

DREDGE MATERIAL DISPOSAL LICENSE AGREEMENT FOR HWSD SPOIL SITE

THIS LICENSE AGREEMENT (the "License") made and entered into this, 25th day of March, 2020, is by and between Harbour Waterway Special District, a dependent special district created by City of Jacksonville Ordinance Number 2010-725-E (hereinafter "HWSD"), whose business address is 11554 Starboard Dr., Jacksonville, Florida 32225 and Isle of Palms Special District, a dependent special district created by City of Jacksonville Ordinance No. 2011-724-E (hereinafter "IOPSD" or "Licensee"), whose business address is 1286 Beach Blvd., #19-72, Jacksonville, FL 32250, Jacksonville, Florida 32250.

RECITALS

WHEREAS, HWSD has certain monetary interests in Reed Island, being more particularly described in this License (the "Property"); and

WHEREAS, the HWSD also owns certain property rights in and to the Property and has certain liabilities with respect thereto; and

WHEREAS, the Licensee, in connection with the dredging of IOPSD canals and channels wants use of a portion of the Property, solely for the purpose of depositing such excavated dirt, silt, sands, or rock contained in the canal sediment removed from IOPSD canals and channels, which shall not include any debris not capable of being pumped through a 12" dredging pump.

WHEREAS, the Licensee is able and willing to indemnify, defend and hold HWSD harmless from all loss, damages, claims, expenses and certain other conditions that may occur or expose HWSD to risk of loss as a direct or indirect result of Licensee's use of the Property, as provided in paragraph 18, herein.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the benefits that will accrue to the Licensee as a result of the use of the Property for the deposit of dredged material, and for other good and valuable consideration, the legal sufficiency of which being hereby acknowledged, the parties hereto covenant and agree as follows:

1. Incorporation of Recitals. The above stated Recitals are true and correct and, by this reference are incorporated herein and made a part hereof.

2. Identification of Relevant Documents. As used in this License, the following exhibit designations relate to relevant documents:

(a) Exhibit A – This document shows those certain portions of and features on the Property developed as the spoil disposal area, described as "Cell A" and "Cell B" (hereinafter referred to as the "Disposal Area"). Licensee is authorized to use "Cell A" unless and until notified otherwise by HWSD.



(b) **Exhibit B - Licensee Spoil Site Notification.** This document provides relevant information to be provided by the Licensee to HWSD concerning potential disposal activities, including but not limited to dredging permits, marine surveyor, to include dates that Licensee plans to dispose of dredge material into the spoil site, all of which must be provided to HWSD no less than sixty (60) days prior to commencement of disposal of dredge material at the Disposal Area. This notice will enable HWSD to determine and confirm the availability of the Disposal Area at the date disposal is planned.

(c) **Exhibit C - Dredge and Disposal Plan Notification.** This document provides relevant information from Licensee to HWSD on Licensee's dredging/disposal activities, including but not limited to a brief description of the dredging plan, marine surveys, size of dredge, disposal pumping rates, hours of operation, environmental sampling plan, environmental sample analysis, location of discharge site, monitoring plan, and turbidity controls, all of which must be provided to HWSD no less than thirty (30) days prior to commencement of disposal of dredge material in the Disposal Area.

(d) **Exhibit D - HWSD Disposal Approval.** This document provides written acknowledgement of HWSD's approval of Licensee's Disposal Plan as described in Exhibit C, and instructs Licensee on the authorized Cell for placement of dredge material and Licensee may not initiate disposal of dredge material at the Property until Licensee has received a properly executed Exhibit D from HWSD. HWSD shall provide a response no later than 20 days after Exhibit C documentation is received from Licensee.

(d) **Exhibit E - Tipping Fee Rate Schedule.** This document provides relevant information on the rate schedule for disposing of dredge material into the Disposal Area.

(e) **Exhibit F - Harbour Waterway Special District Disposal Area Operating Rules and Regulations.** This document describes rules Licensee must follow at all times when using the Disposal Area. By entering into this License, Licensee agrees to comply, at all times, with the rules and regulations listed in Exhibit F.

3. **Incorporation of Exhibits.** Exhibits A through F, inclusive, are by this reference, incorporated into this License, as if set out herein in their entirety.

4. **Acknowledgment of HWSD's Rights.** Licensee acknowledges HWSD's interests and rights as set forth above and hereby agrees that Licensee will at all times abide by and comply with the requirements, conditions and limitations set forth in this License.

5. **Waiver of Right, Title or Interest in Materials.** Licensee hereby waives, releases and relinquishes forever any right, title, or interest in or to any and all materials which Licensee shall, from time to time, deposit on or in the Disposal Area, and agrees that any works, structures, or equipment of any nature, installed, constructed, or placed by Licensee on or in the Disposal Area shall be promptly removed by Licensee upon completion of its use thereof. In the event that the parties to this License mutually agree that certain works, structures, equipment, or construction by Licensee may be abandoned in-place for future use by others, Licensee shall forever waive, release and relinquish any right, title, claims or interest therein. Licensee does not waive any environmental liability or responsibility that may be associated with the materials that Licensee deposits in the Disposal Area.



6. Acknowledgment of Permit Requirements.

(a) Licensee, for itself and for any of its subcontractors, acknowledges that if any permits are required to dispose of spoil material, Licensee shall, at its sole cost and expense, complete all applications and submit to HWSD for review and approval prior to submittal to any permitting agency, and shall obtain such permits and provide copies to HWSD before conducting work pursuant to this License. Moreover, Licensee, for itself and for any of its subcontractors, agrees to conduct its activities in accordance with the conditions of the permits identified herein and any other permits it may obtain hereafter. If Licensee intends to dredge by some authority other than a permit obtained through the United States and the State of Florida, the Licensee shall furnish evidence of such authorization to HWSD for approval prior to any disposition of sediment material under this License. HWSD has no responsibility or liability for any permits that Licensee or any of its subcontractors must secure for its use of the Disposal Area.

(b) Licensee shall be granted the use of Disposal Area only during the effective term of dredging permits if such permits are required by the District Engineer, US Army Corps of Engineers, Jacksonville District and by the State of Florida. Licensee shall furnish HWSD a copy of any dredging permits Licensee may obtain and a copy of any extension, revision, or reissuance made thereto before commencing work. Licensee agrees that if any permit is terminated or revoked for any cause, Licensee shall immediately stop all work subject to such affected permits and notify HWSD forthwith, whereupon this License shall be appropriately amended.

7. Dredge Disposal Material

- (a) Licensee agrees to dispose of dredge spoil material that does not contain constituents in excess of the cleanup standards promulgated by the Florida Department of Environmental Protection, "FDEP" or any other government agency with jurisdiction over the Disposal Area.
- (b) Licensee will only dispose of dredge spoil material within the Disposal Area and will not dispose of or otherwise deposit dredge spoil material at any location within the property shown on Exhibit "A" other than within the Disposal Area.
- (c) Licensee acknowledges disposal of petroleum or chemical contaminated spoil material that exceeds any applicable standards provided in Chapter 62-777, Florida Administrative Code, as amended from time to time, is strictly prohibited and constitutes a default by the Licensee.
- (d) HWSD reserves the right to refuse acceptance of disposal material dredged from or removed from sites other than submerged lands and waterways; sites where contamination, as defined and regulated by Florida law or administrative rule, has been found or is known to exist; or sites subject to any environmental investigation or cleanup order conducted or issued by any governmental agency.

8. Environmental Sampling Required. Prior to the dredging of any material or placement of any dredge materials on the Property, at the Licensee's expense, an environmental



sampling plan will be submitted and approved by HWSD as evidence that the dredge spoils are in compliance with standards and requirements set forth herein. As part of the sampling plan, the Licensee shall hire, at Licensee's expense an independent third party or engage HWSD to conduct the sampling and perform the environmental testing. Licensee shall develop a sampling plan to characterize the excavated material with respect to the absence of contaminants, chemical reactivity, and its suitability for disposal on the Property. The plan will outline, at a minimum, the location and number of sampling sites, the number of samples to be collected and the type of analysis, which as of the date of execution of this Agreement consists of the eight RCRA metals of concern, however, if the requirements of regulatory agencies are amended, the minimum sampling requirement will be amended to conform with current regulatory requirements. The plan shall be submitted and approved by HWSD in advance of any sampling. After approval of the sampling plan, all sampling results will be submitted directly from the independent testing laboratory for review and approval by HWSD prior to any use of the Property. HWSD reserves the right to inspect and sample dredge material from dredger's barges prior to disposal in the Disposal Area.

9. Notification to HWSD of Dredging and Disposal. Licensee shall notify HWSD, in writing, no less than sixty (60) days in advance of the intended date of commencement of dredging or dredge material disposal on the form identified as **Exhibit B**. The Licensee shall consult with HWSD to confirm available capacity at the time Licensee proposed to begin use of the Disposal Area and the location therein where Licensee is to dispose of dredge spoil. The Licensee shall notify HWSD before starting dredge material disposal in the Disposal Area by submitting **Exhibit C** at least thirty (30) days before commencing work. HWSD will designate, where, within the Disposal Area dredge material described in any **Exhibit C** submitted by Licensee, through **Exhibit D**.

10. Payment.

- (a) The total disposal fee is equal to the Maximum Disposal multiplied by the each unit cost by tier as specified in Exhibit D. For this License, the total disposal fee is equal to One Million, One Hundred Eighty Seven Thousand, Five Hundred Dollars (\$1,187,500.00) ("Tipping Fee") the total of which shall be required from Licensee for the deposit of material in the Disposal Area at the times and in the amounts set out in Exhibit E. Licensee shall pay to HWSD the Tipping Fee for the amount of dredge material that shall be deposited, which Licensee represents to be a maximum total of 300,000 cubic yards. Under no circumstances is Licensee granted the right to deposit more than 300,000 cubic yards, (hereinafter referred to as "Maximum Disposal"), in Disposal Area without prior written approval of HWSD and the payment of additional fees, except as provided in paragraph 10 (b).
- (b) Fifty percent (50%) of the Tipping Fee is due by the Licensee following full execution of this Agreement. The remaining balance shall be paid in three equal payments over three (3) years, provided that, if any notice provided via Exhibit B shows that Licensee will reach the Maximum Disposal before three years has passed, full payment or the remaining balance of the disposal fee must be made to HWSD prior to disposal of material specified in that notice, regardless of when



during the three year period that should occur.

- (c) To the extent that Licensee underpays and deposits more material than the Maximum Disposal, the underpayment shall be paid to HWSD within thirty (30) days of a final accounting. Disposal amounts in excess of the Maximum Disposal shall be billed at the highest tier in the then current Tipping Fee Rate Schedule, Exhibit E; or, the cost to remove the excess disposal from the Disposal Area. A certification, including post marine surveys, from the Licensee's marine surveyor verifying the total cubic yards of spoil material placed on the Property shall be provided by Licensee to HWSD within fifteen (15) days after the completion of the dredging activities as provided for and described in Exhibit "C".

11. Obligations of HWSD. In exchange for the payment described in paragraph 10 above, HWSD agrees to provide and reserve to IOPSD up to 300,000 yd.³ of spoil material, which may be used within the period of time specified in paragraph 14.

12. Assignment and Subcontracts. Licensee shall provide the name, address and a contact person with contact information for any subcontractors it uses in connection with disposal of dredge material at the Property, including the entity dredging the material to be deposited at the Property and any entity transporting the material to the Property for deposit there. This License is personal to Licensee and may not be assigned or otherwise transferred to any other party without HWSD's written consent.

13. Default and Remedies

(a) Should the Licensee default under any of the terms and conditions of this License, HWSD shall have the right to: (a) Take possession of and hold as security or for sale any of the equipment or materials located at the site owned by Licensee until HWSD is fully reimbursed for any costs due; (b) Terminate this License upon giving Licensee 10 days' written notice thereof; file claims under the insurance policies required under Paragraph 18, below; (c) retain any unused portion of any advance payment(s) of the Net Tipping Fees up to the amount of any costs incurred by HWSD as a result of the default; and (d) Pursue those remedies to which HWSD may be entitled in law or in equity, provided, if Licensee cures the default within a 10-day notice period, no default will be deemed to have occurred.

(b) Should HWSD default under this Agreement, Licensee may pursue those remedies to which it may be entitled in law or in equity, provided, if HWSD cures the default within a 10-day notice period, no default will be deemed to have occurred.

14. Term.

(a) This License shall take effect on the date that HWSD sends written notice to Licensee that the Disposal Area is available and ready for acceptance of the dredge spoils, which shall be on or before April 1, 2020. This License shall continue in full force and effect until Licensee has completed dredging operations totaling the Maximum Disposal and in no case shall the Term extend beyond March 31, 2035, subject to the conditions of this Agreement and any permits issued by any agency



related to use of the Disposal Area and subject to the provisions for termination. HWSD and the Licensee may mutually agree to an extension of the Term for two (2) additional one (1) year period to allow for the Licensee's dredging operations to reach the Maximum Disposal limit, on the same terms as are set forth in this License. The Licensee shall provide notice of its intention to extend the term by providing written notice to HWSD on or before the date that is thirty (30) days prior to the end of the initial Term.

(b) Notwithstanding the foregoing, this License may be terminated by HWSD if dredge space is needed by the U.S. Army Corp of Engineers (USACE) for emergency situations. Neither party shall be liable to the other for damages arising out of such a termination. Any unused capacity prepaid by Licensee will be refunded by HWSD up to the total disposal fee paid by Licensee within 45 days upon termination of this Agreement if the USACE should exercise any easement rights held by them in a fashion that permanently precludes Licensee from utilizing the Maximum Disposal as provided in Paragraph 10, above.

15. Reports. Licensee acknowledges that under the terms of existing law and regulations, both the United States of America and the State of Florida may, from time to time, require the submission of reports, surveys, or other information concerning the condition and use of the Disposal Area. Licensee hereby agrees to obtain such reports or surveys and submit them to the requesting authority or, in the alternative, to reimburse HWSD for Licensee's costs for any surveys or reports that are so requested and submitted.

16. Maintenance and Repair. HWSD shall have full responsibility to maintain its spoil site except as follows: Licensee shall be responsible for preservation of the general condition of the Disposal Area, and any other property in or around the Disposal Area during placement of sediment, including but not limited to, dikes, discharge structures, vegetation, shoreline, fish and wildlife habitat. Licensee shall be responsible for repairing all damage to the Disposal Area and any other property in and around the Disposal Area and paying any penalties imposed by any Federal, State or local governmental agencies for Licensee's or its contractors' or agents' improper use of the Property. Any changes to structures or earthwork, including, without limitation, restoration of the dikes or other structures, must be approved by HWSD before commencing work. All levee, berm and dike construction shall be approved and specified by the HWSD as to height, location, material to be used to construct the levees, and dimensions thereof, prior to any construction.

17. Compliance with Special Restrictions. As part of public law and agreements with the State, Federal, and local governmental agencies, special restrictions, such as seasonal limits and endangered species' protection measures, may be imposed upon the use of the Disposal Area, and Licensee agrees that it will comply fully with all special restrictions.

18. Indemnification.

The Parties require the following indemnification to be made a part of this License:

1. The Parties, and without limitation, their consultants, sub-consultants, contractors, and subcontractors, shall hold harmless, indemnify, and defend the Other Party, including without



by the Other Parties pursuant to this License.

2. The indemnifications in Section 18, are separate and apart from, and are in no way limited by, any insurance provided pursuant to this License or otherwise. Section 18 shall survive the term of this License, and any holdover and/or contract extensions thereto, whether such term expires naturally by the passage of time or is terminated earlier pursuant to the provisions of this License.

19. Insurance. The Licensee shall not commence any engineering, design or construction work in connection with this License until the Licensee and its consultants, contractor, subcontractor, or agent who will be conducting such engineering, design or construction work in connection with this License ("Contractor") have obtained the below listed insurance coverages. The amounts and types of insurance required shall be reasonably commensurate with the hazards and magnitude of the undertaking, but in no event be of lesser amount nor more restrictive than the limits of liability and schedule of coverages described below.

Before entering the Property, and without limiting its liability under this License, the Contractor shall procure and maintain, at its sole cost and expense, during the term of this License, insurance of the types and in the minimum amounts stated below:

<u>Schedule</u>	<u>Limits</u>
<u>Workers' Compensation & Employer's Liability</u> (Including appropriate Federal Acts)	Florida Statutory Coverage \$1,000,000 each Accident \$1,000,000 Disease/Policy Limit \$1,000,000 Disease/Each Employee
<u>Commercial General Liability</u> Products-Completed Operation Blanket Contractual Liability	\$2,000,000 General Aggregate \$2,000,000 Products and Comp. Ops. Agg. \$1,000,000 Personal/Advertising Injury \$1,000,000 Each Occurrence \$50,000 Fire Damage \$5,000 Medical Expenses
<u>Automobile Liability</u> (Coverage for all automobiles, owned, hired or non-owned used in performance of the contract)	\$1,000,000 Combined Single Limit
<u>Marine Protection and Indemnity Insurance</u> Blanket Contractual Liability	\$1,000,000 per Occurrence \$2,000,000 Aggregate
<u>Contractors Pollution Liability</u> Blanket Contractual Liability Products-Completed Operations	\$2,500,000 per Occurrence \$5,000,000 Aggregate



HWSD shall be named as an additional insured under all the Commercial General Liability Insurance, Automobile Liability, Marine Protection and Indemnity Insurance and Contractors Pollution Liability coverages.

All insurance policies shall be written by insurers holding a current certificate of authority issued by the Department of Insurance of the State of Florida pursuant to Chapter 624, Florida Statutes. The insurance policies shall be endorsed to provide for a waiver of underwriter's rights of subrogation in favor of HWSD. Insurer must meet or exceed the minimal requirements of A.M. Best, Financial Strength Rating of A-(Excellent) and Financial Size Rating of no less than VII. Prior to entering the Property, Certificates of Insurance approved by HWSD evidencing the maintenance of said insurance shall be furnished to HWSD. The Certificates shall provide that no material alteration or cancellation, including expiration and non-renewal, shall be effective until thirty (30) days after receipt of written notice by HWSD. Any indemnification provisions in this License are separate and apart and in no way limited by the insurance coverages or amounts stated above. Licensee shall provide proof of continuous coverage for all required coverages listed above on an annual basis on the anniversary of this contract. Failure, at any time to maintain, at all times, all required insurance coverages shall constitute a default under this agreement.

Anything to the contrary notwithstanding, the liabilities of the Contractor under this License shall survive and not be terminated, reduced or otherwise limited by any expiration or termination of insurance coverage. Neither approval nor failure to disapprove insurance furnished by the Contractor shall relieve the Contractor from responsibility to provide insurance as required by the contract. **20.**

20. No HWSD Liability. HWSD shall not be liable in any way, or to any extent, or at all, for or on account of any injury or damage to any person or property at any time on the Property unless such injury or damage or destruction is due to the negligence of HWSD.

21. Non-waiver. No waiver or breach by either party to this License of any of the terms, conditions and covenants hereof to be performed, kept and observed by the other party shall be construed as or shall operate as a waiver of any subsequent breach of any of the terms, conditions or covenants hereof.

22. Notice. All notices required by this License to be given by or on behalf of either party to the other shall be in writing and signed by a duly authorized representative of the party giving the notice. Notice shall be deemed given if made by registered or certified United States mail, postage prepaid, with return receipt requested and executed and by electronic communication to the Chairman of the Respective Board and the District Manager for the HWSD. Notices shall be delivered to:

For HWSD:

Stanley H. Pipes, Jr.
11554 Starboard Dr.
Jacksonville, FL 32225
s.pipes.hwdsd@att.com

For Licensee:

Kenneth B. Wright
1286 Beach Blvd., #19-72
Jacksonville, FL 32250
ken@jacobsonwright.com



23. **Section Headings.** Titles or section headings used in this License are for the convenience of the parties only. Title or Section headings shall not be used in any way to construe or interpret the provisions of this License.

24. **Negotiated Agreement.** The parties agree that they have had meaningful discussion and/or negotiation of the provisions, terms and conditions of this License. Therefore, doubtful or ambiguous provisions, if any, contained in this License shall not be construed against the party who physically prepared this License or any provision thereof. The rule commonly referred to as *Fortius Contra Proferentum* shall not be applied to this License or any construction or interpretation thereof.

25. **Entire Agreement.** This License contains the entire agreement by and between the parties hereto. The parties understand and agree that neither party nor its agents have made representations or promises with respect to this License except as expressly set forth herein; and that no claim or liability shall arise for any representations or promises not expressly stated in this License. Any amendment, revision, modification or change to this License shall not be effective unless it is in writing and executed by the parties hereto.

IN WITNESS WHEREOF, HWSD and Licensee have executed this License as of the day and year first written above.

Signed and Sealed in Our Presence:

WITNESSES:

By: Stanley H. Pipes

Name: Stanley H. Pipes

By: Lucy Fornos

Name: Lucy Fornos

HARBOUR
DISTRICT

WATERWAY

SPECIAL

Ricardo Fornos
Chair, Board of Supervisors

Date: 3/24/2020



WITNESSES:

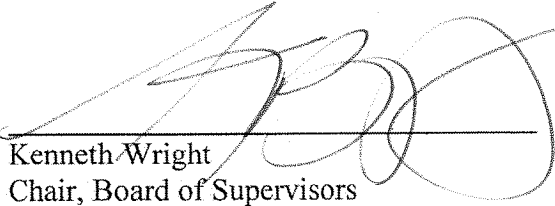
**ISLE OF PALMS SPECIAL
DISTRICT**

By: Shavone Steel

Name: Shavone Steel

By: _____

Name: _____


Kenneth Wright
Chair, Board of Supervisors

Date: 3/25/2020





**HARBOUR WATERWAY SPECIAL DISTRICT
LICENSEE SPOIL SITE NOTIFICATION
EXHIBIT B**

Isle of Palms Special District ("IOPSD") as licensee of the Harbour Waterway Special District (HWSD) wishes to dispose of dredge material in the Disposal Area as shown on the attached drawings and plans.

Estimated volume of material to be disposed: _____

Requested spoil site disposal dates:

Begin: _____

End: _____

APPLICABLE PERMITS

State of Florida, Department of
Environmental Protection:

Number: _____

Date: _____

U.S. Army, Corps of Engineers:

Number: _____

Date: _____

Other permitting as required:

Number: _____

Date: _____

Enclosed copies of any permits not already on file with HWSD.

Marine Surveyor:

Name _____

Contact _____

Phone _____

SPECIAL CONDITIONS

1. HWSD representatives shall be given access to the dredge site and dredge materials collected for disposal in order to ensure compliance with the License Agreement.
2. Licensee agrees to comply with all rules and regulations related to permits and operating rules for Dredge Material Management Areas (DMMA) as specified in the DMMA permit.

Name

Title

Signature

Date



**HARBOUR WATERWAY SPECIAL DISTRICT
DREDGE AND DISPOSAL PLAN NOTIFICATION
EXHIBIT C**

Isle of Palms Special District ("IOPSD") will be dredging Isle of Palms' canals, channels, docks.

Dredging will begin: _____

Dredging will be completed: _____

IOPSD Contact Information:

Representative Name: _____

Address: _____

Telephone: _____

Contact: _____

Attached is a description of the dredging and disposal plan including but not limited to pre-dredge marine survey(s), environmental sampling plan, environmental sample analysis from an independent lab, hours of operation at the disposal site, location of discharge site within the Disposal Site, monitoring plan, and turbidity controls.

License agrees to submit original post marine surveys and associated volume calculations of dredged material within 15 days after receipt from the marine surveyor, such surveys shall include volumes of dredged material by station, pre-marine surveys and post marine surveys of dredge area(s). The total volumes determined by the marine surveyor, including volumes dredged outside of the dredge profile, shall be used to determine the amount of dredge material placed in the Disposal Area.

I understand that if violations of the License Agreement between the **Harbour Waterway Special District and Isle of Palms Special District** occurs, HWSD representative can immediately suspend the use of the dredge material disposal area until the violations are corrected.

I have read and understand all of the License Agreement conditions and permit conditions that apply to this dredging operation.

Signature

Name

Title



**HARBOUR WATERWAY SPECIAL DISTRICT
DISPOSAL APPROVAL
EXHIBIT D**

Project Number: _____

Harbour Waterway Special District acknowledges all soil samples, reports, surveys, and documentation have been received and approved to authorize deposit of dredge material subject to the following conditions:

1. IPSD is authorized to deposit up to _____ cubic yards for dredging project,
_____ ; and
2. Dredge material shall be placed in Cell _____ ; and
3. Disposal activities will begin on: _____ and complete by: _____ ; and
4. Disposal activity is classified as Residential; and

Soil Analysis: _____ Date: _____

(Reserved for comments)

Pre-Dredge Marine Survey: _____ Date: _____

Harbour Waterway Special District

Stanley H Pipes
District Manager

Date: _____

01248126-1

For Harbour Waterway Special District Use:

Post - Dredge Marine Survey: _____ Date: _____

Actual Disposal Amount: _____



HWSD adopted the following Tipping Fee rate schedule on May 08, 2018:

Tier 4 - IOPSD is granted a one-time signing incentive of 100,000 cubic yards of disposal at a rate of \$0.00 per cubic yards.

Per this license agreement, the Maximum Disposal is equal to 300,000 cubic yards:

Total Tipping Fee \$ 1,187,500.00

50% due at Closing =	593,750.00
Remaining Tipping Fee Balance	\$ 593,750.00

Annual payments for 3 years –	
1 st Payment due on December 31, 2020	\$ 197,916.67
2 nd Payment due on December 31, 2021	\$ 197,916.67
3 rd Payment due on December 31, 2022	<u>\$ 197,916.66</u>
Total Annual Payments	\$ 593,750.00

**HARBOUR WATERWAY SPECIAL DISTRICT
DISPOSAL AREA OPERATING RULES AND REGULATIONS
EXHIBIT F**

Isle of Palms Special District ("IOPSD") agrees to comply with the following operating rules and regulations:

1. IOPSD shall maintain a minimum of three (3) feet of freeboard between the level of the slurry and the top of the levees at all times;
2. In order to minimize the hydrostatic pressure exerted against the levee walls, IOPSD shall limit the height of the water column inside the cell to less than four (4) feet. Levels higher than four feet shall require approval from a licensed engineer verifying the levees are adequate to handle the hydrostatic pressure.
3. The height of the cross berm between Cell A and Cell B shall be a minimum of one (1) foot lower than the perimeter levees around the outside of Cell A and Cell B, and shall be high enough to contain the contents of Cell A & B at all times;
4. The condition of levees and berms shall be maintained as to height, cross sectional profiles established by HWSD, ground cover, and penetrations through the levees are not permitted without prior approval;
5. Placement of material excavated from the interior of the Disposal Area shall be placed outside of the Disposal Area at the sole direction of HWSD;
6. Hours of operations shall be between 30 minutes before dawn and 30 minutes after dusk for each day of the week;
7. In the event other dredgers are operating in Cell B, IOPSD agrees to cooperate with other dredgers to facilitate a smooth operation for all parties; and
8. IOPSD agrees to comply with all conditions required by permits from regulatory agencies including but not limited to Dredge Material Management Areas (DMMA) permits.
9. IOPSD and its contractors agree to hydraulically off-load one hopper barge at a time into the the designated Cell during dredging operations, unless otherwise approved by HWSD. Mechanical off-loading of barges is not allowed or possible, as there are no docking facilities adjacent to the Disposal Area. Barges shall be anchored in designated areas along the St. Johns River at a minimum of 100 feet from marsh areas, unless otherwise approved by the HWSD.
10. All equipment, materials, and personnel shall be delivered to the Disposal Area by water only. Public roadways are not available to the Disposal Area.

HWSD reserves the right to institute additional rules and regulations as required to ensure the safe and efficient operation of the Disposal Area.

