All Monies to be used no later than October 31, 2023
- Day Trips December 6 & March 2023
- Fundraisers Travel & Grants YTD \$6,877
- Travel Opportunities Domestic & World-presentation scheduled Sept. 21, 2023
- Presenter at FSCJ Community Wellness Summit Friday, October 27, 2023



Agenda Item #8A
2023-05, Dogs
on the Beach

**CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT**

AGENDA ITEM:	Agenda Item #8A, Ordinance No. 2023-05, Second Read and Public Hearing, An Ordinance Amending Section 6-31, Regarding Dogs on the Beach to Establishing Consistency with Atlantic Beach; Clarifying Leash Requirements; Requiring Certain Protections for Dogs; Providing for Severability; Providing for an Effective Date.
SUBMITTED BY:	Councilor Nia Livingston
DATE:	August 31, 2023
BACKGROUND:	<p>Neptune Beach restricts time periods during which dogs are permissible on the Atlantic Ocean Beach.</p> <p>Atlantic Beach does not currently restrict the time periods for dogs on the beach.</p> <p>To remedy the confusion along the beaches and also establish provisions for water, shade and to prohibit electric and remote collars, the attached proposed ordinance is being presented.</p> <p>The proposed ordinance was discussed at the June 20, 2023, workshop and passed at First Read on August 7, 2023.</p>
BUDGET:	N/A
RECOMMENDATION:	Consider Adoption of Ordinance No. 2023-05
ATTACHMENT:	Ordinance No. 2023-05

INTRODUCED BY:
COUNCILOR LIVINGSTON



ORDINANCE NO. 2023-05

A BILL TO BE ENTITLED

AN ORDINANCE AMENDING SECTION 6-31 REGARDING DOGS ON THE BEACH TO ESTABLISHING CONSISTENCY WITH ATLANTIC BEACH; CLARIFYING LEASH REQUIREMENTS; REQUIRING CERTAIN PROTECTIONS FOR DOGS; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to Section 6-31 of the Code of Ordinances of the City of Neptune Beach, the City regulates the presence of dogs on the Atlantic Ocean Beach adjacent to the City; and

WHEREAS, the City restricts time periods during which dogs are permissible on the Atlantic Ocean Beach; and

WHEREAS, the City of Atlantic Beach does not currently restrict the time periods during which dogs are permissible on the Atlantic Ocean Beach; and

WHEREAS, the City's Animal Control/Service Officer has observed confusion on the part of persons walking dogs across the city limits between the City and the City of Atlantic Beach who are unaware of the differences between the respective Codes of Ordinances; and

WHEREAS, elimination of time restrictions on the presence of dogs on the Atlantic Ocean Beach will eliminate such confusion, assist the Animal Control/Service Officer in the performance of their duties, and provide for a more predictable regulatory scheme regarding the matter; and

WHEREAS, the City's Animal Control/Service Officer has also observed that dogs brought to the Atlantic Ocean Beach are frequently not provided with a means of potable water or shade, potentially causing harm to the animals; and

WHEREAS, the City desires to establish provisions to protect the health, safety and welfare of such animals by instituting certain requirements for dogs to be brought to the beach for a significant period of time; and

WHEREAS, the City's Animal Control/Service Officer has also observed the use of electric collars and remote collars on dogs brought to the Atlantic Ocean Beach; and

WHEREAS, such devices provide insufficient control of dogs to protect members of the public enjoying the Atlantic Ocean Beach; and

WHEREAS, the City Council for the City of Neptune Beach, Florida finds and declares that this ordinance is in the best interest of the public health, safety and welfare of the citizens and residents of the City, that it advances a significant and important governmental interest, and that it furthers the City's performance of municipal functions and rendering of municipal services.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF NEPTUNE BEACH, FLORIDA, THAT:

Section 1. Amending Section 6-31 of the City of Neptune Beach Code of Ordinances. Section 6-31 of the City of Neptune Beach Code of Ordinances is hereby amended to read as follows:

(a) Dogs are permissible on the Atlantic Ocean Beach adjacent to the city year-round. ~~during the following time periods:~~

~~(1) At any hour from October 1st through March 31st; and~~

~~(2) During the hours of 5:00 p.m. through 9:00 a.m., from April 1st through September 30th.~~

(b) In addition to the above provisions, all owners, custodians and/or persons responsible for and in control of any dog(s) on the beach must comply with following:

(1) Each such dog must be fastened to a suitable leash of dependable strength not to exceed twelve (12) feet in length and the leash must be held or controlled by that person at all times. Electric collars, remote collars, or other non-physically connected collars or leashes do not comply with this requirement. The person must control a leash physically connected to the dog.

(2) Any person having a dog on the beach ~~during the above enumerated hours~~ must carry with and on such person suitable materials and utensils with which to remove from the beach any fecal matter deposited by such dog and must remove any fecal matter immediately upon its deposit by the dog under the person's supervision and control.

(3) Each such dog must have affixed to its collar a current rabies inoculation tag evidencing the dog has been properly inoculated against rabies within the past year. ~~The civil penalties for violation of this chapter shall be those set forth in section 6-5.~~

(4) If dog and the person responsible for such dog's presence on the beach are in the Atlantic Ocean together, the dog shall be allowed to swim unleashed and then immediately put back on the leash before returning to

the beach. This does not include walking the dog in the water. Tide pools are not considered part of the Atlantic Ocean and dogs in tide pools must on-leash.

(5) Any person spending more than 30 minutes on the beach must provide a source of potable water and shade to the dog.

(c) The civil penalties for violation of this chapter shall be those set forth in section 6-5.

Section 2. Severability. If any section, sentence, clause, phrase, or word of this Ordinance is, for any reason, held or declared to be unconstitutional, inoperative or void, such holding or invalidity shall not affect the remaining portions of this Ordinance, and it shall be construed to be the legislative intent to pass this Ordinance without such unconstitutional, invalid or inoperative part therein.

Section 3. Effective Date. This Ordinance shall become immediately upon passage by the City Council.

VOTE RESULTS OF FIRST READING:

Mayor Elaine Brown	YES
Vice Mayor Kerry Chin	NO
Councilor Nia Livingston	YES
Councilor Josh Messinger	YES
Councilor Lauren Key	YES

Passed on First Reading this 7th day of August, 2023.

VOTE RESULTS OF SECOND AND FINAL READING:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Nia Livingston
Councilor Josh Messinger
Councilor Lauren Key

Passed on Second and Final Reading this _____ day of _____, 2023.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC, City Clerk

Approved as to form and
correctness:

Zachary Roth, City Attorney



**CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT**

AGENDA ITEM:	Agenda Item #8B , Ordinance No. 2023-06, Second Read and Public Hearing , An Ordinance of the City of Neptune Beach, Florida, Amending Chapter 2, Article VI, Section 2-377, Competitive Bidding; Written Contracts, Providing for Severability; and Providing an Effective Date
SUBMITTED BY:	Mayor Elaine Brown
DATE:	September 1, 2023
BACKGROUND:	<p>The ordinance places the threshold for requiring Council approval for expenditures at \$25,000.</p> <p>This was the amount prior to 2016 and was changed to \$9,999.00. This reverts the amount back to \$25,000.</p> <p>The proposed ordinance was discussed at the July 17, 2023 Council Workshop and passed at First Read</p>
BUDGET:	N/A
RECOMMENDATION:	Consider adoption of Ordinance No. 2023-06
ATTACHMENT:	Ordinance No. 2023-06

INTRODUCED BY:
MAYOR BROWN



ORDINANCE NO. 2023-06

A BILL TO BE ENTITLED

AN ORDINANCE OF THE CITY OF NEPTUNE BEACH, FLORIDA, AMENDING CHAPTER 2, ARTICLE VI, SECTION 2-377, COMPETITIVE BIDDING; WRITTEN CONTRACTS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, The City Council of the City of Neptune Beach desires to protect its citizens by diligently updating the Code of Ordinances of the City of Neptune Beach, and

WHEREAS, in 2016, the threshold for requiring City Council approval for expenditures was reduced from \$25,000 to \$9,999.00,

WHEREAS, since 2016, there have been significant increases in prices occasioned by numerous factors, including COVID-19, inflation, supply chain issues, and other matters;

WHEREAS, the City Council has observed that the current threshold makes administration of the City's business unwieldy, requires matters to be delayed, and otherwise impairs the City's ability to perform its functions, and determines that reestablishing the prior threshold is appropriate.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF NEPTUNE BEACH, FLORIDA, THAT:

Section 1. Amending Chapter II, Article VI, Section 2-377 of the City of Neptune Beach Code of Ordinances. Section 2-377 of the Code of Ordinances of the City of Neptune Beach, Florida, is hereby amended as follows:

Section 2-377. Competitive bidding; written contracts.

(a) Before making any purchase or contract for supplies, materials, equipment or contractual services, opportunity shall be given for competition, as prescribed herein. All expenditures for supplies, materials, equipment or contractual services involving more than, ~~nine thousand, nine hundred ninety nine dollars (\$9,999.00)~~ twenty-five thousand dollars (\$25,000.00) excluding automobiles, shall be made on a written contract, as prescribed herein, and such contract shall be awarded to the lowest and most responsible bidder, if awarded.

An emergency purchase is required when the city experiences an emergency that warrants the immediate delivery of goods or services and in doing so, are unable to comply with the competitive bidding provisions.

The city council has determined that approval under this provision is automatically granted when:

(1)The public's health, safety or welfare requires the immediate delivery of goods or the performance of services.

(2)The award of any such contracts is made pursuant to the provisions of competitive bidding.

(3)Contracts are issued in response to a formal declaration of an emergency by the governor or mayor.

(4)Approval of the purchase shall be made at the next scheduled meeting of the city council.

(b) The formal bid procedure defined in subsection (a) is not required in the following cases:

(1) When the city council, by a vote of the majority of those members present, waives a formal bid procedure;

(2) When the goods or services to be procured are procurable from only one (1) source, such as contracts for telephone service, electrical energy and other public utility services; books, pamphlets, periodicals, specifically designed business and research equipment and related supplies;

(3) Where the services required are for professional, artistic skills or insurance, pursuant to a written contract;

(4) In emergencies involving public health, safety or where immediate expenditure is necessary for repairs to city property in order to protect against further loss of or damage to the city property to prevent or minimize serious destruction of city services;

(5) Contracts for the maintenance or servicing of equipment, which are made with the manufacturer or authorized service agent of equipment when the maintenance or servicing can best be performed by the manufacturer or authorized service agent where such a contract would otherwise be advantageous to the city;

(6) When the goods or services are procured from other governmental agencies or their contracts;

(7) Purchase and contracts for the use or purchase of data processing equipment or data processing systems software and reproduction equipment; or

(8) When the goods or services are procured from government-related state-wide or national associations.

(c) None of the exceptions detailed above shall void the city's responsibility to procure all goods and services at reasonable and competitive rates.

Section 2. Severability. If any section, sentence, clause, phrase, or word of this Ordinance is, for any reason, held or declared to be unconstitutional, inoperative or void, such holding or invalidity shall not affect the remaining portions of this Ordinance, and it shall be construed to be the legislative intent to pass this Ordinance without such unconstitutional, invalid or inoperative part therein.

Section 3. Effective Date. This Ordinance shall become immediately upon passage by the City Council.

VOTE RESULTS OF FIRST READING:

Mayor Elaine Brown	YES
Vice Mayor Kerry Chin	YES
Councilor Nia Livingston	YES
Councilor Josh Messinger	YES
Councilor Lauren Key	YES

Passed on First Reading this 7th day of August, 2023.

VOTE RESULTS OF SECOND AND FINAL READING:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Nia Livingston
Councilor Josh Messinger
Councilor Lauren Key

Passed on Second and Final Reading this _____ day of _____, 2023.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC, City Clerk

Approved as to form and correctness:

Zachary Roth, City Attorney



Agenda Item #8C
 2023-09, LDC
 Updates

**CITY OF NEPTUNE BEACH
 CITY COUNCIL MEETING
 STAFF REPORT**

AGENDA ITEM:	LDC Updates
SUBMITTED BY:	Heather Whitmore, AICP, Community Development Director
DATE:	September 5, 2023
BACKGROUND:	<p>Land Development Code Updates to Bring Before Council for Discussion based on community, Community Development Board, and council member feedback.</p> <ol style="list-style-type: none"> 1. 27-239: Duplexes in the RC 2. 27-332: Home-Based Businesses 3. 27-335 Parking, Storage or Use of Major Recreational Equipment. 4. 27-336: Parking of Commercial Vehicles in Residential Districts. 5. 27-241: Landscape Buffer Adjacent to Residential Districts <p>Presented at the April 17, 2023 and August 7, 2023</p> <p>First Reading: September 5, 2023 Second Reading: October 2, 2023</p>
BUDGET:	NA
RECOMMENDATION:	Approve first reading, forward to second reading for approval and adoption.
ATTACHMENT:	<ol style="list-style-type: none"> 1. 27-239: Duplexes in the RC 2. 27-332: Home-Based Businesses 3. 27-335 Parking, Storage or Use of Major Recreational Equipment. 4. 27-336: Parking of Commercial Vehicles in Residential Districts. 5. 27-241: Landscape Buffer Adjacent to Residential Districts

INTRODUCED BY:



ORDINANCE NO. 2023-02

A BILL TO BE ENTITLED

AN ORDINANCE OF THE CITY OF NEPTUNE BEACH, FLORIDA AMENDING AND REVISING REVISING CHAPTER 27 UNIFIED LAND DEVELOPMENT REGULATIONS; REVISING THE FOLLOWING ARTICLES:, ARTICLE IV LAND USE, ARTICLE V ACCESSORY STRUCTURES AND USES; PROVIDING SEVERABILITY; PROVIDING FOR REPEAL OF LAWS IN CONFLICT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, pursuant to Section 2(b), Article VIII of the Florida Constitution and Chapter 166 of the Florida Statutes, the City of Neptune Beach possesses the powers to enact ordinances in order to protect the health, safety, and welfare of the City's citizens and residents; and

WHEREAS, the City Council of the City of Neptune Beach, Florida determines that it is in the best interest of its residents, businesses and visitors to enact sufficient land use regulations and land use plans to ensure their health, safety and welfare; and

WHEREAS, the City of Neptune Beach, Florida previously enacted Chapter 27 Unified Land Development Regulations and Code of Ordinances, of the City of Neptune Beach and;

WHEREAS, the City has received feedback from residents and stakeholders that it should be a priority to preserve the unique character of Neptune Beach through this process; and

WHEREAS, development contrary to the desires of residents, stakeholders, and the City Council would undermine the planning efforts undertaken and create irreparable harm to the scheme of development sought within the City; and

WHEREAS, prior efforts inconsistent with such desires, including costly litigation, could have been mitigated had the City of Neptune Beach Unified Land Development Code and/or Code of Ordinances contained provisions designed to clarify matters and protect the interests of the City and its residents; and

WHEREAS, the City Council previously adopted a new comprehensive plan; and

WHEREAS, the City Council subsequently undertook a process to analyze, revise, and refine the land development regulations contained in Chapter 27 of the City's Code to meet the goals set forth above and to ensure compliance with the comprehensive plan; and

WHEREAS, the City Council has hired the services of Dover, Kohl & Partners, an award-winning planning firm, to assist with the comprehensive plan and land development regulation revision process; and

WHEREAS, the information received from such efforts was used to develop proposed revisions to the City of Neptune Beach Unified Land Development Code and/or Code of Ordinances; and

WHEREAS, proper notice has been given of the public hearings of this proposed ordinance and of the public hearings in the City Council Chambers; and

WHEREAS, the public hearings were held pursuant to the published notice described at which hearings the parties in interest and all others had an opportunity to be and were, in fact, heard; and

WHEREAS, the City Council for the City of Neptune Beach, Florida finds and declares that this ordinance is in the best interest of the public health, safety and welfare of the citizens and residents of the City of Neptune Beach, Florida and that it advances a significant and important governmental interest; and

WHEREAS, in particular, the City Council of the City of Neptune Beach, Florida has determined that it is necessary and in the interest of the public welfare to amend the language contained in the attached "**EXHIBIT A**".

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEPTUNE BEACH, FLORIDA:

SECTION 1. Chapter 27 Unified Land Development Regulations and the additional aforementioned chapters of the Code of Ordinances of the City of Neptune Beach is hereby revised as provided on "**EXHIBIT A**".

SECTION 2. Severability. If any section, sentence, clause, phrase, or word of this Ordinance or "**EXHIBIT A**" is, for any reason, held or declared to be unconstitutional, inoperative or void, such holding or invalidity shall not affect the remaining portions of this Ordinance or "**EXHIBIT A**", and it shall be construed to be the legislative intent to pass this Ordinance or "**EXHIBIT A**" without such unconstitutional, invalid or inoperative part therein.

SECTION 3. Repeal of Laws in Conflict. All local laws and ordinances in conflict with any provision of this Ordinance are hereby repealed to the extent of any conflict.

SECTION 4. Effective Date. This Ordinance shall become effective immediately upon its passage by the City Council.

VOTE RESULTS OF FIRST READING:

Mayor Elaine Brown

Vice Mayor Kerry Chin
Councilor Josh Messinger
Councilor Lauren Key
Councilor Nia Livingston

Passed on First Reading this 5th day of September, 2023.

VOTE RESULTS OF SECOND AND FINAL READING:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Josh Messinger
Councilor Lauren Key
Councilor Nia Livingston

Adopted on Second and Final Reading this 2th day of October, 2023.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC, City Clerk

Approved as to form and
correctness:

Zachary Roth, City Attorney

Table 27-239

	R-1	R-2	R-3	R-4 ¹	R-5 ²	C-1	C-2	C-3	CBD ²	NC Overlay	RC Overlay
	Single-Family Residential			Single/ Two-Family Res.	Multi-Family ¹⁴	Commercial					Single/ Two-Family Res.
Building Height											
Max. Height ³	28'	28'	28'	28'	28'	35'	35'	35'	35'	35'	28'
Max. Stories	2	2	2	2	2	3	3	3	3	3	2
Density (dwelling units divided by gross site area in acres - du/a)											
Max. Density (du/a)	5	5	5	10	17	-	-	-	10	-	10
Setbacks											
Front Yard ⁴	25' min.	20' min.	15' min.	Flexible ⁵	30' min.	10' min. 25' max.	25' min.	15' min. 30' max.	0' min. 10' max. ⁶	5' min. 15' max.	10' min. 25' max.
Rear Yard	30' min.	25' min.	25' min.	Flexible ⁵	30' min.	10' min.	15' min.	20' min.	5' min.	10' min.	15' min.
Side Yard (Internal)	10' min.	10% of lot width (7' min.)	10% of lot width (7' min.)	7' min. ⁷	25' min.	5' min.	15' min.	5' min.	0' min.	0' min.	7' min. ⁷
Side Yard (Street)	15' min.	10' min.	10' min.	8' min.	25' min.	10' min. 25' max.	20' min.	10' min. 25' max.	5' min. 15' max.	10' min. 25' max.	8' min. 25' max.
Frontage Buildout											
Primary Street	-	-	-	-	-	70% min. ⁸		70% min.	70% min.	-	-
Lot Dimensions/Size											
Min. Lot Area (SF.)	12,000	10,000	5,000	4,356	-	7,500	10,000	15,000	-	7,500	4,356 ¹⁰

Max. Lot Area (SF)	-	-	-	15,000	-	-	-	-	-	-	15,000
Min. Lot Width (FT)	100'	85'	50'	50'	200'	60'	80'	100'	-	50'	50' ¹¹
Max. Lot Coverage	50%	50%	50%	50%	35%	70%	70%	75%	85%	70%	50% ⁹
Additional											
Max. Building Floor Area (sq. ft.) ¹²	-	-	-	-	-	30,000	60,000	60,000	25,000	20,000	-

EXHIBIT A

¹ The minimum R-4 and RC Overlay lot dimensions in this table are superseded by the actual dimensions of smaller lots if those lots were lawfully platted and recorded prior to December 2, 2019, in the Office of the Clerk of the Circuit Court of Duval County, Florida.

² Any single/two-family homes or multifamily structures in CBD shall comply with the development standards for the RC overlay.

³ For lots in the R-1 zoning district that have a minimum lot size of twelve thousand (12,000) square feet and one hundred (100) feet lot width as measured at the building line parallel to the front face of the house and perpendicular to the primary side yard, thirty-five (35) feet of maximum building height will be permitted, so long as the primary roof structure is built at a minimum five-twelfths roof pitch, and not to exceed two (2) stories of living area.

⁴ More specific front yard setbacks shall apply in locating new structures around the following road segments: Penman Road, Seagate Avenue, and Florida Boulevard (See subsection 27-231(b).)

⁵ The front and rear yard setbacks may be flexible in that both measurements must total thirty-five (35) feet; however, neither can measure less than the fifteen (15) feet.

⁶ New developments built to the front lot line will need to be cleared by public works first to ensure there are no infrastructure conflicts. ⁷ Duplexes comprised of two attached homes shall be exempt from the interior side setback where the units meet.

⁸ Lots less than 120' wide may have a reduced minimum frontage buildout of 60% in order to accommodate side yard parking.

⁹ Additionally, 25% of the overall site, or half of the required pervious area, must be comprised of greenspace.

¹⁰ Min. lot area for duplexes shall be 8,500 square feet, or 4,356 square feet for each unit if divided into two fee simple lots. Existing two-family (duplex) residences on lots 5,000 square feet or greater shall be deemed conforming as to density provided, they comply with impervious surface reductions and other retrofit requirements set forth in section 27-243 or they are reconstructed or replaced with a new duplex that meets all requirement in this code other than minimum lot size and density.

¹¹ Min. lot width for duplexes that have been divided into two fee simple lots of 40' each prior to December 2, 2019 shall be deemed conforming.

¹² No standalone building shall exceed the maximum floor area shown. Additional information can be found in Section 27-237.

¹³ Lots bounded by more than two streets may elect no more than two primary streets. All other streets shall meet the setback and frontage requirements for secondary streets. In these unique cases there may not be a rear yard.

¹⁴ Multifamily residences on lots less than one-half acre shall only utilize a maximum of 70% lot coverage.

Sec. 27-332. Home-based businesses.

This section acknowledges the ability of residents to conduct small-scale home-based businesses that are secondary to the primary use of their residence, in accordance with F.S. § 559.955. This section also provides regulations to preserve the character of residential neighborhoods.

- (1) As an accessory use, the activities of the home-based business must remain secondary to the property's legal use as a residence. The home must remain consistent with the surrounding residential area as viewed from the street, without additional client or consumer entrances for the home-based business. External modifications to a home to accommodate a home-based business must conform with the residential character and architectural aesthetics of the neighborhood.
- (2) An employee or proprietor of the business must live in the home. Up to two (2) non-resident employees or independent contractors may also work at the business. The business may also have remote employees that neither live in the home nor work on-site.
- (3) The business may not conduct retail transactions from a structure other than the home; however, incidental business uses, and activities may be conducted at the residential property.
- (4) Additional parking spaces are not required for the business, but any on-site parking spaces that serve the business must comply with requirements of this Code. Any vehicles or trailers parked at or near the business must be parked in legal parking spaces that comply with all restrictions in this Code that apply to the home, and they may not be parked over a sidewalk or on any unimproved surfaces at the residence . Heavy equipment (commercial, industrial, or agricultural vehicles, equipment, or machinery) shall not be parked or stored where it would be visible from the street or neighboring property in any residential district ~~except as may be required for normal loading or unloading of such vehicles and during the time normally required for service at dwellings, or except for~~ at structures or activities permitted in such residential districts by the terms of this chapter.
- (5) No signs are allowed for the business; signs are regulated by article XV of chapter 27.
- (6) The business must comply with all local, state, and federal regulations with respect to the use, storage, or disposal of any corrosive, combustible, or other hazardous or flammable materials or liquids, including the requirements in section 23-60 of this Code regarding prohibited substances.
- (7) Home-based businesses may be restricted further on land that is subject to deed restrictions when such documents are valid and recorded in the public records of Duval County.

Sec. 27-335. - Parking, storage or use of major recreational equipment.

No major recreational equipment, as defined herein, shall be used for living, sleeping or housekeeping purposes when parked or stored in a residentially zoned lot or in any other location not approved for such use. Major recreational equipment may be parked or stored in a required rear or side yard but not in the front or corner side yard and not within three (3) feet of any property line; provided, however, that such equipment may be parked anywhere on residential premises for a period not to exceed twenty-four (24) hours during loading and unloading. For purposes of this section, the term major recreational equipment shall be as listed in article I, to include sand dune buggies, cases or boxes on wheels for transporting recreational equipment and other similar trucks or equipment.

Major recreational equipment shall also be limited to two (2) total on a property. Each piece of equipment shall not exceed twenty-eight (28) feet in length.

Sec. 27-336. - Parking of commercial vehicles in residential districts.

Commercial vehicles shall not be parked in any residential district except as permitted for home-based business according to the restrictions in Sec. 27-332 or as may be required for normal loading or unloading of such vehicles and during the time normally required for service at dwellings, or at structures or activities permitted in such residential districts by the terms of this chapter. The term “commercial vehicle” shall refer to any motor vehicle more than 5,500 pounds curb weight, unless excepted in this section, used primarily for a business or commercial purpose and not used primarily for personal, non-business transportation. The term “commercial vehicle” shall not be deemed to include law enforcement vehicles or recreational or utility vehicles or vehicles such as pick-up trucks, vans, or cars, even if they include decals for the business, if they are used by the property occupant on a daily basis for normal transportation and are not used at the property for commercial purposes.

Commercial vehicles do not include those for which their parking at a residential property is ancillary to the residential use of the property. Examples of indications that the commercial purpose is primary, rather than ancillary, include, but are not limited to, more than one vehicle displaying the information of a commercial business being parked at the same property, the loading of employees or equipment on the residential property or adjacent right of way other than the residents of such property, and the parking of the vehicle with displays of information of a commercial business associated with a home-based business as described in Chapter 559, Florida Statutes on the right of way adjacent to a residential property or on unimproved surfaces at the property.

Any vehicle with more than two axles and four regular-sized tires shall be considered a commercial vehicle. Any vehicle that utilizes anything other than tires for locomotion (e.g., skids, belts, or similar items) shall be deemed commercial equipment and be prohibited.

Sec. 27-241. - Buffer areas adjacent to residential districts.

When a R-5, C-1, C-2, C-3 or CBD district abuts a R-1, R-2, R-3 or R-4 district without an intervening street or alley, a landscape buffer constructed in accordance with section ~~27-459~~ [27-456 Landscaping Buffers](#) of this Code, shall be provided on the R-5, C-1, C-2, C-3 or CBD parcel.



STAFF REPORT

MEETING DATE: September 5, 2023
BOARD/COMMITTEE: City Council

TO: City Council

FROM: Heather Whitmore, AICP, PTP, Community Development Director

DATE: August 21, 2023

SUBJECT: Request to purchase a section of Right-of-Way (Kings Circle S/Marsh Point Rd/Florida Blvd)

I. BACKGROUND:

Mr. Jean Bakkes approached staff requesting to purchase a portion of ROW adjacent to properties along Marsh Point Rd and Florida Blvd, also known in correspondence as the “weird alley” (Exhibit A).

Staff has received a formal request and all required documentation (see attached application) to present the applicant’s request to purchase the ROW to City Council. Based on direction from the City Attorney, staff requests City Council provide direction to agree to proceed with Mr. Bakkes request to purchase the ROW.

The applicant requests to purchase a portion of the ROW identified by the survey in Exhibit B of the packet. This portion of ROW is adjacent to the six vacant parcels all currently owned by Mr. Bakkes, as well as 2311 Marsh Point Rd and 2230 Florida Blvd, both owned by Mr. Bakkes. The ROW is located in the rear yards as show on the map. The alley does not serve any traffic or dedicated public utilities.

Lastly, a portion of the ROW not subject to this vacation contains eight parking spaces behind the Monahan Building. These eight spaces are leased from the City to the Monahan Building (please see attached existing lease agreement). These spaces will not be impacted by the vacation of the subject ROW.



Figure 1: Aerial Photograph of subject ROW vacation

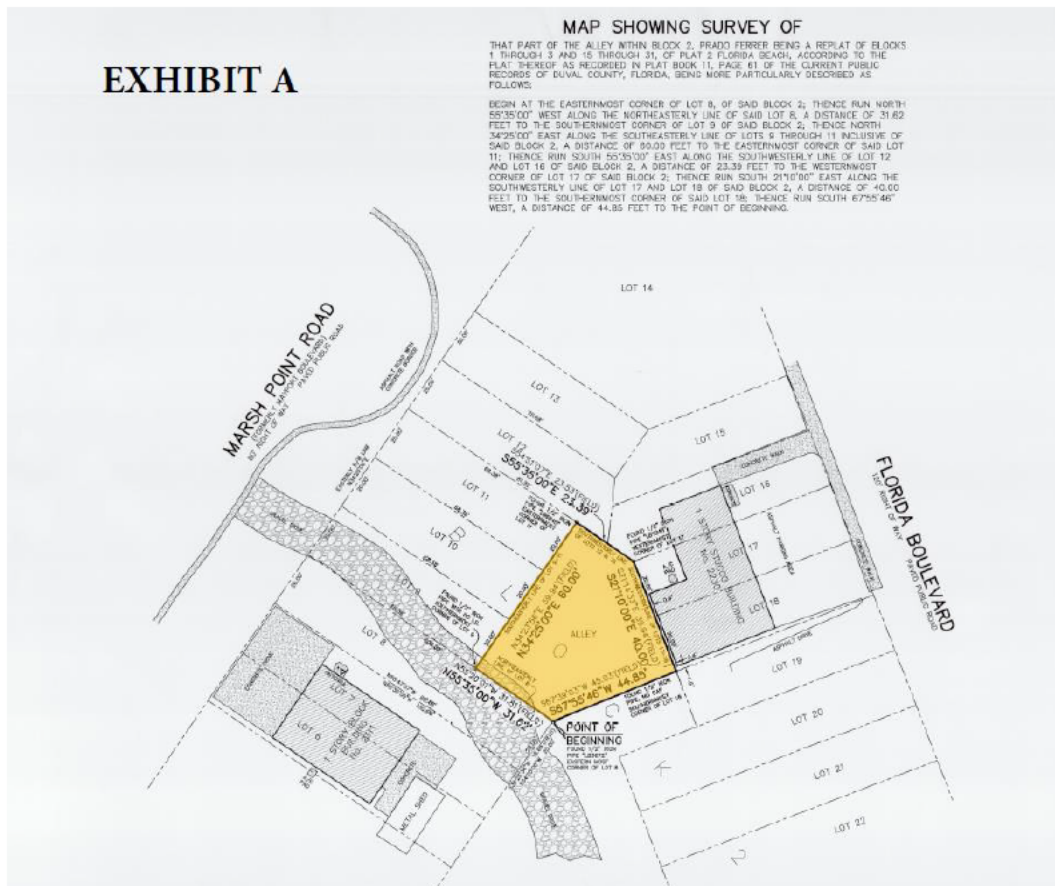


Figure 2: Exhibit A Survey of ROW to be vacated

II. DISCUSSION/RECOMMENDATIONS:

This portion of ROW is adjacent to parcels all currently owned by Mr. Bakkes, therefore all of the ROW can be dedicated to Mr. Bakkes (as shown in ownership map attached in the application).

The ROW does not have impacts to water or sewer infrastructure in the area. The applicant has contacted the only public utility serving the area (Waste Pro) and they have no objections to the request (see attached application including letter from Waste Pro).

Sec. 18-5:

(a)The permanent abandonment of public property or rights-of-way should not be authorized unless an overriding public interest is served by said abandonment and/or the city is compensated in some material way equivalent to the market value of said property at the time of abandonment. Public property or rights-of-way should only be abandoned to promote the public welfare and not for the benefit of a private person or corporation.

The “and/or” likely should be interpreted to mean that one or the other is acceptable, so to satisfy the first prong, we would need either an overriding public interest or to receive market value compensation.

If the purchase is authorized by City Council, the portion of right of way purchased will need to be re-platted into the applicant’s property. The applicant will pay for all costs associated with the vacation and replating, as well obtaining appraisals, title work, and other encumbrances related to real estate transactions.

The applicant has provided an appraisal (as shown attached in the application) showing the market value of the subject ROW to be \$70,000.

III. CONCLUSION:

With Council’s approval, staff, along with the City Attorney, would begin the process of a land transaction and replating.

City of Neptune Beach

116 First Street • Neptune Beach, Florida 32266-6140
(904) 270-2400 ext. 4 • PIPERTURNER@NBFL.US



Application for vacating public rights-of-way, streets and easements

Date Received _____

Applicant Information

Applicant's Name Marshpoint Properties 2 LLC Phone 904-853-6801

Business Address 2300 Marsh Point Road suite#301

City Neptune Beach State Florida Zip Code 32266

Mailing Address 2300 Marsh Point Road suite#301 Email address Jean@marshpointproperties.com

City Neptune Beach State Florida Zip Code 32266

Is applicant property owner? Yes No

If applicant **DOES NOT** own property, please provide the following:

Property Owner/Name City of Neptune Beach Phone 904-270-2400

Address 116 1st street Fax _____

City Neptune Beach State Florida Zip Code 32266

Property Information

Address _____

The subject property is located on the N E S W side of Florida Blvd
(Circle one)

Approximately 140 feet miles from its intersection with Atlantic Blvd.
(Circle one)

Parcel # NONE Acres _____

Property Zoning Classification Alleyway not zoned.

Legal Description See attached annex A.

Current Use of Property (Check all that apply) Vacant Residential Developed Non-Residential Undeveloped Partially Developed

Reason for requesting the vacation Area sits as unusable extension of alleyway.

Vacated property will be used for Combination with adjacent parcels to develop new office building.

Public purpose and benefit will result from the vacation

Otherwise vacant land serving no purpose made useful. This new building development will fill a gap in current supply of office space at the beach, Increase tax collection on developed property, and could reduce traffic and increase quality of life providing an office option for residents currently crossing the ditch to get to work.

Notarization

Date 8/25/2023

Property Owner's Signature [Signature]
Property Owner's Printed Name Bakkes

STATE OF FLORIDA
COUNTY OF Duval

SWORN TO AND SUBSCRIBED before me, an officer duly authorized in the State of Florida to take acknowledgements, appeared JEAN BAKKES (property owner),

by means of physical presence or online notarization; and who is personally known to me or who has produced _____ as identification, and who executed the foregoing instrument and sworn an oath on this 25th day of August, 2023.



Notary Public [Signature]

Information Required to Accompany this Application

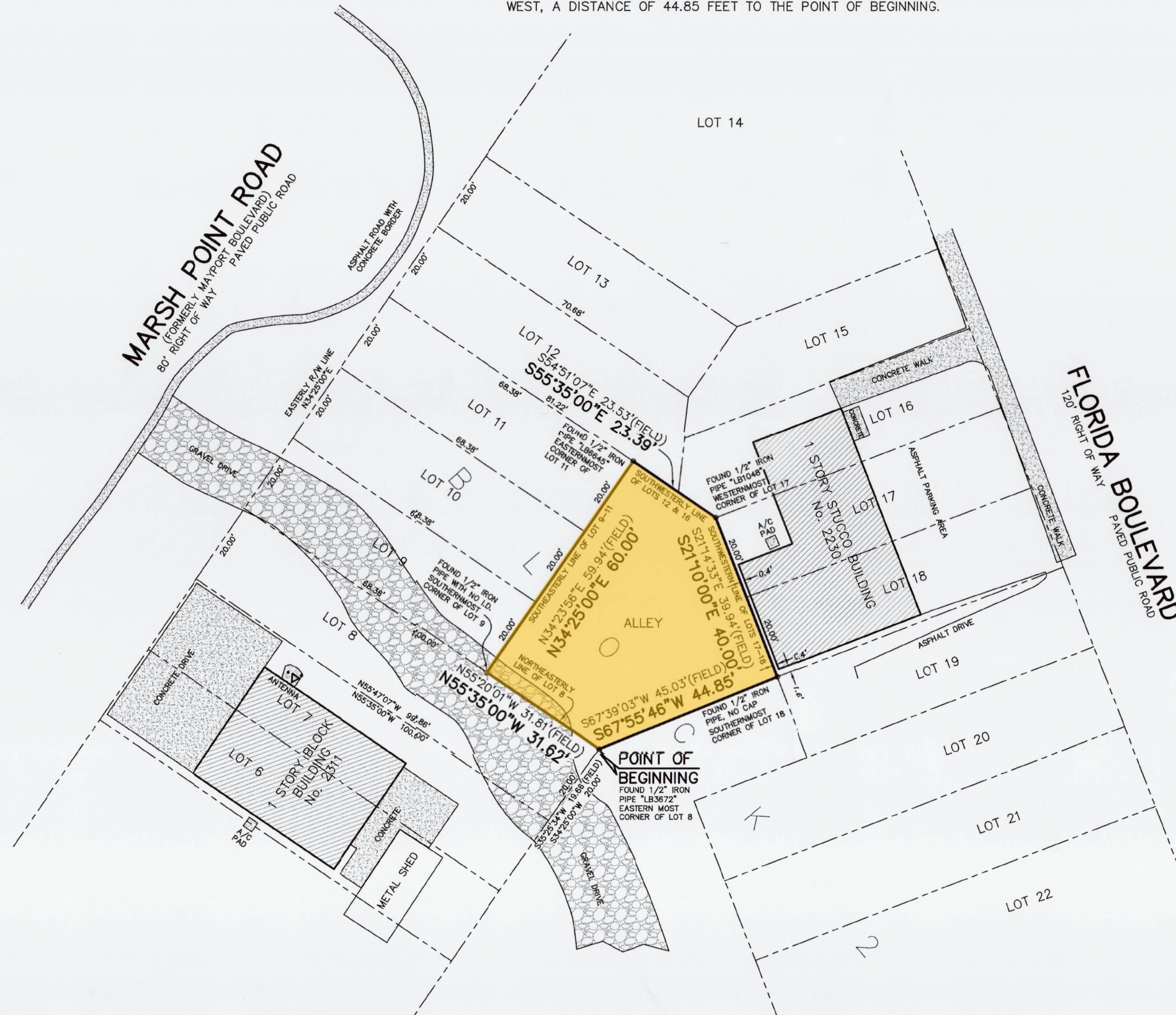
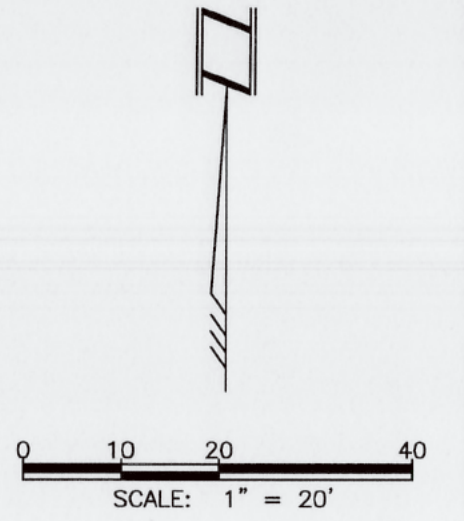
- Letters from all utility providers stating they have no-objection to vacating requested right-of-way, road or easement
- Subject Property Appraisal
- 2 copies of a Sketch and Legal Description of the easement, rights-of-way, or street to be vacated.
- Electronic copies (PDF) of all documents
- Other Annex A and Proposed Site Layout

EXHIBIT A

MAP SHOWING SURVEY OF

THAT PART OF THE ALLEY WITHIN BLOCK 2, PRADO FERRER BEING A REPLAT OF BLOCKS 1 THROUGH 3 AND 15 THROUGH 31, OF PLAT 2 FLORIDA BEACH, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 11, PAGE 61 OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE EASTERNMOST CORNER OF LOT 8, OF SAID BLOCK 2; THENCE RUN NORTH 55°35'00" WEST ALONG THE NORTHEASTERLY LINE OF SAID LOT 8, A DISTANCE OF 31.62 FEET TO THE SOUTHERNMOST CORNER OF LOT 9 OF SAID BLOCK 2; THENCE NORTH 34°25'00" EAST ALONG THE SOUTHEASTERLY LINE OF LOTS 9 THROUGH 11 INCLUSIVE OF SAID BLOCK 2, A DISTANCE OF 60.00 FEET TO THE EASTERNMOST CORNER OF SAID LOT 11; THENCE RUN SOUTH 55°35'00" EAST ALONG THE SOUTHWESTERLY LINE OF LOT 12 AND LOT 16 OF SAID BLOCK 2, A DISTANCE OF 23.39 FEET TO THE WESTERNMOST CORNER OF LOT 17 OF SAID BLOCK 2; THENCE RUN SOUTH 21°10'00" EAST ALONG THE SOUTHWESTERLY LINE OF LOT 17 AND LOT 18 OF SAID BLOCK 2, A DISTANCE OF 40.00 FEET TO THE SOUTHERNMOST CORNER OF SAID LOT 18; THENCE RUN SOUTH 67°55'46" WEST, A DISTANCE OF 44.85 FEET TO THE POINT OF BEGINNING.



NOTES:

1. THIS IS A BOUNDARY SURVEY.
2. BEARINGS ARE BASED ON THE SOUTHEAST RIGHT-OF-WAY LINE OF MARSH POINT ROAD, BEING NORTH 34°25'00" EAST, AS PER PRADO FERRER BEING A REPLAT OF BLOCKS 1 THROUGH 3 AND 15 THROUGH 31, OF PLAT 2 FLORIDA BEACH, AS SHOWN.
3. THIS SURVEY WAS PREPARED WITHOUT AN ABSTRACT OF TITLE; THEREFORE THE UNDERSIGNED MAKES NO GUARANTEES OR REPRESENTATIONS REGARDING INFORMATION SHOWN HEREON PERTAINING TO EASEMENTS, RIGHT OF WAYS, SETBACK LINES, AGREEMENTS, RESERVATIONS, OR OTHER SIMILAR MATTERS.
4. NO UNDERGROUND INSTALLATIONS, IMPROVEMENTS OR ENCROACHMENTS HAVE BEEN LOCATED EXCEPT THOSE SHOWN HEREON.
5. NO BUILDING RESTRICTION LINES, AS PER PLAT.
6. THE PROPERTY DESCRIBED HEREON LIES IN FLOOD ZONE "X" (AREA OF MINIMAL FLOOD HAZARD) AS WELL AS CAN BE DETERMINED FROM THE FLOOD INSURANCE RATE MAP No. 12031C0408J, REVISED NOVEMBER 2, 2018 FOR DUVAL COUNTY, FLORIDA.

THIS SURVEY IS CERTIFIED TO:
MARSHPOINT PROPERTIES TWO, LLC.

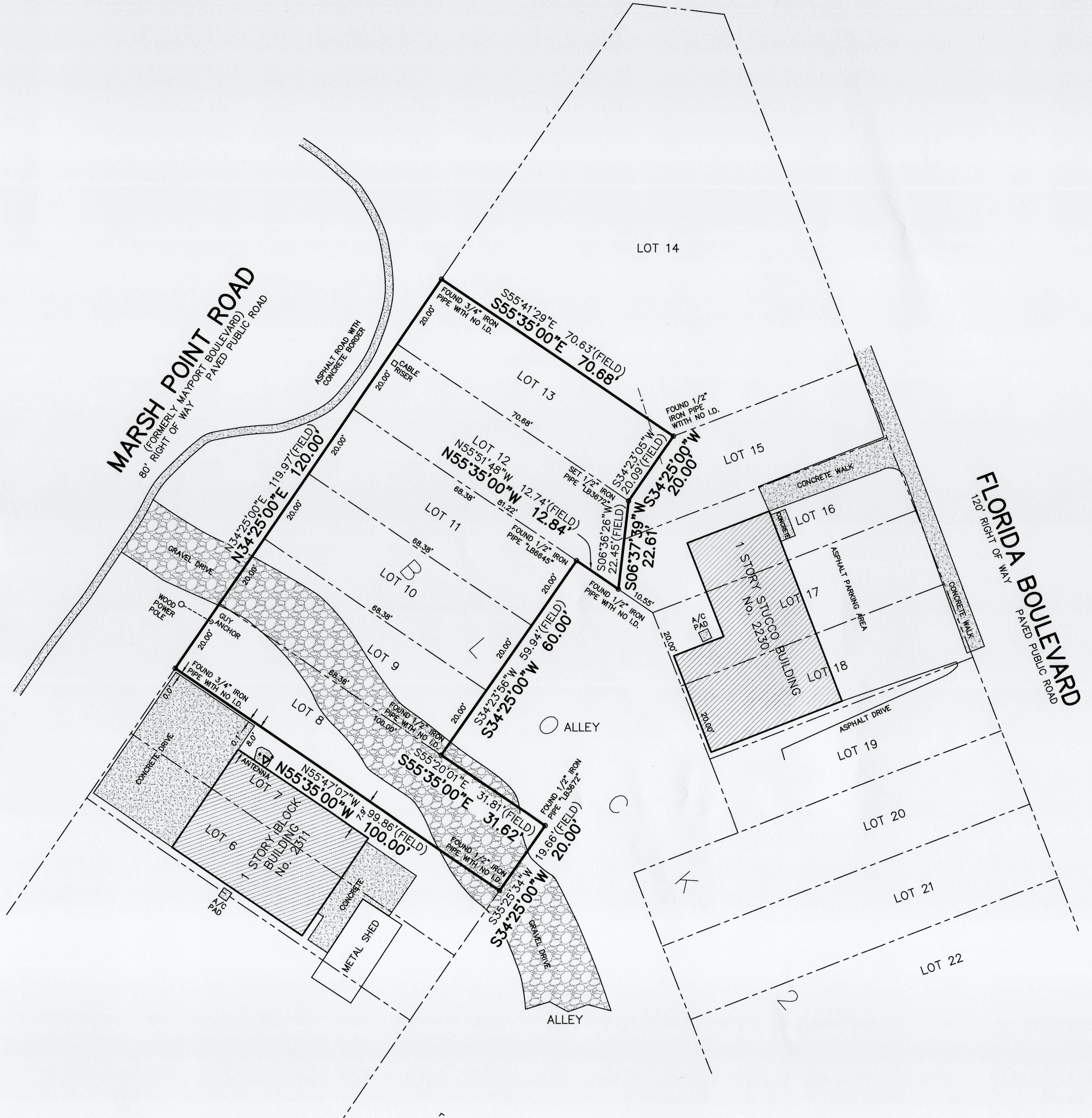
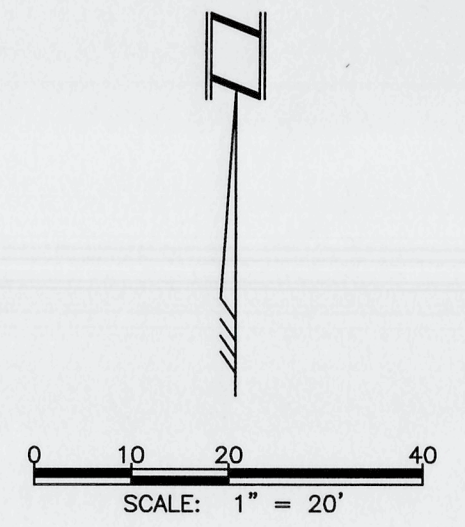
Jan Boatwright
JASON D. BOATWRIGHT, P.S.M.
FLORIDA LICENSED SURVEYOR and MAPPER No. LS 7292
FLORIDA LICENSED SURVEYING & MAPPING BUSINESS No. LB 3672

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

EXHIBIT B

MAP SHOWING SURVEY OF

LOTS 8, 9, 10, 11, 12 AND 13, BLOCK 2, PRADO FERRER BEING A REPLAT OF BLOCKS 1 THROUGH 3 AND 15 THROUGH 31, OF PLAT 2 FLORIDA BEACH, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 11, PAGE 61 OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA.



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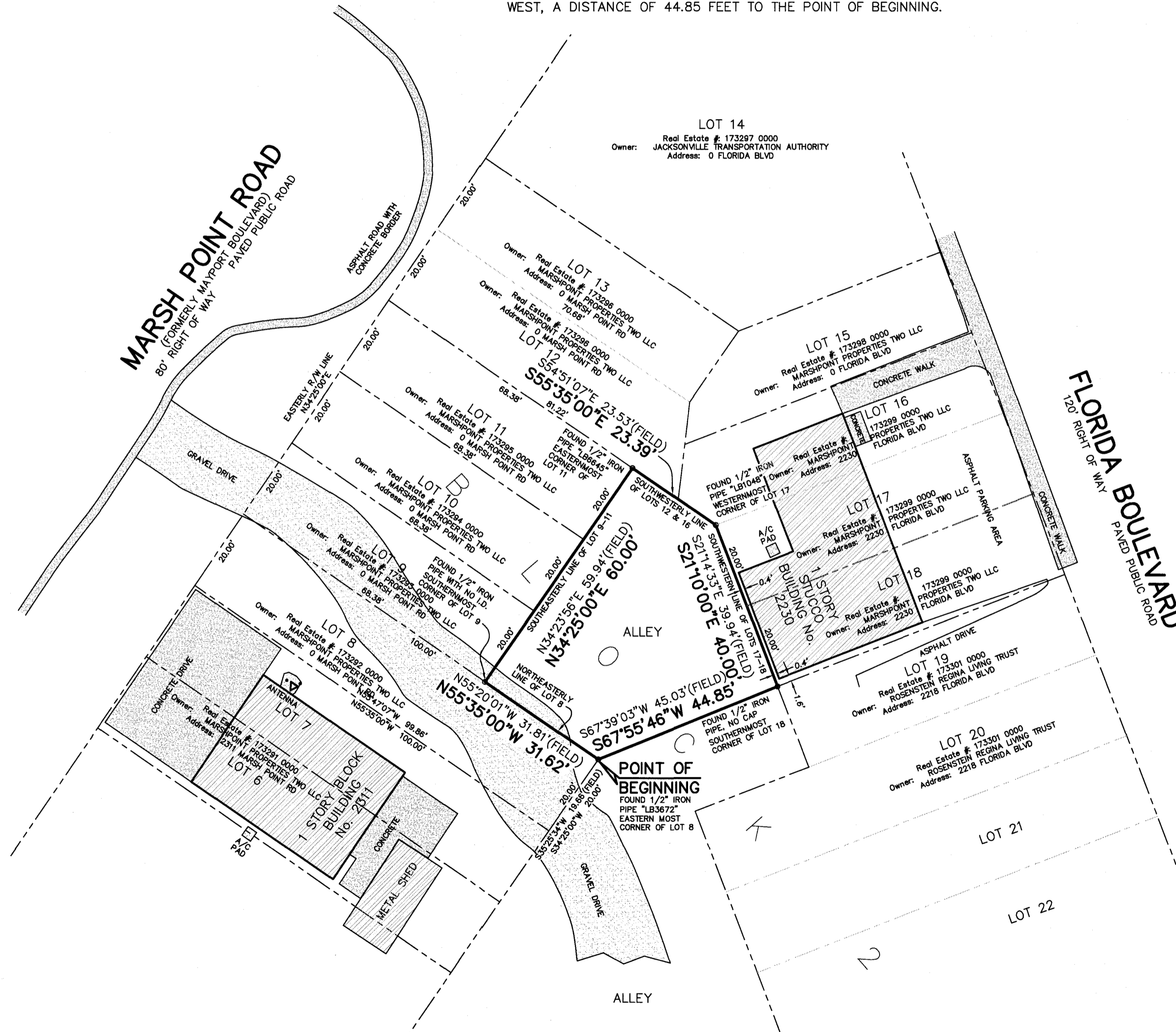
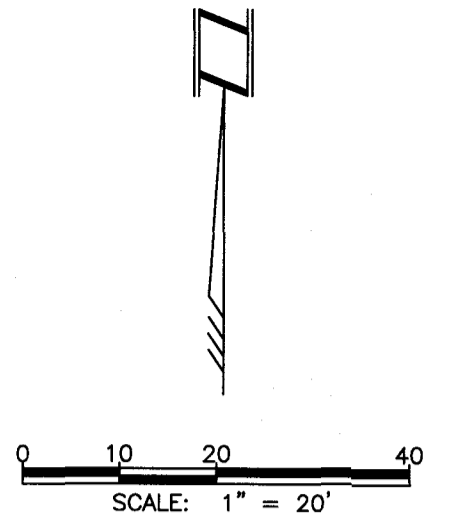
Jason D. Boatwright
JASON D. BOATWRIGHT, P.S.M.
FLORIDA LICENSED SURVEYOR and MAPPER No. LS 7292
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MAP SHOWING SURVEY OF

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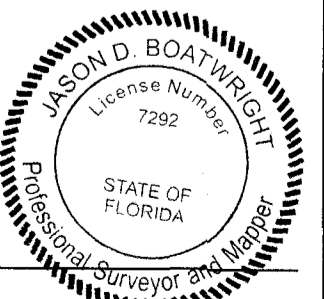
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JASON D. BOATWRIGHT, P.S.M.
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NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.

REVISED 8/23/23; ADDED PARCEL I.D. INFORMATION



July 21st, 2023

City of Neptune Beach
116 First Street,
Neptune Beach, FL 32266

Ref: Waste Collection on Kings Circle (alleyway) and Marshpoint Road.

To Whom it May Concern:

Further to our visit on July 18th, 2023 with Mr. Jean Bakkes of Marshpoint Properties and the information provided to us, we confirm that the existing alley way would provide sufficient access for Waste Pro of Florida LLC to service all of the businesses for waste management & collection.

The access from Marshpoint Road is not required to service the businesses that need to be services on the alleyway.

We were shown a survey (attached) that indicates the existing versus the proposed route and that would be acceptable for service as indicated.

If you need any further information, please contact me, thank you.

Todd Howard
Commercial Route Supervisor

A handwritten signature in blue ink, appearing to be "T. Howard", written in a cursive style.

August 25th, 2023

Additional Document for Application for Vacating Public Right-Of-Way, Streets, and Easements.

REF: ANNEX A Attachment

THAT PART OF THE ALLEY WITHIN BLOCK 2, PRADO FERRER BEING A REPLAT OF BLOCKS 1 THROUGH 3 AND 15 THROUGH 31, OF PLAT 2 FLORIDA BEACH, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 11, PAGE 61 OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE EASTERNMOST CORNER OF LOT 8, OF SAID BLOCK 2; THENCE RUN NORTH 55°35'00" WEST ALONG THE NORTHEASTERLY LINE OF SAID LOT 8, A DISTANCE OF 31.62 FEET TO THE SOUTHERNMOST CORNER OF LOT 9 OF SAID BLOCK 2; THENCE NORTH 34°25'00" EAST ALONG THE SOUTHEASTERLY LINE OF LOTS 9 THROUGH 11 INCLUSIVE OF SAID BLOCK 2, A DISTANCE OF 60.00 FEET TO THE EASTERNMOST CORNER OF SAID LOT 11; THENCE RUN SOUTH 55°35'00" EAST ALONG THE SOUTHWESTERLY LINE OF LOT 12 AND LOT 16 OF SAID BLOCK 2, A DISTANCE OF 23.39 FEET TO THE WESTERNMOST CORNER OF LOT 17 OF SAID BLOCK 2; THENCE RUN SOUTH 21°10'00" EAST ALONG THE SOUTHWESTERLY LINE OF LOT 17 AND LOT 18 OF SAID BLOCK 2, A DISTANCE OF 40.00 FEET TO THE SOUTHERNMOST CORNER OF SAID LOT 18; THENCE RUN SOUTH 67°55' 46" WEST, A DISTANCE OF 44.85 FEET TO THE POINT OF BEGINNING.

MAP SHOWING SURVEY OF
 LOTS 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18, BLOCK 2, PRADO FERRER BEING A REPLAY OF BLOCKS 1
 THROUGH 3 AND 15 THROUGH 18, OF PLAT 2 FLORIDA BEACH, ACCORDING TO THE PLAT THEREOF AS RECORDED
 IN PLAT BOOK 11, PAGE 61 OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA TOGETHER WITH LOT
 19, BLOCK 2, FIRST REPLAY OF PART OF PRADO FERRER, FLORIDA BEACH ACCORDING TO THE PLAT THEREOF
 RECORDED IN PLAT BOOK 16, PAGE 27 OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA.

... Present
 ... Proposed
 Existing Dumpster
 Relocated Dumpster
 Dumpster to remain
 in same location



- NOTES
1. THIS IS A BOUNDARY SURVEY.
 2. BEARINGS ARE BASED ON A LINE FROM THE NORTHEAST CORNER OF LOT 18 TO THE SOUTHEAST CORNER OF LOT 16, BLOCK 2, BEING SOUTH 21°00'00" EAST AS PER PLAT BOOK 11, PAGE 61.
 3. NO BUILDING RESTRICTION LINES PER PLATS.

THE PROPERTY DESCRIBED HEREON LIES IN FLOOD ZONE "X" (AREA OF MINIMAL FLOOD HAZARD) AS WELL CAN BE DETERMINED FROM THE FLOOD INSURANCE RATE MAP No. 1203100001, EFFECTIVE NOVEMBER 2, 2018 FOR DUVAL COUNTY, FLORIDA.

THIS SURVEY WAS MADE FOR THE BENEFIT OF THE TERRY LEE PETERSON TRUST.

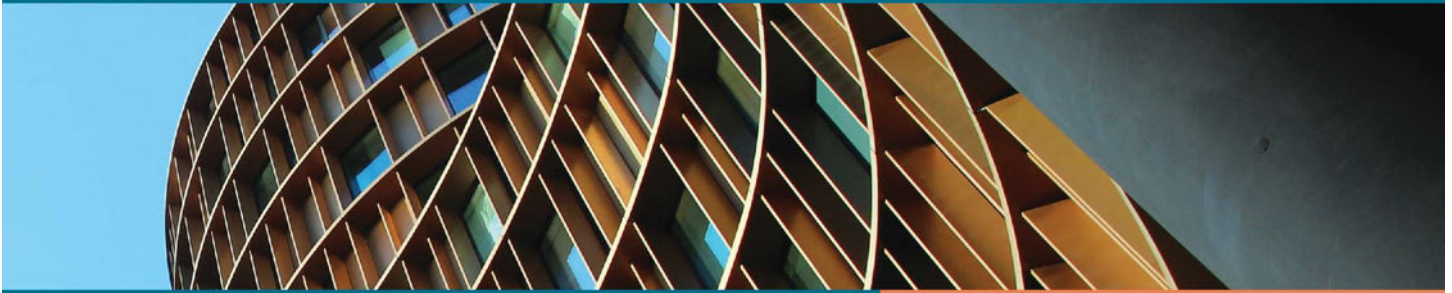
[Signature]
 DONN W. BOATWRIGHT, P.S.M.
 FLA. LIC. SURVEYOR AND MAPPER No. LS 3295
 FLORIDA LICENSED SURVEYING AND MAPPING BUSINESS No. LR 3972

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

CHECKED BY: FILE: 2020-1403 DRAWN BY: KLM/SHC

BOATWRIGHT LAND SURVEYORS, inc.
 1500 ROBERTS DRIVE JACKSONVILLE BEACH, FLORIDA (904)241-8550

DATE: NOVEMBER 17, 2020 SHEET 1 OF 1 (904) 241-8550



The insight you need. The independence you trust.

Marsh Point Road Alleyway

2,547± SF Vacant Commercial Alleyway
Located between Florida Boulevard and Marsh Point Road
Neptune Beach, Florida 32266-1601

BBG File #0123111229

Prepared For

Mr. Jean Bakkes
Marshpoint Properties Two LLC
2300 Marsh Point Road, No. 301
Neptune Beach, FL 32266-1646

Report Date

May 31, 2023

Prepared By

BBG, Inc., Ponte Vedra Beach Office
13000 Sawgrass Village Circle
Ponte Vedra Beach, FL 32082

Client Manager: Kyle Catlett, MAI
kcatlett@bbgres.com

BBG Website

bbgres.com



May 31, 2023

Mr. Jean Bakkes
Marshpoint Properties Two LLC
2300 Marsh Point Road, No. 301
Neptune Beach, FL 32266-1646

Re: Appraisal of Real Property
Marsh Point Road Alleyway
Located between Florida Boulevard and Marsh Point Road
Neptune Beach, Florida 32266-1601
BBG File #0123111229

Dear Mr. Bakkes:

In accordance with your authorization (per the engagement letter found in the *Addenda* of this report), an Appraisal Report of the above-referenced property has been prepared. The purpose of this appraisal assignment is to render an opinion of the “As Is” Market Value of the Fee Simple Interest in the subject property.

The subject property is a portion of a commercial alleyway located between Florida Boulevard and Marsh Point Road in Neptune Beach Duval County, Florida. The subject site contains approximately 2,547 SF of land and abuts parcels zoned C-2 by the City of Neptune Beach.

Inasmuch, the appropriate method of valuing this alleyway would be the “Across the Fence” Method. This concept is that each square foot of land in the corridor/alleyway has the same value as, or could best be estimated by considering, the value of the land adjacent, or “Across the Fence.”

The intended users of this appraisal assignment include the Client, Marshpoint Properties Two, LLC as well as legal counsel and designated representatives. A secondary user may also include the City of Neptune Beach. The intended use of this appraisal is to assist in evaluation and potential acquisition of the subject by Marshpoint Properties Two, LLC. No other intended users or uses are known or presumed in our analysis. The appraisers have not performed any prior services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Moreover, the appraisers have no personal interest in the subject, nor do we have any bias with respect to the properties or parties involved.

This Appraisal Report was prepared to conform with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP). This report has been written in accordance with the Code of Ethics and the Standards of Professional Practice of the Appraisal Institute. This report is intended to be used by the intended user(s) named herein; no other party may rely upon the opinions presented in this report.

EXTRAORDINARY ASSUMPTION(S) AND HYPOTHETICAL CONDITION(S)

The values presented within this appraisal report are subject to the extraordinary assumptions and hypothetical conditions listed below. Pursuant to the requirement within Uniform Standards of Professional Appraisal Practice Standards, it is stated here that the use of any extraordinary assumptions and/or hypothetical conditions might have affected the assignment results.

Extraordinary Assumption(s)	The property is currently not zoned by the City of Neptune Beach. We contacted the City of Neptune Beach who indicated the zoning of this parcel to be C-2, which is assumed to be correct. If the zoning utilized in this analysis were to change, this may impact our analysis and conclusions.
Hypothetical Condition(s)	This appraisal employs no hypothetical conditions.



Based on the analysis undertaken, the following value opinion has been developed.

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value - As Is	Fee Simple	May 10, 2023	\$70,000

This letter must remain attached to the report, which should be transmitted in its entirety, in order for the value opinion(s) set forth above to be relied upon by the intended user(s).

BBG, Inc. appreciates the opportunity to have performed this appraisal assignment on your behalf. If we may be of further service, please contact the Client Manager.

Sincerely,



Kyle Catlett, MAI
State-Certified General Real Estate Appraiser
RZ3875
kcatlett@bbgres.com



Drake DeRango
State-Certified General Real Estate Appraiser
RZ4058
dderango@bbgres.com

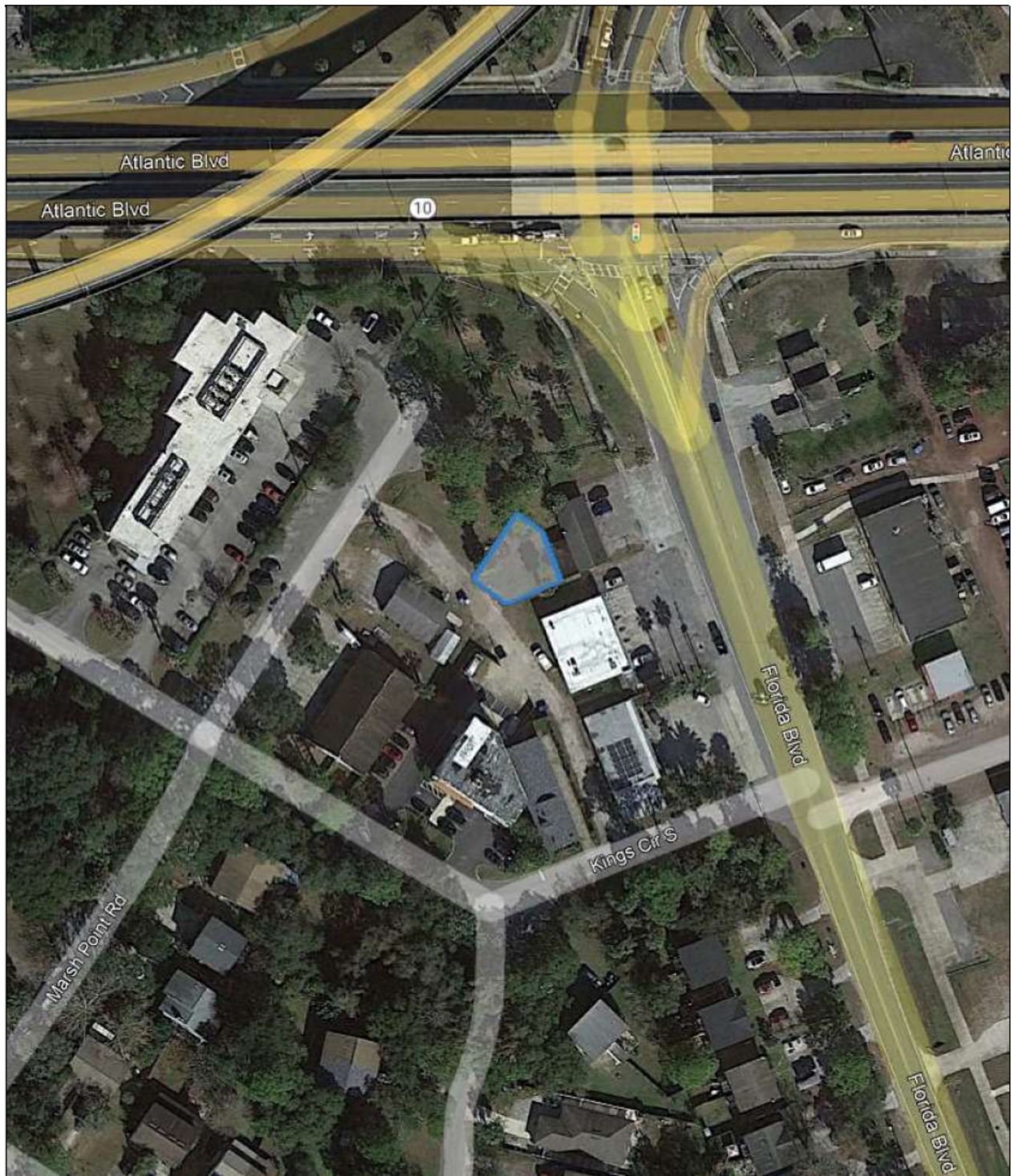
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SUBJECT PROPERTY



AERIAL PHOTOGRAPH



SUMMARY OF SALIENT FACTS

APPRAISAL INFORMATION

Client	Marshpoint Properties Four LLC 2300 Marsh Point Road, No. 301 Neptune Beach, FL 32266-1646
Intended User(s)	The intended users of this appraisal assignment include the Client, Marshpoint Properties Two, LLC as well as legal counsel and designated representatives. A secondary user may also include the City of Neptune Beach.
Intended Use	The intended use of this appraisal is to assist in evaluation and potential acquisition of the subject by Marshpoint Properties Two, LLC
Property Rights Appraised	As Is Market Value - Fee Simple
Effective Date of Value	May 10, 2023
Date of Inspection	May 10, 2023
Report Date	May 31, 2023
Marketing Time	Less than 12 months
Exposure Time	Less than 12 months
Owner of Record	City of Neptune Beach
Most Probable Purchaser	Adjacent Property Owner
Highest and Best Use, As Vacant	Assemblage for commercial use

PROPERTY DATA

Property Name	Marsh Point Road Alleyway
Address	Located between Florida Boulevard and Marsh Point Road Neptune Beach, Florida 32266-1601
Location	Alleyway east of Marsh Point Road and west of Florida Boulevard
Property Description	Land (Commercial) A 2,547± SF commercial alleyway
County	Duval County
Parcel Number	No Parcel ID Assigned
Census Tract No.	0140.02
Legal Description	See Survey
Site Area	2,547 square feet (0.06 acres)
Zoning	The site is currently not zoned. Surrounding sites are zoned C-2/Commercial and some parcels are also located in the NC overlay district.
Flood Status	Zone X Unshaded (Outside 500Y) is a Non-Special Flood Hazard Area (NSFHA) of minimal flood hazard, usually depicted on Flood Insurance Rate Maps (FIRM) as above the 500-year flood level. This is an area in a low to moderate risk flood zone that is not in any immediate danger from flooding caused by overflowing rivers or hard rains. In communities that participate in the National Flood Insurance Program (NFIP), flood insurance is available to all property owners and renters in this zone.

VALUE INDICATIONS			
1) As Is as of May 10, 2023			
Sales Comparison Approach	\$70,000	\$27.48	Per Square Foot of Land
Approach Reliance	Sales Comparison/Across the Fence		
Value Conclusion - As Is	\$70,000	\$27.48	Per Square Foot of Land
Exposure Time (Months)	Less than 12 months		
Marketing Time (Months)	Less than 12 months		

EXTRAORDINARY ASSUMPTION(S) AND HYPOTHETICAL CONDITION(S)

The values presented within this appraisal report are subject to the extraordinary assumptions and hypothetical conditions listed below. Pursuant to the requirement within Uniform Standards of Professional Appraisal Practice Standards, it is stated here that the use of any extraordinary assumptions and/or hypothetical conditions might have affected the assignment results.

Extraordinary Assumption(s)	The property is currently not zoned by the City of Neptune Beach. We contacted the City of Neptune Beach who indicated the zoning of this parcel to be C-2, which is assumed to be correct. If the zoning utilized in this analysis were to change, this may impact our analysis and conclusions.
Hypothetical Condition(s)	This appraisal employs no hypothetical conditions.

PROPERTY OWNERSHIP AND TRANSACTION HISTORY

The property is right of way owned by the city of Neptune Beach. The Client of this report has approached the city about acquiring a portion of the subject cul de sac. The client owns several properties abutting the subject along Florida Boulevard and Marsh Point Road. There have been no other known transactions of the subject property within the three years prior to the effective date of this appraisal.

SCOPE OF WORK

The scope of work best defines the needs of the client(s) and intended user(s) of the report and dictates what factors an appraiser considered during the valuation process. The scope of work summarized below has been deemed acceptable as it meets or exceeds both the expectations of parties who are regularly intended users for similar assignments and what an appraiser’s peers’ actions would be in performing the same or a similar assignment. As such, the scope of work summarized below is deemed appropriate for this assignment based on its parameters and will produce credible assignment results. Additional scope details are included in appropriate sections of this report.

SCOPE OF THE INVESTIGATION	
General and Market Data Analyzed	<ul style="list-style-type: none"> ▪ Regional economic data and trends ▪ Market analysis data specific to the subject property type ▪ Published survey data ▪ Neighborhood demographic data ▪ Comparable commercial land sales data ▪ Floodplain status ▪ Zoning and Future Land Use information ▪ Property Appraiser and Tax Collector information ▪ Interviewed professionals knowledgeable about the subject’s property type and market
Inspection Details	An onsite inspection of the property was made by Kyle Catlett, MAI, and Drake DeRango on May 10, 2023.
Property Specific Data Requested and Received	PROPERTY DATA RECEIVED
	Survey
Data Requested, but not Provided	DATA REQUESTED, BUT NOT PROVIDED
	None noted
Data Sources	DATA SOURCES
Site Size	Survey
Tax Data	Duval County Tax Collector
Zoning Information	City of Neptune Beach
Flood Status	FEMA
Demographics Reports	Spotlight
Comparable Land Sales	Local brokerage community

VALUATION METHODOLOGY

Most Probable Buyer	To apply the most relevant valuation methods and data, the appraiser must first determine the most probable buyer of the subject property. Based on the analyses presented, the most probable buyer of the subject property would be an adjoining property owner.
Valuation Methods Utilized	<p>This appraisal employs only the Sales Comparison Approach. In estimating the Market Value of the Fee Simple Interest in the subject area a lack of private-party sales of alleyways and cul de sac's requires use of the "Across-The-Fence" ("ATF") method of value, commonly used in corridor valuation. This method is based on the premise that corridor land is at least as valuable as the land it passes through. This value method is supported by comparison with adjacent lands including the consideration of adjustment factors such as market conditions, real property rights conveyed and location.</p> <p>Sales of comparable vacant commercial land from the area have been gathered, verified, and included in this report in support of the Fee Simple Market Value estimate. This is typical of how the appraisers' peers would answer this particular appraisal problem.</p>

DEFINITIONS

Pertinent definitions, including the definition of market value, are included in the glossary, located in the *Addenda* of this report. The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States:

Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. ^[1]

LEVEL OF REPORTING DETAIL

Standards Rule 2-2 (Real Property Appraisal, Reporting) contained in USPAP requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report.

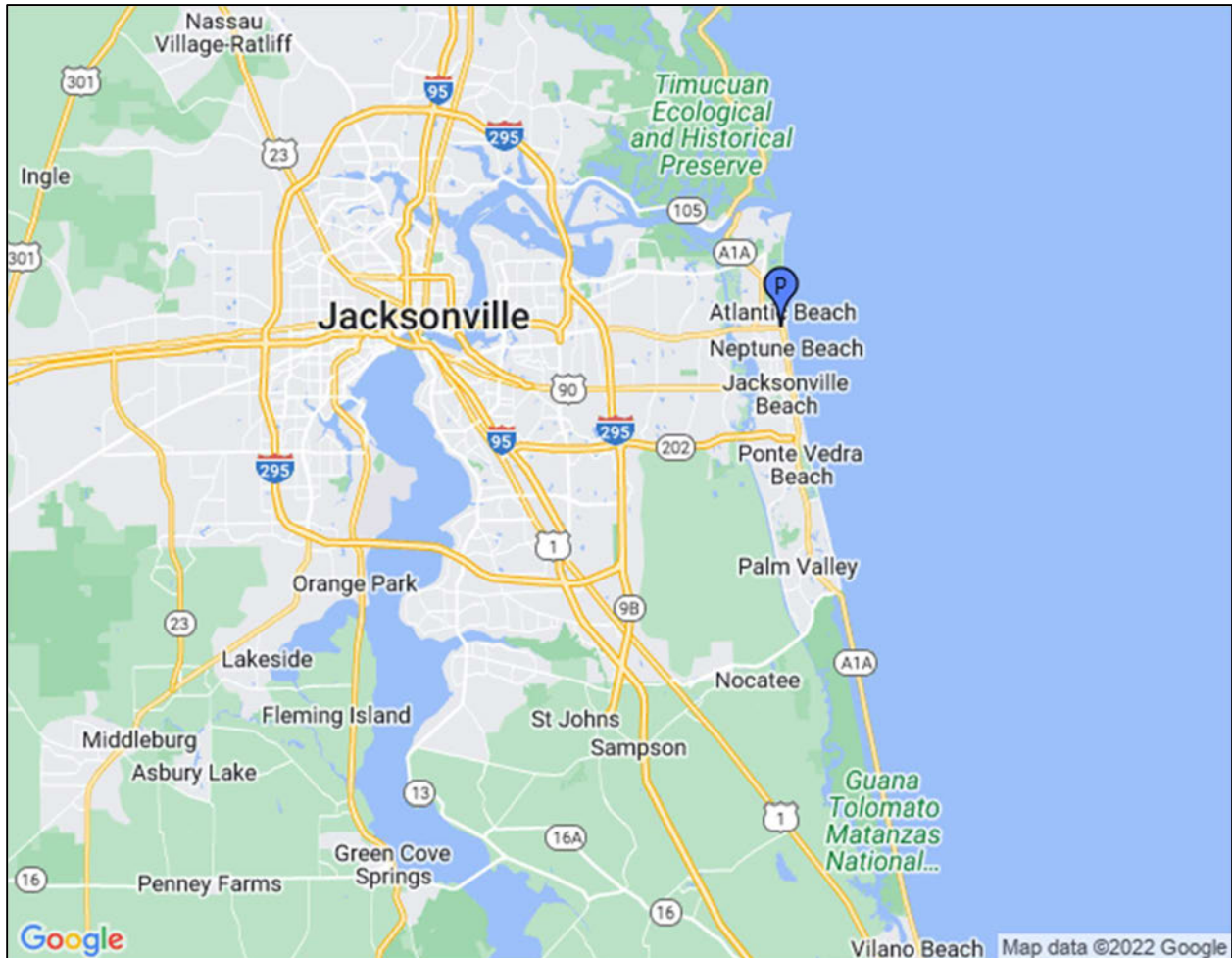
This report is prepared as an **Appraisal Report**. An Appraisal Report must at a minimum summarize the appraiser's analysis and the rationale for the conclusions.

^[1] (Interagency Appraisal and Evaluation Guidelines; December 10, 2010, Federal Register, Volume 75 Number 237, Page 77472)

REGIONAL OVERVIEW

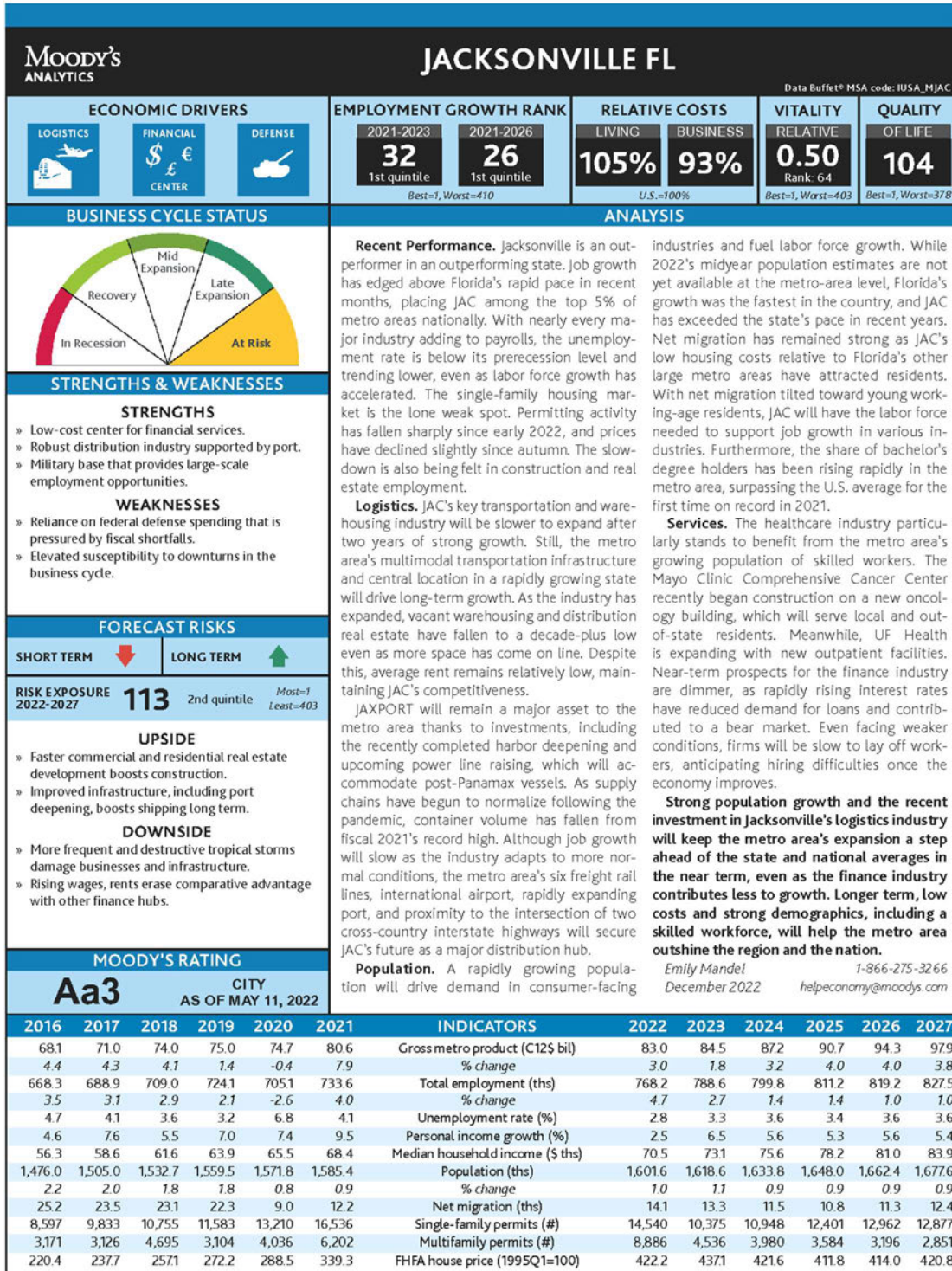
The short- and long-term value of real estate is influenced by a variety of factors and forces that interact within a given region. Regional analysis serves to identify those forces that affect property value, and the role they play within the region. The four primary forces that influence real property value include environmental characteristics, governmental forces, social factors, and economic trends. These forces determine the supply and demand for real property, which, in turn, affect market value.

REGIONAL MAP



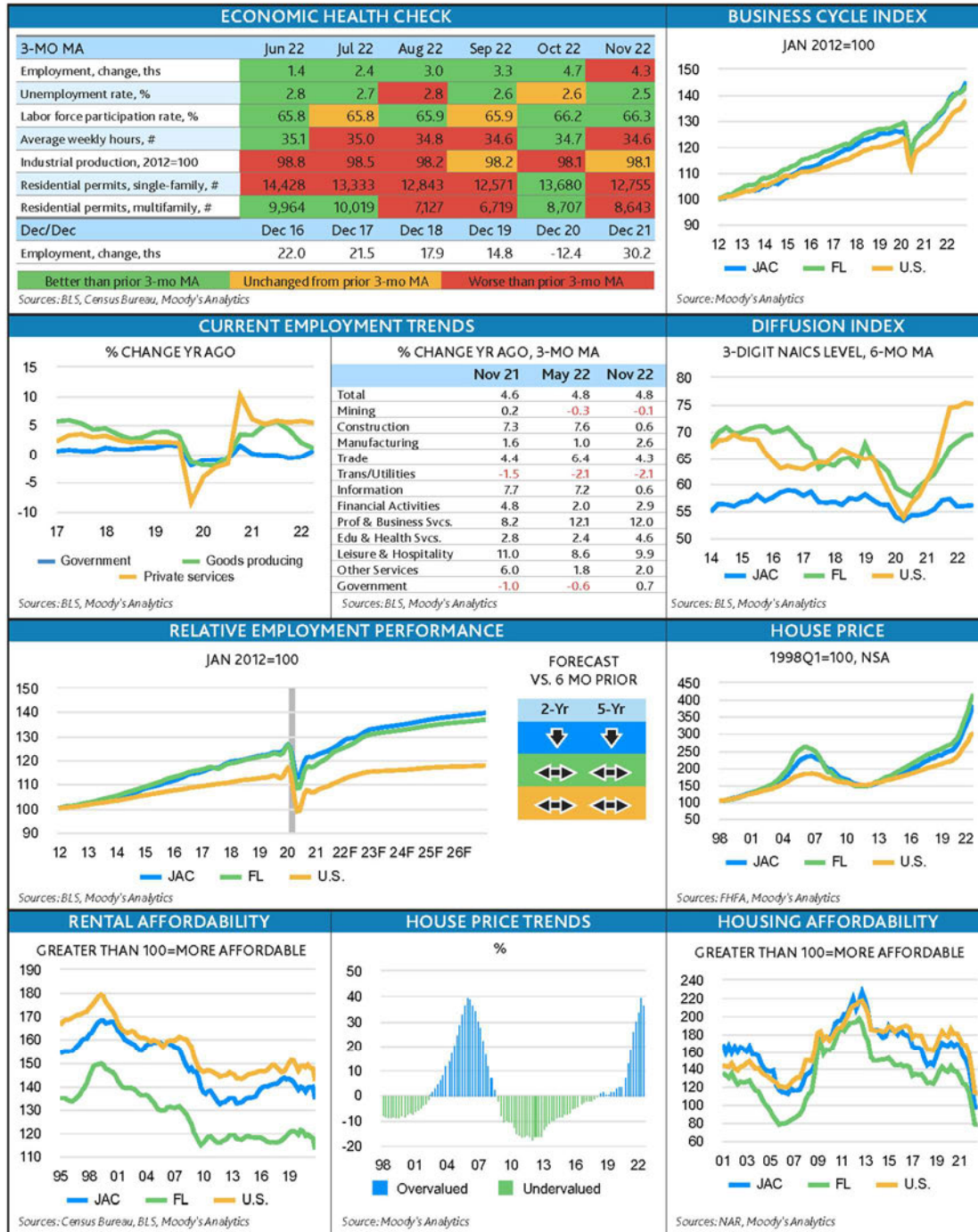
ECONOMIC & DEMOGRAPHIC PROFILE

The following profile of the Jacksonville MSA was provided by Economy.com, a leading provider of economic, financial, and industry information. The following data was most applicable as of the effective date of value.



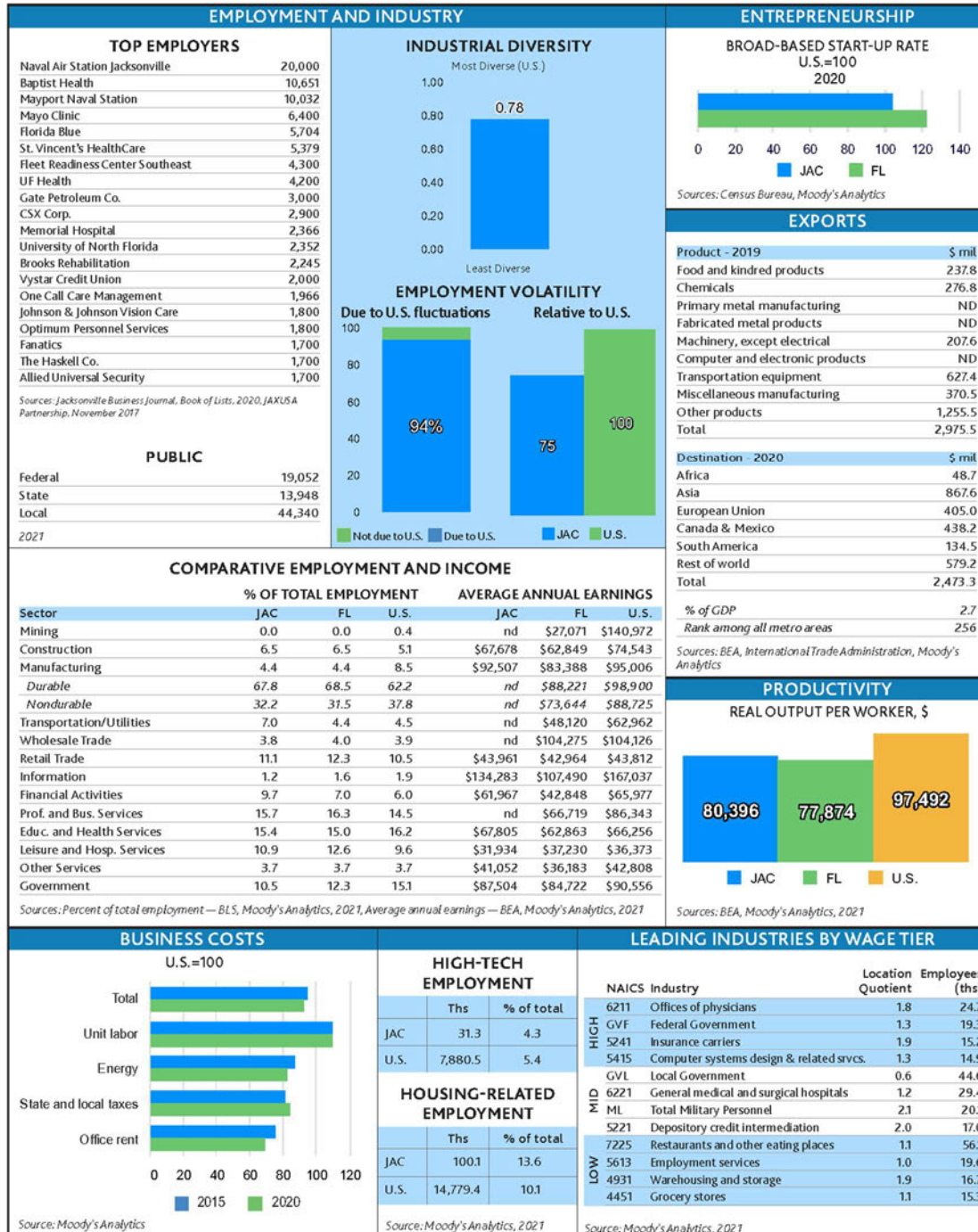
MOODY'S ANALYTICS / Précis® U.S. Metro / December 2022

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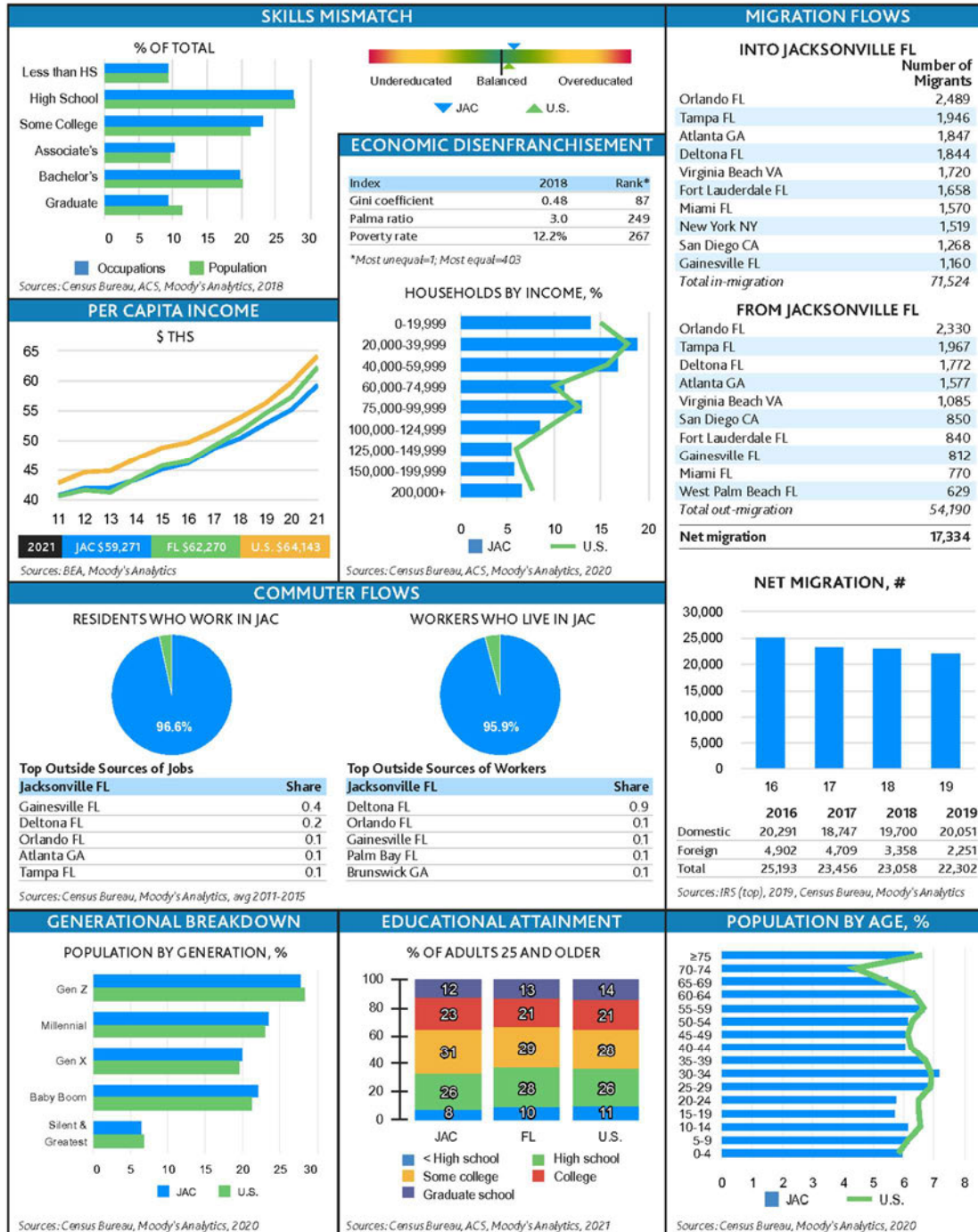


MOODY'S ANALYTICS / Précis® U.S. Metro / December 2022

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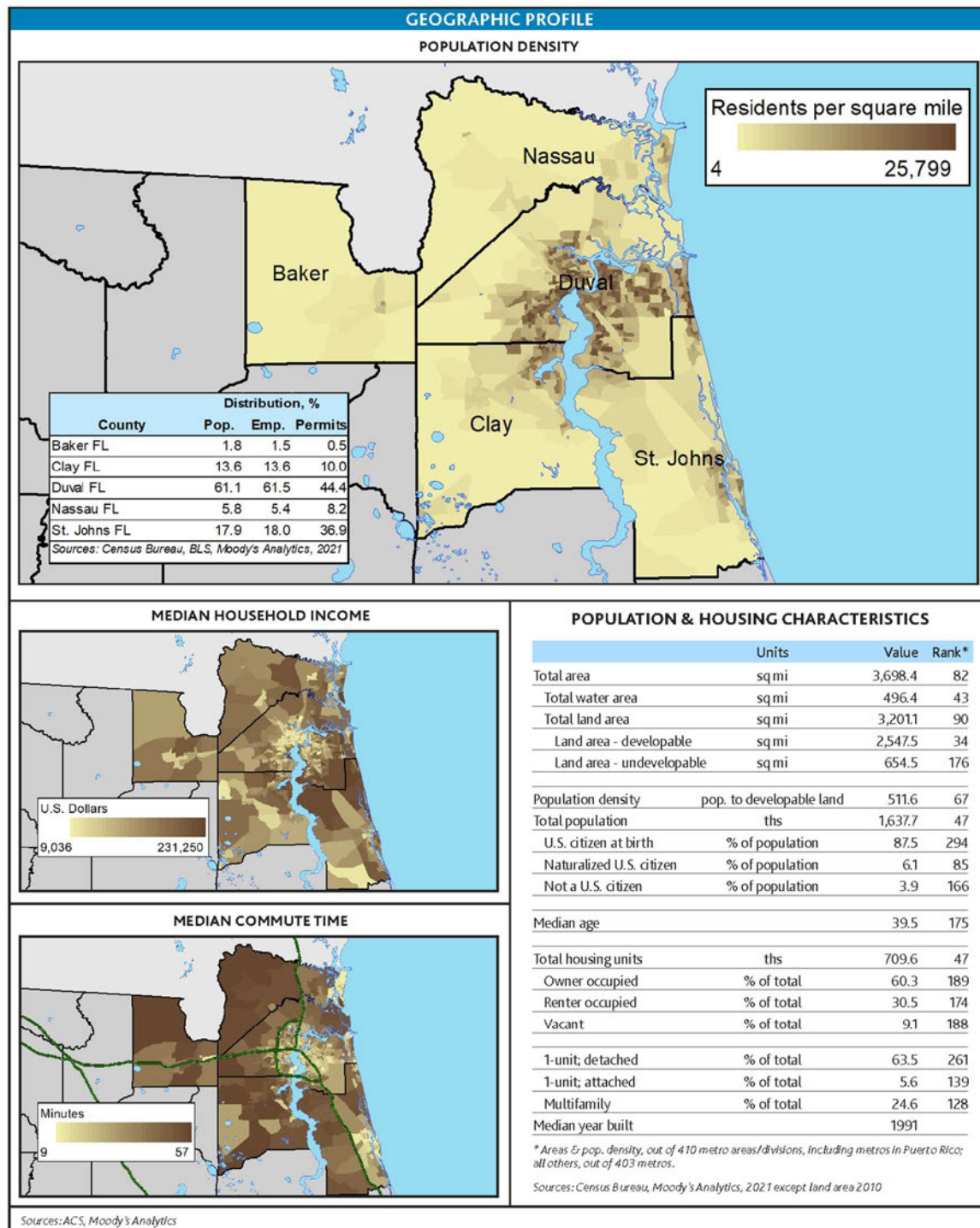


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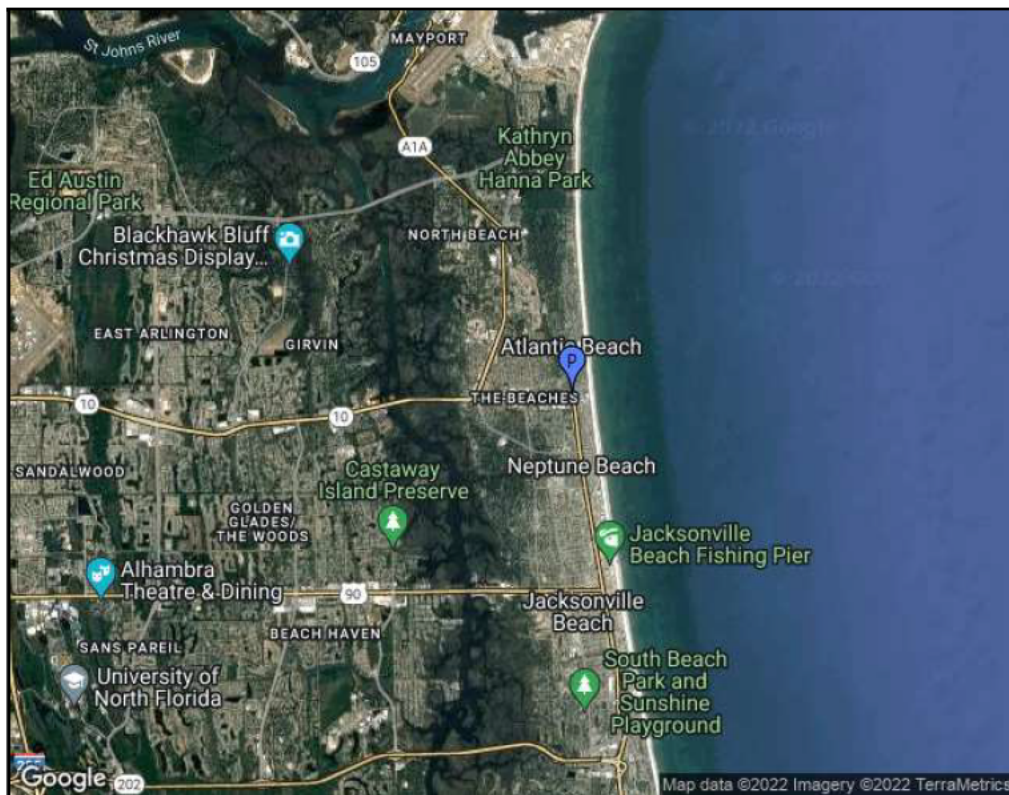
NEIGHBORHOOD OVERVIEW

MARKET AREA BOUNDARIES

The subject is located in Atlantic Beach, a part of the Beaches submarket of Jacksonville. The market area boundaries are generally:

North	Atlantic Boulevard
South	J. Turner Butler Boulevard/Hwy 202
East	Atlantic Ocean
West	Intracoastal Waterway

MARKET AREA MAP



ACCESS AND MAJOR ROADWAYS

The subject is located in the northwest portion of Neptune Beach, Florida. Access to the immediate area is provided by Florida Boulevard, which begins at 3rd Street east of the subject and crosses underneath Atlantic Boulevard before becoming Mayport Road to the north of Atlantic Boulevard. Atlantic Boulevard provides east/west access through the Jacksonville market area. 3rd Street provides north/south access to Jacksonville Beach and Ponte Vedra Beach to the south, while Mayport Road provides access to the north to Atlantic Beach and Mayport. Beach Boulevard is about 2.5 miles south of the subject along 3rd Street, and JTB is located another 2.5 miles to the south.

NEARBY LAND USES

The property is situated in the southwest quadrant of Atlantic Boulevard and Florida Boulevard in Neptune Beach. This area has a mixture of warehouse/light industrial uses, residential uses, and neighborhood commercial uses. Uses immediately surrounding the subject are small single occupant buildings including a staffing company office building, a convenience store, and several warehouse/flex buildings. Further west across Marsh Point Road there is a 20,000± SF two story exterior corridor office condominium building. To the south and east of the subject, there is a residential neighborhood with a mix of single and multifamily residential uses. Across Florida Boulevard to the east, there are more flex/warehouse buildings fronting Florida Boulevard. Brewhound Dog Park is located east of Florida Boulevard and is a popular bar and recreational area.

DOWNTOWN JACKSONVILLE BEACH

The subject property is located about three miles northwest of the Downtown area of Jacksonville Beach. This area contains a variety of bars, restaurants, and shops as well as the Jacksonville Beach Pier. The area has historically been a focal point of nightlife and dining in the area and has experienced increased development activity over the past 10 years. In 2016 the former Freebird Live building on 2nd Avenue North was redeveloped into a Surfer the Bar location. The Margaritaville Beach Hotel and Landshark Bar and Grill opened in January 2021 on 1st Street North just north of the Jacksonville Beach Pier. The eight story, 202-room hotel was a \$50 million project and features three restaurants, ocean view outdoor seating, 1,050 SF of retail space and a 1,700 SF meeting room. A new beachfront Springhill Suites was completed in 2022 with 136 rooms as well as a public restaurant and bar.

Two former restaurant buildings along 2nd Avenue have been redeveloped with Jax Beach Town Center, a 19,000 SF development including a restaurant, rooftop lounge, and retail space. Along 1st Street North just north of Latham Plaza, a dated mixed use building has been demolished to make way for development of a newer 25,000 SF mixed use building with boutique hotel space, 6,000 SF of retail and 8,000 SF of office space. The former Bo's Coral Reef building is currently undergoing a renovation and rebranding along 5th Avenue North which will bring an additional 5,700 SF of redeveloped retail space to the area.

Additional bars and restaurants within the downtown area include Mango's Beach Bar, V Pizza, Lynch's Irish Pub, Delicomb, Casa Marina Hotel and Restaurant, The Ritz, Brix Taphouse, The Wine Bar, Habibi Bar and Café, Hoptinger Bier Garden, The Shim Sham Room and Tavern on 1st Street.

CONCLUSION

The subject is well located in Neptune Beach, Florida. Market conditions have been strengthening in the local market area over the past several years, and redevelopment of older structures is becoming more common. Vacancy rates remained relatively low in the subject's submarket even throughout the COVID-19 pandemic. We anticipate conditions to remain strong over the foreseeable future.

DEMOGRAPHICS

The following data highlights the market area demographics for the 1, 3, and 5-mile radii from the subject, as provided by *Claritas Inc.*

COMPARATIVE DEMOGRAPHIC ANALYSIS FOR PRIMARY TRADE AREA			
Description	1 Mile Radius Totals	3 Mile Radius Totals	5 Mile Radius Totals
Population			
2028 Projection	7,965	67,317	147,638
2023 Estimate	7,789	65,019	141,507
2020 Census	7,711	63,872	138,328
2010 Census	7,362	60,076	124,908
2023 Est. Median Age	40.23	41.14	38.75
2023 Est. Average Age	40.86	41.70	39.88
Households			
2028 Projection	3,454	29,342	60,917
2023 Estimate	3,355	28,210	58,199
2020 Census	3,301	27,592	56,730
2010 Census	2,956	24,501	49,454
2023 Est. Average Household Size	2.32	2.29	2.37
2023 Est. Households by Household Income (%)			
Household Income < \$15,000	5.19	5.31	5.24
Household Income \$15,000 - \$24,999	3.82	4.59	4.40
Household Income \$25,000 - \$34,999	7.75	6.87	5.94
Household Income \$35,000 - \$49,999	11.30	9.93	9.51
Household Income \$50,000 - \$74,999	17.32	17.48	16.36
Household Income \$75,000 - \$99,999	12.79	12.36	13.22
Household Income \$100,000 - \$124,999	10.67	10.71	11.18
Household Income \$125,000 - \$149,999	9.66	9.00	8.84
Household Income \$150,000 - \$199,999	10.31	9.87	10.22
Household Income \$200,000 - \$249,999	5.60	5.49	5.87
Household Income \$250,000 - \$499,999	4.50	5.85	6.21
Household Income \$500,000+	1.07	2.55	3.03
2023 Est. Average Household Income	\$107,701	\$117,871	\$123,119
2023 Est. Median Household Income	\$83,266	\$85,934	\$90,636
2023 Est. Tenure of Occupied Housing Units (%)			
Owner Occupied	69.21	63.95	66.25
Renter Occupied	30.79	36.06	33.75
2023 Est. Median All Owner-Occupied Housing Value	\$424,953	\$445,947	\$420,063

Source: 2023 Claritas, Inc.

SITE DESCRIPTION

GENERAL SITE DESCRIPTION OVERVIEW

Location	Alleyway east of Marsh Point Road and west of Florida Boulevard		
Parcel Number	No Parcel ID Assigned		
Legal Description	See Survey		
Latitude, Longitude	30.323323, -81.419762		
Site Area	2,547 square feet	(0.06 acres)	
Configuration	Irregular		
Topography	Generally level		
Drainage	Appears adequate		
Utilities/Municipal Services	No utilities available to the site. Utilities located along Florida Boulevard and Kings Circle		
Floodplain	Zone	Map	Date
	Zone X (Unshaded)	12031C0408J	November 2, 2018
	Zone X Unshaded (Outside 500Y) is a Non-Special Flood Hazard Area (NSFHA) of minimal flood hazard, usually depicted on Flood Insurance Rate Maps (FIRM) as above the 500-year flood level. This is an area in a low to moderate risk flood zone that is not in any immediate danger from flooding caused by overflowing rivers or hard rains. In communities that participate in the National Flood Insurance Program (NFIP), flood insurance is available to all property owners and renters in this zone.		
Census Tract No.	0140.02		
Soil/Subsoil Conditions	We did not receive nor review a soil report. However, we assume that the soil's load-bearing capacity is sufficient to support a structure. We did not observe any evidence to the contrary during our physical inspection of the property.		
Environmental Concerns	The inspecting appraiser did not observe any environmental issues and for the purpose of this appraisal, it is specifically assumed that none exist. No independent environmental studies were provided. This appraisal assignment was engaged to determine the market value of the property, independent of any potential environmental issues. In the event the property is determined to be impacted by environmental concerns, it could affect our appraisal conclusions.		
Easements, Encroachments and Deed Restrictions	There are no known detrimental easements, encroachments or other restrictions that would adversely affect the site's use or marketability.		
Hazards Nuisances	None noted		
Frontage	No road frontage		
Access	From Kings Circle South via gravel alleyway. Neighboring sites front Florida Boulevard and Marsh Point Road		
Visibility	Fair		
Surrounding Land Uses	Office, flex/warehouse, convenience store		
Opportunity Zone	No		
Traffic Counts	17,000 AADT (Florida Boulevard)		
Site Utility	Poor		
Comments	This is a portion of an abutting cul de sac off of Kings Circle South and abuts 6 properties. The site is irregular in shape and has a size of only 2,547 square feet. The site has limited utility and could not be developed as a stand alone parcel.		

ZONING OVERVIEW

The subject is not currently zoned, and discussions with the Neptune Beach Planning and Zoning Department indicate that the subject will be zoned C-2 consistent with the surrounding parcels. According to the Neptune Beach Community Development Director, the parcels located on the west side of the property are zoned C-2 with no additional overlay district, and the parcels on the east side along Florida Boulevard are located within the C-2 zoning district as well as the NC overlay district.

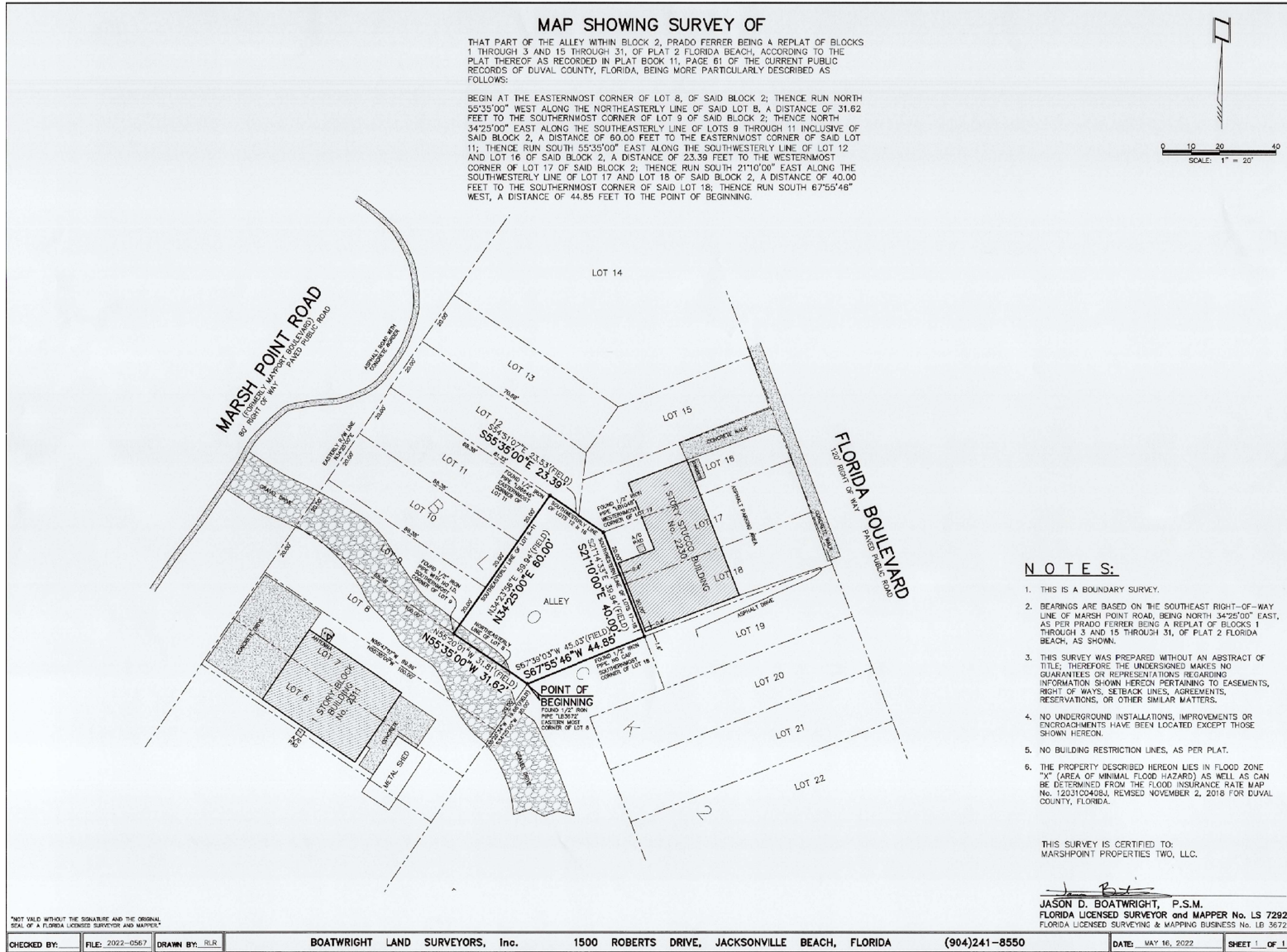
Applicable zoning regulations for the C-2 district and NC overlay are shown below.

ZONING	
Designation	C-2
Description	Commercial
Zoning Intent	The commercial C-2, zoning district is intended to provide for retail sales and services for one (1) or more neighborhoods. This district corresponds to the Commercial I and neighborhood center designations on the adopted future land use map.
ZONING REQUIREMENTS - C-2 ZONING DISTRICT	
Permitted Uses	Variety of commercial and retail uses
Minimum Lot Size	10,000 SF
Maximum Lot Size	N/A
Minimum Lot Width	80'
Maximum Coverage Ratio	70%
Minimum Open Space	N/A
Front (min. ft.)	25'
Rear, alley/no alley (min. ft.)	15'
Side (min. ft.) interior	10' min, 25' max
Maximum Building Floor Area	60,000 SF
Maximum Density	N/A
Maximum Height	35'
Required No. Parking Spaces	0
Subject's Total Parking Spaces	0
ZONING REQUIREMENTS - NC OVERLAY DISTRICT	
Permitted Uses	Uses permitted within C-2 zoning district
Minimum Lot Size	7,500 SF
Maximum Lot Size	N/A
Minimum Lot Width	50'
Maximum Coverage Ratio	70%
Minimum Open Space	N/A
Front (min. ft.)	5' min, 15' max
Rear, alley/no alley (min. ft.)	10'
Side (min. ft.) interior	10' min, 25' max
Maximum Building Floor Area	20,000 SF
Maximum Density	N/A
Maximum Height	35'

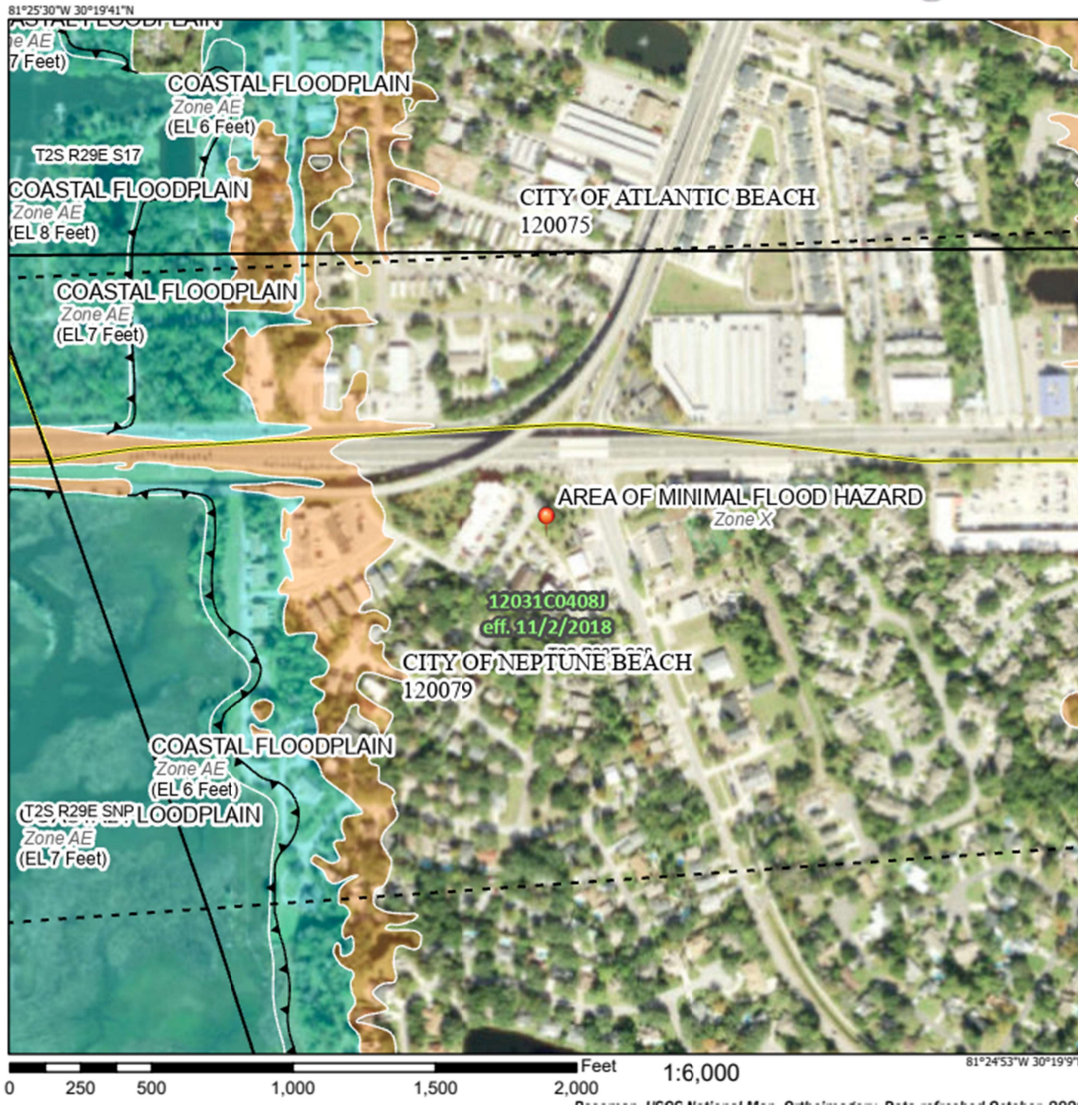
A zoning map follows.

ZONING MAP





National Flood Hazard Layer FIRMette



FLOOD MAP

Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAUNCH

SPECIAL FLOOD HAZARD AREAS	<ul style="list-style-type: none"> Without Base Flood Elevation (BFE) Zone A, V, A99 With BFE or Depth Zone AE, AO, AH, VE, AR Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD	<ul style="list-style-type: none"> 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X Future Conditions 1% Annual Chance Flood Hazard Zone X Area with Reduced Flood Risk due to Levee. See Notes, Zone X Area with Flood Risk due to Levee Zone D
OTHER AREAS	<ul style="list-style-type: none"> NO SCREEN Area of Minimal Flood Hazard Zone X Effective LOMRs Area of Undetermined Flood Hazard Zone D
GENERAL STRUCTURES	<ul style="list-style-type: none"> Channel, Culvert, or Storm Sewer Levee, Dike, or Floodwall
OTHER FEATURES	<ul style="list-style-type: none"> 20.2 Cross Sections with 1% Annual Chance Water Surface Elevation 17.5 Coastal Transect Base Flood Elevation Line (BFE) Limit of Study Jurisdiction Boundary Coastal Transect Baseline Profile Baseline Hydrographic Feature
MAP PANELS	<ul style="list-style-type: none"> Digital Data Available No Digital Data Available Unmapped <p>The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.</p>

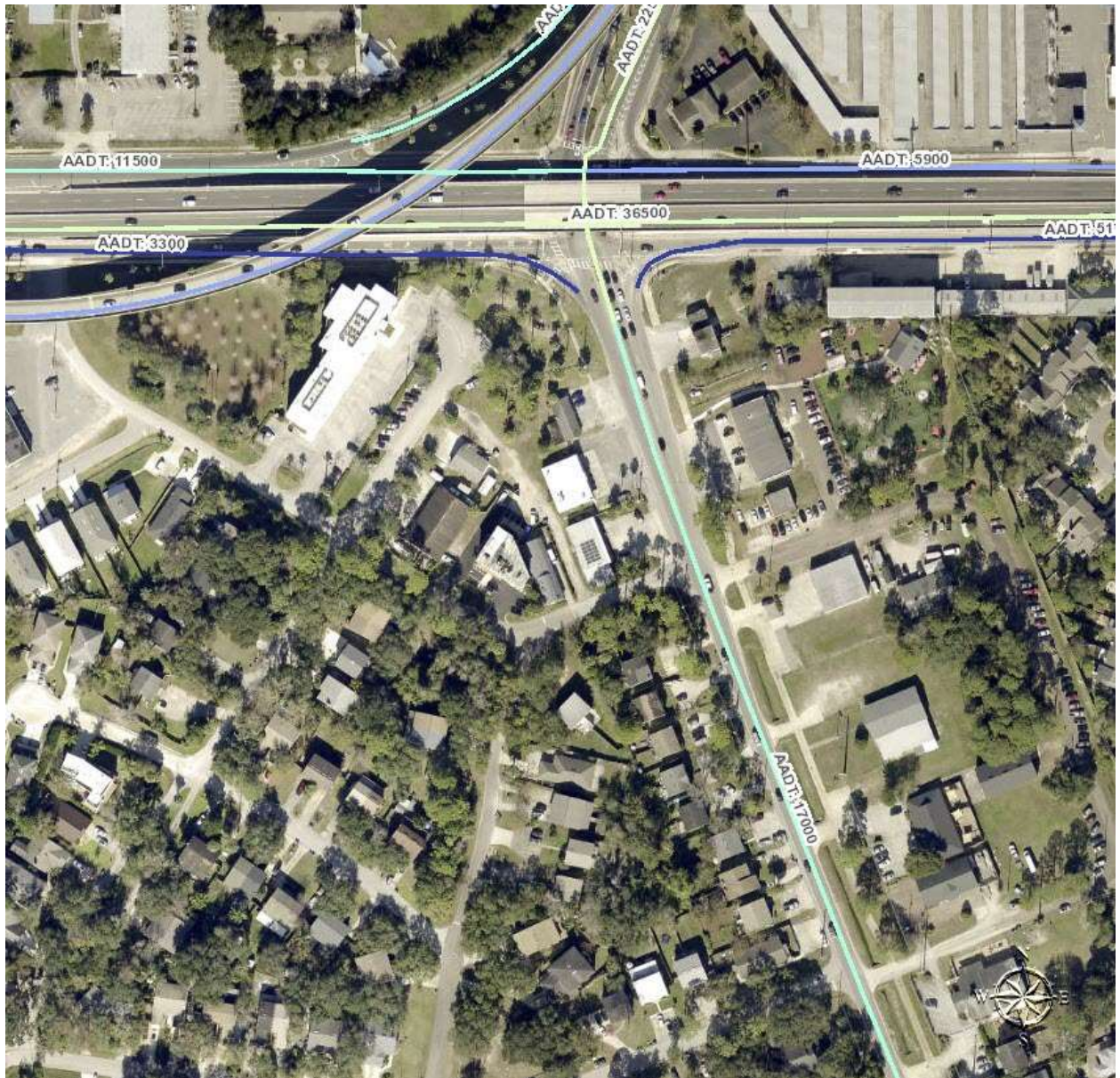
This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 5/26/2023 at 10:25 AM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.



FDOT TRAFFIC COUNT MAP



PROPERTY ASSESSMENT AND TAX ANALYSIS

Real estate taxes are due March 31st of each year. In the State of Florida, any property owner can realize a 4% pre-payment discount in their total liability if taxes are paid by November 30th. As is commonplace in the market, prudent investors take advantage of this, and our analysis includes the discount.

Assessment levels are impacted by the following primary factors:

- Re-assessment without a transaction
- Re-assessment following a transaction

WITHOUT A TRANSACTION

Re-assessment occurs annually in Florida; however, in the event that there is not a recorded sale, all taxing authorities with the exception of schools have a 10% cap on assessment increases per year for non-homestead property and a 3% cap on homestead property. This commonly results in a difference between the County's estimated *Market Value* (also called *Just Value*) and the *Assessed Value* as it applies to the other taxing authorities. For this reason, properties that have not sold and been subsequently re-assessed in recent history tend to have assessments that lag actual market value considerably.

FOLLOWING A TRANSACTION

The sale of a property can and usually does, trigger re-assessment for the following year in Florida. However, the property will not necessarily be re-assessed at the sale price. In our experience, it is common for assessment levels lag sale prices. In the event of a recorded, arm's length transaction, we generally see re-assessment as a percentage of the purchase price the following January 1. The re-assessment rate varies significantly by county, asset type and class and conditions of sale.

At this point in the cycle when Counties have had the benefit of capturing increases on post-sale re-assessments for many years, we are seeing that while there may be a substantial increase in the year following acquisition, assessments can be relatively flat the year following the initial increase (Year 2). Additionally, in some cases, owners have been successful in appealing the increases, which varies county-to-county. Since 2009 Assessor's no longer have the Presumption of Correctness, rather the Preponderance of Evidence. This increased the burden on the Assessor's office to support assessments if contested and as a result, some have been more conservative in increasing assessments.

SUMMARY

For all the reasons discussed, projecting future real estate tax assessment levels, and resultant tax liability can be subjective. The contributing factors are:

- Timing in the cycle
- Lag that occurs based on the timing of re-assessment following a sale
- Variability in how counties are handling re-assessment following a sale
- In an up-market, assessments lagging in the years following a re-set either due to assessments being held flat, or further market improvement as a result of market trends overall, or property improvements completed by new ownership following acquisition

SUBJECT PROPERTY TAXES

The subject is owned by a governmental agency and is not subject to property taxes. However, in the event of acquisition by a Private Party that is not exempt, the property will be assessed by the Duval County property Appraiser's Office and will more than likely will result in an increased tax burden.

HIGHEST AND BEST USE

INTRODUCTION

The highest and best use is the reasonable, probable, and legal use of vacant land or an improved property that is physically possible, legally permissible, appropriately supported, financially feasible and that results in the highest value. These criteria are often considered sequentially. The tests of legal permissibility and physical possibility must be applied before the remaining tests of financial feasibility and maximal productivity. A financially feasible use is precluded if it is legally prohibited or physically impossible. If a reasonable possibility exists that one of the prior, unacceptable conditions can be changed, is it appropriate to proceed with the analysis with such an assumption.

HIGHEST AND BEST USE CRITERIA

The site's highest and best use is analyzed both as vacant and as improved, and if improvements are proposed then an as proposed analysis is required. In all cases, the property's highest and best use must meet four criteria: (1) legally permissible; (2) physically possible; (3) financially feasible; and (4) maximally productive.

HIGHEST AND BEST USE AS VACANT

LEGALLY PERMISSIBLE

Legal restrictions include deed restrictions, CC&R's, lease encumbrances, zoning requirements, building codes, historic district controls and environmental regulations, and were previously analyzed to determine legally permitted uses. Legally, the subject is zoned C-2, Commercial, by the City of Neptune Beach. No other legal restrictions have been identified that would limit development of the property beyond the development standards stipulated by municipal code.

PHYSICALLY POSSIBLE

Size, shape, topography, soil condition, availability of utilities, transportation access, surrounding uses, and locational characteristics were previously analyzed to determine which legal land uses are physically possible and which are best to conform to the physical and locational aspects of the site and its setting with respect to the neighborhood and community.

The site does not meet the minimum lot size requirements of the C-2 zoning district and therefore, there are no physically possible uses of the site.

FINANCIALLY FEASIBLE/MAXIMALLY PRODUCTIVE

In that the subject property does not meet the minimum lot size requirements under the C-2 zoning, the Highest and Best Use would be for assemblage with an adjacent property.

VALUATION PROCESS

In estimating the Market Value of the Fee Simple Interest in the subject area a lack of private-party sales of alleyways and cul de sac's requires use of the "Across-The-Fence" ("ATF") method of value, commonly used in corridor valuation. This method is based on the premise that corridor land is at least as valuable as the land it passes through. This value method is supported by comparison with adjacent lands including the consideration of adjustment factors such as market conditions, real property rights conveyed and location.

Sales of comparable vacant commercial land from the area have been gathered, verified, and included in this report in support of the Fee Simple Market Value estimate. This is typical of how the appraisers' peers would answer this particular appraisal problem.

FEE SIMPLE LAND VALUATION

In the Sales Comparison Approach, market value is estimated by comparing the subject property to similar properties that have sold. A major premise of the Sales Comparison Approach is that the market value of a property is directly related to the prices of comparable competitive properties.

The principles of supply and demand, substitution, balance, and externalities are the basis of this approach. When there is sufficient data to include value trends, the Sales Comparison Approach may provide the most direct and accurate approach to value.

The following system or procedure is used to apply the Sales Comparison Approach:

- Research the market to locate data on sales that are similar to the subject property.
- Verify the data for accuracy and arm's length considerations.
- Select the units of comparison most commonly used by buyers and sellers.
- Using the elements of comparison and physical characteristics, compare and adjust the comparable sales to the subject property.
- Reconcile the values produced by the different units of comparison into a single value or range.

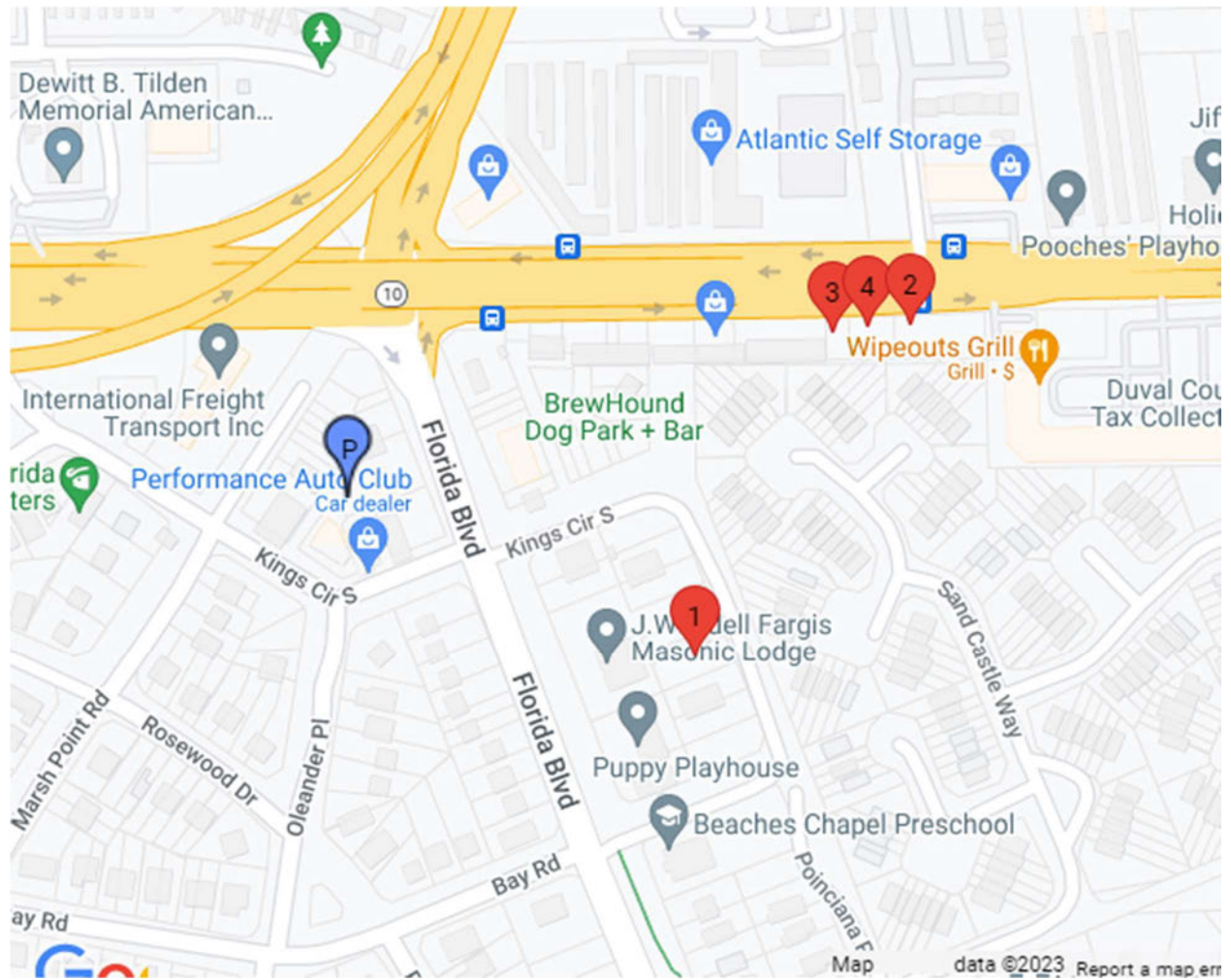
COMPARABLE LAND SALES

The subject of this appraisal is a 2,547 square foot alleyway/cul de sac. The "Across the Fence" method is based on the premise that corridor land is at least as valuable as the land it passes through. Four commercial land sales have been presented in support of the land value.

UNIT OF COMPARISON

Based on market behavior observed, the most appropriate unit of comparison for this analysis is price per square foot.

COMPARABLE LAND SALES MAP



COMPARABLE LAND SALES SUMMARY

SUMMARY OF LAND SALES							
Comp No.	Property / Location	Date of Sale	Transaction Status	Site Size (Net Acres)	Zoning	Sale Price	Price per SF (Net)
1	Poinciana Lot Poinciana Road Neptune Beach, FL	Mar-22	Closed	0.15	C-2, Commercial	\$150,000	\$22.56
2	Atlantic Boulevard Site Atlantic Boulevard Neptune Beach, FL	Apr-21	Closed	0.13	C-2, Commercial	\$150,000	\$26.49
3	HOS Properties Site Atlantic Boulevard Neptune Beach, FL	Apr-21	Closed	0.08	C-2, Commercial	\$100,000	\$27.78
4	Portion of HOS Properties Site Atlantic Boulevard Neptune Beach, FL	Apr-21	Closed	0.04	C-2, Commercial	\$50,000	\$28.70
Subj.	Marsh Point Road Alleyway Located between Florida Boulevard and Marsh Point	—	—	0.06	C-2, Commercial	—	—

COMMENTS

1 - Sale of a parcel of commercial land zoned C-2 in Neptune Beach, Florida. The property is located along a dirt road one block east of Florida Boulevard.

2 - Sale of a parcel of vacant land on the south side of Atlantic Boulevard. The site is only accessible via Florida Boulevard and is situated along an on-ramp for eastbound Atlantic Boulevard.

3 - Sale of a parcel of vacant land zoned C-2 in Neptune Beach, Florida. The site is only accessible via Florida Boulevard and is situated along an on-ramp for Atlantic Boulevard eastbound.

4 - Sale of a small parcel of land located along the south side of Atlantic Boulevard in Neptune Beach. The property was purchased alongside an adjacent property from separate sellers for the development of an office building.

COMPARABLE LAND SALES ADJUSTMENT GRID

COMPARABLE LAND SALE ADJUSTMENTS					
	Subject	Comp 1	Comp 2	Comp 3	Comp 4
Property / Location	Marsh Point Road Alleyway Located between Florida Boulevard and Marsh Point	Poinciana Lot Poinciana Road Neptune Beach, FL	Atlantic Boulevard Site Atlantic Boulevard Neptune Beach, FL	HOS Properties Site Atlantic Boulevard Neptune Beach, FL	Portion of HOS Properties Site Atlantic Boulevard Neptune Beach, FL
Transaction Status	-----	Closed	Closed	Closed	Closed
Date of Sale	-----	Mar-22	Apr-21	Apr-21	Apr-21
Site Size (Acres)	0.06	0.15	0.13	0.08	0.04
Site Size (SF)	2,547	6,650	5,663	3,600	1,742
Sale Price	-----	\$150,000	\$150,000	\$100,000	\$50,000
Zoning	C-2	C-2	C-2	C-2	C-2
Unadjusted Price per SF	-----	\$22.56	\$26.49	\$27.78	\$28.70
Transactional Adjustments					
Property Rights Conveyed		<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>
Adjustment		\$0.00	\$0.00	\$0.00	\$0.00
Financing Terms					
Adjustment		\$0.00	\$0.00	\$0.00	\$0.00
Conditions of Sale					
Adjustment		\$0.00	\$0.00	\$0.00	\$0.00
Market Conditions	<i>May-23</i>	<i>Mar-22</i>	<i>Apr-21</i>	<i>Apr-21</i>	<i>Apr-21</i>
Adjustment		3.00%	6.00%	6.00%	6.00%
Total Transactional Adjustments		\$0.68	\$1.59	\$1.67	\$1.72
Adjusted Price per SF		\$23.23	\$28.08	\$29.44	\$30.42
Property Adjustments					
Location		<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>
Adjustment		0%	0%	0%	0%
Zoning / Intended Use	<i>C-2</i>	<i>C-2</i>	<i>C-2</i>	<i>C-2</i>	<i>C-2</i>
Adjustment		0%	0%	0%	0%
Utilities / Infrastructure		<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>
Adjustment		0%	0%	0%	0%
Topography	<i>Generally level</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>
Adjustment		0%	0%	0%	0%
Total Property Adjustments		0%	0%	0%	0%
Indication for Subject per SF		\$23.23	\$28.08	\$29.44	\$30.42

ADJUSTMENT PROCESS

The sales that we have utilized represent the best available information that could be compared to the subject property. The major elements of comparison for an analysis of this type include the property rights conveyed, the financial terms incorporated into a particular transaction, the conditions or motivations surrounding the sale, changes in market conditions since the sale, the location of the real estate, its physical traits, and the economic characteristics of the property.

DISCUSSION OF ADJUSTMENTS

TRANSACTIONAL ADJUSTMENTS

PROPERTY RIGHTS CONVEYED

This adjustment accounts for any impact that the property rights transferred to the buyer may have on sale price. For leased fee properties, the length of leases in place and the relationship of market to contract rent could impact value. Some properties may have stronger appeal to an owner-user or an investor, resulting in a premium or discount associated with fee simple property rights. If a buyer acquires the leasehold interest in a comparable, then an adjustment may be necessary that accounts for the impact to the of ground rent and/or risk associated with the expiration of the ground lease to the sale price.

Each comparable reflected a transfer of the Fee Simple estate and no adjustment is needed for this category.

FINANCING TERMS

This category accounts for differences in financing terms associated with the transaction. Financing arrangements that may require an adjustment include mortgage assumptions (at favorable interest rates), seller buydowns, installment sales, wrap-around loans, or any other atypical financing arrangements that do not represent cash-equivalent terms.

No atypical financing was reported for any sales and no adjustment is needed for this category.

TERMS/CONDITIONS OF SALE

Adjustments for conditions of sale typically reflect various motivations of the buyer and/or seller. This may include such factors as seller distress (short sale, REO, auction) or buyer motivation (assemblage, etc.). In some situations, the conditions of sale may significantly affect transaction prices. Properties that are listed for sale may require adjustments herein to account for any disparity between asking prices and the achievable sale price anticipated.

No atypical sale conditions were reported for any sales and no adjustment is needed for this category.

MARKET CONDITIONS

This adjustment category accounts for differences in economic conditions between the effective date of appraisal and the transaction date of the comparable, such as may be caused by changing supply and demand factors, rental rates, vacancy rates and/or capitalization rates.

The sales transacted between April of 2021 and March of 2022. Market conditions were generally strengthening over this period and an upward adjustment of 3.0% per year has been applied.

PROPERTY ADJUSTMENTS

LOCATION

The appeal of a property's location to users of and/or investors in a particular property type can influence value significantly. This factor broadly considers the impact of demographics, geographical attributes, access to transportation networks and local land use trends on pricing. Comparisons of location can often be derived, or even quantified, by examining rent, vacancy, capitalization rate, and land value trends in the subject and directly competitive areas.

Each of the comparables are located in the subject's immediate area and no adjustment for location is necessary.

ZONING / INTENDED USE

The value of vacant land is largely contingent upon its potential use. This factor considers the uses permitted by the applicable development standards, per the subject's zoning designation. The maximum density to which a property can be developed typically impacts total value positively; however, depending upon property type, location, and type of construction higher permitted densities can have an inverse relationship to pricing on a per-unit or per-square-foot basis.

All of the comparables were considered similar to the subject and no adjustments were required for this category.

UTILITIES / INFRASTRUCTURE

Infrastructure adjustments may reflect differences in utility availability/capacity, developmental plans, or other outside influences.

None of the comparables have utilities to the site and no adjustment is necessary for this category.

TOPOGRAPHY

Topography characteristics can influence pricing, as sites with more radical elevation changes typically increase site preparation/development costs when compared to a level site.

All of the comparables were considered similar to the subject and no adjustments were required for this category.

LAND VALUE CONCLUSION

SALES SUMMARY	UNADJUSTED	ADJUSTED
Minimum	\$22.56	\$23.23
Maximum	\$28.70	\$30.42
Average	\$26.38	\$27.79
Median	\$27.13	\$28.76
Standard Deviation	\$2.34	\$2.76

After adjustments, the comparable land sales reflect a relatively narrow range from \$23.23 to \$30.42 per square foot, with an average of \$27.79 per square foot. Roughly half of the site abuts parcels having frontage along Marsh Point Road, and the other half abutting parcels with frontage along Florida Boulevard. We have allocated a slightly lower value to the portion of the subject that fronts Marsh Point Road as this ROW is a dead-end street, and it lacks the visibility and exposure of the parcels having frontage along Florida Boulevard that has an AADT of 17,000 vehicles according to the FDOT.

Based on the data available and the analyses presented, the indicated value of the land by the Sales Comparison is calculated in the following tables.

LAND VALUE CONCLUSION - MARSH POINT ROAD FRONTAGE	
Indicated Value per SF	\$25.00
Land Area (SF)	x 1,274
Indicated Value	\$31,838
Rounded to nearest \$1,000	\$32,000

LAND VALUE CONCLUSION - FLORIDA BOULEVARD FRONTAGE	
Indicated Value per SF	\$30.00
Land Area (SF)	x 1,273
Indicated Value	\$38,190
Rounded to nearest \$1,000	\$38,000

LAND VALUE CONCLUSION - OVERALL PROPERTY	
Value Indication - Marsh Point Road Frontage	\$32,000
Value Indication - Florida Boulevard Frontage	\$38,000
Indicated Value	\$70,000

RECONCILIATION AND FINAL VALUE

The subject property is a portion of a commercial alleyway located between Florida Boulevard and Marsh Point Road in Neptune Beach Duval County, Florida. The subject site contains approximately 2,547 SF of land and abuts parcels zoned C-2 by the City of Neptune Beach. The “Across the Fence” method of valuation was utilized. In the case of commercial vacant land, the Sales Comparison Approach is considered the most reliable and is utilized by the market participants in the market. The comparables utilized are commercial vacant tracts within close proximity to the subject and each being zoned C-2 and are considered to be the best data available for comparison.

Based on the inspection of the property and the investigation and the analysis undertaken, we have developed the following value opinion.

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value - As Is	Fee Simple	May 10, 2023	\$70,000

CERTIFICATION

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved with this assignment.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the state of Florida.
9. The reported analyses, opinions, and Value Indications were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics, the Standards of Professional Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. As of the date of this report, Kyle Catlett, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
12. As of the date of this report, Drake DeRango has completed the Standards and Ethics Education Requirements for Candidates of the Appraisal Institute.
13. Kyle Catlett, MAI has and Drake DeRango has made a personal inspection of the property that is the subject of this report.
14. No one provided significant real property appraisal assistance to the person signing this certification.
15. Kyle Catlett, MAI has not and Drake DeRango has not provided services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
16. The use of this report is subject to the requirements of the Florida Real Estate Appraisal Board relating to review by its duly authorized representatives. As of the date of this report, Kyle Catlett, MAI, and Drake DeRango, is a State Certified Appraiser and has completed the continuing education requirements for the State of Florida.



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Drake DeRango
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STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made with the following general assumptions:

- 1) Notwithstanding that Appraiser may comment on, analyze or assume certain conditions in the appraisal, BBG, Inc. shall have no monetary liability or responsibility for alleged claims or damages pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) the property's compliance with local, state or federal zoning, planning, building, disability access and environmental laws, regulations and standards; (c) building permits and planning approvals for improvements on the property; (d) structural or mechanical soundness or safety; (e) contamination, mold, pollution, storage tanks, animal infestations or other hazardous conditions affecting the property; and (f) other conditions and matters for which licensed real estate appraisers are not customarily deemed to have professional expertise. Accordingly:
 - a) The Appraiser has not conducted any engineering or architectural surveys in connection with this appraisal assignment. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the Appraiser or the Appraiser's staff or was obtained or taken from referenced sources and is considered reliable. The Appraiser and BBG, Inc. shall not be monetarily liable or responsible for or assume the costs of preparation or arrangement of geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
 - b) Unless otherwise stated in the report, only the real property is considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment. Further, unless otherwise stated, it is assumed that there are no subsurface oil, gas or other mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Further, unless otherwise stated, it is assumed that there are no rights associated with extraction or exploration of such elements considered. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.
 - c) Any legal description or plats reported in the appraisal are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings or other exhibits are included only to assist the intended user to better understand and visualize the subject property, the environs, and the competitive data. BBG, Inc. has made no survey of the property and assumes no monetary liability or responsibility in connection with such matters.
 - d) Title is assumed to be good and marketable, and in fee simple, unless otherwise stated in the report. The property is considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as stated. Further, BBG, Inc. assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way.
 - e) The appraisal report is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the appraisal report; additionally, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the appraisal report. Further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value opinion. Moreover, unless otherwise stated herein, it is assumed that there are no encroachments or violations of any zoning or other regulations affecting the subject property, that the utilization of the land and improvements is within the boundaries or property lines of the property described, and that there are no trespasses or encroachments.

- f) The American Disabilities Act (ADA) became effective January 26, 1992. The Appraiser has not made a specific compliance survey or analysis of the property to determine whether or not it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative impact upon the value of the property. Since the Appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.
 - g) No monetary liability or responsibility is assumed for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the appraisal report.
 - h) It is assumed the subject property is not adversely affected by the potential of floods; unless otherwise stated herein. Further, it is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any proposed buildings.
 - i) Unless otherwise stated within the appraisal report, the depiction of the physical condition of the improvements described therein is based on visual inspection. No monetary liability or responsibility is assumed for (a) the soundness of structural members since no engineering tests were conducted; (b) the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made; and (c) hidden, unapparent or masked property conditions or characteristics that were not clearly apparent during the Appraiser's inspection.
 - j) If building improvements are present on the site, it is assumed that no significant evidence of termite damage or infestation was observed during physical inspection, unless so stated in the appraisal report. Further, unless so stated in the appraisal report, no termite inspection report was available. No monetary liability or responsibility is assumed for hidden damages or infestation.
 - k) Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No monetary liability or responsibility is assumed for such conditions or for engineering which may be required to discover them.
 - l) BBG, Inc., excepting employees of BBG Assessment, Inc., and the appraiser(s) are not experts in determining the presence or absence of hazardous substances toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. BBG, Inc. and the appraiser(s) assume no monetary liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. The Client is free to retain an expert on such matters in this field; however, Client retains such expert at Client's own discretion, and any costs and/or expenses associated with such retention are the responsibility of Client.
 - m) BBG, Inc. is not an expert in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life (such as bald eagles, gophers, tortoises, etc.) that may be present on the property. BBG, Inc. assumes no monetary liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species. The Appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions contained within the appraisal report based upon any subsequent endangered species impact studies, research, and investigation that may be provided. However, it is assumed that no environmental impact studies were either requested or made in conjunction with this analysis, unless otherwise stated within the appraisal report.
- 2) If the Client instructions to the Appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the property were observed from the street(s) as of the

inspection date of the appraisal. Physical characteristics of the property were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the client and other knowledgeable persons. It is assumed the interior of the subject property is consistent with the exterior conditions as observed and that other information relied upon is accurate.

- 3) If provided, the estimated insurable value is included at the request of the Client and has not been performed by a qualified insurance agent or risk management underwriter. This cost estimate should not be solely relied upon for insurable value purposes. The Appraiser is not familiar with the definition of insurable value from the insurance provider, the local governmental underwriting regulations, or the types of insurance coverage available. These factors can impact cost estimates and are beyond the scope of the intended use of this appraisal. The Appraiser is not a cost expert in cost estimating for insurance purposes.
- 4) The dollar amount of any value opinion herein rendered is based upon the purchasing power and price of the United States Dollar as of the effective date of value. This appraisal is based on market conditions existing as of the date of this appraisal.
- 5) The value opinions reported herein apply to the entire property. Any proration or division of the total into fractional interests will invalidate the value opinions, unless such proration or division of interests is set forth in the report. Any division of the land and improvement values stated herein is applicable only under the program of utilization shown. These separate valuations are invalidated by any other application.
- 6) Any projections of income and expenses, including the reversion at time of resale, are not predictions of the future. Rather, they are BBG, Inc.'s best estimate of current market thinking of what future trends will be. No warranty or representation is made that such projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.
- 7) The Appraiser assumes no monetary liability or responsibility for any changes in economic or physical conditions which occur following the effective date of value within this report that would influence or potentially affect the analyses, opinions, or conclusions in the report. Any subsequent changes are beyond the scope of the report.
- 8) Any proposed or incomplete improvements included in the appraisal report are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.
- 9) If the appraisal report has been prepared in a so-called "public non-disclosure" state, real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. If this is such a "non-disclosure" state, although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the Appraiser may have relied on verification obtained and reported by appraisers outside of our office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
- 10) Although the Appraiser has made, insofar as is practical, every effort to verify as factual and true all information and data set forth in this report, no responsibility is assumed for the accuracy of any information furnished the Appraiser either by the Client or others. If for any reason, future investigations should prove any data to be in substantial variance with that presented in this report, the Appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or opinions of value.

- 11) The right is reserved by the Appraiser to make adjustments to the analyses, opinions, and conclusions set forth in the appraisal report as may be required by consideration of additional or more reliable data that may become available. No change of this report shall be made by anyone other than the Appraiser. The Appraiser shall have no monetary liability or responsibility for any unauthorized change(s) to the report.
- 12) The submission of the appraisal report constitutes completion of the services authorized and agreed upon. Such appraisal report is submitted on the condition the Client will provide reasonable notice and customary compensation, including expert witness fees, relating to any subsequent required attendance at conferences, depositions, or judicial or administrative proceedings. In the event the Appraiser is subpoenaed for either an appearance or a request to produce documents, a best effort will be made to notify the Client immediately. The Client has the sole responsibility for obtaining a protective order, providing legal instruction not to appear with the appraisal report and related work files, and will answer all questions pertaining to the assignment, the preparation of the report, and the reasoning used to formulate the opinion of value. Unless paid in whole or in part by the party issuing the subpoena or by another party of interest in the matter, the Client is responsible for all unpaid fees resulting from the appearance or production of documents regardless of who orders the work.
- 13) Client shall not disseminate, distribute, make available or otherwise provide any Appraisal Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties) except to (a) any third party expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the Appraisal Report provided that either Appraiser has received an acceptable release from such third party with respect to such Appraisal Report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution of the Appraisal Report to such third party, (b) any third party service provider (including rating agencies and auditors) using the Appraisal Report in the course of providing services for the sole benefit of an Intended User, or (c) as required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the Appraisal Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, the receipt of an Appraisal Report by such party shall not confer any right upon such party to use or rely upon such report, and Appraiser shall have no liability for such unauthorized use or reliance upon such report. In the event Client breaches the provisions of this paragraph, Client shall indemnify, defend and hold Appraiser, and its affiliates and their officers, directors, employees, contractors, agents and other representatives (Appraiser and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the Appraisal Report.

Overview

BBG OVERVIEW

BBG is one of the nation's largest real estate due diligence firms with more than 45 offices across the country serving more than 3,000 clients. We deliver best-in-class valuation, advisory and assessment services with a singular focus of meeting our clients' needs.

Our professional team offers broad industry expertise and deep market knowledge to help clients meet their objectives throughout the real estate life cycle.

BBG clients include commercial real estate professionals, investors, lenders, attorneys, accountants and corporations.

THE BBG DIFFERENCE

National Footprint. BBG is one of only two national firms offering in-house valuation and environmental and property condition assessment services for all commercial property types.

Customer-focused Growth. BBG is one of the largest national due diligence firms because we deliver best-in-class work product and provide excellent customer care.

Qualified Team. Over 50 percent of BBG appraisers are MAI designated and offer deep industry expertise gained through real-world experience.

Unbiased Independence. By focusing exclusively on due diligence services, BBG guarantees an independent perspective free from potential conflicts of interest.

Innovative Technology. BBG has made significant analytics and IT investments to continually improve our data and report quality.

SERVICES

Valuation

- + Single Asset Valuation
- + Portfolio Valuation
- + Institutional Asset Valuation
- + Appraisal Review
- + Appraisal Management
- + Lease and Cost Analysis
- + Insurance Valuation
- + Arbitration & Consulting
- + Feasibility Studies
- + Highest and Best Use Studies
- + Evaluation
- + Investment analysis
- + Tax appeals
- + Litigation Support
- + Manufactured Housing and Campgrounds

Advisory

- + ASC 805 Business combinations
- + ASC 840 Leases
- + Purchase Price Allocations
- + Portfolio Valuations for reporting net asset values (NAV)
- + Public and non-traded REIT valuations
- + Valuations for litigation and litigation support
- + Sale-leaseback valuation analysis
- + Valuations for bankruptcy/fresh start accounting
- + Cost segregation analysis

Assessment

- + Environmental due diligence
- + Property condition consulting
- + Small loan services
- + Energy consulting
- + Environmental consulting
- + Zoning
- + ALTA Surveys

ADDENDA

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Letter of Engagement B

Comparable Land Sales C

Appraiser Qualifications and Licenses D

GLOSSARY

Appraisal: (noun) the act or process of developing an opinion of value; an opinion of value. (adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services.⁷

Appraisal Practice: valuation services performed by an individual acting as an appraiser, including but not limited to appraisal and appraisal review.⁷

Appraisal Review: (noun) the act or process of developing an opinion about the quality of another appraiser's work (i.e., a report, part of a report, a workfile, or some combination of these), that was performed as part of an appraisal or appraisal review assignment, (adjective) of or pertaining to an opinion about the quality of another appraiser's work that was performed as part of an appraisal or appraisal review assignment.⁷

Appraiser: one who is expected to perform valuation services competently and in a manner that is independent, impartial and objective.⁷

Appraiser's Peers: other appraisers who have expertise and competency in a similar type of assignment.⁷

Assessed Value: The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value.¹

Asset:

1. Any item, the rights to which may have economic value, including financial assets (cash or bonds), business interests, intangible assets (copyrights and trademarks), and physical assets (real estate and personal property).
2. In general business usage, something owned by a business and reflected in the owner's business sheet.

Asset: A resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow to the entity.²

Assignment: a valuation service that is provided by an appraiser as a consequence of an agreement with a client.⁷

Assignment Conditions: Assumptions, extraordinary assumptions, hypothetical conditions, laws and regulation, jurisdictional exceptions, and other conditions that affect the scope of work.⁷

Assignment Elements: Specific information needed to identify the appraisal or appraisal review problem: client and any other intended users, intended use of the appraiser's opinions and conclusions, type and definition of value; effective date of the appraiser's opinions and conclusions; subject of the assignment and its relevant characteristics; and assignment conditions.⁷

Assignment Results: An appraiser's opinions or conclusions, not limited to value, that were developed when performing an appraisal assignment, an appraisal review assignment, or a valuation service other than an appraisal or appraisal review.⁷

Bias: a preference or inclination that precludes an appraiser's impartiality, independence, or objectivity in an assignment.⁷

Business Enterprise: an entity pursuing an economic activity.⁷

Business Equity: the interests, benefits, and rights inherent in the ownership of a business enterprise or a part thereof in any form (including, but not necessarily limited to, capital stock, partnership interests, cooperatives, sole proprietorships, options, and warrants).⁷

Capital Expenditure: Investments of cash (or the creation of liability) to acquire or improve an asset, e.g., land, buildings, building additions, site improvements, machinery, equipment; as distinguished from cash outflows for expense items that are normally considered part of the current period's operations. Also referred to as Cap Ex.¹

Cash Equivalency Analysis: An analytical process in which the sale price of a transaction with nonmarket financing or financing with unusual conditions or incentives is converted into a price expressed in terms of cash or its equivalent.¹

Client: the party or parties (i.e., individual, group or entity) who engage an appraiser by employment or contract in a specific assignment, whether directly or through an agent.⁷

Condominium Ownership: A form of fee ownership of separate units or portions of multiunit buildings that provides for formal filing and recording of a divided interest in real estate.¹

Confidential Information:

1: information that is either:

- Identified by the client as confidential when providing it to a valuer and that is not available from any other source, or
- Classified as confidential or private by applicable law or regulation.

2: Information that is either

- Identified by the client as confidential when providing it to an appraiser and that is not available from any other source; or
- Classified as confidential or private by applicable law or regulation *
- NOTICE: For example, pursuant to the passage of the Gramm-Leach-Bliley Act in November 1999, some public agencies have adopted privacy regulations that affect appraisers. The Federal Trade Commission (FTC) issued two rules. The first rule (16 CFR 313) focuses on the protection of "non-public personal information" provided by consumers to those involved in financial activities "found to be closely related to banking or usual in connection with the transaction of banking." These activities include "appraising real or personal property." The second rule (16 CFR 314) requires appraisers to safeguard customer non-public personal information. Significant liability exists for appraisers should they fail to comply with these FTC rules.⁷

Cost: the actual or estimated amount required to create, reproduce, replace or obtain a property.⁷

Cost Approach: A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive, deducting depreciation from the total cost, and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised.¹

Credible: worthy of belief.⁷

Deferred Maintenance: Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of the property, such as a broken window, a dead tree, a leak in the roof, or a faulty roof that must be completely replaced. These items are almost always curable.¹

Disposition Value: The most probable price that a specified interest in real property should bring under the following conditions: 1) Consummation of a sale within a specific time, which is short than the typical exposure time for such a property in that market. 2) The property is subjected to market conditions prevailing as of the date of valuation. 3) Both the buyer and seller are acting prudently and knowledgeably. 4) The seller is under compulsion to sell. 5) The buyer is typically motivated. 6) Both parties are acting in what they consider to be their best interests. 7) An adequate marketing effort will be made during the exposure time. 8) Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto. 9) The price represents the normal consideration of the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. This definition can also be modified to provide for valuation with specified financing terms.¹

Economic Life: The period over which improvements to real estate contribute to property value.¹

Effective Date: the date to which the appraiser's analysis, opinions and conclusions apply, also referred to as date of value.⁷

Effective Gross Income Multiplier (EGIM): The ratio between the sale price (or value) of a property and its effective gross income.¹

Effective Rent: Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions, the rent that is effectively paid by a tenant net of financial concessions provided by a landlord.¹

Exposure Time: an opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at the market value on the effect date of the appraisal.⁷

Extraordinary Assumption: an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.⁷

Fair Market Value:

1. In nontechnical usage, a term that is equivalent to the contemporary usage of market value.
2. As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency. For example, one definition of *fair market value* provided by the Internal Revenue Service for certain purposes is as follows: The price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts. The fair market value of a particular item of property includible in the decedent's gross estate is not to be determined by a forced sale price. Nor is the fair market value of an item of property to be determined by the sale price of the item in a market other than that in which such item is most commonly sold to the public, taking into account the location of the item wherever appropriate. (IRS Regulation §20.2031-1)¹

Fair Share:

1. A share of a fund or deposit that is divided or distributed proportionately.
2. A share of a burden or obligation that is divided proportionately; e.g., a tenant in a multitenant building or development may be required to pay a pro rata share of the building's operating expenses based on the number of square feet the tenant occupies. In a shopping center, the tenant's share of operating costs is often stated as a fraction, with the gross leasable area of the tenant's premises as the numerator and the gross leasable area or gross leased area of the entire shopping center as the denominator.
3. The share of a trade area that a retail facility is likely to capture; assumes that capture is a function of property size as a proportion of the overall inventory of competitive space in the trade area, i.e., that the facility captures a "fair share" of the trade area.¹

Fair Value:

1. The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. (FASB)
2. The estimated price for the transfer of an asset or liability between identified knowledgeable and willing parties that reflects the respective interests of those parties. (This does not apply to valuations for financial reporting.) (IVS).¹
3. The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.²

Feasibility Analysis: a study of the cost benefit relationship of an economic endeavor.¹

Fee Simple Estate: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.¹

Floor Area Ratio (FAR): The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.¹

Going Concern:

1. An established and operating business having an indefinite future life.
2. An organization with an indefinite life that is sufficiently long that, over time, all currently incomplete transformations [transforming resources from one form to a different, more valuable form] will be completed.¹

Gross Building Area (GBA):

1. Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
2. Gross leasable area plus all common areas.
3. For residential space, the total area of all floor levels measured from the exterior of the walls and including the super structure and substructure basement; typically does not include garage space.¹

Highest and Best Use:

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS).
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)¹

Hypothetical Condition: a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.⁷

Income Capitalization Approach: Specific appraisal techniques applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income.¹

Inspection: Personal observation of the exterior or interior of the real estate that is the subject of an assignment performed to identify the property characteristics that are relevant to the assignment, such as amenities, general physical condition, and functional utility. Note that this is not the inspection process performed by a licensed or certified building inspector.¹

Insurable Value: A type of value for insurance purposes.¹

Intangible Property (Intangible Assets): Nonphysical assets, including but not limited to franchises, trademarks, patents, copyrights, goodwill, equities, securities, and contracts as distinguished from physical assets such as facilities and equipment.⁷

Intended Use: the user(s) of an appraiser's reported appraisal or appraisal review assignment results, as identified by the appraiser based on communication with the client at the time of the assignment.⁷

Intended User: the client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser, based on communication with the client at the time of the assignment.⁷

Internal Rate of Return ("IRR"): The annualized yield rate or rate of return on capital that is generated or capable of being generalized within an investment of portfolio over a period of ownership. Alternatively, the indicated return of capital associated with a projected or pro forma income stream. The discount rate that equates the present value of the net cash flows of a project with the present value of the capital investment. It is the rate at which the Net Present Value (NPV) equals zero. The IRR reflects both the return on invested capital and the return of the original investment, which are basic considerations of potential investors. Therefore, deriving the IRR from analysis of market transactions of similar properties having comparable income patterns is a proper method for developing market discount rates for use in valuations to arrive at Market Value. Used in discounted cash flow analysis to find the implied or expected rate of return of the project, the IRR is the rate of return which gives a zero net present value (NPV). See also equity yield rate (YE); financial management rate of return (FMRR); modified internal rate of return (MIRR); yield rate (Y).¹

Investment Value: 1) The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. 2) The value of an asset to the owner or a prospective owner for individual investment or operational objectives. (IVS)¹

Jurisdictional Exception: an assignment condition established by applicable law or regulation, which precludes an appraiser from complying with a part of USPAP.⁷

Leasehold Interest: The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.¹

Leased Fee Interest: The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.¹

Liquidation Value: The most probable price that a specified interest in real

property should bring under the following conditions: 1) Consummation of a sale within a short time period; 2) The property is subjected to market conditions prevailing as of the date of valuation; 3) Both the buyer and seller are acting prudently and knowledgeably; 4) The seller is under extreme compulsion to sell; 5) The buyer is typically motivated. 6) Both parties are acting in what they consider to be their best interests. 7) A normal marketing effort is not possible due to the brief exposure time 8) Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto. 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. This definition can also be modified to provide for valuation with specified financing terms.¹

Load Factor: A measure of the relationship of common area to useable area and therefore the quality and efficiency of building area layout, with higher load factors indicating a higher percentage of common area to overall rentable space than lower load factors; calculated by subtracting the amount of useable area from the rentable area and then dividing the difference by the useable area:¹

Load Factor =

$$\frac{(\text{Rentable Area} - \text{Useable Area})}{\text{Useable Area}}$$

Market Value: a type of value stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the value definition that is identified by the appraiser as applicable in an appraisal.⁷

Market Value "As If Complete" On The Appraisal Date: Market value as if complete on the effective date of the appraisal is an estimate of the market value of a property with all construction, conversion, or rehabilitation hypothetically completed, or under other specified hypothetical conditions as of the date of the appraisal. With regard to properties wherein anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this estimate of value should reflect the market value of the property as if complete and prepared for occupancy by tenants.

Market Value "As Is" On The Appraisal Date: Value As Is -The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning. See also effective date; prospective value opinion.

Market Value of the Total Assets of the Business: The market value of the total assets of the business is the market value of all of the tangible and intangible assets of a business as if sold in aggregate as a going concern. This assumes that the business is expected to continue operations well into the future.⁴

Marketing Time: An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property Market Value Opinions" address the determination of reasonable exposure and marketing time.).³

Mass Appraisal: the process of valuing a universe of properties as of a given date using standard methodology, employing common data and allowing for statistical testing.⁷

Mass Appraisal Model: a mathematical expression of how supply and demand factors interact in a market.⁷

Misleading: intentionally or unintentionally misrepresenting, misstating or concealing relevant facts or conclusions.⁷

Net Lease: A lease in which the landlord passes on all expenses to the tenant. See also lease.¹

Net Rentable Area (NRA): 1) The area on which rent is computed. 2) The

Rentable Area of a floor shall be computed by measuring to the inside finished surface of the dominant portion of the permanent outer building walls, excluding any major vertical penetrations of the floor. No deductions shall be made for columns and projections necessary to the building. Include space such as mechanical room, janitorial room, restrooms, and lobby of the floor.⁵

Penetration Ratio (Rate): The rate at which stores obtain sales from within a trade area or sector relative to the number of potential sales generated; usually applied to existing facilities. Also called: penetration factor.¹

Personal Inspection: a physical observation performed to assist in identifying relevant property characteristics in a valuation service.⁷

Personal Property: any tangible or intangible article that is subject to ownership and not classified as real property, including identifiable tangible objects that are considered by the general public as being "personal", such as furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment, and intangible property that is created and stored electronically such as plans for installation art, choreography, emails or designs for digital tokens.⁷

Physical Characteristics: attributes of a property that are observable or measurable as a matter of fact, as distinguished from opinions and conclusions, which are the result of some level of analysis or judgement.⁷

Price: the amount asked, offered or paid for a property.⁷

Prospective opinion of value. A value opinion effective as of a specified future date. The term does not define a type of value. Instead it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.¹

Real Estate: an identified parcel or tract of land, including improvements, if any.⁷

Real Property: the interests, benefits and rights inherent in the ownership of real estate.⁷

Reconciliation: A phase of a valuation assignment in which two or more value indications are processed into a value opinion, which may be a range of value, a single point estimate, or a reference to a benchmark value.¹

Relevant Characteristics: features that may affect a property's value or marketability such as legal, economic or physical characteristics.⁷

Reliable Measurement: [The IAS/IFRS framework requires that] neither an asset nor a liability is recognized in the financial statements unless it has a cost or value that can be measured reliably.²

Remaining Economic Life: The estimated period over which existing improvements are expected to contribute economically to a property; an estimate of the number of years remaining in the economic life of a structure or structural components as of the effective date of the appraisal; used in the economic age-life method of estimating depreciation.¹

Replacement Cost: The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout.¹

Report: any communication, written or oral, of an appraisal or appraisal review that is transmitted to the client or a party authorized by the client upon completion of an assignment.⁷

Retrospective Value Opinion: A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."¹

Sales Comparison Approach: The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available.¹

Scope of Work: the type and extent of research and analyses in an appraisal or appraisal review assignment.⁷

Signature: personalized evidence indicating authentication of the work performed by the appraiser and the acceptance of the responsibility for content, analyses and the conclusions in the report.⁷

Stabilized value: A value opinion that excludes from consideration any abnormal relationship between supply and demand such as is experienced in boom periods when cost and sale price may exceed the long-term value, or during periods of depression, when cost and sale price may fall short of long-term value. It is also a value opinion that excludes from consideration any transitory condition that may cause excessive construction costs, e.g., a premium paid due to a temporary shortage of supply.

Substitution: The principle of substitution states that when several similar or commensurate commodities, goods, services are available, the one with the lowest price will attract the greatest demand and widest distribution. This is the primary principle upon which the cost and sales comparison approaches are based.³

Total Assets of a Business: Total assets of a business is defined by the Appraisal Institute as “the tangible property (real property and personal property, including inventory and furniture, fixtures and equipment) and intangible property (cash, workforce, contracts, name, patents, copyrights, and other residual intangible assets, to include capitalized economic profit).”

Use Value:

The value of a property assuming a specific use, which may or may not be the property’s highest and best use on the effective date of the appraisal. Use value may or may not be equal to market value but is different conceptually.¹

Valuation Service: a service pertaining to an aspect of property value, regardless of the type of service and whether it is performed by appraisers or by others.⁷

Value: the monetary relationship between properties and those who buy and sell, or use those properties, expressed as an opinion of the worth of a property at a given time.⁷

Workfile: data, information and documentation necessary to support the appraiser’s opinions and conclusions and to show compliance with USPAP.⁷

¹Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute 2010). ²Appraisal Institute, *International Financial Reporting Standards for Real Property Appraiser*, IFRS Website, www.ifrs-ebooks.com/index.html. ³Appraisal Institute, *The Appraisal of Real Estate*, 13th ed. (Chicago: Appraisal Institute 2008). ⁴ This definition is taken from “Allocation of Business Assets Into Tangible and Intangible Components: A New Lexicon,” *Journal of Real Estate Appraisal*, January 2002, Volume LXX, Number 1. This terminology is to replace former phrases such as: value of the going concern. ⁵Financial Publishing Company, *The Real Estate Dictionary*, 7 ed. ⁶ U.S. Treasury Regulations. ⁷USPAP 2020-2021

LETTER OF ENGAGEMENT

May 10, 2023

Mr. Jean Bakkes
Marshpoint Properties Two, LLC
2300 Marsh Point Road
Neptune Beach, FL 32266

Phone: 904-853-6801
Email: Jean@skyenterprises.com

RE: Appraisal of city-owned right of way located on east side of Marsh Point Road, Neptune Beach, Florida

Dear Mr. Bakkes:

We are pleased to submit this proposal and our Terms and Conditions for the appraisal of the above referenced real estate.

PROPOSAL SPECIFICATIONS

Valuation Premise:	Form an opinion of the market value of a portion of an unnamed alleyway as shown on the survey provided by Marshpoint Properties Two, LLC.
Property Rights Appraised:	Fee Simple
Intended Use:	Property valuation for a potential acquisition by Marshpoint Properties Two, LLC
Intended Users:	Marshpoint Properties Two, LLC as well as legal counsel and designated representatives. A secondary user may also include the City of Neptune Beach.
Scope of Work:	"ATF" Across the Fence Methodology. Sales Comparison Approach.
Inspection:	Onsite inspection by a BBG Appraiser. TBD
Appraisal Standards:	Uniform Standards of Professional Appraisal Practice (USPAP) and Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
Delivery Date:	12 business days from date of acceptance
Report Delivery Recipients:	If any other person(s) are authorized to be included on delivery of the report, please include their information in the space below:
Name(s):	
Email(s):	
Acceptance Date:	Date of Execution
Report Type:	Appraisal Report
Fee:	\$4000. Fee includes up to two hours of consultation time after delivery of the final reports. Any time incurred thereafter will be billed at an hourly rate.

Please indicate below who is responsible for payment:

Name: MARSHPOINT PROPERTIES Two, LLC
Company: _____
Address: _____
Phone: _____
Email: _____

Signature: 

Retainer:

50% at engagement

Wire Payment/ACH Information Below:

Bank of America

Acct#: 488038497058

Wire Payment Routing#: 026009593

ACH Payment Routing#: 111000025

Payment Terms:

Balance is due and payable upon delivery of the final report or within 30 days of your receipt of our draft report, whichever is sooner. If a draft report is requested, the fee is considered earned upon delivery of our draft report.

Report Copies:

1 email PDF to the client with hard copies available upon request

The attached Terms and Conditions of the Engagement are deemed part of this Appraisal Services Agreement and are incorporated fully herein by reference and shall apply to any appraisal reports, contract or orders into which they are incorporated. In addition, with respect to any appraisal report, any use of or reliance on the appraisal by any party, regardless of whether the use or reliance is authorized or known by BBG, Inc. and its agents, servants, employees, principals, affiliated companies and all those in privity with them, constitutes acceptance of such Terms and Conditions of the Engagement, as well as acceptance of all other appraisal statements, limiting conditions and assumptions stated in the appraisal report. Use of this appraisal report constitutes acknowledgement and acceptance of the Terms and Conditions of the Engagement, special assumptions (if any), extraordinary assumptions (if any), and hypothetical conditions (if any) on which this estimate of market value is based. This appraisal report has been prepared for the exclusive benefit of the client. It may not be used or relied upon by any other party. Any other party who is not the identified client within this report who uses or relies upon any information in this report does so at their own risk.

Client acknowledges and agrees that BBG may anonymize all property and operational information ("Client Data") provided and aggregate with other anonymized data from other Clients and/or other sources and use such aggregated, anonymized Client Data in existing or future BBG product offerings. BBG shall process the Client Data in a manner that renders the form and source of the Client Data unidentifiable to any other Client or third party. We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.



As Agent for BBG, Inc.
Kyle Catlett, MAI
Director
Valuation
Cert Gen RZ3875
P 813-212-1286 C 813-833-1986
E kcatlett@bbgres.com

AGREED AND ACCEPTED



Client Signature

5/10/2023

Date

Terms and Limiting Conditions of the Engagement

The Terms and Conditions of the Engagement are deemed part of the attached Proposal Specifications and Appraisal and Consulting Services Agreement and are incorporated fully therein, and shall apply to any appraisal services, consulting services, oral testimony, reports, contracts, or orders into which they may be incorporated.

A) Definitions. In the Terms and Conditions of the Engagement:

1. "BBG, Inc." means BBG, Inc. and its agents, successors, assigns, servants, employees, principals, affiliated companies and all those in privity with them.
2. "Appraiser" means the appraiser(s) performing part or all of the appraisal services and/or signing an appraisal report. "Appraiser" may also mean "Consultant" in a consulting assignment.
3. "Appraisal and Consulting Services Agreement" means any written agreement with Client for performance of the appraisal services by Appraiser, including any agreement entered into electronically.
4. "Client" means any party identified expressly as a client in an Appraisal and Consulting Services Agreement and also any party identified expressly as a client by the Appraiser in an appraisal report.
5. "Appraisal" means any appraisal or consulting report(s) prepared by or oral report and/or testimony presented by BBG, Inc.
6. "Report" means a written or oral report prepared by and/or oral testimony presented by BBG, Inc.

B) Venue and Jurisdiction

THIS APPRAISAL AND CONSULTING SERVICES AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE DOMESTIC SUBSTANTIVE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION. IF ANY ACTION RELATING TO THIS APPRAISAL AND CONSULTING SERVICES AGREEMENT OR THE CONTEMPLATED TRANSACTIONS IS BROUGHT BY A PARTY HERETO AGAINST ANY OTHER PARTY HERETO, THE PREVAILING PARTY IN SUCH ACTION WILL BE ENTITLED TO RECOVER ALL REASONABLE EXPENSES RELATING THERETO (INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES) FROM THE NON-PREVAILING PARTY.

Each party to this Appraisal and Consulting Services Agreement (a) hereby irrevocably submits to the exclusive jurisdiction and venue of the state courts located in Dallas County, Texas (or, if but only if such court lacks jurisdiction, the United States District Court for the Northern District of Texas) for the purpose of any Action between any of the parties hereto arising in whole or in part under or in connection with this Appraisal and Consulting Services Agreement, any Ancillary Agreement, or the Contemplated Transactions, (b) hereby waives and agrees not to assert any claim that he, she or it is not subject personally to the jurisdiction of the above-named courts or that any such Action brought in the above-named courts should be dismissed on grounds of forum non conveniens. Notwithstanding the foregoing, a party hereto may commence any Action in a court other than the above-named courts solely for the purpose of enforcing an order or judgment issued by the above-named courts.

C) Limitations of Liability

It is expressly agreed that in any action which may be brought against BBG, Inc., arising out of, relating to, or in any way pertaining to this engagement, this Appraisal and Consulting Services Agreement, or any services, reports, information, or opinions contained therein or presented, BBG, Inc. shall not be responsible or liable for any incidental or consequential losses, unless the same was fraudulent or prepared with gross negligence. It is further agreed that the collective liability of BBG, Inc. in any such action shall not exceed the fees paid for the preparation of the respective report or services unless the same was fraudulent or prepared with gross negligence. Finally, it is agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.

Client hereby agrees to indemnify, defend, protect, and hold BBG, Inc. harmless from and against all claims, damages, losses and expenses, including attorneys' fees, expenses and costs, incurred upon investigating and defending any claim, action or proceeding arising from, or in any way connected to, relating to, or in any way pertaining to this engagement, this Appraisal and Consulting Services Agreement, or any services, reports, information, or opinions contained therein or presented.

Further, you acknowledge that any opinions and conclusions expressed by professionals employed by BBG, Inc. related to this agreement are representations made by them as employees and not as individuals. BBG, Inc.'s responsibility is limited to you as a Client. The use of BBG, Inc.'s product by third parties is not intended unless

Terms and Limiting Conditions of the Engagement

expressly stated and shall be solely at the risk of you and/or third parties. BBG, Inc. acknowledges that Client will be the end-user of, and can rely upon, the opinion and conclusions of BBG, Inc.

D) Confidentiality

The parties agree that (i) this Appraisal and Consulting Services Agreement and the terms contained herein, (ii) opinions or valuation conclusions, (iii) the identity of the analyst or the firm and any reference to the professional organization of which the appraiser is affiliated or to the designations thereof, and (iv) all information regarding the property of whatever nature made available to either party by the other (including all versions of BBG, Inc.'s final report and all prior drafts of same) and methods of each party revealed during the performance of the Services (altogether, collectively, the "Confidential Information") shall be treated as strictly confidential. Accordingly, neither party nor any employee, agent or affiliate thereof shall disclose the same to any third party without the written consent of other party and approval of Appraiser; provided, however, that, a party shall not hereby be precluded from disclosure of Confidential Information that may be compelled by legal requirements, or from disclosing this Appraisal and Consulting Services Agreement (and the terms contained herein) to its attorneys, accountants, auditors, lenders, and other professionals who may be bound to that party by duties of confidence.

Do not provide Personally Identifiable Information (PII) to BBG, Inc. or any of its agents. PII is any piece of information meant to identify a specific individual. This includes data such as a Social Security number, driver's license number and financial account numbers.

E) General Assumptions and Limiting Conditions

Appraisal services have been provided with the following general assumptions:

1. Notwithstanding that the Appraiser may comment on, analyze or assume certain conditions in the appraisal or consulting assignment, BBG, Inc. shall have no monetary liability or responsibility for alleged claims or damages pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) the property's compliance with local, state or federal zoning, planning, building, disability access and environmental laws, regulations and standards; (c) building permits and planning approvals for improvements on the property; (d) structural or mechanical soundness or safety; (e) contamination, mold, pollution, storage tanks, animal infestations or other hazardous conditions affecting the property; and (f) other conditions and matters for which licensed real estate appraisers are not customarily deemed to have professional expertise. Accordingly:
 - a) The Appraiser has not conducted any engineering or architectural surveys in connection with this appraisal or consulting assignment. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the Appraiser or the Appraiser's staff or was obtained or taken from referenced sources and is considered reliable. The Appraiser and BBG, Inc. shall not be monetarily liable or responsible for or assume the costs of preparation or arrangement of geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
 - b) Unless otherwise stated in the written report or oral report, only the real property is considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment. Further, unless otherwise stated, it is assumed that there are no subsurface oil, gas or other mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Further, unless otherwise stated, it is assumed that there are no rights associated with extraction or exploration of such elements considered. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.
 - c) Any legal description or plats reported in the appraisal are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings or other exhibits are included only to assist the intended user to better understand and visualize the subject property, the environs, and the competitive data. BBG, Inc. has made no survey of the property and assumes no monetary liability or responsibility in connection with such matters.
 - d) Title is assumed to be good and marketable, and in fee simple, unless otherwise stated in the report. The property is considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as stated. Further, BBG, Inc. assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way, except as stated.

Terms and Limiting Conditions of the Engagement

- e) The appraisal report is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the report; additionally, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report. Further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value opinion. Moreover, unless otherwise stated herein, it is assumed that there are no encroachments or violations of any zoning or other regulations affecting the subject property, that the utilization of the land and improvements is within the boundaries or property lines of the property described, and that there are no trespasses or encroachments.
- f) The American Disabilities Act (ADA) became effective January 26, 1992. The Appraiser has not made a specific compliance survey or analysis of the property to determine whether it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative impact upon the value of the property. Since the Appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.
- g) No monetary liability or responsibility is assumed for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the appraisal report or oral report.
- h) It is assumed the subject property is not adversely affected by the potential of floods unless otherwise stated herein. Further, it is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any existing or proposed buildings.
- i) Unless otherwise stated within the appraisal report or oral report, the depiction of the physical condition of the improvements described therein is based on visual inspection. No monetary liability or responsibility is assumed for (a) the soundness of structural members since no engineering tests were conducted; (b) the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made; and (c) hidden, unapparent or masked property conditions or characteristics that were not clearly apparent during the Appraiser's or Consultant's inspection.
- j) If building improvements are present on the site, it is assumed that no significant evidence of termite damage or infestation was observed during physical inspection, unless so stated in the appraisal report or oral report. Further, unless so stated in the report or oral report, no termite inspection report was available. No monetary liability or responsibility is assumed for hidden damages or infestation.
- k) Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No monetary liability or responsibility is assumed for such conditions or for engineering which may be required to discover them.
- l) BBG, Inc., excepting employees of BBG Assessment, Inc., and the appraiser(s) are not experts in determining the presence or absence of hazardous substances toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. BBG, Inc. and the appraiser(s) assume no monetary liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. The Client is free to retain an expert on such matters in this field; however, Client retains such expert at Client's own discretion, and any costs and/or expenses associated with such retention are the responsibility of Client.
- m) BBG, Inc. is not an expert in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life (such as bald eagles, gophers, tortoises, etc.) that may be present on the property. BBG, Inc. assumes no monetary liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species. The Appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions contained within the appraisal report based upon any subsequent endangered species impact studies, research, and investigation that may be provided. However, it is assumed that no environmental impact studies were either requested or made in conjunction with this analysis, unless otherwise stated within the report.

Terms and Limiting Conditions of the Engagement

2. If the Client instructions to the Appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the property were observed from the street(s) as of the inspection date of the appraisal. Physical characteristics of the property were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the client and other knowledgeable persons. It is assumed the interior of the subject property is consistent with the exterior conditions as observed and that other information relied upon is accurate.
3. If provided, the estimated insurable value or cost is included at the request of the Client and has not been performed by a qualified insurance agent or risk management underwriter. This cost estimate should not be solely relied upon for insurable value or cost purposes. The Appraiser is not familiar with the definition of insurable value from the insurance provider, the local governmental underwriting regulations, or the types of insurance coverage available. These factors can impact cost estimates and are beyond the scope of the intended use of this appraisal. The Appraiser is not a cost expert in cost estimating for insurance purposes.
4. The dollar amount of any value opinion herein rendered is based upon the purchasing power and price of the United States Dollar as of the effective date of value. Any appraisal report is based on market conditions existing as of the effective date.
5. Any value opinions reported or expressed apply to the entire property. Any proration or division of the total into fractional interests will invalidate the value opinions, unless such proration or division of interests is set forth in the report. Any division of the land and improvement values stated herein is applicable only under the program of utilization shown. These separate valuations are invalidated for any other application.
6. Any projections of income and expenses, including the reversion at time of resale, are not predictions of the future. Rather, they are BBG, Inc.'s best estimate of current market thinking of what future trends will be. No warranty or representation is made that such projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.
7. The Appraiser assumes no monetary liability or responsibility for any changes in economic or physical conditions which occur following the effective date of value within this report that would influence or potentially affect the analyses, opinions, or conclusions in the report. Any subsequent changes are beyond the scope of the report.
8. Any proposed or incomplete improvements included in the appraisal report are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.
9. If the appraisal report has been prepared in a so-called "public non-disclosure" state, real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. If this is such a "non-disclosure" state, although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the Appraiser may have relied on verification obtained and reported by appraisers outside of our office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
10. Although the Appraiser has made, insofar as is practical, every effort to verify as factual and true all information and data set forth in this report, no responsibility is assumed for the accuracy of any information furnished the Appraiser either by the Client or others. If for any reason, future investigations should prove any data to be in substantial variance with that presented in this report, the Appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or opinions of value.
11. The right is reserved by the Appraiser to make adjustments to the analyses, opinions, and conclusions set forth in the appraisal report as may be required by consideration of additional or more reliable data that may become available. No change of this report shall be made by anyone other than the Appraiser or Consultant. The Appraiser shall have no monetary liability or responsibility for any unauthorized change(s) to the report.
12. The submission of the appraisal report constitutes completion of the services authorized and agreed upon unless other services are provided for in this agreement. Such report is submitted on the condition the Client will provide reasonable notice and customary compensation, including expert witness fees, relating to any

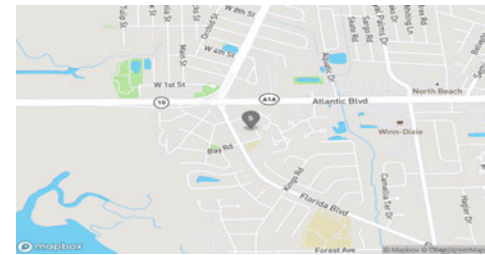
Terms and Limiting Conditions of the Engagement

subsequent required attendance at conferences, depositions, or judicial or administrative proceedings, unless otherwise defined herein. In the event the Appraiser is subpoenaed for either an appearance or a request to produce documents, a best effort will be made to notify the Client immediately. Unless paid in whole or in part by the party issuing the subpoena or by another party of interest in the matter, the Client is responsible for all unpaid fees resulting from the appearance or production of documents regardless of who orders the work. A payment agreement must be reached in advance of the Appraiser providing such services.

13. Client shall not disseminate, distribute, make available or otherwise provide any appraisal report prepared hereunder to any third party (including without limitation, incorporating or referencing the report, in whole or in part, in any offering or other material intended for review by other parties) except to (a) any third party expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the report provided that either Appraiser has received an acceptable release from such third party with respect to such report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution of the report to such third party, (b) any third party service provider (including rating agencies and auditors) using the report in the course of providing services for the sole benefit of an Intended User, or (c) as required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, the receipt of a report by such party shall not confer any right upon such party to use or rely upon such report, and Appraiser shall have no liability for such unauthorized use or reliance upon such report. In the event Client breaches the provisions of this paragraph, Client shall indemnify, defend and hold Appraiser, and its affiliates and their officers, directors, employees, contractors, agents and other representatives (Appraiser and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the report.

COMPARABLE LAND SALES

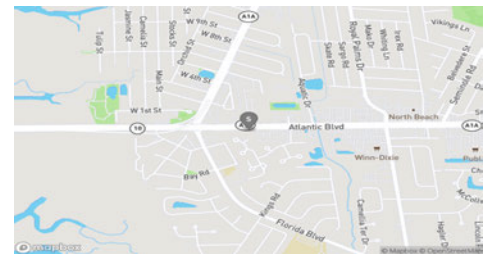
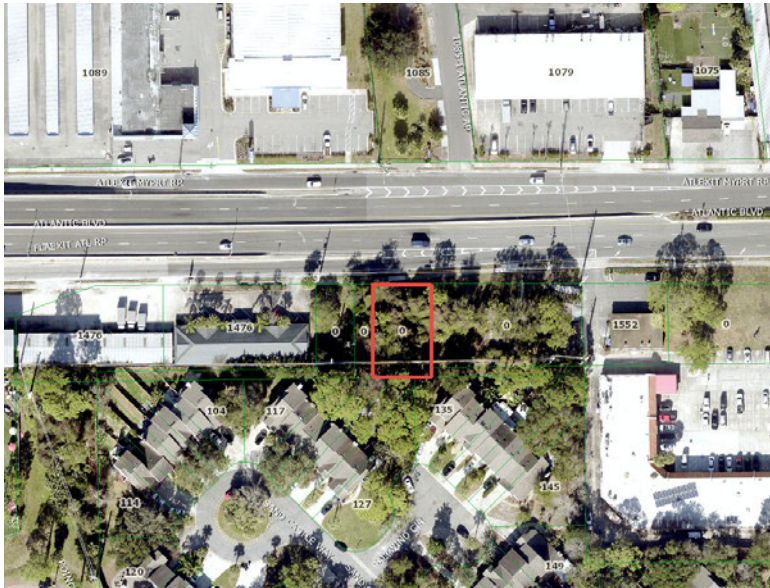
Sale Comparable #1
Poinciana Lot
 Poinciana Road
 Neptune Beach, FL 32266
 Duval County
 BBG Property #734259



Property Data			
Property Type/Use	Land Commercial	Lat/Long	30.322560 / -81.4179
Parcel ID #	173341 0000	Census Tract	0140.02
Opportunity Zone	No	Frontage	50 feet along Poinciana Road
Gross Land Area	6,650 SF 0.15 Acres	Net Land Area	6,650 SF 0.15 Acres
Flood Designation	Zone X (Unshaded)	Flood Panel	12031C0408J Dated November 2, 2018
Utilities		Terrain / Topography	
Easements / Encroachments	There are no known detrimental easements, encroachments or other restrictions that would adversely affect the site's use or marketability.	Zoning	C-2 Commercial

Sale Transaction Data for BBG Event #855567 on 3/17/2022				Net Area	Gross Area
Transaction Date	3/17/2022	Consideration	\$150,000	Price PSF	\$22.56
Sale Status	Closed	Adjustments	\$0	Price Per Acre	\$982,556
		Cash Equivalent Price	\$150,000		
Property Rights	Fee Simple				
Grantor	Carlos J. and Ernesto Jose Vargas				
Grantee	Derek and Darnice O'Leary				
Comments	Sale of a parcel of commercial land zoned C-2 in Neptune Beach, Florida. The property is located along a dirt road one block east of Florida Boulevard.				
Verification	5/17/2023				
	Local Broker				

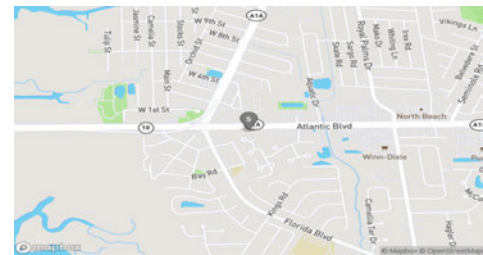
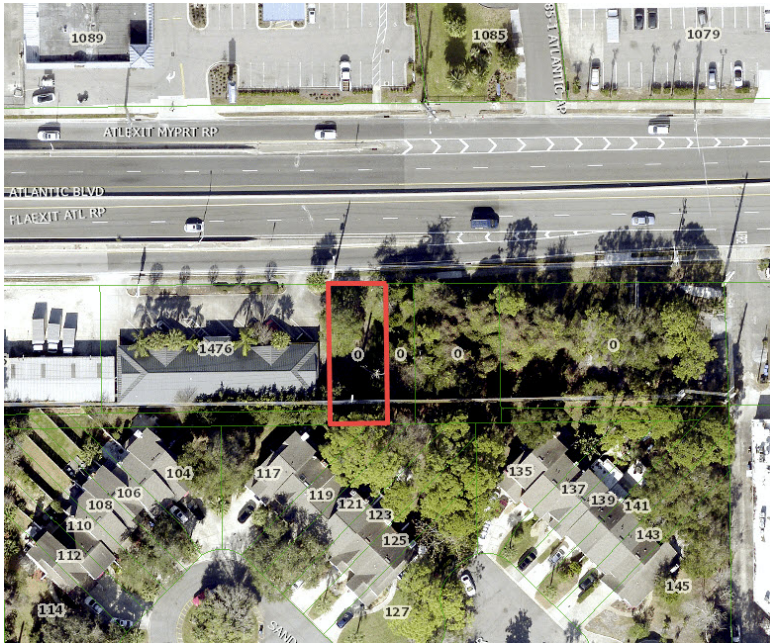
Sale Comparable #2
Atlantic Boulevard Site
 Atlantic Boulevard
 Neptune Beach, FL
 Duval County
 BBG Property #734285



Property Data			
Property Type/Use	Land Commercial	Lat/Long	30.324150 / -81.4167
Parcel ID #	173323-0150	Census Tract	0140.02
Opportunity Zone	No	Frontage	
Gross Land Area	5,663 SF 0.13 Acres	Net Land Area	5,663 SF 0.13 Acres
Flood Designation	Zone X (Shaded)	Flood Panel	12031C0408J Dated November 2, 2018
Utilities		Terrain / Topography	
Easements / Encroachments		Zoning	C-2 Commercial
Comments	Site is generally rectangular with adequate utility		

Sale Transaction Data for BBG Event #855589 on 4/22/2021					Net Area	Gross Area
Transaction Date	4/22/2021	Consideration	\$150,000	Price PSF	\$26.49	\$26.49
Sale Status	Closed	Adjustments	\$0	Price Per Acre	\$1,153,805	\$1,153,805
		Cash Equivalent Price	\$150,000			
Property Rights	Fee Simple					
Grantor	Ashland Investments, Inc.					
Grantee	Feral Cat Enterprises, LL					
Comments	Sale of a parcel of vacant land on the south side of Atlantic Boulevard. The site is only accessible via Florida Boulevard and is situated along an on-ramp for eastbound Atlantic Boulevard.					
Verification	5/17/2023					
	Local Broker					

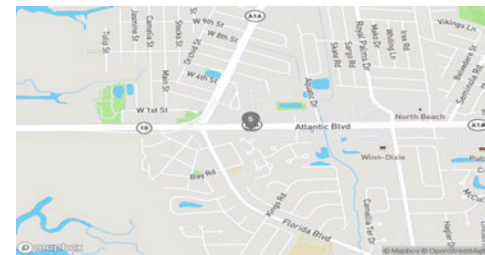
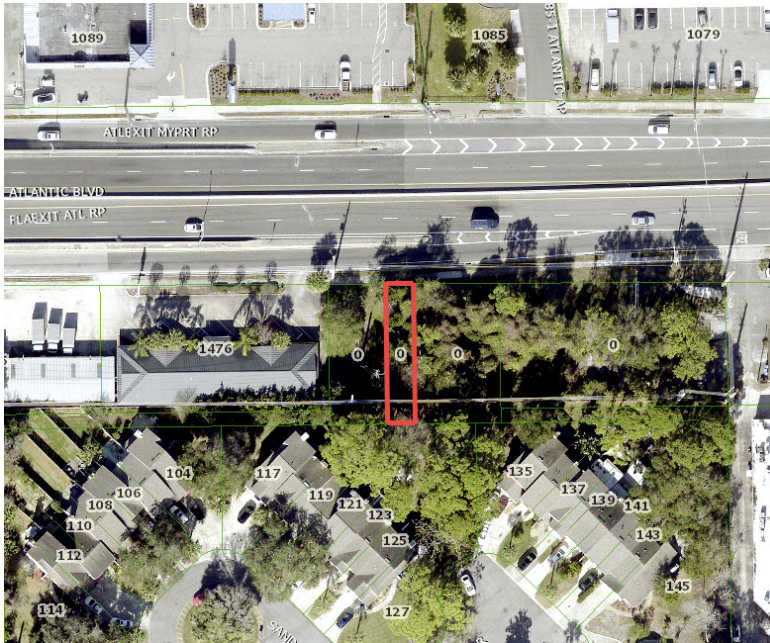
Sale Comparable #3
HOS Properties Site
 Atlantic Boulevard
 Neptune Beach, FL
 Duval County
 BBG Property #734289



Property Data			
Property Type/Use	Land Commercial	Lat/Long	30.324111 / -81.4171
Parcel ID #	173322-0100 173323-0100	Census Tract	0140.02
Opportunity Zone	No	Frontage	
Gross Land Area	3,600 SF 0.08 Acres	Net Land Area	3,600 SF 0.08 Acres
Flood Designation	Zone X (Unshaded)	Flood Panel	12031C0408J Dated November 2, 2018
Utilities		Terrain / Topography	Generally level
Easements / Encroachments		Zoning	C-2 Commercial

Sale Transaction Data for BBG Event #855596 on 4/22/2021				Net Area	Gross Area
Transaction Date	4/22/2021	Consideration	\$100,000	Price PSF	\$27.78
Sale Status	Closed	Adjustments	\$0	Price Per Acre	\$1,210,000
		Cash Equivalent Price	\$100,000		
Property Rights	Fee Simple				
Grantor	Ashland Investments Inc.				
Grantee	HOS Properties LLC				
Comments	Sale of a parcel of vacant land zoned C-2 in Neptune Beach, Florida. The site is only accessible via Florida Boulevard and is situated along an on-ramp for Atlantic Boulevard eastbound.				
Verification	5/17/2023				
	Local Broker				

Sale Comparable #4
Portion of HOS Properties Site
 Atlantic Boulevard
 Neptune Beach, FL
 Duval County
 BBG Property #734420



Property Data			
Property Type/Use	Land Commercial	Lat/Long	30.324134 / -81.4169
Parcel ID #	173323-0100	Census Tract	0140.02
Opportunity Zone	No	Frontage	
Gross Land Area	1,742 SF 0.04 Acres	Net Land Area	1,742 SF 0.04 Acres
Flood Designation	Zone X (Unshaded)	Flood Panel	12031C0408J Dated November 2, 2018
Utilities		Terrain / Topography	
Easements / Encroachments		Zoning	C-2 Commercial
Comments	Site is generally rectangular and level with adequate utility		

Sale Transaction Data for BBG Event #855763 on 4/22/2021					Net Area	Gross Area
Transaction Date	4/22/2021	Consideration	\$50,000	Price PSF	\$28.70	\$28.70
Sale Status	Closed	Adjustments	\$0	Price Per Acre	\$1,250,287	\$1,250,287
		Cash Equivalent Price	\$50,000			
Property Rights	Fee Simple					
Grantor	Ashland Investments Inc					
Grantee	HOS Properties, LLC					
Comments	Sale of a small parcel of land located along the south side of Atlantic Boulevard in Neptune Beach. The property was purchased alongside an adjacent property from separate sellers for the development of an office building.					
Verification	5/17/2023					
	Local Broker					

APPRAISER QUALIFICATIONS AND LICENSES

QUALIFICATIONS

Kyle A. Catlett

APPRAISAL COMPETENCY	Fee Simple Interest, Leased Fee Interest, Leasehold Interest, Condominium Interest, Going-Concern Value, Ground Lease, Utility/Access Easement, Conservation Easement, Corridor Valuation, Timeshare Estate, Fractional/Partial Interest, Insurable Valuation, Condemnation, Transfer Development Rights
PROPERTY TYPE PROFICIENCY	Acreage, Agricultural (Ranches, Row Crop, Citrus, Timberlands) Assisted Living, Auto Dealerships, Billboards, Borrow Pits, Churches, Conservation Easements, Estates, Governmental, Hotel/Motel, Industrial, Island/Coastal, Manufacturing, Marina, Mines, Multi-family, Multiunit Retail, Residential, Natural Resource, Office, Parking, Reservoirs, Restaurant, Retail, Right-of-Way, Rock Mining, RV/MH Park, Salvage Yard, Schools, Self-storage, Subdivisions, Submerged Land, Wetland, Water Rights, Natural Springs, Air Rights
PROFESSIONAL EXPERIENCE	2021-Current- Director, BBG Real Estate Services 2020-2021 – President, <i>Trigg, Catlett & Associates</i> 2012-2020 – Executive Vice President, <i>Trigg Catlett & Associates</i>
LICENSES & CERTIFICATIONS	State-Certified General Real Estate Appraiser <i>Florida-RZ 3875</i> <i>North Carolina- A8353</i> <i>South Carolina- 8250</i> <i>Alabama- G01451</i> <i>Tennessee- 5689</i> <i>Louisiana- G4113</i> Licensed Florida Real Estate Sales Associate <i>SL 3293620</i>
PROFESSIONAL AFFILIATIONS	MAI designation of the Appraisal Institute National Association of REALTORS® Florida Association of REALTORS® Mid-Florida Regional MLS Greater Tampa Association of REALTORS®
GENERAL EDUCATION	University of Alabama, 2012 Bachelor of Science in Commerce & Business Administration Minor: Spanish Language
SPECIALIZED EDUCATION	Courses completed under the direction of the Appraisal Institute <ul style="list-style-type: none"> • Basic Appraisal Principles (2013) • Basic Appraisal Procedures (2013) • 15 Hour National USPAP Course (2013) • Residential Report Writing & Case Studies (2013) • General Appraiser Sales Comparison Approach (2013)

	<ul style="list-style-type: none"> • General Appraiser Income Approach/Part I (2013) • General Appraiser Income Approach/Part II (2014) • 15 Hour Florida Rules & Law (2013) • Real Estate Finance, Statistics & Valuation Modeling (2013) • General Appraiser Market Analysis and Highest& Best Use (2014) • General Appraiser Report Writing & Case Studies (2015) • General Appraiser Site Valuation & Cost Approach (2015) • Business Practices and Ethics (2015) • Quantitative Analysis (2016) • Advanced Market Analysis and Highest and Best Use (2017) • Advanced Income Capitalization (2017) • Valuation of Conservation Easements (2017) • Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book) (2017) • Advanced Concepts and Case Studies (2018) • Evaluating Commercial Leases: The Tenant and the Terms Both Matter (2019) • Raise Your Appraiser IQ (2019) • Appraising Convenience Stores (2020) • Cool Tools: New Technology for Real Estate Appraisers (2020) • Review Theory General (2020) • Artificial Intelligence, AVMs, and Blockchain: Implications for Valuation (2020) • Eminent Domain and Condemnation (2021) • The Valuation of Water and Wastewater Utility Systems (2021)
<p>EXPERT WITNESS EXPERIENCE</p>	<ul style="list-style-type: none"> • Manatee County, Florida Valuation Adjustment Hearings • Hillsborough County, Florida Valuation Adjustment Hearings • Pasco County, Florida Valuation Adjustment Hearings



Ron DeSantis, Governor

Melanie S. Griffin, Secretary



**STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

FLORIDA REAL ESTATE APPRAISAL BD

THE CERTIFIED GENERAL APPRAISER HEREIN IS CERTIFIED UNDER THE
PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

CATLETT, KYLE AUSTIN

3800 W BAY TO BAY BOULEVARD
SUITE 23
TAMPA FL 33629

LICENSE NUMBER: RZ3875

EXPIRATION DATE: NOVEMBER 30, 2024

Always verify licenses online at MyFloridaLicense.com



Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.

Profile

Drake DeRango is an Appraiser at BBG in the Jacksonville office. He has experience in the valuation of a variety of property types including medical and professional office buildings, retail buildings, distribution centers, hotels, shopping centers, restaurants, and special use properties.

Prior to joining BBG, Mr. DeRango was a Senior Analyst at JLL Valuation and Advisory Services where he performed commercial appraisal and advisory services for a variety of clients including lenders, private sector developers, and governmental entities for mortgage underwriting and portfolio valuation purposes.

Preceding his time at JLL, Mr. DeRango was an Analyst at Integra Realty Resources – Jacksonville where assignments included working with a team of appraisers on multiple property portfolios for right-of-way acquisition cases including eminent domain condemnation cases for the Florida Department of Transportation. Mr. DeRango has also worked with DeRango, Best and Associates in Orlando, Florida as an Analyst performing market rent studies and feasibility analysis for private sector developers as well as appraisal assignments for banking clients.

Professional Affiliations

Appraisal Institute

Candidate for MAI Designation

General Certified Appraiser:

State of Florida, Certified General Real Estate Appraiser (License No. RZ 4058)

Education

Bachelor of Science Finance, Financial Services, University of North Florida

Coursework

Appraisal Institute Courses:

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Approach

General Appraiser Sales Comparison Approach

General Appraiser Report Writing and Case Studies

Florida Appraisal Laws and Regulations

Appraisal of Fast Food Facilities

Basic Hotel Appraising – Limited Service Hotels

Managing Appraiser Liability



Ron DeSantis, Governor

Melanie S. Griffin, Secretary



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD

THE CERTIFIED GENERAL APPRAISER HEREIN IS CERTIFIED UNDER THE
PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

DERANGO, DRAKE WALLACE

6278 DUPONT STATION COURT
UNIT 2
JACKSONVILLE FL 32217

LICENSE NUMBER: RZ4058

EXPIRATION DATE: NOVEMBER 30, 2024

Always verify licenses online at MyFloridaLicense.com



Do not alter this document in any form.

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2300 Marsh Point Rd Ste 301
Neptune Beach, FL 32266
904-853-6801

VYSTAR CREDIT UNION

63-7927/2630



08/25/2023

PAY TO THE ORDER OF City of Neptune Beach

\$ **1,000.00

One thousand and 00/100***** DOLLARS

City of Neptune Beach
116 First Street
Neptune Beach, FL 32266



MEMO

Application Fee for vacant Land

AUTHORIZED SIGNATURE

RECEIPT DATE 8-25-23 No. **147009**

RECEIVED FROM Marshpoint Properties 2 \$ 1000.⁰⁰

Ch # 1040 DOLLARS

FOR RENT Application / Documents - vacant land

FOR _____

ACCOUNT		<input type="radio"/> CASH	
PAYMENT		<input type="radio"/> CHECK	
BAL. DUE		<input type="radio"/> MONEY ORDER	
		<input type="radio"/> CREDIT CARD	

FROM _____ TO _____

BY Jerry Jones

3-11

**AMENDED AND RESTATED
REVOCABLE LICENSE AGREEMENT**

This Amended and Restated Revocable License Agreement (“Amended Agreement”) is made and effective on **January 1, 2023**, between the City of Neptune Beach, a municipal corporation, (the “City”), and Tom Monahan, as record owner of 2050 Kings Circle S. (“Licensee”).

BACKGROUND

A. Licensee is the owner of the property located at 2050 Kings Circle S., Neptune Beach, FL 32266 and further identified as Duval County Property Appraiser No. 173307-0000 (the “Property”).

B. The City and Licensee are parties to that certain *Revocable License Agreement* dated December 17, 2018 (the “Agreement”) for the grant of an exclusive license for on-street parking adjacent to the Property by the City to Licensee as granted in the Agreement.

C. Pursuant to the Agreement, Licensee received the exclusive right to utilize sixteen (16) parking spaces.

D. Licensee has requested the right to utilize three (3) additional spaces.

E. In consideration of the City’s agreement to grant the use of such spaces, the City requires certain additional terms be included in the Agreement.

WHEREFORE, the City and Licensee, intending to be bound, enter into this *Amended and Restated Revocable License Agreement* as follows:

1. **Superiority.** The terms of this Amended Agreement shall replace in full the terms of the Agreement. This Amended Agreement shall be the sole agreement between the parties regarding these matters.

2. **License.** The City agrees to grant an exclusive license for on-street parking, to Licensee for that portion of the City's property, more particularly described on **Exhibit “A”** (the “License Area”).

3. **Term.** The term of this Amended Agreement shall be for a period of one (1) year from the above date unless earlier terminated in accordance with the terms of this Amended Agreement.

4. **Renewal.** Subject to the following sentence, this Amended Agreement will automatically renew. on the anniversary dates hereof for additional one (1) year periods and under the same terms hereof, unless otherwise terminated, in writing, by the City or Licensee, no later than thirty (30) days prior to the expiration of the original term of this License Agreement or any

extension thereto, or otherwise terminated in accordance with this Amended Agreement. Licensee must, no less than thirty (30) days prior to the expiration of the term, provide evidence to the City that the use of the Property has not changed or that any new use, after inclusion of the parking spaces granted herein, complies with the City's Code of Ordinances regarding parking requirements.

5. **Rent.** In consideration of the City's authorization to use the License Area, Licensee shall pay to the City annual rent in the amount of nine thousand, nine hundred dollars (\$9,900.00), payable in twelve installments due on the first of each month in the amount of eight hundred and twenty-five dollars (\$825.00) per month. In the event this Amended Agreement is not effective on the first of the month, rent for the initial partial month shall be a prorated amount, due on execution. On each anniversary of the effective date of this Amended Agreement, the rent amount shall increase by three percent (3%) over the rental rate of the prior year.

6. **City Improvements.** The City Manager, or its designee, may revoke or suspend this agreement to remove any of the improvements on the License Area for necessary utility construction, maintenance and/or repair for any emergency purposes, as determined by the City; provided, however, the City shall provide the Licensee with thirty (30) days prior written notice.

7. **Insurance.** Licensee must furnish evidence of general liability insurance in the amount of at least one million dollars (\$1,000,000.00) per person and at least two million dollars (\$2,000,000.00) per occurrence with the City as additional named insured by specific endorsement for the elements placed in or upon the License Area. Licensee shall have no right to utilize the License Area until evidence of such insurance, including a copy of the required endorsement, is provided to the City.

8. **Maintenance.** Licensee further agrees to maintain and keep the License Area in good repair and a clean state at the Licensee's expense. The City shall have the sole discretion, through the City Manager, to direct any reasonable maintenance or repair to the License Area to be performed by the Licensee during the term of this Amended Agreement. If Licensee fails to perform any such maintenance, the City may cause such maintenance to be performed, charging all costs, including the City's labor, to Licensee.

9. **Expense.** All obligations of Licensee under this Amended Agreement shall be at Licensee's sole expense.

10. **Restoration.** Upon termination of this Amended Agreement, the City, in its sole discretion, may give written notice to Licensee that it must remove the improvements from the License Area and restore the License Area back to a sodded area within ninety (90) days from the date of the notice. If the Licensee does not remove such improvements and sod the License Area within the ninety (90) day time period, the City conduct such removal and sodding at Licensee's expense, including the right to place a lien on Licensee's property, in accordance with the section titled "Liens".

11. **Liens.** Should Licensee fail to reimburse the City within thirty (30) days of demand for payment for any amounts owed pursuant to this Amended Agreement, the City shall have the right to record a lien against the Property to secure payment, which shall be perfected by the filing of a lien in the official records of Duval County, Florida. Licensee acknowledges that this Amended Agreement touches and concerns the Property because it relates to Licensee's rights to operate the Property as intended in compliance with the City's Code of Ordinances.

12. **City Ordinances.** It shall be a default of this Amended Agreement if Owner or any other party occupying or using the Property permits a violation of the City's Code of Ordinances to exist on the Property and fails to cure same following notice from the City of such violation.

13. **Assignment.** Licensee shall not assign any rights under the Amended Agreement or sublease any portion of the License Area without approval of the City. Any attempt to do so shall constitute a default under this Amended Agreement.

14. **No Further Improvements.** Other than maintenance and repair of the License Area for use as parking spaces and directly associated improvements, the Licensee shall not be entitled to make any improvements to the License Area without the consent of the City, pursuant to the City's Code of Ordinances.

15. **Americans with Disabilities Act.** Licensee is at all times solely responsible for ensuring its use of the License Area is in compliance with the American with Disabilities Act. Failure to comply with such provisions and any other applicable law shall be a default under this Amended Agreement.

16. **Default.** In the event of a default by the Licensee of any of the terms and conditions of this Amended Agreement, including all incorporated terms and conditions hereof, and such default is not cured within a reasonable time period from receipt of written notice from the City, then the City, in addition to the rights described in the section titled "Liens", (a) shall have the absolute right, without notice to Licensee, to declare due all conditions under this Amended Agreement; and (b) may immediately terminate Licensee's right of possession under this Amended Agreement without prior written notice to Licensee.

17. **Venue.** In the event that any dispute arises concerning the terms of this Amended Agreement, this Amended Agreement shall be interpreted and governed by the laws of the State of Florida without regarding to any provisions regarding conflict of laws. In the event that any litigation is initiated relating to this Amended Agreement, venue for any such litigation shall be in the state courts located in Jacksonville, Duval County, Florida.

18. **Liability and Indemnity.** Except for the negligent or intentional acts or omissions of the City performed pursuant to this Amended Agreement, the City shall not be liable for any loss, damage or injury of any kind or character to any person or property arising from any use of any building, structure, paved area, equipment, facility, sidewalk or other improvement on the License Area, or caused by or arising from any act or omission of Licensee, or any of its agents or

employees, licensees or invitees, or by or from any accident, fire or other casualty, on the premises of the Licensee or the described area or occasioned by the failure of Licensee to maintain the License Area in safe condition or by any other cause. Except for the negligent or intentional acts or omissions of the City performed pursuant to this Amended Agreement, Licensee waives all claims and demands on its behalf against the City for any loss, damage or injury related to the License Area and the property of the Licensee and agrees to indemnify and hold the City entirely free and harmless from all liability for any loss, damage, cost (including attorney's fees, and expenses) or injury of other persons related to the License Area or the property of the Licensee. Regarding such indemnity and duty to defend:

- a. *Indemnity.* Licensee agrees to indemnify and hold harmless the City, and its elected officials, agents, consultants, employees, heirs, successors, and assigns, and other affiliated persons (the "Covered Parties") for the costs of litigation, attorneys' fees, and damages incurred by the Covered Parties as a result of acts or omissions described in the preceding paragraph (the "Covered Claims") in accordance with this Amended Agreement.
- b. *Duty to Defend.* Licensee shall defend, to the fullest extent permitted by law, any action, claim, proceeding, or any other assertion against the Covered Parties, arising from or in any way related to Covered Claims, by and through attorneys and other professionals selected by the Covered Parties. This duty to defend is separate and independent of any indemnity provided to the Covered Parties in this Amended Agreement. The duty to defend includes claims for which any of the Covered Parties may be liable without fault or may be strictly liable. Such duty to defend applies immediately, regardless of whether any of the Covered Parties have paid any sums or incurred any detriment arising out of or relating, directly or indirectly, to any claims covered by this duty. It is the express intention of Licensee and the City that the Covered Parties shall be entitled to obtain summary adjudication regarding the duty to defend at any assertion of any claim covered by this section. Notwithstanding the foregoing, any of the Covered Parties may, in their sole and absolute discretion, engage their own attorneys and other professionals to defend or assist it, and, at the option of the Covered Parties, their attorneys shall control the resolution of the claim or proceeding. Upon demand, the indemnifying party shall pay or, in the sole and absolute discretion of the Covered Parties, reimburse, the Covered Parties for the payment of reasonable fees and disbursements of attorneys, experts, and other professionals in connection therewith.
- c. *Interpretation.* The duties of this Section 17 shall be broadly construed so as to give them effect and any rules of interpretation which provide against a requirement to extend a duty of indemnification or to defend shall be ignored.

19. **Attorneys' Fees.** In any action filed by the City to enforce Licensee's obligations under this Amended Agreement, the losing party must pay the prevailing party's costs and expenses in action. Such expenses include, attorneys' fees and costs (i) upon default or anticipated

default, both prior to and after instituting proceedings, (ii) at trial, (iii) in mediation, arbitration, bankruptcy proceedings and administrative proceedings, (iv) upon appeal, (v) in determining amount and entitlement to attorneys' fees, (vi) for "in-house" or general counsel's fees relating to the dispute in addition to trial counsel; (vii) for deposition appearance and video recording and transcription fees reasonably necessary to prepare for the action, whether or not used at trial or hearing; (viii) for expert witnesses reasonably retained to prepare for the action, whether or not used at trial or hearing, and (ix) for all other fees and costs, reasonably incurred, whether or not, absent this provision, such costs would otherwise be awarded pursuant to the *Statewide Uniform Guidelines for Taxation of Costs in Civil Actions* promulgated by the Florida Supreme Court. The City and Licensee agree that each party shall bear their own attorneys' fees in any other action filed by either party arising from or relating to this Amended Agreement.

20. **Agreement Interpretation.** The City Attorney will be responsible for any needed interpretations of this Amended Agreement.

21. **Joint Drafting.** For the purposes of any interpretation of this Amended Agreement, this Amended Agreement shall be considered as having been authored, drawn and written by both the City and Licensee and, in the interpretation of this Amended Agreement, there shall be no presumption of vagueness, ambiguity or unfairness against the City or the Licensee. Any doctrines construing provisions against the drafter shall be ignored.

22. **Time of the Essence.** The parties hereto agree and understand that time is of the essence as to the performance of all terms and conditions of this Amended Agreement.

23. **Notice.** All notices, pursuant to this Amended Agreement, shall be sent to the City c/o City Manager, City of Neptune Beach, 116 First Street, Neptune Beach, FL 32266 and to Licensee c/o Tom Monahan, 2050 Kings Circle S., Neptune Beach, FL 32266. Notices shall not be effective unless delivered by certified mail, return receipt requested. Either party may change their address for notice by written notice to the other.

24. **Independent Counsel.** The City and Licensee acknowledge that each has had the opportunity to have this Amended Agreement reviewed by independent legal counsel of their choosing and that they have either done so or waived such opportunity. Licensee expressly agrees that the City Attorney for the City has not given any legal advice to Licensee and does not represent the interests of Licensee.

25. **Sovereign Immunity.** Nothing in this Amended Agreement or in the Licensee's authorization to use the License Area shall be construed to waive or otherwise affect the protections of sovereign immunity and/or Section 768.28, Florida Statutes, otherwise enjoyed by the City.

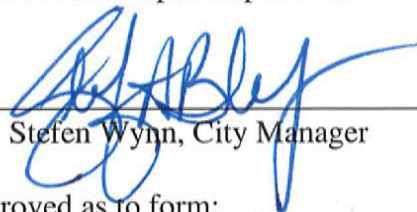
Signatures to Follow on Next Page

Dated as of the Effective Date.

CITY:

City of Neptune Beach, FL,
a Florida municipal corporation

By: _____



Stefan Wynn, City Manager

Approved as to form:

Zachary Roth, City Attorney

LICENSEE:

Tom Monahan



BIRD'S EYE VIEW

AERIAL VIEW OF EXISTING SITE



GARY R. CRUMLEY
LANDSCAPE ARCHITECT



LA 1362

3302 KING CHARLES CIR
SEFFNER FL 33584
(904) 233-4455

PR. NO. 210624
ISSUED: 6-24-21
REVISED: 7-9-21
REVISED: 7-21-21

Gary R. Crumley
Digitally Signed by
Gary R. Crumley
Date: 2021.07.21
1940.14.0000
DIGITAL SEAL

1 SAND LIKE OAK QUERCUS CEMINATA 2-1/2"-3" CAL 11"-12 HT. 60 GALLON

PINE BARK MULCH TREE RINGS TO 3" DEPTH
GATOR BAGS ON ALL TREES TILL ESTABLISHED
3 #3 REBARS AT 2' IN LENGTH PER EIGHT FEET OF RR TIE
CALL 811 72 HOURS BEFORE DIGGING
VERIFY UTILITIES AND SITE CONDITIONS
COORDINATE WORK WITH CITY PUBLIC WORKS PRIOR TO COMMENCEMENT

EX. TREES

PROPOSED PARKING PLAN – THOMAS L. MONAHAN
IMPROVEMENTS TO EXISTING ALLEY WAYS
2050 KING CIRCLE SOUTH NEPTUNE BEACH FL 32265 210609
SURVEY DATA FROM BOATWRIGHT LAND SURVEYORS, INC. JAN 19, 2021

EXHIBIT A



**Agenda Item #10A
Res. No. 2023-09
Order of Business**

**CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT**

AGENDA ITEM:	Agenda Item #10A-Resolution No. 2023-09, Order of Business
SUBMITTED BY:	City Manager Richard Pike
DATE:	September 1, 2023
BACKGROUND:	<p>The order of business of the Council Agenda is set by resolution pursuant to Code Section 2-33.</p> <p>The Departmental Score Card is being removed from the Workshop Agenda. The City Manager will give a monthly report at the first meeting of the month, which will include departmental updates.</p>
BUDGET:	N/A
RECOMMENDATION:	Consider Adoption of Resolution No. 2023-09, Order of Business
ATTACHMENT:	Resolution No. 2023-09



RESOLUTION NO. 2023-09
A RESOLUTION ESTABLISHING THE ORDER OF BUSINESS
FOR THE CITY COUNCIL REGULAR AND WORKSHOP MEETINGS

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NEPTUNE BEACH, FLORIDA;

The business of the Council shall be taken up for consideration and disposition in the following order by Resolution as per Section 2-33 Order of Business, Neptune Beach Code of Ordinances:

A. Regular Meetings.

1. Call to Order/ Roll Call / Pledge of Allegiance
2. Awards / Presentations / Recognition of Guests
3. Approval of Minutes
4. Comments from the Public
5. Communications and Correspondence
 - Mayor
 - City Attorney
 - City Council
 - City Clerk
 - City Manager
 - Departmental Reports
6. Consent Agenda
7. Variances / Special Exceptions / Development Orders
8. Ordinances
9. Old Business
10. New Business
11. Council Comments
12. Adjourn

B. Workshop Meetings.

1. Call to Order / Roll Call / Pledge of Allegiance
2. Awards / Presentations / Recognition of Guests
- ~~3. Departmental Score Card~~
- 3.4. Committee Reports
 - Land Use and Parks Committee Report
 - Strategic Planning/Visioning Committee Report
 - Transportation and Public Safety
 - Finance
4. 5. Public Comments
5. 6. Proposed Ordinances
6. 7. Contracts / Agreements

- 7.. ~~8.~~ Issue Development
- 8. ~~9.~~ Public Comments
- 9. ~~10.~~ Council Comments
- 10. ~~11.~~ Adjourn.

This Resolution adopted by the City Council of Neptune Beach, Florida, at the Regular City Council Meeting held this 5th day of September, 2023.

Elaine Brown , Mayor

Catherine Ponson, CMC
City Clerk



**Agenda Item #10B
Res. No. 2023-10**

**CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT**

AGENDA ITEM:	State of Florida Revolving Loan Application – Lead Service Line Rule Compliance Project
SUBMITTED BY:	Deryle Calhoun, P.E. Public Works Director
DATE:	August 30, 2023
BACKGROUND:	<p>On December 22, 2020, Environmental Protection Agency finalized an update to the Lead and Copper Rule which in part requires community water systems, regardless of size, to develop and maintain an inventory of service lines that the public can access (40 CFR 141.84(a)). The inventory must describe both system-owned and customer-owned segments of the service line. Utilities must submit the initial inventory by October 16, 2024.</p> <p>Saltus Engineering, Inc., assisted CONB in applying to FDEP’s State Revolving Fund (SRF) for financial assistance in complying with this rule; FDEP has awarded \$320,800 for the planning and design phase of the work. The award includes up to \$157,094 in principal forgiveness.</p> <p>Saltus has now completed certain portions of the loan application with other portions required to be completed by CONB, including an Authorizing Resolution from CONB City Council.</p>
BUDGET:	Water 401-4336-536-30-34 Other Contractual Services. FY23 Budget = \$437,000.00; Current Budget = \$337,700.00; Budget Remaining = \$201,784.85. Balance of funds would be transferred from Water 401-4336-536-60-63 (Current Budget \$1,190,000.04; Budget Remaining \$1,008,172.95)
RECOMMENDATION:	Approve resolution relating to the State Revolving Fund Loan Program
ATTACHMENT:	Supporting documents

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

**STATE REVOLVING LOAN PROGRAM
FOR
DRINKING WATER FACILITIES**

LOAN APPLICATION



Florida Department of Environmental Protection
State Revolving Fund Program
Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard
Tallahassee, FL 32399-3000

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LOAN APPLICATION

- (1) **SUBMITTAL.** Submit the application and attachments to the Department of Environmental Protection, MS 3505, State Revolving Fund Program, 3900 Commonwealth Blvd., Tallahassee, Florida 32399-3000. The application (and backup) may be submitted electronically to the Department’s Project Manager.
- (2) **COMPLETING THE APPLICATION.**
 - (a) This application consists of five parts: (I) ADMINISTRATIVE INFORMATION; (II) PROJECT INFORMATION; (III) FINANCIAL INFORMATION; (IV) AUTHORIZATION AND ASSURANCES; and (V) SUPPLEMENTARY INFORMATION.
 - (b) All information provided on this application must be printed. Monetary amounts may be rounded.
 - (c) Forms and attachments to be submitted are denoted with italic print.
- (3) **ASSISTANCE.** Completing this application may require information that can be obtained from Clean Water State Revolving Fund Program staff. Please email SRF_Reporting@dep.state.fl.us for assistance in completing this application.

PART I - ADMINISTRATIVE INFORMATION

(1) PROJECT SPONSOR City of Neptune Beach
Federal Employer Identification Number 59 6000384
DUNS Number 038028106

(2) AUTHORIZED REPRESENTATIVE (person authorized to sign or attest loan documents).
Name Elaine Brown Title Mayor
Telephone 904-270-2400 FAX 904-270-2433 Email elainebrown@nbfl.us
Mailing Address 116 First Street, Neptune Beach, FL 32266

(3) PRIMARY CONTACT (person to answer questions regarding this application).
Name Deryle Calhoun, PE Title Public Services Director
Telephone 904 270-2423 FAX _____ Email dpw@nbfl.us
Employer City of Neptune Beach
Mailing Address 2010 Forest Avenue, Neptune Beach, FL 32266

(4) ADDITIONAL CONTACTS. If more than one additional person is to receive copies of Department correspondence, attach the information (*Attachment #*_____).
Name Katherine Van Zant, PE Title Project Manager
Telephone 904-290-0974 FAX _____ Email kvanzant@saltuseng.com
Employer Saltus Engineering, Inc.
Mailing Address P.O. Box 8969, Fleming Island, FL 32006

5 PROJECT NUMBER (listed on the Department's priority list). 16012

6 INTERIM FINANCING. A local government project sponsor that has interim financing may be subject to certain conditions regarding such financing.

Is the project currently being funded with interim financing? Yes No

PART II – PROJECT INFORMATION

If you are applying for a planning, design, or SSES loan for a project that will involve construction, complete only Subpart A below. If you are applying for a loan to construct a project that is already planned and designed, complete only Subpart B below.

A. PLANNING, DESIGN OR SSES PROJECT

Information should be provided for each separate facility to be planned and designed as appropriate. For design/build projects (not eligible for design loans) or those where multiple facilities, segments, or phases are involved, please attach information for activities, schedule, and cost for each. (Attachment # 1)

- (1) **ACTIVITIES.** Attach a brief description of the scope of planning and design activities to be financed by this loan. Include a list of any specialized studies to be performed. (Attachment # 2) Are these activities the same as those scheduled on the *Request for Inclusion Form*? Yes No. If “No”, please explain. (Attachment #)

- (2) **SCHEDULE.**
 - (a) Provide proposed completion dates for the items. (Please call Department staff to discuss time frames needed to complete required tasks.)

Planning documentation	October 6, 2024
Engineering work	February 6, 2025
Certification of site availability	October 6, 2024
Permit	Not Applicable
 - (b) Do you anticipate that an interlocal agreement with another party will be necessary to implement the project? If “Yes”, please explain. (Attachment #) Yes No
 - (c) Is this a design/build project? Yes No
 - (3) **COST.** Is the cost information submitted for the planning, design or SSES loan priority list current? Yes No
 If “No”, please explain and submit revised cost information using the appropriate page of the *Request for Inclusion Form*. (Attachment #) Note that the disbursable amount will be limited to the priority list amount.

PRECONSTRUCTION LOAN APPLICANTS PROCEED TO PART III.

B. CONSTRUCTION OR I/I REHABILITATION PROJECT

- (1) **ACTIVITIES.**
 - (a) Attach a brief description of construction or I/I rehabilitation activities to be financed by this loan. Include a list of the contracts (by title) corresponding to the plans and specifications accepted by the Department (Attachment #).
 Are these contracts the same as those scheduled on the *Request for Inclusion Form*? Yes No
 If “No”, please explain. (Attachment #)
 - (b) Have any of the contracts been bid? Yes No
 If “Yes”, indicate which contracts have been bid. (Attachment #)
 - (c) Was planning, design, or SSES for this project financed in another SRF loan? Yes No
 If “Yes”, give the SRF loan number. _____
 - (d) Does this project involve an interlocal agreement with other local governments or other entities? Yes No
 If “Yes”, attach a copy of the interlocal agreement. (Attachment #)
 Is the interlocal agreement fully executed and enforceable? Yes No
 If “No”, please explain (Attachment #).

- (2) SCHEDULE. (month and year)
- (a) Anticipated notice to proceed for first construction contract. _____
- (b) Anticipated completion of all construction contracts. _____
- (3) COST. Is the cost information submitted for the priority list current? Yes No

If "No", please explain and submit revised cost information using the appropriate page of the *Request for Inclusion Form*. (Attachment #_____) Note that the disburseable amount will be limited to the priority list amount.

PART III - FINANCIAL INFORMATION

Estimates of the capitalized interest, project useful life for financial hardship loans, financing rate, pledged revenue coverage, limitations on annual loan amounts for large projects, applicability and amount of repayment reserves, amount of the loan service fee and any other information may be obtained by contacting staff in the State Revolving Fund Management Section.

- (1) PRINCIPAL. The requested amount of the loan which does not include capitalized interest is \$ 320,600
- Note that the disburseable amount will be limited to the priority list amount and must be consistent with the project information provided under **PART II** of this application. Also note that the capitalized interest is an inexact estimate, and it is subject to adjustment by the Department to reflect actual disbursement timing. The principal amount of the loan does not include the loan service fee.
- (2) TERMS AND REPAYMENT.
- (a) Loans to local government project sponsors are amortized over the lesser of useful life of the project or 20 years unless the project is to serve a small community qualifying as having a financial hardship. Loans to financial hardship communities may be amortized over the lesser of useful life of the project or 30 years. Loans to non-governmental project sponsors are amortized over the lesser of the useful of the project or 20 years. Finance charges and principal are paid semiannually.
- What is the useful life of the project? 20 (years)
- Over how many years would you like to amortize the loan? 20 (years)
- (b) List all revenues that are to be pledged for repayment of this loan. Water System Revenues
- (c) Pledged revenue receipts or collections by the project sponsor must exceed the amount of the repayments due to the Department unless there are other collateral provisions. The excess revenue, or coverage, generally is 15% of each repayment.
- What coverage is proposed for the loan? 15 % (coverage percentage)
- (d) Is any other financial assistance being applied to this project? Yes No
- If "Yes", please list. (Attachment #_____) _____
- (3) ANNUAL FUNDING LIMIT. Large project funding (generally, loans in excess of \$10 million) may be provided in increments pursuant to the initial loan agreement and subsequent amendments. Each increment shall have a separate financing rate as established in the agreement or amendment providing that increment.
- (4) INFORMATION ON LIENS.
- (a) Describe, if applicable, all debt obligations having a prior or parity lien on the revenues pledged to repay this loan. (Attachment #³_____) For example: City Name, Florida, Water and Sewer System Revenue Bonds, Series 1996, issued in the amount of \$10,000,000, pursuant to Ordinance No. 93-104, as amended and supplemented by Ordinance No. 96-156.
- (b) Using the Part V, *Schedule of Prior and Parity Liens*, provide debt service information, if applicable, on each prior and parity obligation.

- (c) For the listed obligations, provide a copy of the ordinance(s), resolution(s), official statement(s), or pages thereof, setting forth the definitions, use of proceeds, debt service schedule, pledged revenues, rate covenants, provisions for issuing additional debt, provisions for bond insurance, and debt rating. (*Attachment #4*_____).
 - (d) Describe any other notes and loans payable from the revenues pledged to repay this loan. (*Attachment #*_____).
- (5) ACTUAL AND PROJECTED REVENUES.
- (a) Complete the Part V, *Schedule of Actual Revenues and Debt Coverage* for the past two fiscal years.
 - (b) Complete the Part V, *Schedule of Projected Revenues and Debt Coverage*, demonstrating the availability of pledged revenues for loan repayment.
- (6) AVAILABILITY OF PLEDGED REVENUES. All sources must be supported by a written legal opinion. (*Attachment #5*_____). The opinion must address the following:
- (a) Availability of the revenues to repay the loan.
 - (b) Right to increase rates at which revenues shall be collected to repay the loan.
 - (c) Subordination of the pledge if pledged revenues are subject to a prior or parity lien.
- (7) LOAN SERVICE FEE. A loan service fee is assessed on each loan. The fee is not part of the loan. The fee along with interest thereon will be deducted from the first available repayments after the final amendment to the loan agreement.

PART IV – AUTHORIZATION AND ASSURANCES

- (1) AUTHORIZATION. Provide an authorizing resolution of the Applicant's governing body or other evidence of authorization (*Attachment #6*_____) for the following:
- (a) Pledging revenues to repay the loan.
 - (b) Designation of the Authorized Representative(s) to file this application, provide assurances, execute the loan agreement, and represent the Applicant in carrying out responsibilities (including that of requesting loan disbursements) under the loan agreement.
- (2) ASSURANCES. The Applicant agrees to comply with the laws, rules, regulations, policies and conditions relating to the loan for this project. Applicants should seek further information from the Clean Water State Revolving Fund Program staff as to the applicability of the requirements if the necessity for the assurances is of concern. Specifically, the Applicant certifies that it has complied, as appropriate, and will comply with the following requirements, as appropriate, in undertaking the Project:
- (a) Assurances for capitalization grant projects.
 1. Complete all facilities for which funding has been provided.
 2. The Archaeological and Historic Preservation Act of 1974, PL 93-291, and the National Historic Preservation Act of 1966, PL 89-665, as amended, regarding identification and protection of historic properties.
 3. The Clean Air Act, 42 U.S.C. 7506(c), which requires conformance with State Air Quality Implementation Plans.
 4. The Coastal Zone Management Act of 1972, PL 92-583, as amended, which requires assurance of project consistency with the approved State management program developed under this Act.
 5. The Endangered Species Act, 16 U.S.C. 1531, et seq., which requires that projects avoid disrupting threatened or endangered species and their habitats.
 6. Executive Order 11593, Protection and Enhancement of the Cultural Environment, regarding preservation, restoration and maintenance of the historic and cultural environment.
 7. Executive Order 11988, Floodplain Management, related to avoiding, to the extent possible, adverse impacts associated with floodplain occupancy, modification and development whenever there is a practicable alternative.
 8. Executive Order 11990, Protection of Wetlands, related to avoiding, to the extent possible, adverse impacts associated with the destruction or modification of wetlands and avoiding support of construction in wetlands.
 9. The Fish and Wildlife Coordination Act, PL 85-624, as amended, which requires that actions to control natural streams or other water bodies be undertaken to protect fish and wildlife resources and their habitats.

10. The Safe Drinking Water Act, Section 1424(e), PL 93-523, as amended, regarding protection of underground sources of drinking water.
 11. The Wild and Scenic Rivers Act, PL 90-542, as amended, related to protecting components or potential components of the national wild and scenic rivers system.
 12. The federal statutes relating to nondiscrimination, including: The Civil rights Act of 1964, PL 88-352, which prohibits discrimination on the basis of race, color or national origin; the Age Discrimination Act, PL 94-135, which prohibits discrimination on the basis of age; Section 13 of the Federal Water Pollution Control Act, PL 92-500, which prohibits sex discrimination; the Rehabilitation Act of 1973, PL 93-112, as amended, which prohibits discrimination on the basis of handicaps.
 13. Executive Order 11246, Equal Employment Opportunity, which provides for equal opportunity for all qualified persons.
 14. Executive Orders 11625 and 12138, Women's and Minority Business Enterprise, which require that small, minority, and women's business and labor surplus areas are used when possible as sources of supplies, equipment, construction and services.
 15. The Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq., regarding protection and conservation of the coastal barrier resources.
 16. The Farmland Protection Policy Act, 7 U.S.C. 4201 et seq., regarding protection of agricultural lands from irreversible loss.
 17. The Uniform Relocation and Real Property Acquisition Policies Act of 1970, PL 91-646, which provides for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally assisted programs.
 18. The Demonstration Cities and Metropolitan Development Act of 1966, PL 89-754, as amended, which requires that projects be carried out in accordance with area wide planning activities.
 19. Section 306 of the Clean Air Act, Section 508 of the Clean Water Act and Executive Order 11738, which prohibit manufacturers, firms, or other enterprises on the EPA's list of Violating Facilities from participating in the Project.
 20. Executive Order 12549, Debarment and Suspension, which prohibits any award to a party which is debarred or suspended or is otherwise excluded from, or ineligible for, participation in federal assistance programs.
 21. Minority and Women's Business Enterprise participation in project work using numerical goals, established by the U.S. Environmental Protection Agency, and to be set forth in the specifications for construction and materials contracts.
- (b) Assurances for other projects.
1. Chapter 161, Part I, F.S., "Beach and Shore Preservation Act" and Part III, "Coastal Zone Protection Act of 1985" which regulate coastal zone construction and all activities likely to affect the condition of the beaches or shore.
 2. Chapter 163, Part II, F.S., the "Local Government Comprehensive Planning and Land Development Regulation Act" which requires units of local government to establish and implement comprehensive planning programs to control future development.
 3. Chapter 186, F.S., State and Regional Planning, which requires conformance of projects with Regional Plans and the State Comprehensive Plan.
 4. Chapter 253, F.S., "Emergency Archaeological Property Acquisition Act of 1988" which requires protection of archaeological properties of major statewide significance discovered during construction activities.
 5. Chapter 258, Part III, F.S., which requires protection of components or potential components of the national wild and scenic rivers system.
 6. Chapter 267, F.S., the "Florida Historical Resources Act" which requires identification, protection, and preservation of historic properties, archaeological and anthropological sites.
 7. Chapter 287, Part I, F.S., which prohibits parties convicted of public entity crimes or discrimination from participating in State-assisted projects and which requires consideration of the utilization of Minority Business Enterprises in State-assisted projects.
 8. Chapter 372, F.S., the Florida Endangered and Threatened Species Act which prohibits the killing or wounding of an endangered, threatened, or special concern species or intentionally destroying their eggs or nest.

9. Chapter 373, Part IV, F.S., Florida Water Resources Act of 1972, which requires that activities on surface waters or wetlands avoid adversely affecting: public health, safety, welfare, or property; conservation of fish and wildlife, including endangered or threatened species or their habitats; navigation or the flow of water; the fishing or recreational values or marine productivity; and significant historical and archaeological resources.
 10. Chapter 380, Part I, F.S., Florida Environmental Land and Water Management Act of 1972 as it pertains to regulation of developments and implementation of land and water management policies.
 11. Chapter 381, F.S., Public Health, as it pertains to regulation of onsite wastewater systems.
 12. Chapter 403, Part I, F.S., Florida Air and Water Pollution Control which requires protection of all waters of the state.
 13. Chapter 582, F.S., Soil and Water Conservation Act which requires conformance with Water Management District's regulations governing the use of land and water resources.
 14. Governor's Executive Order 95-359, which requires State Clearinghouse review of project planning documentation and intergovernmental coordination.
- (c) Assurances for all projects. The loan recipient certifies that it is not listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension."

I, the undersigned Authorized Representative of the Applicant, hereby certify that all information contained herein and in the attached is true, correct, and complete to the best of my knowledge and belief. I further certify that I have been duly authorized to file the application and to provide these assurances.

Signed this _____ Day of _____, 20 _____

Authorized Representative _____

(signature)

Elaine Brown

(name typed or printed)

Attachments

PART V – SUPPLEMENTARY INFORMATION

**SCHEDULE OF PRIOR AND PARITY LIENS
(EXCLUDING SRF LOANS)**

List annual debt service beginning two years before the anticipated loan agreement date and continuing at least three additional fiscal years. Use additional pages as necessary.

	#1		#2		#3
Identify Each Obligation	<u>Series 2010A</u>		<u>Series 2013A</u>		<u>DWSRF #1</u>
Coverage	<u>15</u> %		<u>15</u> %		<u>15</u> %
Insured?	<u>X</u> Yes _____ No		<u>X</u> Yes _____ No		<u>X</u> Yes _____ No

Fiscal Year	<u>Annual Debt Service (Principal Plus Interest)</u>			<u>Total Debt Service</u>	<u>Total Debt Service Incl. Coverage</u>
	<u>#1</u>	<u>#2</u>	<u>#3</u>		
2011	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2012	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2013	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2014	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2015	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2016	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2017	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2018	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2019	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2020	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2021	\$ 96,264	\$ 344,060	\$ 12,700	\$ _____	\$ _____
2022	\$ _____	\$ 335,183	\$ _____	\$ _____	\$ _____
2023	\$ _____	\$ 335,970	\$ _____	\$ _____	\$ _____
2024	\$ _____	\$ 331,590	\$ _____	\$ _____	\$ _____
2025	\$ _____	\$ 331,875	\$ _____	\$ _____	\$ _____
2026	\$ _____	\$ 331,825	\$ _____	\$ _____	\$ _____
2027	\$ _____	\$ 331,900	\$ _____	\$ _____	\$ _____
2028	\$ _____	\$ 331,900	\$ _____	\$ _____	\$ _____
2029	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2030	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2031	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2032	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2033	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2034	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2035	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2036	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2037	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

PART V – SUPPLEMENTARY INFORMATION - Page 2

**SCHEDULE OF PRIOR AND PARITY LIENS
(EXCLUDING SRF LOANS)**

List annual debt service beginning two years before the anticipated loan agreement date and continuing at least three additional fiscal years. Use additional pages as necessary.

	#1		#2		#3
Identify Each Obligation	DWSRF #2	_____	CWSRF	_____	_____
Coverage	15 %		15 %		_____ %
Insured?	X Yes _____ No		X Yes _____ No		Yes _____ No

Fiscal Year	Annual Debt Service (Principal Plus Interest)			Total Debt Service	Total Debt Service Incl. Coverage
	#1	#2	#3		
2011	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2012	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2013	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2014	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2015	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2016	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2017	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2018	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2019	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2020	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2021	\$ 118,099	\$ 284,804	\$ _____	\$ 855,927	\$ 984,316
2022	\$ 118,098	\$ 284,805	\$ _____	\$ 738,086	\$ 848,799
2023	\$ 59,050	\$ _____	\$ _____	\$ 395,020	\$ 454,273
2024	\$ _____	\$ _____	\$ _____	\$ 331,590	\$ 381,329
2025	\$ _____	\$ _____	\$ _____	\$ 331,875	\$ 381,656
2026	\$ _____	\$ _____	\$ _____	\$ 331,825	\$ 381,599
2027	\$ _____	\$ _____	\$ _____	\$ 331,900	\$ 381,685
2028	\$ _____	\$ _____	\$ _____	\$ 331,900	\$ 381,685
2029	\$ _____	\$ _____	\$ _____	\$ 0	\$ 0
2030	\$ _____	\$ _____	\$ _____	\$ 0	\$ 0
2031	\$ _____	\$ _____	\$ _____	\$ 0	\$ 0
2032	\$ _____	\$ _____	\$ _____	\$ 0	\$ 0
2033	\$ _____	\$ _____	\$ _____	\$ 0	\$ 0
2034	\$ _____	\$ _____	\$ _____	\$ 0	\$ 0
2035	\$ _____	\$ _____	\$ _____	\$ 0	\$ 0
2036	\$ _____	\$ _____	\$ _____	\$ 0	\$ 0
2037	\$ _____	\$ _____	\$ _____	\$ 0	\$ 0

PART V – SUPPLEMENTARY INFORMATION

SCHEDULE OF ACTUAL REVENUES AND DEBT COVERAGE

(Provide information for the two fiscal years preceding the anticipated date of the SRF loan agreement.)

	<u>FY 20 21</u>	<u>FY 20 22</u>
(a) Operating Revenues (Source)		
Water & Sewer from Rates	\$4,877,459	\$4,964,055
(b) Interest Income	-\$92,443	0
(c) Other Income or Revenue (Identify)		
Capital Grants and Contributions	\$129,705	
(d) Total Revenues	\$4,914,721	\$4,964,055
(e) Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	\$3,203,405	\$3,758,858
(f) Net Revenues [(f) = (d) – (e)]	\$1,711,316	\$1,205,197
(g) Debt Service (including any required coverage)	\$984,316	\$848,799
(h) Attach audited annual financial report(s), or pages thereof, or other documentation necessary to support the above information. Include any notes or comments from the audit reports regarding compliance with covenants of debt obligations having a prior or parity lien on the revenues pledged for repayment of the SRF Loan. (Attachment # <u>7</u>)		
(i) Attach worksheets reconciling this page with the appropriate financial statements (for example, backing out depreciation and interest payments from operating expenses). (Attachment # <u> </u>)		
(j) If the net revenues were not sufficient to satisfy the debt service and coverage requirement, please explain what corrective action was taken. (Attachment # <u> </u>)		

PART V – SUPPLEMENTARY INFORMATION

SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE

Begin with the fiscal year preceding first anticipated semiannual loan payment and continuing for at least three additional years. Attach a separate page for previous State Revolving Fund loans. (*Attachment #_____*)

	<u>FY 20 24</u>	<u>FY 20 25</u>	<u>FY 20 26</u>	<u>FY 20 27</u>	<u>FY 20 28</u>
(a) Operating Revenue	5,053,408	5,144,369	5,236,968	5,331,233	5,427,196
(b) Interest Income	_____	_____	_____	_____	_____
(c) Other Income or Revenue (identify)	_____	_____	_____	_____	_____
(d) Total Revenues	5,053,408	5,144,369	5,236,968	5,331,233	5,427,196
(e) Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	3,830,276	3,903,052	3,977,210	4,052,777	4,129,779
(f) Net Revenues (f = d - e)	1,223,132	1,241,318	1,259,758	1,278,456	1,297,417
(g) Revenue (including coverage) pledged to debt service, excluding SRF loans	381,329	381,656	381,599	381,685	381,685
(h) Revenue (including coverage) pledged to outstanding SRF loans	_____	_____	_____	_____	_____
(i) Revenue Available for this SRF Loan [(i) = (f) – (g) – (h)]	841,803	859,662	878,159	896,771	915,732

(j) Identify the source of the above information and explain methods used to develop the projections (*Attachment # 8*). Include an explanation of any revenue and expense growth or other adjustments; for example, any rate increases, service growth, inflation adjustments, expense adjustments reflecting the cost of operating additional facilities, or other considerations.

(k) For construction loans, are the above projections consistent with the accepted financial feasibility information? Yes No

If “No”, please explain. (*Attachment #_____*)

**ATTACHMENT 1
PROJECT ESTIMATE**

CITY OF NEPTUNE BEACH	
Cost Estimate CWSRF Lead Service Line Replacement	
Planning	
Review Historical Records	\$3,750
Field Identification by Outside Contractor/Surveyor: estimated 796 lines at water main with potential lead goose necks; for lines installed before 1986 vacuum meter box and check connection on both sides of meter, estimated 3550 lines. Estimated average 50 locations per day, \$2500/day.	\$217,300
Project Management Services for Field Identification	\$16,670
GIS Mapping of Service Line Materials	\$7,500
Completion of EPA Template and Required DEP Inventory Submittal Materials	\$10,000
Subtotal Planning	\$255,220
Design	
Preparation of Plans and Specifications	\$42,380
Prepare Temporary Construction Easements for Working at Each Homeowner's Property	\$10,000
Revised Cost Estimate for LSL and GRR Replacement and Bid Services	\$8,000
Preparation of SRF Documents	\$5,000
Subtotal Design	\$65,380

Total \$320,600

Attachment 2

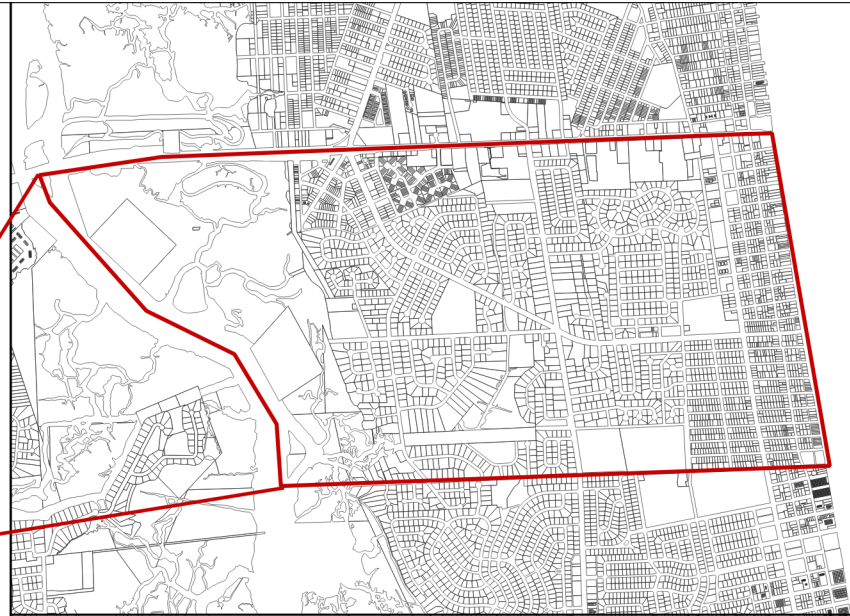
City of Neptune Beach Lead Service Line Inventory and Replacement Narrative

The City of Neptune Beach is seeking DWSRF funding for lead service line (LSL) identification, planning , and design as required by the Environmental Protection Agency's (EPA's) Lead and Copper Rule Revisions (LCRR) at 40 CFR 141.84. The LCRRs require public water systems to complete LSL inventories by October 16, 2024. In order to meet the EPA rule requirements, the City needs to do an inventory of the water service lines and prepare plans and specifications for LSLs to be replaced. This DWSRF funding is requested for funding to provide those EPA Lead and Copper Rule requirements within the deadlines.

The proposed project location encompasses the City of Neptune Beach Water Service Area, which is also the City boundaries, as shown on the attached location map. The City Hall is located at latitude 30°23'25.9" longitude 81°23'46.5".

The **Planning Phase** of the project will be completion of the service line inventory with preparation of the EPA Service Line Inventory template as well as required notification to the utility customers. The initial step of the inventory will be a review of historical records for information on service line materials. The inventory will also require field identification of service line materials. For the field identification, all City service line materials that have not already been verified in accordance with EPA/DEP requirements will be uncovered at the meter box on the City side and the owner side for material identification. In addition, areas with transite pipe will be uncovered at the connection of the service line and the main to identify any lead goose necks. The results of all historical and field inventory work will be input to the EPA Service Line Inventory template. GIS mapping of service line materials including locations of lead goose necks, LSLs and Galvanized lines Requiring Replacement (GRRs) will be done. After the LSLs and GRRs have been identified and mapped, a cost estimate for design and replacement of the LSLs and GRRs will be prepared. With the cost estimate, the City will also evaluate participation in replacement of LSL and GRR service lines owned by the customers. Upon completion of the initial inventory, the required notification to customers will be done if the service line has been identified as lead, GRR or lead status unknown.

The **Design Phase** of the project will be preparation of plans and specifications for bid of service line replacement.



Project Location:
City of Neptune Beach
Water Service Area

Duval County, Florida

0 2.5 5 mi



ATTACHMENT 3

DEBT OBLIGATIONS HAVING A PRIOR OR PARITY LIEN ON REVENUES PLEDGED TO REPAY LOAN

City of Neptune Beach, Florida, Water and Sewer System Revenue Bond, Series 2013A, dated September 10, 2013, for \$3,280,000. Due in Semi-Annual Installments of Principal Ranging from \$5,000 to \$325,000, bearing an interest rate of 3.35%, final payment due October 1, 2028.

**ATTACHMENT 4
BOND COVENANTS**

RESOLUTION 2013-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEPTUNE BEACH, FLORIDA, SUPPLEMENTING AND AMENDING RESOLUTION NO. 2001-19 OF THE CITY COUNCIL, ADOPTED AUGUST 6, 2001, FOR THE PURPOSE OF AUTHORIZING THE ISSUANCE BY THE CITY OF NEPTUNE BEACH, FLORIDA OF NOT EXCEEDING \$4,300,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER AND SEWER REVENUE NOTE, SERIES 2013A AND WATER AND SEWER REVENUE REFUNDING NOTE, SERIES 2013B (COLLECTIVELY, THE "SERIES 2013 NOTES") AS ADDITIONAL BONDS THEREUNDER FOR THE PURPOSE OF FINANCING IMPROVEMENTS TO THE WATER AND SEWER SYSTEM AND REFUNDING THE CITY'S OUTSTANDING WATER AND SEWER REVENUE REFUNDING BONDS, SERIES 2001 AND PAYING THE COSTS OF ISSUANCE OF THE SERIES 2013 NOTES; PROVIDING FOR CERTAIN COVENANTS AND AGREEMENTS BY THE CITY IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2013 NOTES; ESTABLISHING OR PROVIDING FOR THE ESTABLISHMENT OF THE TERMS OF THE SERIES 2013 NOTES; AWARDING THE SALE OF THE SERIES 2013A NOTE ON A NEGOTIATED BASIS TO BRANCH BANKING AND TRUST COMPANY AND THE SERIES 2013B NOTE ON A NEGOTIATED BASIS TO T.D. BANK, N.A. UPON THE TERMS SET FORTH HEREIN; APPOINTING A REGISTRAR, PAYING AGENT AND ESCROW AGENT; APPROVING THE FORM OF ESCROW DEPOSIT AGREEMENT; APPROVING CERTAIN AMENDMENTS TO THE BOND RESOLUTION; AUTHORIZING THE EXECUTION OF VARIOUS DOCUMENTS AND THE TAKING OF ALL NECESSARY ACTION IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF SUCH NOTES; PROVIDING AN EFFECTIVE DATE; AND PROVIDING OTHER DETAILS WITH RESPECT THERETO.

WHEREAS, pursuant to Resolution No. 2001-19, adopted by the City Council (the "City Council") of the City of Neptune Beach, Florida (the "Issuer" or the "City") on August 6, 2001 (the "Bond Resolution"), the Issuer has heretofore issued its Water and Sewer Revenue Refunding Bonds, Series 2001 in the initial aggregate principal amount of \$3,685,000 (the "Refunded Bonds"); and

WHEREAS, the Issuer desires to finance the replacement of sewer lines that are part of the System and such other Projects approved by the City Council (the "2013 Project") and to refinance the Refunded Bonds; and

WHEREAS, from the Refunded Bonds issued by the City, there remains outstanding \$1,070,000 in aggregate principal amount; and

WHEREAS, the Bond Resolution authorizes the issuance of Additional Bonds (as defined in the Bond Resolution) for the purpose of (i) financing and refinancing Projects (as defined in the Bond Resolution), including, without limitation the 2013 Project and (ii) refinancing the Refunded Bonds; and

WHEREAS, the Issuer desires to authorize, upon satisfaction of the conditions set forth in the Bond Resolution and herein, the issuance of Additional Bonds under the Bond Resolution for the purpose of financing the 2013 Project and refunding all the Refunded Bonds; and

WHEREAS, the City, after review of responses to a request for proposals duly advertised and distributed on August 1, 2013, has determined, that upon satisfaction of the requirements set forth herein, it should award the purchase and sale of the Water and Sewer Revenue Note, Series 2013A (the "Series 2013A Note") to Branch Banking and Trust Company (the "2013A Purchaser") and the Water and Sewer Revenue Refunding Note, Series 2013B (the "Series 2013B Note," and together with the Series 2013A Note, the "Series 2013 Notes") authorized herein to T.D. Bank, N.A. (the "2013B Purchaser" and together with the 2013A Purchaser, the "Purchasers") with the interest rate, maturity, amortization installments, redemption provisions and other provisions established herein and in the respective Series 2013 Notes; and

WHEREAS, the City desires to designate the Series 2013 Notes as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NEPTUNE BEACH, FLORIDA AS FOLLOWS:

SECTION 1. DEFINITIONS. Terms used herein in capitalized form and not otherwise defined herein (including, without limitation, in the preamble hereto) shall have the meanings ascribed thereto in the Bond Resolution. In addition, the following terms shall have the meanings ascribed below:

"Business Day" means a day other than a Saturday, Sunday or day on which banking institutions in Duval County, Florida are authorized or required by law to remain closed.

"Interest Rate" means a per annum rate of interest, subject to adjustment as provided in the respective Series 2013 Notes, equal to (a) 3.35% with respect to the Series 2013A Note, and (b) 0.99% with respect to the Series 2013B Note.

"Series 2013 Notes" means collectively, the Series 2013A Note and the Series 2013B Note.

"Series 2013A Note" means the City of Neptune Beach, Florida Water and Sewer Revenue Note, Series 2013A.

"Series 2013B Note" means the City of Neptune Beach, Florida Water and Sewer Revenue Refunding Note, Series 2013B.

SECTION 2. AUTHORITY FOR THIS RESOLUTION. This resolution is adopted pursuant to the provisions of the Act and the Bond Resolution.

SECTION 3. FINDINGS.

A. The findings and declarations of the City contained in the Bond Resolution are hereby expressly approved, reaffirmed and ratified to the extent not inconsistent herewith. 163

B. The City is authorized under the Act and the Bond Resolution to issue Additional Bonds to finance the 2013 Project and to refinance the Refunded Bonds.

C. It is necessary and in the best interests of the City to provide for the issuance of its Series 2013A Note as an Additional Bond under the Bond Resolution for the purpose of financing costs of the 2013 Project and the other purposes set forth herein.

D. It is necessary and in the best interests of the City to provide for the issuance of its Series 2013B Note as an Additional Bond under the Bond Resolution for the purpose of refunding the Refunded Bonds and the other purposes set forth herein.

E. Because of the characteristics of the Series 2013 Notes, prevailing and anticipated volatile market conditions, and savings and benefits to be realized from an expeditious sale of the Series 2013 Notes, it shall be in the best interest of the City to accept the offer of the Purchasers to purchase the Series 2013 Notes at a negotiated sale with the interest rates, dated dates, final maturities and principal amortizations and redemption provisions established herein.

F. No event of default under the Bond Resolution has occurred and is continuing, the City is current in all deposits into the various funds and accounts under the Bond Resolution, and the City has complied with all of the covenants and agreements in the Bond Resolution.

G. The Series 2013 Notes will not be issued unless the requirements of Section 16.R of the Bond Resolution, as shall be applicable, are satisfied on or prior to the issuance of the Series 2013 Notes. Upon issuance in accordance with the terms hereof, the Series 2013 Notes will constitute Additional Bonds under the Bond Resolution, as supplemented hereby, and all of the covenants contained in the Bond Resolution will be applicable to the Series 2013 Notes.

H. It is estimated that the Pledged Funds to be derived in each year hereafter will be sufficient to pay all the principal of, premium, if any, and interest on the Series 2013 Notes, which constitute all outstanding Bonds (as defined in the Bond Resolution), as the same become due and to make all payments in connection therewith as required by the Bond Resolution and this Resolution.

I. Prior to the sale of the Series 2013 Notes, each Purchaser must provide the Issuer with a disclosure statement containing the information required by Section 218.385(6), Florida Statutes and a Truth-In-Bonding Statement pursuant to Section 218.385, Florida Statutes.

SECTION 4. AUTHORIZATION OF SERIES 2013 NOTES. The Series 2013 Notes are hereby authorized to be issued as Additional Bonds under and pursuant to this Resolution and Section 16.R of the Bond Resolution in the principal amount of not to exceed \$3,280,000 with respect to the Series 2013A Note and \$745,000 with respect to the Series 2013B Note. The Series 2013 Notes hereby authorized shall be known as "City of Neptune Beach, Florida Water and Sewer Revenue Note, Series 2013A" and "City of Neptune Beach, Florida Water and Sewer Revenue Refunding Note, Series 2013B," provided such Series 2013 Notes may have such other series designations as approved by the officers of the Issuer executing the Series 2013 Notes. The Series 2013 Notes shall be payable and secured on a parity with any Additional Bonds hereafter issued and shall be entitled to the same benefit and security of any other Additional Bonds hereafter issued pursuant to the Bond Resolution, except that the Series 2013 Notes shall not be secured by the Reserve Account or any subaccount therein. The Series 2013 Notes shall

be subject to the provisions of this Resolution and the Bond Resolution (collectively, the "Resolution"), all of the provisions of which shall be applicable to the Series 2013 Notes. Prior to the issuance of the Series 2013 Notes the conditions of Section 16.R of the Bond Resolution, to the extent applicable to the Series 2013 Notes, shall be satisfied.

The Series 2013A Note is being authorized for the purpose of providing funds to finance the costs of the 2013 Project and to pay the allocable costs of issuance of the Series 2013A Note. The Series 2013B Note is being authorized for the purpose of providing funds to refund all of the outstanding Refunded Bonds and to pay the allocable costs of issuance of the Series 2013B Note.

SECTION 5. SALE OF THE SERIES 2013 NOTES. Upon receipt of the disclosure statements and truth-in-bonding statements from the Purchasers meeting the requirements of Section 218.385, Florida Statutes, and subject to the other provisions of this Resolution, the Mayor, or in the Mayor's absence or unavailability, the Vice-Mayor, is hereby authorized and directed to accept the offer of the Purchasers to purchase the Series 2013 Notes in accordance with the terms hereof, the acceptance thereof to be evidenced by the delivery of the Series 2013 Notes to the Purchasers.

SECTION 6. TERMS OF THE SERIES 2013 NOTES.

A. The Series 2013A Note shall be substantially in the form set forth as Exhibit A-1 hereto and the Series 2013B Note shall be substantially in the form set forth as Exhibit A-2 hereto, with such changes as may be necessary or appropriate as may be approved by the officers of the Issuer executing the Series 2013 Notes, such execution to be conclusive evidence of such approval, and with respect to the Series 2013A Note shall be numbered "RA-1" and with respect to the Series 2013B Note shall be numbered "RB-1." Each series of Series 2013 Notes shall be issued as a single Term Bond, shall be dated its respective delivery date, shall bear interest at the respective Interest Rate unless such rate is adjusted pursuant to the terms hereof or of the Series 2013 Notes and shall be in an authorized denomination equal to the aggregate principal amount outstanding with respect to each such Series 2013 Note. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months and shall be payable on October 1 and April 1 of each year, commencing April 1, 2014.

B. The Series 2013A Note shall be issued as a single Term Bond maturing on October 1, 2028. The Series 2013A Note shall be subject to mandatory redemption prior to maturity in part, on October 1, 2014, and on each October 1 thereafter at a redemption price equal to the principal amount of such Series 2013A Note being redeemed, plus interest accrued to the date of redemption, on October 1, in the following years and in the following Amortization Installments (or such other amounts as hereinafter provided for in Section 14 hereof):

<u>Year</u>	<u>Amount</u>
2014	\$ 5,000.00
2015	5,000.00
2016	10,000.00
2017	155,000.00
2018	240,000.00
2019	250,000.00
2020	255,000.00
2021	265,000.00
2022	275,000.00
2023	280,000.00
2024	290,000.00
2025	300,000.00
2026	310,000.00
2027	315,000.00
2028*	325,000.00

* Maturity

C. The Series 2013B Note shall be issued as a single Term Bond maturing on October 1, 2017. The Series 2013B Note shall be subject to mandatory redemption prior to maturity in part, on October 1, 2014, and on each October 1 thereafter at a redemption price equal to the principal amount of such Series 2013B Note being redeemed, plus interest accrued to the date of redemption, on October 1, in the following years and in the following Amortization Installments (or such other amounts as hereinafter provided for in Section 14 hereof):

<u>Year</u>	<u>Amount</u>
2014	\$215,000.00
2015	225,000.00
2016	225,000.00
2017*	80,000.00

* Maturity

D. The Series 2013 Notes shall be subject to optional redemption as described in the Series 2013 Notes.

E. The Series 2013 Notes shall be fully registered notes, and the registration of the Series 2013 Notes may be transferred on the registration books maintained by the Registrar, only by surrender of such Series 2013 Note(s) accompanied by a written instrument or instruments of transfer in accordance with the Bond Resolution. So long as any of the Series 2013 Notes remain outstanding, the City shall keep and maintain at the office of the Registrar books for the registration of the Series 2013 Notes.

F. The City and the Registrar may treat the registered owner of any Series 2013 Note as the absolute owner thereof for all purposes, whether or not such Series 2013 Note shall be overdue, and shall not be bound by any notice to the contrary. The person in whose name any

Series 2013 Note is registered may be deemed the owner thereof by the City and the Registrar, and any notice to the contrary shall not be binding upon the City or the Registrar.

G. Notwithstanding anything in the Bond Resolution to the contrary, the Series 2013 Notes do not need to be presented to the City or the Paying Agent until their final maturity or redemption in full.

H. Notwithstanding anything herein to the contrary, each Series 2013 Note may only be sold, assigned or otherwise transferred to an "accredited investor" as defined in Rule 501 under Regulation D of the Securities Act of 1933, as amended, in whole and not in part.

I. Whenever the Series 2013 Notes shall be delivered to the Registrar for cancellation, upon payment of the principal amount thereof, or for replacement, transfer or exchange, such Series 2013 Note shall, after cancellation, either be retained by the Registrar for a period of time specified in writing by the City, or at the option of the City, shall be destroyed or cancelled by the Registrar and counterparts of a certificate of destruction or cancellation evidencing such destruction shall be furnished to the City.

J. If the date for the payment of principal of, or premium, if any, or interest on a Series 2013 Note shall be a day other than a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

K. The Series 2013 Notes shall be, and shall have all of the qualities and incidents of a negotiable instrument under the laws of the State of Florida.

SECTION 7. INSTRUMENT TO CONSTITUTE A CONTRACT; COVENANTS IN BOND RESOLUTION APPLICABLE. In consideration of the acceptance of the Series 2013 Notes authorized to be issued hereunder by those who shall hold the same from time to time, the Bond Resolution, as supplemented and amended in accordance with the terms hereof, shall be deemed to be and shall constitute a contract between the City and the holders of the Series 2013 Notes. The covenants and agreements set forth herein and in the Bond Resolution to be performed by the City shall be for the equal benefit, protection and security of the holders of the Series 2013 Notes issued hereunder, and the Series 2013 Notes issued hereunder shall be of equal rank with all other Additional Bonds hereafter issued under the Bond Resolution, without preference, priority or distinction over any other Bond. All applicable covenants contained in the Bond Resolution shall be fully applicable to the Series 2013 Notes as if originally issued thereunder. The Series 2013 Notes shall be deemed "Bonds" for all purposes of the Bond Resolution.

SECTION 8. COVENANTS AND AGREEMENTS. In addition with the covenants and agreements of the City set forth in the Bond Resolution, the City covenants and agrees with the Purchasers that so long as the Series 2013A Note or the Series 2013B Note, as the case may be, is outstanding to send or make available electronically to the 2013A Purchaser and 2013B Purchaser, respectively, audited financial statements for each Fiscal Year ending on and after September 30, 2013, within 210 days after the end thereof, and shall send or make available electronically to the respective Purchasers a copy of its annual budget within sixty (60) days after approval thereof by the City.

SECTION 9. REGISTRAR AND PAYING AGENT. The City hereby designates itself as Registrar and Paying Agent for the Series 2013 Notes and shall maintain books and records for registration of the Series 2013 Notes and shall register thereon each transfer thereof.

SECTION 10. ESCROW AGENT. The City hereby designates U.S. Bank National Association to act as escrow agent (the "Escrow Agent") with respect to the Refunded Bonds. The Mayor and City Clerk are hereby authorized to execute an Escrow Deposit Agreement with respect to the Refunded Bonds, between the City and the Escrow Agent (the "Escrow Deposit Agreement"), substantially in the form attached hereto as Exhibit B.

SECTION 11. REFUNDED BONDS. The Issuer has determined that it is in the best interest of the Issuer to provide for the defeasance and redemption of the Refunded Bonds. The Issuer hereby directs upon and only upon the issuance of the Series 2013B Note, that the Refunded Bonds shall be called for redemption on the earliest practical date. The Issuer hereby directs that the Escrow Agent or such other entity or person, shall give notice of defeasance and redemption of the Refunded Bonds, in the manner provided therein and in the Bond Resolution.

SECTION 12. COMPLIANCE WITH TAX REQUIREMENTS. In addition to any other requirements contained in the Bond Resolution, the City hereby covenants and agrees, for the benefit of the holders from time to time of the Series 2013 Notes, to comply with the requirements applicable to it contained in Section 103 and Part IV of Subchapter B of Chapter 1 of the Internal Revenue Code of 1986, as amended (the "Code") to the extent necessary to preserve the exclusion of interest on the Series 2013 Notes from gross income for federal income tax purposes. Specifically, without intending to limit in any way the generality of the foregoing, the City covenants and agrees:

(1) To pay to the United States of America from Pledged Funds available after all payments otherwise required by the Bond Resolution, and from any other legally available funds, at the times required pursuant to Section 148(f) for the Code, the excess of the amount earned on all non-purpose investments (as defined in Section 148(f)(6) of the Code) (other than investments attributed to an excess described in this sentence) over the amount which would have been earned if such non-purpose investments were invested at a rate equal to the yield on the Series 2013 Notes, plus any income attributable to such excess (the "Rebate Amount");

(2) To maintain and retain all records pertaining to and to be responsible for making or causing to be made all determinations and calculations of the Rebate Amount and required payments of the Rebate Amount as shall be necessary to comply with the Code;

(3) To refrain from using proceeds from the Series 2013 Notes in a manner that might cause the Series 2013 Notes or any of them, to be classified as private activity bonds under Section 141(a) of the Code; and

(4) To take or refrain from taking any action that would cause the Series 2013 Notes, or any of them, to become "arbitrage bonds" under Section 148 of the Code.

The City understands that the foregoing covenants impose continuing obligations on the City to comply with the requirements of Section 103 and Part IV of Subchapter B of Chapter 1 of the Code so long as such requirements are applicable.

SECTION 13. APPLICATION OF NOTE PROCEEDS.

A. Proceeds from the sale of the Series 2013A Note, shall be applied as follows:

(i) A portion of the proceeds shall be deposited to the "2013 Project Fund" which is hereby established and shall be applied to pay costs of the 2013 Project.

(ii) The remaining portion of the proceeds of the Series 2013A Note shall be used to pay the allocable costs of issuance of the Series 2013A Note.

B. Proceeds from the sale of the Series 2013B Note, and any amounts held in the funds and accounts established pursuant to the Bond Resolution with respect to the Refunded Bonds, shall be applied as follows:

(i) A portion of the proceeds of the Series 2013B Note, together with funds available from the Reserve Account held under the Bond Resolution for the Refunded Bonds, shall be paid to the Escrow Agent pursuant to the Escrow Deposit Agreement for the Refunded Bonds.

(ii) The remaining portion of the proceeds of the Series 2013B Note shall be used to pay the allocable costs of issuance of the Series 2013B Note.

SECTION 14. AUTHORIZATIONS. The Mayor and/or Vice Mayor of the City are hereby authorized to execute and deliver on behalf of the City the Series 2013 Notes in substantially the forms included in the Bond Resolution, as modified to conform to the terms of this Resolution and the respective terms of the Purchasers and with respect to the Escrow Deposit Agreement, substantially in the form attached as Exhibit B hereto, subject to such changes, omissions and filling of blanks therein as any of such officers may approve, such approval to be conclusively evidenced by their execution thereof. The Mayor or Vice-Mayor may approve the aggregate principal amount of the Series 2013 Notes, which amount shall not exceed \$3,280,000 with respect to the Series 2013A Note and \$745,000 with respect to the Series 2013B Note, and the schedules of Amortization Installments to be included on each respective series of the Series 2013 Notes, the execution of such Series 2013 Notes to be conclusive evidence of such approval.

In addition to the authorization set forth above, the members of the City Council and the officers, attorneys and other agents or employees of the City are hereby authorized to do all acts and things required of them by the Bond Resolution, this Resolution and/or the Escrow Deposit Agreement, or which are desirable or consistent with the requirements hereof or of the Bond Resolution, this Resolution and the Escrow Deposit Agreement, for the punctual and complete performance of all the terms, covenants and agreements contained herein or in the Series 2013 Notes and the Escrow Deposit Agreement, and each member, employee, attorney and officer of the City are hereby authorized and directed to execute and deliver any and all papers and instruments and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder.

SECTION 15. AMENDMENT TO THE BOND RESOLUTION. Effective upon the delivery of the Series 2013 Notes:

(a) The definition of "Reserve Requirement" in the Bond Resolution is hereby amended in its entirety to read as follows:

"Reserve Requirement" shall mean, as of any date of calculation and with respect to a particular subaccount of the Reserve Account, an amount equal to the lesser of (1) the Maximum Bond Service Requirement for all outstanding Bonds which are secured by such subaccount, (2) 125% of the average annual Bond Service Requirement for all outstanding Bonds which are secured by such subaccount, or (3) 10% of the proceeds of all outstanding Bonds which are secured by such subaccount. Notwithstanding the foregoing, the Reserve Account Requirement with respect to any Additional Bonds may be set at a lesser amount than that provided in the foregoing by supplemental resolution adopted in connection with such Additional Bonds and it may be provided by supplemental resolution that Additional Bonds not be secured by the Reserve Account or a subaccount therein or that the Reserve Account Requirement with respect thereto shall be zero dollars (\$0). The Reserve Requirement for the Series 2013 Notes shall be zero dollars (\$0).

(b) Section 16.B(3) of the Bond Resolution is hereby amended to provide that there may be created and established in additional separate debt service reserve funds, accounts or subaccounts with respect to and securing separate series of Bonds, and amounts on deposit therein shall secure only the Bonds of the series designated to be secured thereby. Payments under Section 16.B(3) to the Reserve Account and any other subaccounts therein or other debt service reserve funds shall be applied, on a pro rata basis (based on the Reserve Requirement for each Reserve Account or separate reserve fund, account or subaccount created under the terms hereof).

(c) Paragraph (1) of Section 16.R is hereby amended and restated in its entirety to read as follows (with underlining reflecting inserts and strikethroughs representing deletions from the original text):

(1) There shall have been delivered ~~obtained and filed with the City Clerk~~ a certificate of an independent certified public accountant or the Director of Finance stating: (a) that the books and records of the Issuer relative to the System have been reviewed by him; (b) the amount of the Net Revenues derived for any consecutive twelve (12) months out of the preceding eighteen (18) months preceding the date of issuance of the proposed Additional Bonds, adjusted as herein below provided; (c) that the aggregate amount of such Net Revenues, as adjusted pursuant to paragraphs (2), (3), (4), (5) and (6) below, is equal to not less than 125% of the Maximum Bond Service Requirement becoming due in any Fiscal Year thereafter on (i) all obligations issued under this Resolution, if any, then outstanding, and (ii) on the Additional Bonds with respect to which such certificate is made and (iii) on any other Additional Bonds then outstanding.

(d) The last sentence of Section 16.B(4) is hereby amended and restated in its entirety to read as follows (with underlining reflecting inserts and strikethroughs representing deletions from the original text): "Such moneys on deposit in such Fund shall also be used to supplement the Reserve Account and/ or Sinking Fund if necessary in order to prevent a default in the payment of the principal of and interest on the Bonds." 170

By acceptance of the Series 2013 Notes, the Holders of the Series 2013 Notes shall be deemed to have consented to such amendments to the Bond Resolution.

SECTION 16. SMALL ISSUER DESIGNATION. The City (including any subordinate entity or entities and any entity or entities issuing tax-exempt obligations on behalf of the City within the meaning of Section 265(b)(3)(E) of the Code) has not issued, and does not reasonably expect to issue, tax-exempt obligations (other than obligations described in Section 265(b)(3)(C)(ii) of the Code) within calendar year 2013, which will exceed \$10,000,000 in aggregate principal amount. The City hereby represents and warrants that the City has no "subordinate entities" or entities which issue obligations on behalf of the City within the contemplation of Section 265(b)(3)(E) of the Code. The City hereby designates the Series 2013 Notes as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code.


SECTION 17. EXCEPTION TO REBATE. The City desires to qualify the Series 2013 Notes for the small governmental units exception to the arbitrage rebate requirements imposed by the Code; and the City does hereby represent and warrant that it is a governmental unit with general taxing powers, that at least ninety-five percent (95%) of the net proceeds (as defined in the Code) of the Series 2013 Notes will be used for local governmental activities of the City, and that the aggregate face amount of all tax-exempt obligations, other than private activity bonds (as defined in the Code), issued by or on behalf of the City (and all subordinate entities thereof) during the 2013 calendar year is not reasonably expected to exceed \$5,000,000.

SECTION 18. BOND RESOLUTION IN FULL FORCE AND EFFECT. As hereby supplemented and amended, the Bond Resolution shall remain in full force and effect.

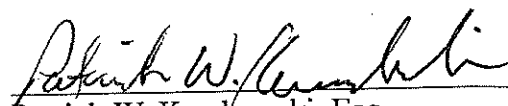
SECTION 19. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

CITY OF NEPTUNE BEACH, FLORIDA

ATTEST:


LISA VOLPE, CITY CLERK

By: 
HARRIET PRUETTE, MAYOR


Patrick W. Krechowski, Esq.
Approved as to form and legal sufficiency

(CITY SEAL)

STATE OF FLORIDA

COUNTY OF DUVAL

I, Lisa Volpe, the undersigned City Clerk of the City of Neptune Beach, Florida, do hereby certify that the above and foregoing is a true and correct copy of Resolution No. 2013-05, as the same was duly adopted at a meeting of the City Council on September 9, 2013, and as the same appears on the record in my office.

IN WITNESS WHEREOF, I hereunto set my hand this 10th day of September, 2013.

CITY OF NEPTUNE BEACH, FLORIDA

By: Lisa Volpe
City Clerk

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136446-1

SOURCES AND USES OF FUNDS

City of Neptune Beach, Florida
 Water and Sewer Revenue Note, Series 2013A (15yr)
 Assume \$3.25 million project fund
 Wrap around 2013B Bonds (Estimated) - Level Debt Service
 BB&T 15-year Bank Loan - 3.35%
 First Principal 10/1/14 - First Interest 4/1/14

Dated Date 09/10/2013
 Delivery Date 09/10/2013

Sources:

Bond Proceeds:	
Par Amount	3,280,000.00
	3,280,000.00

Uses:

Project Fund Deposits:	
Project Fund	3,250,000.00
Cost of Issuance:	
Bond Counsel	12,500.00
Financial Advisor	8,000.00
Bank Counsel	3,500.00
Miscellaneous	5,000.00
	29,000.00
Other Uses of Funds:	
Additional Proceeds	1,000.00
	3,280,000.00

Notes:
 Cost of Issuance Estimated
 30/360 Interest Calculation

BOND SUMMARY STATISTICS

City of Neptune Beach, Florida
 Water and Sewer Revenue Note, Series 2013A (15yr)
 Assume \$3.25 million project fund
 Wrap around 2013B Bonds (Estimated) - Level Debt Service
 BB&T 15-year Bank Loan - 3.35%
 First Principal 10/1/14 - First Interest 4/1/14

Dated Date	09/10/2013
Delivery Date	09/10/2013
First Coupon	04/01/2014
Last Maturity	10/01/2028
Arbitrage Yield	3.349785%
True Interest Cost (TIC)	3.349785%
Net Interest Cost (NIC)	3.350000%
All-In TIC	3.456783%
Average Coupon	3.350000%
Average Life (years)	10.013
Duration of Issue (years)	8.449
Par Amount	3,280,000.00
Bond Proceeds	3,280,000.00
Total Interest	1,100,184.67
Net Interest	1,100,184.67
Total Debt Service	4,380,184.67
Maximum Annual Debt Service	345,977.50
Average Annual Debt Service	290,881.11
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Bond Component	3,280,000.00	100.000	3.350%	10.013	09/15/2023	2,718.25
	3,280,000.00			10.013		2,718.25

BOND SUMMARY STATISTICS

City of Neptune Beach, Florida
 Water and Sewer Revenue Note, Series 2013A (15yr)
 Assume \$3.25 million project fund
 Wrap around 2013B Bonds (Estimated) - Level Debt Service
 BB&T 15-year Bank Loan - 3.35%
 First Principal 10/1/14 - First Interest 4/1/14

	TIC	All-In TIC	Arbitrage Yield
Par Value	3,280,000.00	3,280,000.00	3,280,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-29,000.00	
- Other Amounts			
Target Value	3,280,000.00	3,251,000.00	3,280,000.00
Target Date	09/10/2013	09/10/2013	09/10/2013
Yield	3.349785%	3.456783%	3.349785%

BOND DEBT SERVICE

City of Neptune Beach, Florida
 Water and Sewer Revenue Note, Series 2013A (15yr)
 Assume \$3.25 million project fund
 Wrap around 2013B Bonds (Estimated) - Level Debt Service
 BB&T 15-year Bank Loan - 3.35%
 First Principal 10/1/14 - First Interest 4/1/14

Dated Date 09/10/2013
 Delivery Date 09/10/2013

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2014			61,349.67	61,349.67	
10/01/2014	5,000	3.350%	54,940.00	59,940.00	121,289.67
04/01/2015			54,856.25	54,856.25	
10/01/2015	5,000	3.350%	54,856.25	59,856.25	114,712.50
04/01/2016			54,772.50	54,772.50	
10/01/2016	10,000	3.350%	54,772.50	64,772.50	119,545.00
04/01/2017			54,605.00	54,605.00	
10/01/2017	155,000	3.350%	54,605.00	209,605.00	264,210.00
04/01/2018			52,008.75	52,008.75	
10/01/2018	240,000	3.350%	52,008.75	292,008.75	344,017.50
04/01/2019			47,988.75	47,988.75	
10/01/2019	250,000	3.350%	47,988.75	297,988.75	345,977.50
04/01/2020			43,801.25	43,801.25	
10/01/2020	255,000	3.350%	43,801.25	298,801.25	342,602.50
04/01/2021			39,530.00	39,530.00	
10/01/2021	265,000	3.350%	39,530.00	304,530.00	344,060.00
04/01/2022			35,091.25	35,091.25	
10/01/2022	275,000	3.350%	35,091.25	310,091.25	345,182.50
04/01/2023			30,485.00	30,485.00	
10/01/2023	280,000	3.350%	30,485.00	310,485.00	340,970.00
04/01/2024			25,795.00	25,795.00	
10/01/2024	290,000	3.350%	25,795.00	315,795.00	341,590.00
04/01/2025			20,937.50	20,937.50	
10/01/2025	300,000	3.350%	20,937.50	320,937.50	341,875.00
04/01/2026			15,912.50	15,912.50	
10/01/2026	310,000	3.350%	15,912.50	325,912.50	341,825.00
04/01/2027			10,720.00	10,720.00	
10/01/2027	315,000	3.350%	10,720.00	325,720.00	336,440.00
04/01/2028			5,443.75	5,443.75	
10/01/2028	325,000	3.350%	5,443.75	330,443.75	335,887.50
	3,280,000		1,100,184.67	4,380,184.67	4,380,184.67

AGGREGATE DEBT SERVICE

City of Neptune Beach, Florida
 Water and Sewer Revenue Note, Series 2013A (15yr)
 Assume \$3.25 million project fund
 Wrap around 2013B Bonds (Estimated) - Level Debt Service
 BB&T 15-year Bank Loan - 3.35%
 First Principal 10/1/14 - First Interest 4/1/14

Date	Water and Sewer Revenue Note, Series 2013A (15yr)	Other D/S	Aggregate Debt Service	Annual Aggregate D/S
04/01/2014	61,349.67	4,158.96	65,508.63	
10/01/2014	59,940.00	218,749.21	278,689.21	344,197.84
04/01/2015	54,856.25	2,652.65	57,508.90	
10/01/2015	59,856.25	227,667.23	287,523.48	345,032.38
04/01/2016	54,772.50	1,534.91	56,307.41	
10/01/2016	64,772.50	226,534.91	291,307.41	347,614.82
04/01/2017	54,605.00	400.40	55,005.40	
10/01/2017	209,605.00	80,402.60	290,007.60	345,013.00
04/01/2018	52,008.75		52,008.75	
10/01/2018	292,008.75		292,008.75	344,017.50
04/01/2019	47,988.75		47,988.75	
10/01/2019	297,988.75		297,988.75	345,977.50
04/01/2020	43,801.25		43,801.25	
10/01/2020	298,801.25		298,801.25	342,602.50
04/01/2021	39,530.00		39,530.00	
10/01/2021	304,530.00		304,530.00	344,060.00
04/01/2022	35,091.25		35,091.25	
10/01/2022	310,091.25		310,091.25	345,182.50
04/01/2023	30,485.00		30,485.00	
10/01/2023	310,485.00		310,485.00	340,970.00
04/01/2024	25,795.00		25,795.00	
10/01/2024	315,795.00		315,795.00	341,590.00
04/01/2025	20,937.50		20,937.50	
10/01/2025	320,937.50		320,937.50	341,875.00
04/01/2026	15,912.50		15,912.50	
10/01/2026	325,912.50		325,912.50	341,825.00
04/01/2027	10,720.00		10,720.00	
10/01/2027	325,720.00		325,720.00	336,440.00
04/01/2028	5,443.75		5,443.75	
10/01/2028	330,443.75		330,443.75	335,887.50
	4,380,184.67	762,100.87	5,142,285.54	5,142,285.54

COST OF ISSUANCE

City of Neptune Beach, Florida
 Water and Sewer Revenue Note, Series 2013A (15yr)
 Assume \$3.25 million project fund
 Wrap around 2013B Bonds (Estimated) - Level Debt Service
 BB&T 15-year Bank Loan - 3.35%
 First Principal 10/1/14 - First Interest 4/1/14

Cost of Issuance	\$/1000	Amount
Bond Counsel	3.81098	12,500.00
Financial Advisor	2.43902	8,000.00
Bank Counsel	1.06707	3,500.00
Miscellaneous	1.52439	5,000.00
	8.84146	29,000.00

**ATTACHMENT 5
LEGAL OPINION**

SAMPLE LEGAL OPINION

To be added later

Date

Ms. Angela Knecht
Program Administrator
State Revolving Fund Management
3900 Commonwealth Blvd., Mail Station 3505
Tallahassee, Florida 32399-3000

Re: Project Number - Local Government
Project Name (e.g., Wastewater Treatment Facilities)

Dear Ms. Knecht:

I am the duly appointed City Attorney for the City of Name. The City proposes to borrow \$ _____ from the State Revolving Fund for construction of City wastewater treatment facilities. The loan will be secured by the net revenues of the City's water and sewer system and the pledged revenues are legally available to pledge. The City of Name has the legal authority to increase rates to ensure repayment of the loan.

The pledge on revenues is subject to a prior lien with the following issues:

- (1) City of Name, Florida, Water and Sewer System Revenue Bonds, Series 20__.
- (2) City of Name, Florida, Water and Sewer System Refunding Revenue Bonds, Series 20__.

[If there are no senior liens, include a statement so indicating.]

Sincerely,

Name

Note: Actual revenues to be pledged to secure loan should be clearly identified.
Please state if there are no prior liens against the pledged revenues.

**ATTACHMENT 6
AUTHORIZING RESOLUTION**



RESOLUTION NO. 2023-10

A RESOLUTION OF CITY OF THE CITY OF NEPTUNE BEACH, FLORIDA, RELATING TO THE STATE REVOLVING FUND LOAN PROGRAM; MAKING FINDINGS; AUTHORIZING THE LOAN APPLICATION; AUTHORIZING THE LOAN AGREEMENT; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING ASSURANCES; PROVIDING FOR CONFLICTS, SEVERABILITY, AND EFFECTIVE DATE

WHEREAS, Florida Statutes provide for loans to local government agencies to finance the construction of wastewater treatment facilities; and

WHEREAS, Florida Administrative Code rules require authorization to apply for loans, to establish pledged revenues, to designate an authorized representative; to provide assurances of compliance with loan program requirements; and to enter into a loan agreement; and

WHEREAS, the State Revolving Fund loan priority list designates Project No. LS 16012 as eligible for available funding; and

WHEREAS; the City of Neptune Beach, Florida, intends to enter into a loan agreement with the Department of Environmental Protection under the State Revolving Fund for project financing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NEPTUNE BEACH, FLORIDA, AS FOLLOWS:

SECTION I. The foregoing findings are incorporated herein by reference and made a part hereof.

SECTION II. The City of Neptune Beach, Florida, is authorized to apply for a loan to finance the Project.

SECTION III. The revenues pledged for the repayment of the loan are net water and sewer system revenues. There are no senior liens regarding such revenues.

SECTION IV. The City Manager is hereby designated as the authorized representative to provide the assurances and commitments required by the loan application.

SECTION V. The Mayor is hereby designated as the authorized representative to execute the loan agreement which will become a binding obligation in accordance with

its terms when signed by both parties. The Mayor is authorized to represent the City in carrying out the City's responsibilities under the loan agreement. The Mayor is authorized to delegate responsibility to appropriate City staff to carry out technical, financial, and administrative activities associated with the loan agreement.

SECTION VI. The legal authority for borrowing moneys to construct this Project is Section 403.8532, Florida Statutes.

SECTION VII. All resolutions or part of Resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION VIII. If any section or portion of a section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other section or part of this Resolution.

SECTION IX. This Resolution shall become effective immediately upon its passage and adoption.

PASSED and ADOPTED this 5th day of September, 2023

ATTEST

APPROVED AS TO FORM AND
LEGALITY

City Clerk

City Attorney

Mayor

ATTACHMENT 7
AUDITED FINANCIAL REPORTS

2021

City of Neptune Beach, Florida

Financial Statements and
Independent Auditor's Report

September 30, 2021

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

CITY OF NEPTUNE BEACH, FLORIDA

SEPTEMBER 30, 2021

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**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

CITY OF NEPTUNE BEACH, FLORIDA

SEPTEMBER 30, 2021

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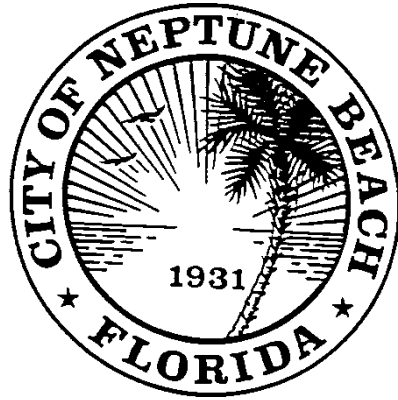
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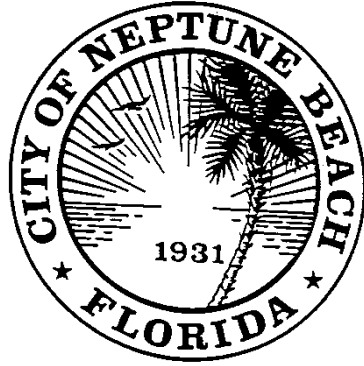


Basic Financial Statements

Annual Financial Report

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF NEPTUNE BEACH, FLORIDA**

	Business-Type Activities - Enterprise Funds				Total
	Major Fund Water and Sewer	Major Fund Sanitation	Major Fund Stormwater Utility	Non-Major Paid Parking	
Operating Revenues					
Charges for Services	\$ 4,847,806	\$ 1,401,675	\$ 1,311,910	\$ 562,049	\$ 8,123,440
Connection Fees and Impact Fees	29,653	-	-	2,462	32,115
Total Operating Revenues	4,877,459	1,401,675	1,311,910	564,511	8,155,555
Operating Expenses					
Personal Services	1,438,143	176,616	141,044	144,773	1,900,576
Utilities	228,443	-	-	6,273	234,716
Supplies and Materials	257,050	5,429	7,365	18,595	288,439
Contractual Services	227,379	1,210,409	34,193	237,819	1,709,800
Depreciation and Amortization	723,914	-	50,747	13,008	787,669
Repairs and Maintenance	166,376	29,709	30,202	6,142	232,429
Insurance	107,434	15,132	10,149	9,414	142,129
Other Operating	54,666	10,599	3,175	130,125	198,565
(Total Operating Expenses)	(3,203,405)	(1,447,894)	(276,875)	(566,149)	(5,494,323)
Operating Income	1,674,054	(46,219)	1,035,035	(1,638)	2,661,232
Non-Operating Revenues (Expenses)					
Intergovernmental Revenue			129,705		129,705
Interest Revenue	2,107	-	669	38	2,814
Interest/Amortization Expense	(94,550)	-	(2,965)	-	(97,515)
Total Non-Operating Revenues (Expenses)	(92,443)	-	127,409	38	35,004
Income Before Operating Transfers	1,581,611	(46,219)	1,162,444	(1,600)	2,696,236
Transfers (out)	(120,000)	-	-	-	(120,000)
Change in Net Position	1,461,611	(46,219)	1,162,444	(1,600)	2,576,236
Total Net Position, Beginning of Year	14,444,729	(70,365)	1,415,167	16,215	15,805,746
Total Net Position, End of Year	\$ 15,906,340	\$ (116,584)	\$ 2,577,611	\$ 14,615	\$ 18,381,982



Notes to Financial Statements

Annual Financial Report

Depreciation expense was charged to functions/programs as follows:

Governmental Activities	
General Government	\$ 34,995
Public Safety	190,305
Transportation	124,108
Culture and Recreation	83,729
Total Depreciation Expense - Governmental Activities	<u><u>\$ 433,137</u></u>
Business-Type Activities	
Water and Sewer	\$ 732,799
Stormwater Utility	41,859
Paid Parking Fund	13,008
Total Depreciation Expense - Business-Type Activities	<u><u>\$ 787,666</u></u>

Note 6 - Long-Term Liabilities

At September 30, 2021, bonds and loans payable consisted of the following:

	<u>Governmental</u>	<u>Business-Type</u>
Loans		
Drinking Water State Revolving Fund Construction Loan #2, Due in Semi-Annual Installments of Principal and Interest of \$59,050 through February 15, 2023, Bearing an Interest Rate of 3.05%	\$ -	\$ 171,873
Clean Water State Revolving Fund Construction Loan, Due in Semi-Annual Installments of Principal and Interest of \$142,402 through August 15, 2022, Bearing an Interest Rate of 3.05%	-	278,420
Water and Sewer Revenue Note, Series 2013A Dated September 10, 2013, for \$3,280,000, Due in Semi-Annual Installments of Principal Ranging from \$5,000 to \$325,000, Bearing an Interest Rate of 3.35%, Final Payment Due October 1, 2028	-	2,360,000
Total	<u><u>\$ -</u></u>	<u><u>\$ 2,810,293</u></u>

Transactions for the year ended September 30, 2020, are summarized as follows:

	Balance October 1, 2020	Additions	Reductions	Balance September 30, 2021	Due Within One Year
Governmental Activities					
Net Pension Liability	\$ 792,777	\$ -	\$ (408,555)	\$ 384,222	\$ -
OPEB Obligations	628,687	137,565	-	766,252	-
Compensated Absences	418,729	371,507	(444,558)	345,678	330,330
Total Governmental Activities - Long-Term Liabilities	<u>\$ 1,840,193</u>	<u>\$ 509,072</u>	<u>\$ (853,113)</u>	<u>\$ 1,496,152</u>	<u>\$ 330,330</u>
Business-Type Activities					
Bonds Payable:					
Infrastructure Surtax Revenue Bonds, 2010A	\$ 95,000	\$ -	\$ (95,000)	\$ -	\$ -
Loans Payable:					
Drinking Water Loan #1	12,373	-	(12,373)	-	-
Drinking Water Loan #2	282,191	-	(110,318)	171,873	113,711
Clean Water Loan	548,537	-	(270,117)	278,420	278,420
Water and Sewer Revenue Note Series 2013A	2,360,000	-	-	2,360,000	265,000
Total Bonds and Loans Payable	<u>3,298,101</u>	<u>-</u>	<u>(487,808)</u>	<u>2,810,293</u>	<u>657,131</u>
Lease Payable	212,249	-	(84,916)	127,333	88,999
OPEB Obligations	275,538	40,382	-	315,920	-
Compensated Absences	157,986	36,986	(86,440)	108,532	108,532
Business-Type Activities - Long-Term Liabilities	<u>\$ 3,943,874</u>	<u>\$ 77,368</u>	<u>\$ (659,164)</u>	<u>\$ 3,362,078</u>	<u>\$ 854,662</u>

The annual requirements to amortize the bonds and loans payable outstanding as of September 30, 2021, are summarized as follows:

Fiscal Year Ending September 30,	Drinking Water State Revolving Fund Construction Loan #2		Clean Water State Revolving Fund Construction Loan	
	Principal	Interest	Principal	Interest
	2022	\$ 113,711	\$ 4,387	\$ 278,420
2023	58,162	888	-	-
2024	-	-	-	-
Total	<u>\$ 171,873</u>	<u>\$ 5,275</u>	<u>\$ 278,420</u>	<u>\$ 6,385</u>

Fiscal Year Ending September 30,	Water and Sewer Revenue Note, 2013A		Business-Type Activities Totals	
	Principal	Interest	Principal	Interest
2022	\$ 265,000	\$ 70,183	\$ 657,131	\$ 80,955
2023	275,000	60,970	333,162	61,858
2024	280,000	51,590	280,000	51,590
2025	290,000	41,875	290,000	41,875
2026	300,000	31,825	300,000	31,825
2027-2031	950,000	32,327	950,000	32,327
Total	<u>\$ 2,360,000</u>	<u>\$ 288,770</u>	<u>\$ 2,810,293</u>	<u>\$ 300,430</u>

The final draw on the water construction project #1, which was funded by Drinking Water State Revolving Fund Construction Loan #1, was received on December 3, 2001. The full amount of the loan was \$174,183 and was used for water system project construction. Revenues of the Water and Sewer Fund will repay this obligation. Annual principal and interest on the loan is expected to require 0% of such revenues and is payable through 2021. At year-end, pledged future revenues totaled \$0, which was the amount of remaining principal and interest on the loan.

On May 7, 2001, the City was approved for a Drinking Water State Revolving Fund Construction Loan #2 for water construction project #2. The full amount of the loan was \$1,740,925 and was used for water system project construction. Revenues of the Water and Sewer Fund will repay this obligation. Annual principal and interest on the loan is expected to require 2% of such revenues and is payable through 2023. At year-end, pledged future revenues totaled \$177,148, which was the amount of remaining principal and interest on the loan.

On January 4, 1999, the City was approved for a Clean Water State Revolving Fund Construction Loan for sewer project construction. The full amount of the loan was \$4,428,579 and was used for sewer project construction. Revenues of the Water and Sewer Fund will repay this obligation. Annual principal and interest on the loan is expected to require 6% of such revenues and is payable through 2022. At year-end, pledged future revenues totaled \$284,805, which was the amount of remaining principal and interest on the loan.

On January 12, 2010, the City issued Infrastructure Surtax Revenue Bonds Series A for \$1,700,000. The proceeds of the bond issue are to improve the sewage treatment plant and to replace in-ground infrastructure of the City's water and sewer utility system. The bonds are secured from the infrastructure surtax. Annual principal and interest on the bonds are expected to require 0% of such revenues and are payable through 2020. However, revenues of the Water and Sewer Fund will repay these bonds. At year-end, pledged future revenues totaled \$0, which was the amount of remaining principal and interest on the bonds.

On September 10, 2013, the City approved the Water and Sewer Revenue Note 2013A for \$3,280,000. The proceeds of the loans will be used for improvements to the water and sewer system and refunding the 2001 Water and Sewer Bond and paying related costs. Annual principal and interest on the notes are expected to require 7% of such revenues and are payable through 2028. At year-end, pledged future revenues totaled \$2,648,770, which was the amount of remaining principal and interest on the notes.

Capital Lease

The City entered into a lease agreement on February 22, 2019, for financing the acquisition of a Menzi Muck Excavator. The City has recorded the equipment into their fixed asset system at the present value of the minimum lease payments of \$338,805. The term of the lease is 4 years or 48 months and at an interest rate of 4.705%.

The asset acquired through the capital leases is as follows:

Asset	
Excavator	\$ 338,805
(Accumulated Depreciation)	<u>(152,462)</u>
Total	<u><u>\$ 186,343</u></u>

ATTACHMENT 8
REVENUE AND EXPENSE PROJECTION EXPLANATIONS

1. Operating Revenue: Operating Revenue shows an increase of 1.8% for FY 2024-FY2028 based on average annual revenue increase 2020-2022. In 2023 \$3,913,005 miscellaneous revenues were added to the budget for from ARPA and appropriated funds. A portion of this revenue was carried forward into the 2024 budget. This \$3,913,005 revenue is not shown in the Part V Schedule because it does not represent anticipated revenue and it is designated for specific capital expenditures.

2. Operating Expenses: 2024-2026 Operating Expense Projections based on average Operating Expenses 2022 plus 1.90% annual increase. Average Florida Public Service Commission annual Price Index increase for 2012-2022 = 1.90% (<http://www.psc.state.fl.us/utilities/waterwastewater/>, click on "Price Index a Pass Through Application for Water and Wastewater Utilities").



Agenda Item #10C Geotechnical Investigation

CITY OF NEPTUNE BEACH CITY COUNCIL MEETING STAFF REPORT

AGENDA ITEM:	3rd Street Gravity Sewer Geotechnical Investigation Project
SUBMITTED BY:	Deryle Calhoun, P.E. Public Works Director
DATE:	August 30, 2023
BACKGROUND:	<p>A second wastewater crossing of 3rd Street is needed for redundancy and increased capacity in the collection system.</p> <p>Staff and consulting engineers at Jones Edmunds met to develop a proposed route for the new pipeline.</p> <p>This proposal includes development of a project cost estimation, geotechnical analysis and route recommendation provided in a technical memorandum based on FDOT and Neptune Beach standards.</p> <p>Geotechnical services provided by the subcontractor include three soil borings to approximately 15 feet deep within FDOT right of way and ground penetrating radar (GPR) survey of the area. Traffic control and groundwater sampling as required by FDEP is also included.</p> <p>Jones Edmunds has a current continuing services contract with City on Neptune Beach.</p>
BUDGET:	FY23 original budget 401-4335-535-30-31 Professional Services is \$587,000.04 with \$296,241.87 Budget Available as of August 29.
RECOMMENDATION:	Award to Jones Edmunds in the amount of \$34,273.60.
ATTACHMENT:	Proposal from Jones Edmunds redacted to protect location of critical infrastructure.

August 28, 2023

Deryle Calhoun, Jr., PE
Public Works Director
City of Neptune Beach
2010 Forest Avenue
Neptune Beach, Florida 32266

RE: 3rd Street Gravity Sewer Geotechnical Investigation Project
Scope of Services
Contract: CONB RFQ 2021-04
Jones Edmunds Opportunity No.: 95460-252-23

Dear Mr. Calhoun:

Jones Edmunds is excited to continue serving the City of Neptune Beach with professional and technical engineering services for a gravity main crossing 3rd Street [REDACTED]. The project will perform a geotechnical investigation on the proposed 3rd Street gravity sewer crossing at [REDACTED] and 3rd Street intersection.

This Scope of Services is based on discussions between Jones Edmunds and the City. It includes the professional engineering activities associated with preparing construction documents suitable for bidding and constructing new pipelines.

SCOPE OF SERVICES

TASK 1 GEOTECHNICAL INVESTIGATION SERVICES

SUBTASK 1.1 TECHNICAL MEMORANDUM AND COORDINATION SERVICES

Jones Edmunds will summarize in a Technical Memorandum the meeting with the City of Neptune Beach on August 14, 2023, to cover the overall project objectives, which will include pipeline sizes, routes, terminal and intermediate connection points, easement or land-right needs, wetland impacts, subsurface utility engineering (SUE), maintenance-of-traffic (MOT) needs, permitting (e.g., City of Neptune Beach, Duval County, Florida Department of Environmental Protection [FDEP]), schedule, and communication protocols. Jones Edmunds will coordinate with the Florida Department of Transportation (FDOT) for MOT, lane closures, and geotechnical investigations. Jones Edmunds will compile the cost estimation, geotechnical analysis, and route recommendations into a technical memorandum based on FDOT and Neptune Beach standards.

Deliverables:

- Meeting Minutes
- Action Items
- Technical Memorandum
- Cost Estimate
- Geotechnical Analysis

SUBTASK 1.2 GEOTECHNICAL SERVICES

Jones Edmunds will engage the geotechnical engineering firm, Meskel and Associates, Inc, to perform a geotechnical investigation on the proposed gravity sewer crossing north of the [REDACTED] and 3rd Street intersection.

The geotechnical investigation services are expected to include the following:

- Borings along the proposed pipeline routes at a depth to be determined by Jones Edmunds to support open-cut pipeline installation.
- Boring and sampling locations recorded by a global positioning system (GPS).

Each boring will be properly abandoned in accordance with the St. Johns River Water Management District (SJRWMD) guidelines.

A geotechnical report summarizing the following will be provided:

- An engineering description and characterization of the soil conditions encountered during field exploration.
- Results of physical testing for representative soil samples and classification of soil samples in the laboratory using the Unified Soil Classification System (USCS).
- Boring profiles showing soil types and water-table conditions recorded during field exploration.
- A summary and general discussion regarding subsurface conditions, including the potential for contaminated sites along the route.
- Recommended subgrade preparation for the proposed reclaimed water main.
- Evaluation and suitability of the subsurface conditions for open-cut installations.

Deliverables: Jones Edmunds will provide the City with a technical memorandum on the geotechnical findings and recommend a route for the gravity sewer main. Jones Edmunds will also provide a signed-and-sealed geotechnical report in PDF format.

SCHEDULE

This Task Assignment shall commence upon receipt of a Notice to Proceed and continue until the Scope of Services is completed and accepted by the City of Neptune Beach. This project will maintain the schedule below. If the schedule is altered because of unexpected delays, Jones Edmunds will notify the City's Project Manager immediately, and a mutually agreeable revised schedule will be established.

Milestone	Activity Duration (Days)	Days from NTP
Task 1 – Preliminary Engineering Design Services		
Technical Memorandum and Coordination Services	1	14
Geotechnical Services	45	59
Technical Memorandum	14	73

COMPENSATION

Based on this Scope of Services, the City of Neptune Beach will compensate Jones Edmunds for a total not-to-exceed fee of \$34,273.60. The tasks will be completed on a lump-sum percent-complete basis. A detailed Fee Estimate is attached.

Task	Fee
Task 1 – Preliminary Engineering Design Services (LS)	\$34,273.60
TOTAL	\$34,273.60

PROPOSAL CLARIFICATIONS

THE CITY OF NEPTUNE BEACH RESPONSIBILITIES

The following items are not included in this Scope of Service and shall be provided by the City unless the City and Jones Edmunds agree on an additional scope and fee for said services:

- Timely review of project deliverables (2 weeks are assumed for schedule purposes).

EXCLUSIONS

The following items or services are excluded from this Scope of Services:

- Environmental Investigation.
- Groundwater Modeling.
- Ownership or Easement Issues – Easement Documents.
- Wetland Delineation/Mitigation Area Design.
- Tree Mitigation/Landscape Design/Irrigation.

Deryle Calhoun, Jr., PE
August 28, 2023
Page 4

- Retaining Wall or Structural Design.
- Facility O&M Manual Review.
- Notice of Commencement.
- Construction Supervision.
- Materials Testing.
- Groundwater Pump Testing.
- Public Outreach.
- State Revolving Fund Administration Support.

Jones Edmunds is pleased to continue to serve the City of Neptune Beach. If you have any questions or comments, please contact Arthur Bides at (904) 445-0504 or via email at abides@jonesedmunds.com.

Sincerely,



Arthur Bides, PE, ENV SP, Associate DBIA
Senior Project Manager
8657 Baypine Road, Suite 300
Jacksonville, Florida 32256

Attachments: Fee Estimate; Subconsultants' Scopes and Fees

August 26, 2023



Mr. Arthur Bides, P.E.
Jones Edmunds
8657 Baypine Road, Suite 300
Jacksonville, FL 32256

Subject: Proposal for Geotechnical Exploration and Engineering Services
City of Neptune Beach SR A1A (Third Street) Gravity Sewer
Neptune Beach, Florida
MAE Proposal No. 230239

Dear Mr. Bides:

MESKEL & ASSOCIATES ENGINEERING, PLLC (MAE) is pleased to present this proposal to provide the geotechnical exploration and engineering services for the subject project.

We understand that the City of Neptune Beach (CONB) will be constructing a gravity sewer pipe under SR A1A (Third Street) in Neptune Beach, Florida. with open-cut excavation being the preferred method of installation. We understand that a buried structure may impact the alignment under SR A1A, therefore a geophysical survey is requested within the pipeline alignment, specifically under SR A1A.

GEOTECHNCIAL EXPLORATION & ENGINEERING SERVICES

The objective of the geotechnical exploration is to provide sufficient information evaluate the subsurface conditions at the site for the proposed construction. We plan to locate 4 soil borings along the proposed pipeline route, as requested by Jones Edmunds, each advanced to a depth of 10 to 15 feet below existing grade within the limits of the open-cut excavation. The field services are summarized below:

Test Location	Test No. & Type	Test Depth ft below ground surface
Gravity Sewer	3 SPT Borings*	15
	Geophysical Survey**	To Water Table

* SPT = Standard Penetration Test. ** Ground Penetrating Radar (GPR) Survey

In accordance with Florida law, we will attempt to locate existing underground utilities at the site by utilizing the Sunshine State One-Call (SSOC) system. In addition, we may need to contact FDOT for utilities within their ROW that may not be registered with the SSOC.

Our estimated fee includes the cost of Maintenance of Traffic (MOT) operations within the travel lanes, as well as MOT costs (signs and cones) for the borings located along the pipe alignment, to maintain a safe working environment for our crew. Once the SPT borings are completed, they will be backfilled with grout per St. Johns River Water Management District guidelines.

The recovered soil samples will be described in the field by the field crew. The field boring logs and recovered soil samples will be delivered to our laboratory where the logs will be reviewed, and the samples classified by a geotechnical engineer. The soil samples from the borings will be classified using

the AASHTO Soil Classification System. Laboratory classification and index property tests will be performed as necessary on selected soil samples to confirm the soil classification and provide engineering characteristics to estimate compressibility. In addition, soil corrosion tests will be run on 2 (two) selected samples to determine their soil pH and resistivity characteristics, and their chloride and sulfate contents.

A geotechnical engineer, licensed in the State of Florida, will direct the geotechnical exploration and provide an engineering evaluation of the subsurface conditions encountered at the boring locations. The results of the exploration and engineering evaluation will be documented in a report that will include the following:

- Our understanding of the planned construction,
- The observed site conditions, such as topography, surface vegetation, etc. as it relates to the anticipated construction,
- The field and laboratory test procedures used, and the results obtained,
- The encountered subsurface conditions, including subsurface profiles, measured groundwater levels, and estimated geotechnical engineering properties, as necessary,
- The thickness of the asphalt surface and base course layers, description of the base course material, and photographs of the asphalt surface course,
- The Environmental Substructure Classification of the tested samples based on the soil corrosion test results, using Table 1.3.2-1 from the FDOT *Structures Design Guidelines*,
- A geotechnical engineering evaluation of the site and subsurface conditions with respect to the anticipated construction,
- Recommendations for pipe bedding and backfilling, and
- Recommendations for testing required during site preparation and earthwork construction.

FDEP GENERIC PERMIT FOR THE DISCHARGE OF GROUNDWATER

On February 10, 2015, the Florida Department of Environmental Protection (FDEP) issued revised rules for acquiring a Generic Permit for the Discharge of Groundwater from Dewatering Operations (Chapter 62-621.300(2)(a)). The revisions of the rule significantly changed the 'due-diligence' process necessary to receive authorization from the FDEP to file a Notice of Intent (NOI) to discharge groundwater to surface waters of the State. Moreover, the liability for 'non-compliance' of the rule has now been shifted firmly to the owner of the Permit, since the FDEP will not engage in the "approval" of requisite pre-dewatering site evaluations, but will engage an enforcement of the regulations, should the mandated activities not be met. Therefore, MAE has developed a staged approach necessary to procure the obligatory environmental information to make an informed decision of site conditions in a manner that satisfies the FDEP regulations. The proposed stages necessary to develop a compliant dewatering permit, will consist of: (1) Regulatory File Review: a detailed file review of impacted sites within the area of proposed dewatering, (2) Groundwater Sampling and Testing: field investigation and methodologies, (3) Development of a best management practices plan, and (4) Submittal of NOI/Permit Request with supporting documentation to receive a Dewatering Permit.

Based on a preliminary review of the FDEP Contamination Locator Map, we propose that one groundwater sample be collected for laboratory analysis.

Proposed Scope of Work

The proposed scope of work will include the following:

- Mobilization to the site,
- Installation of one temporary monitoring well,
- Groundwater sampling with field measurement of pH and turbidity, and laboratory analysis of the samples using USEPA Method 8260 Volatile Organic Halocarbons,
- Preparation of a letter report presenting methods and the results of the analysis and supporting documentation.

All groundwater sampling will be performed in accordance with the FDEP’s Standard Operating Procedures (SOPs) and all laboratory analysis will be performed by a State of Florida-approved laboratory.

COMPENSATION

Based on the scope of the services outlined above, we propose to complete our work for the following lump sum fees:

Geotechnical Exploration (Includes MOT & GPR).....\$ 16,500.00

FDEP Groundwater Sampling..... \$ 5,200.00

The above fees will include submittal of a draft report for your review, two (2) bound signed/sealed copies of the final report, and a digitally signed PDF copy of the final report. We will contact you immediately if we encounter subsurface conditions that could require the borings to be advanced to deeper depths, and/or if additional engineering analysis/evaluation outside the scope of this proposal is necessary.

CLOSURE

We understand that authorization of our work will be given through a Specific Order Contract through Jones Edmunds. Once authorization is received, the soil borings will be staked in the field and a utility locate request will be submitted within one week. A Lane Closure Analysis will be requested through the FDOT District 2 Materials Office. The field work will begin within one week following field location of the borings and confirmation that the utilities have been located and marked, and the Lane Closure Analysis is approved. It is estimated that the fieldwork will take approximately 1 to 2 days to complete, weather permitting. Subsequent to completion of the field work, we anticipate that completing laboratory testing, engineering analysis, and preliminary and final report preparations will take approximately 2 to 3 weeks.

We appreciate this opportunity to provide this proposal for your project. If you have any questions concerning this proposal, or if we can serve you in any other way, please contact us.

Sincerely,

MESKEL & ASSOCIATES ENGINEERING, PLLC

Brett H. Harbison, P.E.
Director, Geotechnical Services

Distribution: Mr. Arthur Bides, P.E. – Jones Edmunds

One (1) e-mail copy



Project Name: 3rd St Gravity Sewer Geotechnical Investigation
 Client: The City of Neptune Beach
 Opportunity Number: 95460-252-23

Project Fee Estimate

General Engineering Continuing Contract - CONB RFQ 2021-04

Staffing Plan					
Sr. Project Manager	Project Officer QA	EOR Sr. Engineer	Engineer Intern	Construction Administrator	Sr. Admin. Assistant
\$234.60	\$255.00	\$234.60	\$105.00	\$145.60	\$98.80

Task No.	Task Description	Hours						Labor Hours	Direct Labor	Expenses	Subconsultant Effort	Total Fee
		Sr. Project Manager	Project Officer QA	EOR Sr. Engineer	Engineer Intern	Construction Administrator	Sr. Admin. Assistant					
1	Preliminary Engineering Design Services											
	Project Plan Setup	4					4	\$ 1,333.60		\$ -	\$ 1,333.60	
	Technical Memorandum and coordination with permit agencies	6	4	12	20		8	\$ 8,133.20	\$ 300.00	\$ -	\$ 8,433.20	
	Geotech oversight and data review	4	2	4	4		14	\$ 2,806.80		\$ 21,700.00	\$ 24,506.80	
	Subtotal	14	6	16	24	0	12	\$ 12,273.60	\$ 300.00	\$ 21,700.00	\$ 34,273.60	
	Total	14	6	16	24	0	12	\$ 12,273.60	\$ 300.00	\$ 21,700.00	\$ 34,273.60	



**Agenda Item #10D
Stormwater Tractor**

**CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT**

AGENDA ITEM:	Stormwater Tractor Preventive Maintenance and Boom Mower Repair/Rehabilitation - Emergency
SUBMITTED BY:	Deryle Calhoun, P.E. Public Works Director
DATE:	August 30, 2023
BACKGROUND:	<p>The Stormwater Department's tractor required preventive maintenance service and the boom mower required replacement of several parts. Due to the lead time involved with parts and summer mowing season, the City Manager authorized this purchase to proceed as an emergency.</p> <p>Ring Power Corporation is the authorized representative for the boom mower.</p>
BUDGET:	Stormwater Machinery and Equipment 441-1441-541-60-64. FY23 Budget = \$359,499.96; Funds for the purchase order have been encumbered leaving a Budget Remaining = \$164,870.00.
RECOMMENDATION:	Approval of emergency preventive maintenance and repair work as described in the amount of \$12,013.96 to Ring Power Corporation.
ATTACHMENT:	Quote from Ring Power Corporation; CONB Purchase Order

CITY OF NEPTUNE BEACH
 116 1ST ST
 NEPTUNE BEACH FL
 32266-6140

PER YOUR REQUEST, WE HAVE ESTIMATED REPAIRS ON THE MACHINE LISTED BELOW. A REPAIR DESCRIPTION WITH LABOR AND/OR PARTS IS ATTACHED. UPON DISASSEMBLY OF THE COMPONENT(S) TO BE REPAIRED, ADDITIONAL PARTS AND LABOR MAY BE NECESSARY. IF SO, A QUOTE FOR ADDITIONAL REPAIRS WILL BE FORWARDED TO YOU FOR APPROVAL. NOTE: AN AUTHORIZED REPRESENTATIVE OF YOUR COMPANY SHOULD SIGN AND RETURN THIS REPAIR ESTIMATE. ONLY UPON RECEIPT OF THE SIGNED ESTIMATE WILL REPAIRS BE PERFORMED. A PURCHASE ORDER NUMBER SHOULD BE SUPPLIED IF REQUIRED BY YOUR COMPANY.

CUSTOMER NO.	QUOTE NO.	DATE	CONTACT
032233	103452	7/28/2023	LUCAS
PHONE NO.	FAX NO.	EMAIL	
904-749-0082			
MODEL	MAKE	SERIAL NO.	
MT465BBMWR	AGCO CHALLENGER	B125023	
UNIT NO.	HOURS	WO NO.	P.O. NO.
	1466		

PERFORM PM 2

NOTES:
 PERFORM PM ON TRACTOR
 DRAIN ENGINE OIL AND REPLACE WITH NEW FILTER,
 REPLACE 2 FUEL FILTERS, STEERING FLUID FILTER,
 TRANSMISSION FILTER, AIR FILTER INNER AND OUTER,
 GREASE MACHINE

Total Estimated Parts: 386.19
Total Estimated Labor: 715.00
Total Estimated Misc: 220.00

Segment 01 Total: 1,321.19

REPLACE BUSHING/BEARING BOOM

NOTES:
 REPLACE ALL PINS AND BUSHINGS FROM THE BOOM PIN
 TO THE END OF THE STICK PIN.
 MISC. COST IS FOR SHIPPING
 UPON DISASSEMBLY IF PIN BORES ARE WORN AND NEED TO
 HAVE MACHINE WORK PERFORMED CUSTOMER WILL BE
 NOTIFIED AND A REVISED QUOTE WILL BE CREATED.

Total Estimated Parts: 1,047.36
Total Estimated Labor: 1,716.00
Total Estimated Misc: 150.00

Segment 02 Total: 2,913.36

TROUBLESHOOT TILT CYLINDER

NOTES:

TROUBLESHOOT MOWER TILT CYLINDER WILL NOT RETRACT.
PARTS COST IS FOR A SEAL KIT TO DISASSEMBLE AND
T/S CYLINDER.

MISC. COST IS FOR SHIPPING AND OIL.

Total Estimated Parts: 82.33
Total Estimated Labor: 429.00
Total Estimated Misc: 50.00

Segment 03 Total: 561.33

REPLACE BOOM PRIMARY

NOTES:

REPLACE THE PRIMARY BOOM SECTION IF MACHINE WORK
IS NEEDED DUE TO REPAIR COST IS MORE THAN
REPLACEMENT.

MISC. COST IS FOR SHIPPING

Total Estimated Parts: 2,609.37
Total Estimated Labor: 858.00
Total Estimated Misc: 200.00

Segment 04 Total: 3,667.37

REPLACE BOOM SECONDARY

NOTES:

REPLACE THE SECONDARY BOOM SECTION IF MACHINE WORK
IS NEEDED DUE TO REPAIR COST IS MORE THAN
REPLACEMENT.

MISC. IS FOR SHIPPING

Total Estimated Parts: 2,192.71
Total Estimated Labor: 858.00
Total Estimated Misc: 200.00

Segment 05 Total: 3,250.71

Total Segments: 11,713.96

ENVIRONMENTAL/MISCELLANEOUS 300.00

SUB TOTAL (BEFORE TAXES) 12,013.96

TOTAL ESTIMATE 12,013.96

I hereby authorize the above repair work to be done along with the necessary materials. Ring Power Corporation and its employees may operate above equipment for purposes of testing. Inspection or delivery at my risk. An expressed mechanics lien is acknowledged on equipment to secure the cost of all repairs thereto. Ring Power Corporation is not responsible for loss or damage to equipment in case of fire, theft, accident, or any other cause beyond our control. Replaced parts will be held for a period of ten days after work completion. The cost of labor and parts in determining any estimate shall be borne by the customer.

PO#: _____ Authorized Name: _____ (signature)

Date: _____ (print)

Thank you for this opportunity to serve your company

CONTACT INFORMATION:

Prepared by: Cole Roske Phone: NOT LISTED Email: Cole.Roske@RingPower.Com Fax:

JOB SITE: -

- This estimate is made subject to buyer's acceptance within (10) ten days from this date
 - All prices are subject to change without notice, and those in effect on date of shipment shall prevail
 - Terms are Net 30 Days from receipt of invoice
 - Estimate excludes sales tax, incoming freight, environmental and additional charges for parts/labor not included in the above mentioned.
 - Customer will be contacted should estimate exceed 10%
-

THIS WORK ORDER IS SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1. **AUTHORITY TO PERFORM REPAIRS** - It is understood that, "upon receipt" of any item of equipment for repair, maintenance or other work, Ring Power may examine the item of equipment as to work which Ring Power may suggest to be performed in addition to whatever work, if any, might have been requested by customer. All work (requested by customer or suggested by Ring Power) to be noted on a form as supplied by Ring Power.
 - a. **Time and Material Work** - Ring Power will proceed with the work agreed upon at current labor and parts prices.
 - b. **Firm Price** - If requested, a firm price in writing will be given to the customer for labor and/or parts to do specific repair. Any agreed upon repair order not covered by a firm written quotation will be billed at current time and material prices
 - c. **Unforeseen Problems or Additional Repairs** - In the event that during the course of the Work, additional repair work is found to be necessary pursuant to Ring Power's examination and inspection of the Equipment, then in such event Ring Power will attempt to communicate with the Customer as to the additional repair work; provided, however, that in the event Ring Power is unable to communicate with the Customer, then Ring Power, at its sole discretion, shall have the absolute right to cease any and all repairs on the Equipment until such time as the additional repairs are discussed with the Customer. In the event the Customer consents to the additional repairs, Ring Power shall have the right to proceed with the repair of the same without further communication with the Customer and any and all additional repairs will be charged to the Customer at current time and material prices.
2. **HOLD HARMLESS AGREEMENT FOR CUSTOMER PARTICIPATION IN SERVICE WORK** - In the event customer or customers' personnel assists our mechanics in performing service work, customer agrees to hold harmless and fully indemnify Ring Power for injuries or damages to anyone arising out of customer assisting Ring Power personnel in servicing or repairing customer's equipment.
3. **WARRANTY INFORMATION** - Ring Power warrants the work performed to be free from defects in material and workmanship for a period of ninety days. Ring Power's obligation under this warranty shall be limited to the repair or replacement at Ring Power's premises of those new parts previously installed or labor previously performed demonstrated to be defective. SUCH REMEDY SHALL CONSTITUTE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND CUSTOMER HEREBY AGREES THAT NO OTHER REMEDY (INCLUDING, BUT NOT LIMITED TO CLAIMS FOR INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES, OR ANY CAUSE, LOSS, ACTION, CLAIM OR DAMAGE, INCLUDING LOSS OF TIME, WHATSOEVER, OR INJURY TO PERSON OR PROPERTY OR ANY OTHER CONSEQUENTIAL DAMAGE OR INCIDENTAL OR ECONOMIC LOSS) SHALL BE AVAILABLE TO CUSTOMER. THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OR MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. SUBSTANDARD REPAIR WORK MAY BE PERFORMED UPON REQUEST OF CUSTOMER AND ACCORDING TO CUSTOMER'S INSTRUCTIONS BUT SUCH WORK WILL CARRY ABSOLUTELY NO WARRANTY WHATSOEVER. CUSTOMER FURTHER ACKNOWLEDGES AND AGREES THAT NO VERBAL CONTRACTS, AGREEMENTS OR WARRANTIES OTHER THAN WHAT IS SET FORTH HEREIN HAVE BEEN RECEIVED OR GIVEN.
4. **PAYMENT** - Customer will make payment for services rendered by Ring Power pursuant to this work order at such times and in such manner as may be prescribed by Ring Power. In the event of nonpayment by a customer, the cost incurred by Ring Power in collecting the indebtedness, including attorney's fees and expenses, both in the trial court and on any and all appeals, with interest at the maximum rate allowed by law from date of expenditure, shall be added to the principal amount of the indebtedness owed to Ring Power. These provisions are not exclusive and Ring Power may elect other remedies at law and at equity.
5. **RISK OF LOSS** - Ring Power carries an Equipment Floater Insurance Policy covering all risk (except war, wear and tear, etc.) for the current value (replacement cost less depreciation) on customer's equipment in Ring Power's custody or control. All risk of loss and damage not covered in above policy shall be borne solely by its owner.
6. **SEVERABILITY CLAUSE** - Any provisions of this Agreement found to be prohibited by law shall be immediately ineffective to the extent of such prohibition without invalidating the rest of this Agreement.
7. **APPLICABLE LAW** - This Agreement shall be deemed to be governed by the laws of the State of Florida.



Agenda Item #10E Sewer Manhole Monitors

CITY OF NEPTUNE BEACH CITY COUNCIL MEETING STAFF REPORT

AGENDA ITEM:	Sanitary Sewer Manhole Monitors
SUBMITTED BY:	Deryle Calhoun, P.E. Public Works Director
DATE:	August 31, 2023
BACKGROUND:	<p>Saltus Engineering, Inc., is assisting the City of Neptune Beach with its FDEP collection system consent order. Saltus has recommended purchase of sanitary sewer manhole monitors to monitor flow within the wastewater collection system. Data is then available to understand the amount of stormwater intrusion into the system and monitor problematic locations.</p> <p>Staff has identified the opportunity to piggyback a contract with JEA. ADS Environmental Services has provided a quote to CONB for five monitors, 24 months of wireless service, software and installation equipment in the amount of \$19,855.00.</p>
BUDGET:	FY23 revised budget 401-4336-536-30-52 Operating Supplies is \$180,000 with \$133,096.95 remaining.
RECOMMENDATION:	Approve award of \$19,855.00 to ADS Environmental Services.
ATTACHMENT:	<ul style="list-style-type: none"> • ADS Environmental Services quote to CONB • JEA and ADS purchase proposal and acknowledgement of purchase order

04 August 2023

Mr. Lucas Bridges
City of Neptune Beach
Distribution and Collections Division Chief
2010 Forest Avenue
Neptune Beach, Florida 32266
Cell: 904-749-0082
Phone: 904-270-2423 ext.4113
Email: dcchief@nbfl.us

RE: Proposal for the Purchase of One (1) ADS ECHO Level Monitor

Dear Mr. Bridges:

Thank you for the opportunity to provide a quote for ADS ECHO level monitors for your applications in cleaning efficiency and overflow prevention. This quote includes the following scope:

- Five (5) ADS ECHO monitors with antennas
- 24-months of wireless service
- 24-months of ADS PRISM web-based software with the blockage PREDICT™ application
- ECHO Level monitor expandable rod for installation

The pricing for this proposal is based upon piggy-back contract rules applying a previous signed contact with JEA dated April 27, 2023. Once the ECHO level monitor is installed, your team will have access to PRISM, the web-based software platform. PRISM includes alarming capabilities and blockage PREDICT™ software that applies machine-learning programs to assist in the notification of pending blockages to better warn you of necessary action. Additionally, PRISM allows data and alarms to be transferred via APIs. Ms. Rodianne Cadet, ADS project manager, will provide assistance to the City of Neptune Beach staff during the initial monitoring period for setting alarm thresholds on PRISM and strategic monitor site selection and review. Once we receive a signed contract and Notice to Proceed, Ms. Cadet will order the equipment for delivery.

This pricing proposal is valid for 30-days and may be extended if mutually agreed upon by both ADS Environmental Services and the City of Neptune Beach. Prior to the end of the initial 24-month period, ADS will provide the City of Neptune Beach with pricing options for continued PRISM access, blockage PREDICT™, wireless communication, and any additional ADS staff training and support that may be requested.

If you have any questions, please do not hesitate to contact me at (470)-825-0157 or email me at pwootton@idexcorp.com.

Respectfully,



Patrick D. Wootton, P.E.
Business Development Manager

Scope: Purchase of Five (5) ADS ECHO Level Monitors with 24-months of Access to PRISM including blockage PREDICT™ application

	<u>Description</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Quantity</u>	<u>Total</u>
1.	<p>ECHO Bundled Pricing:</p> <p>ECHO Monitor- includes Mini-wing Antenna, SIM card, Worldwide modem, and Bluetooth Dongle</p> <p>This line item does not include Expandable Mounting Rod</p> <p>Equipment Number: EBW-2-04-VZ</p>	Monitors	\$2,712.00	5	\$13,560.00
2.	<p>PRISM Setup and Startup (One-time charge at Startup)</p>	Monitors	\$100.00	5	\$500.00
3.	<p>PRISM Software access for each meter for two calendar years; Includes blockage PREDICT™</p> <p>Includes ability to program APIs for communication</p> <p>Cellular Communication Sim Cards for data for two calendar years</p> <p>(5 monitors x 24 months = 120 monitor-months)</p>	Monitor-months	\$30.00	120	\$3,600.00
4.	<p>ECHO Expandable Mounting Rod</p> <p>Equipment Number: 9000-0070</p>	Each	\$375.00	5	\$1,875.00
5.	<p>Shipping and Freight</p>	Each	\$64.00	5	\$320.00
		TOTAL			\$19,855.00

Pricing assumptions: Changes in quantities may require repricing. Does not include ADS field support. After the end of this initial 24-month contract, PRISM and wireless service will need to be renewed. Additional field training/support or software training can be priced upon request. Valid for 30 days from the date of this proposal.

**ADS LLC
EQUIPMENT AND/OR PROFESSIONAL OR TECHNICAL SERVICES AGREEMENT**

The Parties named below hereby agree to be bound to the following terms and conditions and in accordance with the Exhibits attached to and incorporated herein to this Agreement.

ADS LLC: 340 The Bridge Street, Suite 204, Huntsville, Alabama 35806

By: _____ Printed Name: _____

Title: _____ Date: _____

CLIENT: _____

Address: _____

By: _____ Printed Name: _____

Title: _____ Date: _____

NOW THEREFORE, the Parties, agreeing to be legally bound, hereby agree as follows:

ARTICLE 1 – RESPONSIBILITIES OF THE PARTIES

1.01 ADS

A. ADS shall provide the Services set forth herein and in the ADS Proposal dated 04 August 2023 attached hereto and incorporated herein as Exhibit A.

B. The standard of care for all services performed or furnished by ADS under this Agreement will be the care and skill ordinarily used by members of ADS’ profession practicing under similar circumstances at the same time and in the same locality. ADS makes no warranties, express or implied, under this Agreement or otherwise, in connection with ADS’ services, except as provided in section 4.03.

1.02 Client

A. Client shall have the responsibilities set forth herein and in Exhibit A.

1.03 Orders and Specifications

A. All orders placed with ADS for equipment must be in writing, signed, contain definitive prices, delivery dates, quantities and complete descriptions of products being purchased. Specifications applicable to items sold hereunder shall be those furnished by ADS, or those furnished by Client and agreed to in writing by ADS.

ARTICLE 2 - PRICING, PAYMENT AND INVOICES

2.01 Pricing

A. Price quotations, unless otherwise stated, shall automatically expire thirty (30) days from the date issued and may be cancelled or amended within said period upon written notice to Buyer.

2.02 Payment

A. Client shall pay ADS in accordance with the schedule set forth in Exhibit A.

2.03 Invoices

1. A. Invoices will be prepared in accordance with ADS’ standard invoicing practices, unless otherwise stated in Exhibit A. Invoices are due and payable within thirty (30) days after the date they are issued by ADS. If Client fails to make any payment due ADS for services and/or reimbursable expenses within thirty (30) days after issuance of ADS’ invoice, the amounts due ADS will be increased at the rate of one and one-half percent (1.5%) per month (or the maximum rate of interest permitted by law) from said thirtieth day. ADS reserves the right to establish and/or change the credit and payment terms extended to Client, including but not limited to requiring pre-payment or Irrevocable Letter of Credit, when in ADS’ sole opinion Client’s financial condition or previous payment record warrants such action. Furthermore, on delinquent accounts, ADS may divert shipments or reschedule deliveries of products on unfilled orders. All invoices shall be payable in U.S. Funds, drawn on a U.S. Bank. For sales outside of the United States, payment shall be at sight of shipping documents against an Irrevocable Letter of Credit which is satisfactory to ADS in its sole discretion.

ARTICLE 3 – TERMINATION

3.01 Termination

A. For Cause

1. The obligation to provide further services under this Agreement may be terminated by either party for cause upon thirty (30) days written notice in the event of a substantial

failure by either party to perform in accordance with the terms of this Agreement through no fault of the terminating party. Notwithstanding the foregoing, this Agreement will not terminate as a result of such substantial failure if the Party receiving such notice begins, within seven (7) days of receipt of such notice, to correct its failure to perform and proceeds diligently to cure such failure within no more than thirty (30) days of receipt thereof.

2. In the event of termination by ADS for cause, ADS will be entitled to invoice Client and will be paid for all services rendered and all reimbursable expenses incurred through the effective date of termination.

B. For Convenience

1. Either party may terminate this Agreement for its convenience upon sixty (60) days written notice to the other party. If this Agreement is terminated by the Client for its convenience, ADS shall be paid a reasonable amount for expenses directly attributable to termination, both before and after the effective date of termination, including, but not limited to demobilization expenses and costs associated with terminating subcontract agreements.

ARTICLE 4 - GENERAL CONSIDERATIONS

4.01 Remedies

A. In the event (a) Client defaults in the payment of any monies due to ADS hereunder beyond the tenth (10th) day after the same is due or (b) Client files or suffers a petition of bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee or makes an assignment for the benefit of creditors or enters into an arrangement with creditors and Client fails to secure a discharge thereof within thirty (30) days, then in any such event ADS may at its option do any or all of the following: (i) collect from Client a service charge on all monies due; (ii) terminate the sale; (iii) whether or not this sale is terminated, take immediate possession of any or all of the equipment wherever situated and for such purpose enter upon any premises without liability for so doing; and (iv) sell, dispose of, hold, use or lease all or any of the equipment as ADS in its sole discretion may decide without any duty or account to Client. Client shall in any event remain fully liable for damages as provided by law and for all costs and expenses incurred by ADS on account of such default including all court costs and reasonable attorney's fees. The rights afforded ADS under this paragraph shall not be deemed to be exclusive but shall be in addition to the rights or remedies provided by law.

4.02 Delivery, Title and Risk of Loss

A. Title and risk of loss of items sold hereunder shall pass to the Client upon delivery of the items by ADS to a public carrier (FOB shipping point). In no event shall ADS be liable for any delay in delivery or assume any liability in

connection with shipment, nor shall the carrier be deemed an agent of ADS. Insurance associated with goods during transit shall be Client's responsibility. All products shall be deemed accepted upon Client's confirmation or within three (3) days of date of delivery, whichever occurs first.

4.03 Warranty, Returns, Alterations to Equipment

A. All new products manufactured by ADS will be free from defects in material and workmanship for up to one (1) year following the date of shipment from ADS. Any unauthorized repair or replacement, use, installation or incorporation of unauthorized parts or accessories, including without limitation opening up a monitor, will void this product warranty. Any repair or replacement will be covered by this new product warranty for ninety (90) days from the date that such repaired or replaced product is shipped from ADS. This warranty is available to the Client as the original purchaser of the product and only if it has been installed, operated, and maintained in accordance with ADS' standards. This warranty does not apply to damage by catastrophes of nature, fire, explosion, acts of God (including, but not limited to, lightning damage and power surges), accidents, improper use or service, damage during transportation, or other similar causes beyond ADS' control. ADS expressly disclaims any and all implied warranties, including, but not limited to any warranty for fitness for a particular purpose.

B. To the extent allowed by law, ADS hereby expressly excludes any warranty for design defect. While products manufactured by ADS are designed and manufactured to meet published specifications, ADS may from time to time improve products currently in the market. However, purchased hardware manufactured to a previous design will be replaced or upgraded at ADS' discretion.

C. Authorization must be obtained from ADS prior to return of any items, including those for repair. Client's right to repair or replacement is governed by the items in this Article 4. Issuance of credit for returned items shall be made at ADS' discretion upon Client's request. All returns accepted by ADS may be subject to a restocking fee.

D. It is understood and agreed that any modification or alteration to purchased equipment by Client, other than that specifically authorized by this Agreement or by ADS, shall VOID AND NULLIFY, in its entirety, all warranty conditions as set forth herein.

4.04 Use of Documents

A. If required, ADS shall provide Client with a printed hard copy of the deliverable agreed upon in Exhibit A. All other deliverables shall be in the appropriate electronic media format.

B. Client agrees that it will perform acceptance tests or procedures on electronic files within thirty (30) days of receipt of same, after which the Client shall be deemed to have

accepted the data thus transferred. Any errors detected within the thirty (30)-day acceptance period will be corrected by ADS.

C. Any reuse or modification of the Documents without written verification or adaptation by ADS, as appropriate for the specific purpose intended, will be at Client's sole risk and without liability or legal exposure to ADS or to ADS' Subcontractors. Client shall indemnify and hold harmless ADS and ADS' Subcontractors from all claims, damages, losses, and expenses, including attorneys' fees arising out of such use.

4.05 Changes, Modifications and/or Amendments

A. All changes, modifications and/or amendments to this Agreement or Exhibit A hereto shall be made in writing and shall be signed by both Parties.

4.06 Insurance

A. During the term of this Agreement, ADS shall at all times procure and maintain at a minimum the following insurance coverage:

*General Liability \$1,000,000 CSL and annual aggregate
Automobile Liability \$1,000,000 CSL and annual
aggregate*

Workers Compensation as required by statute

ADS will provide Evidence of Insurance upon request.

4.07 Controlling Law, Venue and Dispute Resolution

A. The Parties shall endeavor to resolve any disputes through informal negotiations between the Parties. If the dispute cannot be resolved within sixty (60) days after first notice of the dispute, for sales within the United States, the Parties agree that the dispute may be submitted to the court of competent jurisdiction in the county in which the work under this Agreement was performed, or in an alternative location upon agreement of the Parties. For sales outside of the United States the validity, construction, and performance of this Agreement shall be governed by the laws of the State of Alabama without regard to conflicts of laws, rules or principles. Venue shall be in the Circuit Court of Madison County, Alabama. The United Nations Convention on Contracts for the International Sales of Goods is hereby expressly excluded from application to this Agreement.

B. THE PARTIES HERETO EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EACH MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER ORAL OR WRITTEN) OR ACTIONS OF EITHER PARTY TO THIS AGREEMENT.

C. In the event of any dispute and/or legal action arising from an interpretation and/or the performance of any of the provisions of this Agreement, the Parties hereby agree that the

prevailing Party shall be awarded reasonable attorney's fees and costs, including but not limited to, the cost of paralegals, accountants and attorney's fees and costs of appellate proceedings, if applicable.

4.08 Export Compliance

A. Client shall be prohibited from re-selling, exporting and/or re-exporting the products purchased hereunder without the written consent of ADS. If Client should re-sell, export or re-export said products, Client must comply with all applicable export regulations, export licensing requirements and the U.S. Foreign Corrupt Practices Act, 15 USC §§78dd1 through 78dd3, as amended.

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4.10 Successors, Assigns, and Beneficiaries

A. Neither party shall assign this Agreement without the prior written consent of the other, which shall not be unreasonably withheld, except that without securing such prior consent either party shall have the right to assign this Agreement, and all obligations hereunder, to any successor by way of merger or consolidation or the acquisition of all or substantially all of the business and assets of the party relating to the subject matter of these terms. This right shall be retained provided that such successor shall expressly assume all of the obligations and liabilities of the assigning party under the Agreement. Any assignment in violation of this paragraph shall be void. The terms and conditions of this Agreement shall be binding upon and enforceable by the successor and permanent assign of the assigning party.

B. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Client and ADS and not for the benefit of any other third Party.

4.11 Limitation of Liability

A. TO THE EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL ADS, OR ANY OF ITS AFFILIATES, DIRECTORS, EMPLOYEES, AGENTS OR PARENT CORPORATIONS, BE LIABLE TO ANY PERSON, FIRM OR ENTITY, INCLUDING, BUT NOT LIMITED TO CLIENT, FOR ANY INDIRECT, PUNITIVE, EXEMPLARY, SPECIAL,

INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOST PROFITS, BUSINESS INTERRUPTION, LOST DATA, LOST REVENUE AND/OR LOST SAVINGS, EVEN IF CLIENT HAS BEEN ADVISED OF THEIR POSSIBLE EXISTENCE OR IF SAME WERE REASONABLY FORESEEABLE. ANY ACTION FOR BREACH OF CONTRACT MUST BE COMMENCED WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION HAS ACCRUED.

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A. Neither Client nor ADS shall hold the other responsible for damages or delays in performance caused by Force Majeure or other events beyond the control of the other Party which could not reasonably have been anticipated or prevented. Force Majeure shall include, but not be limited to, unusually severe weather, floods, power outages, epidemics, war, acts of terrorism, riots, strikes, lockouts, exercise of police power, condemnation or eminent domain. The foregoing shall not give rise to any claims or damages or be considered a waiver by either Party of the obligations of this Agreement.

4.13 Acceptance Testing

A. The successful execution of the ADS standard test procedures for final test and checkout shall constitute Client acceptance testing of all products under this Agreement. Client may witness ADS-manufactured equipment acceptance testing on a non-interference basis upon thirty (30) days advance written request to ADS.

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A. ADS reserves the right to make progress and design changes in standard product items ordered without prior approval or notification to Client.

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A. ADS may at its option, cancel an order in the event, (a) Client's payments are in default or Client breaches any material provision hereto; (b) substantial changes in raw materials occur; (c) causes beyond ADS' reasonable control as specified in Article 4.08 (Force Majeure); (d) Client becomes insolvent or a petition of bankruptcy is filed.

4.16 Taxes

A. Client shall be responsible for payment of all applicable sales, use or other taxes whether local, state, or federal, which are chargeable in connection with the sale of the items hereunder unless specifically provided for otherwise in writing.

4.17 Confidentiality and Non-disclosure

A. Both Parties acknowledge that, in the course of performing this Agreement, certain employees, agents or representatives may be exposed to or acquire information

which is proprietary or confidential. Such proprietary and confidential information may include without limitation information related to research, development, designs, plans, reports, investigations, materials, data, pricing, trade secrets, customer lists, salaries, or business information ("Confidential and Proprietary Information").

B. Both Parties agree to hold each other's Proprietary and Confidential Information in strict confidence and not to make each other's Proprietary and Confidential Information available in any form to any third party or to use each other's Proprietary and Confidential Information for any other purpose than for the performance of work under the implementation of this Agreement.

4.18 EEO Statement

A. It is the policy of ADS to recruit, hire, train, compensate, promote, discipline, and otherwise treat its employees and applicants without regard or consideration for the individual's race, color, religious creed, sex, age, national origin, ancestry, mental or physical disability, marital status, citizenship status or any other reason prohibited by law. In addition, ADS is committed to fully complying with all applicable laws and regulations regarding the Americans with Disabilities Act of 1990, Title VII of the Civil Rights Act, and the Vietnam Era Veterans Readjustment Assistance Act and applicable Federal, State, and Local regulations. ADS also provides equal employment opportunity in all employment practices to qualified applicants and employees without regard to disability.

4.19 Notices

A. Any notice required under this Agreement shall be in writing, addressed to the appropriate Party at its address on the signature page and given personally, by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

4.20 Survival

A. All express representations, indemnifications, limitations of liability, and assurances of confidentiality included in this Agreement shall survive its completion or termination for any reason.

4.21 Severability

A. Any provision or part of this Agreement held to be void or unenforceable under any Laws or Regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Client and ADS, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

4.22 Waiver

A. Non-enforcement of any provision by either Party shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

4.23 Headings

A. The headings used in this Agreement are for general reference only and do not have special significance.

4.24 Entire Agreement

A. This Agreement constitutes the entire agreement between the Parties and exclusive statement of the terms between the Parties with respect to equipment sold and

services to be performed hereunder. The Exhibits referenced in this Agreement and the specifications and drawings referenced therein are a part of this Agreement with the same force and effect as if fully set forth herein. No alteration, modification, or amendment of any of the provisions hereof shall be binding unless in writing and signed by duly Authorized Representatives of the Parties. In the event of an inconsistency between the terms, conditions, and provision of this Agreement and those of Client's purchase order, then in accordance with the usage of trade, Client's assent to the terms and conditions herein shall be conclusively presumed from Client's failure to reasonably object in writing and from Client's acceptance of all or any part of the material and/or services ordered.

Exhibit A

PROPOSAL

ADS proposal dated 04 August 2023 containing the agreed upon Scope of Work, Compensation and Party Responsibilities is attached hereto and incorporated as if fully set forth herein.



340 The Bridge Street, Suite 204
Huntsville, AL 35806
256-430-3366 (phone)
256-430-6633 (fax)

5/5/2023

JEA
21 West Church Street
Jacksonville, FL 32202-3139

RE: Acknowledgement of Purchase Order No. 212576

To Whom It May Concern:

ADS LLC ("ADS") is pleased to acknowledge receipt of the above referenced Purchase Order ("Order"). The Order will be filled in accordance with the scope in the ADS quote dated April 27, 2023 and the terms and conditions of the Agreement between JEA and ADS duly signed on December 21, 2020. A copy of both documents are attached hereto as Exhibit A.

Please sign below at your earliest convenience and email back me. Should you have any questions or concerns, please contact me.

Sincerely,


Kristi Moro

Kristi Moro
Contracts Administrator
Phone: (256)430-3366
Email: kmoro@idexcorp.com

Enclosure

I hereby acknowledge that I have read and understood the above and agree to performance of the Order in accordance with the above referenced Proposal and terms and conditions.

For: JEA

By: 
(Customer Signature)

By: Nathan Rouse - Mgr Sewer OM&C
(Customer Printed Name)

Date: 05/09/2023

Export Compliance: ADS LLC items are controlled by the U.S. Government and authorized for export only to the country of ultimate destination for use by the ultimate consignee or end-user(s) herein identified. They may not be resold, transferred, or otherwise disposed of, to any other country or to any person other than the authorized ultimate consignee or end-user(s), either in their original form or after being incorporated into other items, without first obtaining approval from the U.S. government or as otherwise authorized by U.S. law and regulations.

ADS LLC
An IDEX Water Services & Technology Business.



27 April 2023

Mr. Jason Oliver
JEA
Pearl Street Service Center
2434 North Pearl Street
Jacksonville, Florida 32202
Email: olivjw@jea.com

RE: Proposal for the Purchase of Five ADS ECHO Level Monitors

Dear Mr. Oliver:

Thank you for the opportunity to provide a quote for ADS ECHO level monitors for your applications in cleaning efficiency and overflow prevention. Additionally, we have included several spare components, including batteries for the ECHO level monitor and Triton⁺ flow monitor and antennae. This quote includes the following scope:

- Five (5) ADS ECHO monitors with antenna (no expandable mounting rods)
- 12-months of wireless service
- 12-months of ADS PRISM web-based software with the blockage PREDICT™ application
- Ten (10) Antenna, Wideband, Amphenol, 12-foot
- Ten (10) Battery Pack for ECHO
- Two (2) Battery Pack for Triton+, IS, 12 volt, with PCBA

When the monitors are installed, your team will have access to PRISM, the web-based software platform. PRISM includes alarming capabilities and blockage PREDICT™ software that applies machine-learning programs to assist in the notification of pending blockages to better warn you of necessary action. Additionally, PRISM allows data and alarms to be transferred via APIs. Ms. Rodianne Cadet, ADS project manager, will provide assistance to JEA staff during the initial monitoring period for setting alarm thresholds on PRISM and strategic monitor site selection and review. Once we receive a signed contract and Notice to Proceed, Ms. Cadet will order the equipment for delivery.

This pricing proposal is valid for 30-days and may be extended if mutually agreed upon by both ADS Environmental Services and JEA. Prior to the end of the initial 24-month period, ADS will provide JEA pricing options for continued PRISM access, blockage PREDICT™, wireless communication, and any additional ADS staff training and support that may be requested.

If you have any questions, please do not hesitate to contact me at (470)-825-0157 or email me at pwootton@idexcorp.com.

Respectfully,



Patrick D. Wootton, P.E.
Business Development Manager
ADS Environmental Services
pwootton@idexcorp.com

Scope of ADS Supplied Equipment and Services:

Scope: Purchase of 5 ADS ECHO Level Monitors with 24-months of Access to PRISM including blockage PREDICT™ application; Antenna; Battery Pack for ECHO; Battery Pack for Triton+.

	Description	Unit	Unit Cost	Quantity	Total
1.	<p>ECHO Bundled Pricing:</p> <p>ECHO Monitor- includes Mini-wing Antenna, SIM card, Worldwide modem, and Bluetooth Dongle</p> <p>Does not include Expandable Mounting Rod</p> <p>Equipment Number: EBW-2-19-VZ</p>	Monitors	\$2,712.00	5	\$13,560.00
2.	<p>PRISM Setup and Startup (One-time charge at Startup)</p>	Monitors	\$100.00	5	\$500.00
3.	<p>PRISM Software access for each meter for two calendar years; Includes blockage PREDICT™</p> <p>Includes ability to program APIs for communication</p> <p>Cellular Communication Sim Cards for data for two calendar years</p> <p>(5 monitors x 24 months = 120 monitor-months)</p>	Monitor-months	\$30.00	120	\$3,600.00
4.	<p>ECHO Antenna:</p>	Each	\$259.00	10	\$2,590.00

	Antenna, Wideband, Amphenol, 12 ft Equipment Number: 9000-0094				
5.	ECHO Battery Pack: Battery Pack for ECHO Equipment Number: 9000-0004	Each	\$159.00	10	\$1,590.00
6.	Triton+ Battery Pack: Battery Pack, IS, FS Triton+-IM 12 volt, with PCBA Equipment Number: 8000-0043-04	Each	\$365.00	2	\$730.00
7.	Shipping and Freight	Each	\$340.00	1	\$340.00
		TOTAL			\$22,910.00

Pricing assumptions: Changes in quantities may require repricing. Does not include ADS field support. After the end of this initial 24-month contract, PRISM and wireless service will need to be renewed. Additional field training/support or software training can be priced upon request. Valid for 30 days from the date of this proposal.

**ADS LLC
EQUIPMENT AND/OR PROFESSIONAL OR TECHNICAL SERVICES AGREEMENT**

The Parties named below hereby agree to be bound to the following terms and conditions and in accordance with the Exhibits attached to and incorporated herein to this Agreement.

ADS LLC: 340 The Bridge Street, Suite 204, Huntsville, Alabama 35806

By: _____

Printed Name: _____

Title: _____

Date: _____

CLIENT: _____

Address: _____

By: _____

Printed Name: _____

Title: _____

Date: _____

NOW THEREFORE, the Parties, agreeing to be legally bound, hereby agree as follows:

ARTICLE 1 – RESPONSIBILITIES OF THE PARTIES

1.01 ADS

A. ADS shall provide the Services set forth herein and in the ADS Proposal dated 27 April 2020 attached hereto and incorporated herein as Exhibit A.

B. The standard of care for all services performed or furnished by ADS under this Agreement will be the care and skill ordinarily used by members of ADS’ profession practicing under similar circumstances at the same time and in the same locality. ADS makes no warranties, express or implied, under this Agreement or otherwise, in connection with ADS’ services, except as provided in section 4.03.

1.02 Client

A. Client shall have the responsibilities set forth herein and in Exhibit A.

1.03 Orders and Specifications

A. All orders placed with ADS for equipment must be in writing, signed, contain definitive prices, delivery dates, quantities and complete descriptions of products being purchased. Specifications applicable to items sold hereunder shall be those furnished by ADS, or those furnished by Client and agreed to in writing by ADS.

ARTICLE 2 - PRICING, PAYMENT AND INVOICES

2.01 Pricing

A. Price quotations, unless otherwise stated, shall automatically expire thirty (30) days from the date issued and may be cancelled or amended within said period upon written notice to Buyer.

2.02 Payment

A. Client shall pay ADS in accordance with the schedule set forth in Exhibit A.

2.03 Invoices

1. A. Invoices will be prepared in accordance with ADS’ standard invoicing practices, unless otherwise stated in Exhibit A. Invoices are due and payable within thirty (30) days after the date they are issued by ADS. If Client fails to make any payment due ADS for services and/or reimbursable expenses within thirty (30) days after issuance of ADS’ invoice, the amounts due ADS will be increased at the rate of one and one-half percent (1.5%) per month (or the maximum rate of interest permitted by law) from said thirtieth day. ADS reserves the right to establish and/or change the credit and payment terms extended to Client, including but not limited to requiring prepayment or Irrevocable Letter of Credit, when in ADS’ sole opinion Client’s financial condition or previous payment record warrants such action. Furthermore, on delinquent accounts, ADS may divert shipments or reschedule deliveries of products on unfilled orders. All invoices shall be payable in U.S. Funds, drawn on a U.S. Bank. For sales outside of the United States, payment shall be at sight of shipping documents against an Irrevocable Letter of Credit which is satisfactory to ADS in its sole discretion.

ARTICLE 3 – TERMINATION

3.01 Termination

A. For Cause

1. The obligation to provide further services under this Agreement may be terminated by either party for cause upon thirty (30) days written notice in the event of a substantial failure by either party to perform in accordance with the terms

of this Agreement through no fault of the terminating party. Notwithstanding the foregoing, this Agreement will not terminate as a result of such substantial failure if the Party receiving such notice begins, within seven (7) days of receipt of such notice, to correct its failure to perform and proceeds diligently to cure such failure within no more than thirty (30) days of receipt thereof.

2. In the event of termination by ADS for cause, ADS will be entitled to invoice Client and will be paid for all services rendered and all reimbursable expenses incurred through the effective date of termination.

B. For Convenience

1. Either party may terminate this Agreement for its convenience upon sixty (60) days written notice to the other party. If this Agreement is terminated by the Client for its convenience, ADS shall be paid a reasonable amount for expenses directly attributable to termination, both before and after the effective date of termination, including, but not limited to demobilization expenses and costs associated with terminating subcontract agreements.

ARTICLE 4 - GENERAL CONSIDERATIONS

4.01 Remedies

A. In the event (a) Client defaults in the payment of any monies due to ADS hereunder beyond the tenth (10th) day after the same is due or (b) Client files or suffers a petition of bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee or makes an assignment for the benefit of creditors or enters into an arrangement with creditors and Client fails to secure a discharge thereof within thirty (30) days, then in any such event ADS may at its option do any or all of the following: (i) collect from Client a service charge on all monies due; (ii) terminate the sale; (iii) whether or not this sale is terminated, take immediate possession of any or all of the equipment wherever situated and for such purpose enter upon any premises without liability for so doing; and (iv) sell, dispose of, hold, use or lease all or any of the equipment as ADS in its sole discretion may decide without any duty or account to Client. Client shall in any event remain fully liable for damages as provided by law and for all costs and expenses incurred by ADS on account of such default including all court costs and reasonable attorney's fees. The rights afforded ADS under this paragraph shall not be deemed to be exclusive but shall be in addition to the rights or remedies provided by law.

4.02 Delivery, Title and Risk of Loss

A. Title and risk of loss of items sold hereunder shall pass to the Client upon delivery of the items by ADS to a public carrier (FOB shipping point). In no event shall ADS be liable for any delay in delivery or assume any liability in connection with shipment, nor shall the carrier be deemed an

agent of ADS. Insurance associated with goods during transit shall be Client's responsibility. All products shall be deemed accepted upon Client's confirmation or within three (3) days of date of delivery, whichever occurs first.

4.03 Warranty, Returns, Alterations to Equipment

A. All new products manufactured by ADS will be free from defects in material and workmanship for up to one (1) year following the date of shipment from ADS. Any unauthorized repair or replacement, use, installation or incorporation of unauthorized parts or accessories, including without limitation opening up a monitor, will void this product warranty. Any repair or replacement will be covered by this new product warranty for ninety (90) days from the date that such repaired or replaced product is shipped from ADS. This warranty is available to the Client as the original purchaser of the product and only if it has been installed, operated, and maintained in accordance with ADS' standards. This warranty does not apply to damage by catastrophes of nature, fire, explosion, acts of God (including, but not limited to, lightning damage and power surges), accidents, improper use or service, damage during transportation, or other similar causes beyond ADS' control. ADS expressly disclaims any and all implied warranties, including, but not limited to any warranty for fitness for a particular purpose.

B. To the extent allowed by law, ADS hereby expressly excludes any warranty for design defect. While products manufactured by ADS are designed and manufactured to meet published specifications, ADS may from time to time improve products currently in the market. However, purchased hardware manufactured to a previous design will be replaced or upgraded at ADS' discretion.

C. Authorization must be obtained from ADS prior to return of any items, including those for repair. Client's right to repair or replacement is governed by the items in this Article 4. Issuance of credit for returned items shall be made at ADS' discretion upon Client's request. All returns accepted by ADS may be subject to a restocking fee.

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C. In the event of any dispute and/or legal action arising from an interpretation and/or the performance of any of the provisions of this Agreement, the Parties hereby agree that the

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A. TO THE EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL ADS, OR ANY OF ITS AFFILIATES, DIRECTORS, EMPLOYEES, AGENTS OR PARENT CORORATIONS, BE LIABLE TO ANY PERSON, FIRM OR ENTITY, INCLUDING, BUT NOT LIMITED TO CLIENT, FOR ANY INDIRECT, PUNITIVE, EXEMPLARY, SPECIAL,

INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOST PROFITS, BUSINESS INTERRUPTION, LOST DATA, LOST REVENUE AND/OR LOST SAVINGS, EVEN IF CLIENT HAS BEEN ADVISED OF THEIR POSSIBLE EXISTENCE OR IF SAME WERE REASONABLY FORESEEABLE. ANY ACTION FOR BREACH OF CONTRACT MUST BE COMMENCED WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION HAS ACCRUED.

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4.17 Confidentiality and Non-disclosure

A. Both Parties acknowledge that, in the course of performing this Agreement, certain employees, agents or representatives may be exposed to or acquire information

which is proprietary or confidential. Such proprietary and confidential information may include without limitation information related to research, development, designs, plans, reports, investigations, materials, data, pricing, trade secrets, customer lists, salaries, or business information ("Confidential and Proprietary Information").

B. Both Parties agree to hold each other's Proprietary and Confidential Information in strict confidence and not to make each other's Proprietary and Confidential Information available in any form to any third party or to use each other's Proprietary and Confidential Information for any other purpose than for the performance of work under the implementation of this Agreement.

4.18 EEO Statement

A. It is the policy of ADS to recruit, hire, train, compensate, promote, discipline, and otherwise treat its employees and applicants without regard or consideration for the individual's race, color, religious creed, sex, age, national origin, ancestry, mental or physical disability, marital status, citizenship status or any other reason prohibited by law. In addition, ADS is committed to fully complying with all applicable laws and regulations regarding the Americans with Disabilities Act of 1990, Title VII of the Civil Rights Act, and the Vietnam Era Veterans Readjustment Assistance Act and applicable Federal, State, and Local regulations. ADS also provides equal employment opportunity in all employment practices to qualified applicants and employees without regard to disability.

4.19 Notices

A. Any notice required under this Agreement shall be in writing, addressed to the appropriate Party at its address on the signature page and given personally, by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

4.20 Survival

A. All express representations, indemnifications, limitations of liability, and assurances of confidentiality included in this Agreement shall survive its completion or termination for any reason.

4.21 Severability

A. Any provision or part of this Agreement held to be void or unenforceable under any Laws or Regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Client and ADS, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

4.22 Waiver

A. Non-enforcement of any provision by either Party shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

4.23 Headings

A. The headings used in this Agreement are for general reference only and do not have special significance.

4.24 Entire Agreement

A. This Agreement constitutes the entire agreement between the Parties and exclusive statement of the terms between the Parties with respect to equipment sold and

services to be performed hereunder. The Exhibits referenced in this Agreement and the specifications and drawings referenced therein are a part of this Agreement with the same force and effect as if fully set forth herein. No alteration, modification, or amendment of any of the provisions hereof shall be binding unless in writing and signed by duly Authorized Representatives of the Parties. In the event of an inconsistency between the terms, conditions, and provision of this Agreement and those of Client's purchase order, then in accordance with the usage of trade, Client's assent to the terms and conditions herein shall be conclusively presumed from Client's failure to reasonably object in writing and from Client's acceptance of all or any part of the material and/or services ordered.

Exhibit A

PROPOSAL

ADS proposal dated 27 April 2020 containing the agreed upon Scope of Work, Compensation and Party Responsibilities is attached hereto and incorporated as if fully set forth herein.