RESOLUTION NO. 2017- 283

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, APPROVING THE TERMS AND AUTHORIZING THE COUNTY ADMINISTRATOR, OR DESIGNEE, TO SUBMIT A LONG RANGE BEACH EROSION CONTROL BUDGET PLAN WITH THE DEPARTMENT OF ENVIRONMENTAL PROTECTION, BUREAU OF BEACHES AND COASTAL SYSTEMS.

WHEREAS, St. Johns County is currently working with the Army Corps of Engineers and the State Department of Environmental Protection to design, construct and monitor beach restoration of the severely eroded beaches of Anastasia State Park and St. Augustine Beach for the portion of beaches between ACOE markers R-137 and R-151; and,

WHEREAS, the Army Corps of Engineers (ACOE) is expected to appropriate funds for this project in the next fiscal year; and,

WHEREAS, St Johns County also anticipates sharing costs with the State of Florida under a State DEP Beaches and Coastal Systems grant; and,

WHEREAS, the State Department of Environmental Protection has begun a new grant cycle which will require submitting an annual application along with a ten-year budget plan; and,

WHEREAS, St. Johns County will continue to provide local cost share funding from the Category III Tourist Development Tax Budget, and

WHEREAS, St. Johns County will continue to serve as the local sponsor; and,

WHEREAS, the Florida Department of Environmental Protection Bureau of Beaches and Coastal Systems requires an annual contract for its local share, contingent upon annual appropriations by the legislature.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, AS FOLLOWS:

Section 1. The above Recitals are incorporated by reference into the body of this Resolution and such Recitals are adopted as findings of fact.

Section 2. A suggested 10-year budget plan for funding the State's portion of a beach nourishment project for the St. Augustine Beaches project shall be filed with the Florida Department of Environmental Protection, Bureau of Beaches and Coastal Systems (the "Department").

Section 3. The County Administrator, or designee, is hereby authorized to submit a proposed 10-year State budget plan to the Department and to execute any necessary agreements concerning the beach projects with the Department; and,

Section 4. The County Administrator's, or designee's, submission of any budget plan is subject to, and contingent upon, an annual budget appropriation by the Board of County Commissioners.

Section 5. To the extent that there are typographical and/or administrative errors and/or omissions that do not change the tone, tenor, or content of this Resolution, then this Resolution may be revised without subsequent approval of the Board of County Commissioners.

BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA

ATTEST: Hunter S. Conrad, Clerk

By: Yam Xalterman

Deputy Clerk

RENDITION DATE $\, {\cal I} \,$



FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION FY2018/19 Local Government Funding Request Beach Projects Application

PART I: GENERAL INFORMATION

Local Sponsor: St. Johns County

Local Sponsor Federal ID Number (FEID): 59-6000825

Contact Name: Jay Brawley

Title: County Engineer

Mailing Address Line 1: 2740 Industry Center Road

Mailing Address Line 2:

City: St. Augustine

Zip: 32084

Telephone: (904) 209-0113

Email Address: jbrawley@sjcfl.us

Additional Contact Information:

PART II: CERTIFICATION

I hereby certify that all information provided with this application is true and complete to the best of my knowledge.

Signature of Local Sponsor

(Electronic/scanned signature accepted)

PART_III: EVALUATION CRITERIA

1. Project Name (as listed in the Strategic Beach Management Plan): St. Johns County Shore Protection Program; St. Johns County R-137 through R-151

2. Project Description: (Include county, location with reference to range monuments, brief project history and description of proposed activities.): The project consists of a multi-year federal commitment to design, construct and monitor beach restoration of the severely eroded beaches of Anastasia State Park and St. Augustine Beach. The scope focuses on the FDEP-designated critical erosion areas between R-137 and R-151 at the center of the County and just South of the St Augustine Inlet. The project is part of a 50-year commitment to the U.S. Army Corps of Engineers to nourish this segment of beach. The third phase of sand placement was constructed in 2012, and the fourth phase is planned for construction during FY2018.

The initial nourishment (referred to as the 2003 project) of the St. Johns County SPP, completed in January 2003, extended 2.9 mi from approximately 600 feet (ft) north of R-137A (2.7 mi south of St. Augustine Inlet in Anastasia State Park) south to approximately 600 ft south of R-151 in the City of St. Augustine Beach in St. Johns County, Florida (Figure 2.1). The state of Florida, piggybacking the federal nourishment project, extended the beach nourishment project approximately 0.9 mi north into Anastasia State Park to FDEP monument T-132.

The 2003 project construction occurred as follows. The initial nourishment of the St. Johns County SPP began in 2001 before funding difficulties interrupted construction. Between September and October 2001, the USACE placed sand approximately 1.1 mi from R-145 south to R-151 on St. Augustine Beach. Project construction resumed in April 2002 and finished in January 2003. The project extended from the state portion's northern limit at T-132 to the federal portion's southern limit at R-151. In all, the 2003 project placed approximately 4.2 million cubic yards (Mcy).

The first nourishment (referred to as the 2005 project) extended approximately 2.9 mi from Monuments R-137A to R-151. The 2004 hurricane season resulted in the need to nourish the project before the anticipated nourishment interval. Congress appropriated emergency funds in response to the storms. Taylor Engineering applied for and received from the FDEP a one-year extension to the existing five-year 2003 FDEP permit. Construction began in June and concluded in December 2005 with placement of 2.8 Mcy.

The second nourishment (referred to as the 2012 project) extended approximately 1.5 mi from monument R-139 to R-147. An agreement between the USACE and dissenting property owners limited the permitted beach fill volume to approximately 2.1 Mcy; this volume limitation inhibited construction of the full 2.8-mile permitted project. Project construction occurred from February – September 2012.

The three projects combined have placed approximately 9.1 Mcy on St. Augustine Beach and Anastasia State Park. All projects used portions of the St. Augustine Inlet ebb shoal and the federal navigation channel as the borrow areas. However, the updated 2014 Inlet Management Plan limits the quantity of sand that can be dredged from the inlet borrow areas and placed south of the inlet (179,000 cy/yr). The volume of the upcoming nourishment project is based on this limitation.

<u>3. Use of Requested Program Funds:</u> Funds requested for FY2018/19 will support Year 1 post-construction physical monitoring of the upcoming nourishment project.

4. Mapping:

Prepare and attach a map or maps of the project area formatted at a minimum of 1" = 200' scale. (Maps must be provided as attachments to this application).

Map elements must include:

- Compass rose with North arrow, scale and legend.
- Project boundary showing length of critically eroded shoreline
- FDEP range monuments
- Beach access and parking locations (indicate Primary and Secondary accesses, including access widths)
- Width of access for public lodging establishments fronting the project shoreline (for commercial/recreational ranking points and eligibility determination)
- Width of access for public lodging establishments within one-quarter mile walking distance of a secondary public access point (must show length of street-side frontage for eligibility determination)
- Comprehensive plan or current land use designations of properties within the project shoreline (for commercial/recreational ranking points)
- Bus stops and bike rack locations within one-quarter mile walking distance of a secondary public access point (if claiming for eligibility determination)

5. Length of Project Boundary in Feet (Total restored project length in the critically eroded area): 15,300 ft

6. Eligibility: Public Beach Access and Public Lodging Establishments:

- The eligibility table must be completed for all beach projects. The table can be copied from a current grant agreement if the public access locations have not changed since last agreement execution.
- For Location/Name, use the official name of the park or the name of the street end that is associated with the public access.
- For R-Mon, select a DEP Range Monument that is closest to the main public access point.
- For Type of Access, indicate "Primary" or "Secondary" beach access in accordance with the definitions given in Rule 62B-36 F.A.C.
- For Width of Access/Frontage, give the length of the legal boundary (in feet) of the public access location along the beach. For public lodging establishments that are not located on the beach, indicate the street-side length of the legal property boundary (in feet) that is used as the main access to the establishment.
- For the Total Public Units in a public lodging establishment, write in the number of rooms available for use by the public divided by the total number of rooms in the establishment. For Parking Spaces, give the total number of public parking spaces that are available for use at the public access location. See Rule 62B-36 F.A.C. for additional details.
- For Additional Width from Eligibility Units, give the total distance added to the shoreline width of a public access location. If there are various kinds of eligibility units used for this calculation, provide the names of the eligibility units and show the calculation on a separate page or below the table.
- For Eligible Shoreline, calculate the sum of the distances for Width of Access and the Additional Width from Eligibility Units columns.
- For the DBPR License, provide the website link to the Department of Business and Professional Regulation (DBPR) proof of licensure documentation for any public lodging establishments used for eligibility or Commercial/Recreational designation.
- Check the DBPR link from last year to verify that it is current.

Location/Name	R- Mon	Type of Access	Width of Access/ Frontage	Total Public Units or Parking Spaces	Additional Width from Eligibility	Eligible Shoreline ¹ (feet)	DBPR License
Amastasia Stata Daula	D127 D141	Primary	70	250	Units	4,600	
Anastasia State Park	R137-R141	Primary		350	4,530		
Pope Road	R141	Secondary	103.55	26	1,372.80	1,476	
St. Augustine Beach Front Resort	R141	Secondary	423.18	-	0	423	
Pier Park	R142	Primary	630	201	5,280	5,910	
16 th Street	R143	Secondary	37.35	28	1478.4	1,518	
15 th Street	R143	Secondary	40	6	316.8	357	
15 th Street S	R143	Secondary	15	0	0	15	
Hampton Inn	R143	Secondary	178.7	1	0	179	MOT6501360 ²
14 th Street	R143	Secondary	40	0	. 0	40	

Location/Name	R- Mon	Type of Access	Width of Access/ Frontage	Total Public Units or Parking Spaces	Additional Width from Eligibility Units	Eligible Shoreline ¹ (feet)	DBPR License
14th Lane	R143	Secondary	15	9	475.2	490	
13th Street	R143	Secondary	40	24	1267.2	1,307	
12th Street	R144	Secondary	40	0	0	40	
12th Lane	R144	Secondary	15	0	0	15	
11th Street	R144	Secondary	40	34	1795.2	1,835	
11 th Lane	R144	Secondary	15	0	0	15	
10 th Street	R144	Secondary	40	24	1267.2	1,307	
9th Street	R144	Secondary	37.98	0	0	40	
9th Lane	R144	Secondary	15	0	0	15	
8th Street	R145	Secondary	60	18	950.4	1,010	
8 th Lane	R145	Secondary	15	0	0	15	
7 th Street	R145	Secondary	40	22	1161.6	1,202	
6 th Street	R145	Secondary	40	5	264	304	
5 th Street	R145	Secondary	38.47	56	2956.8	2,997	
4th Street	R145	Secondary	40	0	0	40	
3 rd Street	R146	Secondary	60	14	739.2	799	
3 rd Lane	R146	Secondary	15	0	0	15	
2 nd Street	R146	Secondary	40	4	211.2	251	
1 st Street	R146	Secondary	40	22	1161.6	1,202	
1 st Lane	R146	Secondary	15	0	0	15	
A Street	R146	Secondary	36	22	1161.6	1,198	
The Beachcomber	R146	Secondary	47.7	-	0	. 48	SEA6500513 ²
B Street	R147	Secondary	40	4	211.2	251	
House of Sun & Sea	R147	Secondary	90.2	1	0	90	BNB6501391 ²
C Street	R147	Secondary	40	8	422.4	462	
D Street	R147	Secondary	60	10	528	588	
E Street	R147	Secondary	40	8	422.4	462	
F Street	R148	Secondary	38	10	528	566	

Location/Name	R- Mon	Type of Access	Width of Access/	Total Public Units or	Additional Width from	Eligible Shoreline ¹	DBPR License
		Access	Frontage	Parking Spaces	Eligibility	(feet)	
			Frontage	raiking spaces	Units	(ICCI)	
Beachfront Bed & Breakfast	R148	Secondary	199	1	0	199	BNB6500124 ²
La Fiesta Oceanside Inn & Suite	R148	Secondary	199	1	0 .	199	MOT6500011 ²
Holiday Inn	R149	Secondary	202.8	1	0	203	HOT6500300 ²
Maratea Beach Access	R151	Secondary	95 ′	20	1056	1,151	
Total Eligible Shoreline Length ¹	•					j -	

¹Lengths presented for individual locations do not consider overlap with adjacent locations; total eligible length is the same as previously calculated for the current 43.56% state cost share

²Website links to DPR licenses are as follows:

Hampton Inn — https://www.myfloridalicense.com/LicenseDetail.asp?SID=&id=03C1041E594B40745DB7B18B0050F115

The Beachcomber — https://www.myfloridalicense.com/LicenseDetail.asp?SID=&id=9CD568C4DD102FBB6C8D6A521B542F3C

House of Sun & Sea — https://www.myfloridalicense.com/LicenseDetail.asp?SID=&id=1891509EDA3B89A840FF3F530BE60D21

Beachfront Bed & Breakfast — https://www.myfloridalicense.com/LicenseDetail.asp?SID=&id=911962288C30ECDFA79727A6553B55F5

La Fiesta Oceanside Inn & Suite — https://www.myfloridalicense.com/LicenseDetail.asp?SID=&id=9754E9A561C54706ACDC1A32700A89F4 Holiday Inn — https://www.myfloridalicense.com/LicenseDetail.asp?SID=&id=B998C208AE544437FB02E6481AA89B8B

(Expand table as needed)

7. Schedule and Budget:

(Include estimated phases for 10 years and estimated project costs for 5 years.) (Expand table as needed)

Year	Proposed Phase	Description	Total Estimated Cost	Federal Cost Share	State Cost Share	Local Cost Share
2018/ 2019	Monitoring	Year 1 Physical Monitoring	\$200,000	\$0	\$87,120	\$112,880
2019/ 2020	Monitoring	Year 2 Physical Monitoring	\$200,000	\$0	\$87,120	\$112,880
2020/ 2021	Monitoring	Year 3 Physical Monitoring	\$200,000	\$0	\$87,120	\$112,880
2021/ 2022						
2022/ 2023	Monitoring	Year 5 Physical Monitoring	\$200,000	\$0	\$87,120	\$112,880
2023/ 2024	Design and Permitting	Plans and Specs	2.0			
	Construction	5th Nourishment				
2024/ 2025	Monitoring	Year 1 Physical Monitoring			100	
2025/ 2026	Monitoring	Year 2 Physical Monitoring				
2026/ 2027	Monitoring	Year 3 Physical Monitoring				
2027/ 2028						

8. Severity of erosion: Criterion will be calculated by the Department.

Additional information may be provided for consideration.

9. Threat to Upland Structures: Criterion will be calculated by the Department.

Additional information may be provided for consideration.

10. Recreational and Economic Benefit:

Provide the percentage of linear footage of properties within the project boundaries zoned commercial, recreational or Public Lodging Establishment (hotel, motel or vacation rental condo) as zoned in current local government land use maps.

Commercial: 1,340 ft = 8.8% Recreational: 5,820 ft = 38%

Total Commercial and Recreational: 7,160 ft = 46.8%

11. Availability of Federal Funds:

Is the project Federally authorized by WRDA (Y/N)? Y

AUTHORIZATION DATE: Dec. 15, 1998

EXPIRATION DATE: Dec.15, 2048

Does the project have a Project Cooperative Agreement or other Federal funding agreement (Y/N)? Yes, executed August 24, 2000.

If so, attach a copy of the document.

What is the federal cost share percentage provided for this project? 80.5%

Is this project funded through FEMA for storm repairs (Y/N)? N

If so, attach a copy of the signed Project Worksheet.

12. Local Sponsor Financial and Administrative Commitment:

Is funding for the project in the local sponsor's 10-year comprehensive financial plan (Y/N)? Y Attach a copy or provide web link to the plan.

http://www.sjcfl.us/OMB/media/Budget2017/FY17FinancialPlan.pdf. Please see the 2017-2021 budget on page 495 of the 2017 Financial Plan

Is funding provided through a source established by referendum (Y/N)? N Attach a copy or provide web link to the referendum.

Is funding provided by a third party other than the federal government (Y/N)? N What is the percentage of total project costs provided by the third party? Attach a copy of the interlocal agreement or cost sharing agreement.

Quarterly Report Compliance - For projects that are currently funded through the program or have historically been funded, the Local Sponsor may give the dates quarterly progress reports were submitted within the last fiscal year per terms of the agreement (for consideration of additional ranking points):

Quarter	Due Date	Report Remit	Compliant (yes/no)
July-September	October 30		
October-December	January 31		
January-March	April 30		
March-June	July 31		

Is there an active state permit for the project (Y/N)? Y

AUTHORIZATION DATE: Sep. 26, 2011

Permit #: 0295429-002-JC

EXPIRATION DATE: Sep. 26, 2021

Is there an active federal permit for the project (Y/N)? Permit #: Not required for a federal SPP AUTHORIZATION DATE: n/a

EXPIRATION DATE: n/a

Have local funds been secured for the project (Y/N)? Y

Explain: The 2017–2021 budget detailed in the County's 2017 Financial Plan includes appropriate levels of project funding (see item 12 above).

Has a copy of the resolution been drafted and attached to this application (Y/N)? Y In order to acquire state funding, the Local Sponsor must provide a resolution from the governing board which declares:

- Support from the Local Sponsor for the project
- Willingness to serve as the Local Sponsor
- Ability to provide the full local cost share

Identification of the source of funding

A draft resolution must be provided with the application. The signed resolution must be received by September 30.

13. Previous State Commitment:

Has the Department previously reviewed, approved and cost-shared on a feasibility or design phase for this project (Y/N)? Y

Provide previous phase and state cost share percentage: 43.56%. The state has cost shared the previous design and permitting, construction, and monitoring phases of the 2003, 2005, and 2012 nourishments.

Will this project enhance or increase the longevity of a previously-constructed project (Y/N)? Y Explain: This project will enhance and increase the longevity of the SPP, which includes the cumulative benefits of the 2003, 2005, and 2012 nourishments.

Will this project nourish a previously restored shoreline (Y/N)? Y (Full beach nourishment only. Dune maintenance projects do not apply)

Has a previously approved appropriation for this project phase been released in its entirety by the local sponsor due to delays in the project timelines (Y/N)? N

14. Project Performance:

What is the nourishment interval (in years)? 4.7 years on average, based on intervals of 2 yrs (adversely affected by the 2004 hurricanes season), 7 yrs, and 5 yrs between the 2003, 2005, 2012, and upcoming 2017/2018 nourishments.

15. Mitigation of Inlet Effects: Criterion is calculated by the Department.

Additional information may be provided for consideration.

16. Use of Innovative Applications of existing technologies:

Does the project address erosion in a method that is economically competitive with nourishment, that will not adversely affect the conservation of fish and wildlife, including endangered or threatened species, or their habitats, and that is designed to demonstrate an innovative application of existing technologies (Y/N)? N Explain:

Has the project been documented to be effective and demonstrated technologies previously untried in the state (Y/N)? N Explain:

17. Regionalization:

Is this project being planned or constructed in cooperation with another local government to reduce contracting costs (Y/N)? N

Explain and attach a signed copy of the interlocal agreement.

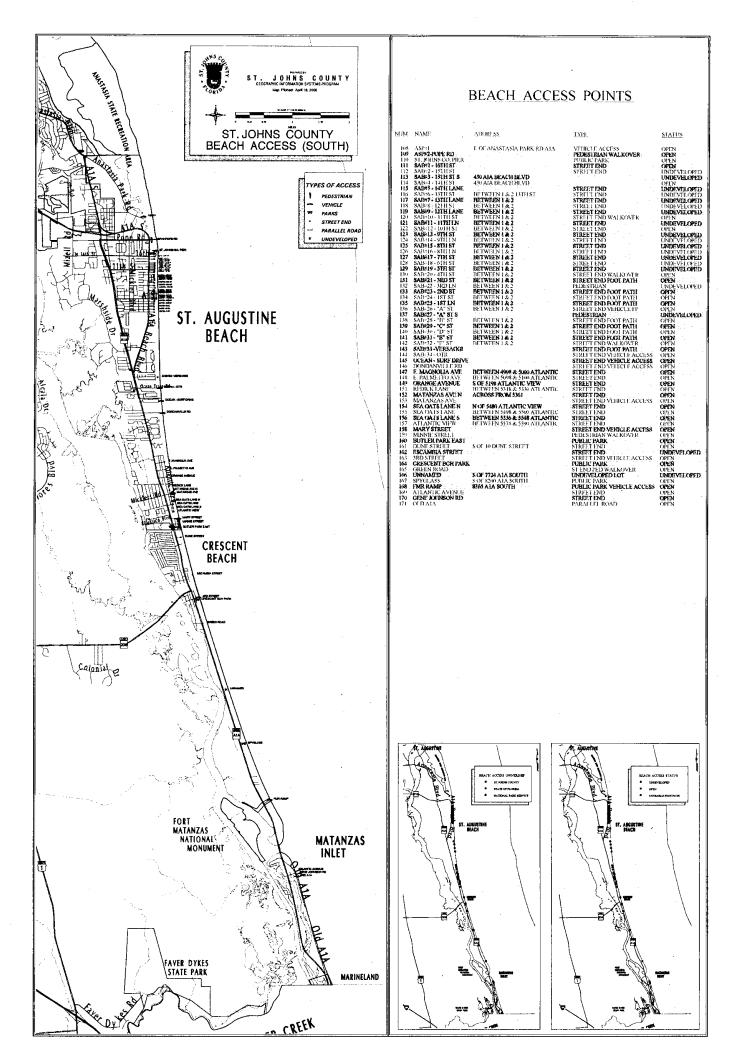
18. Significance:

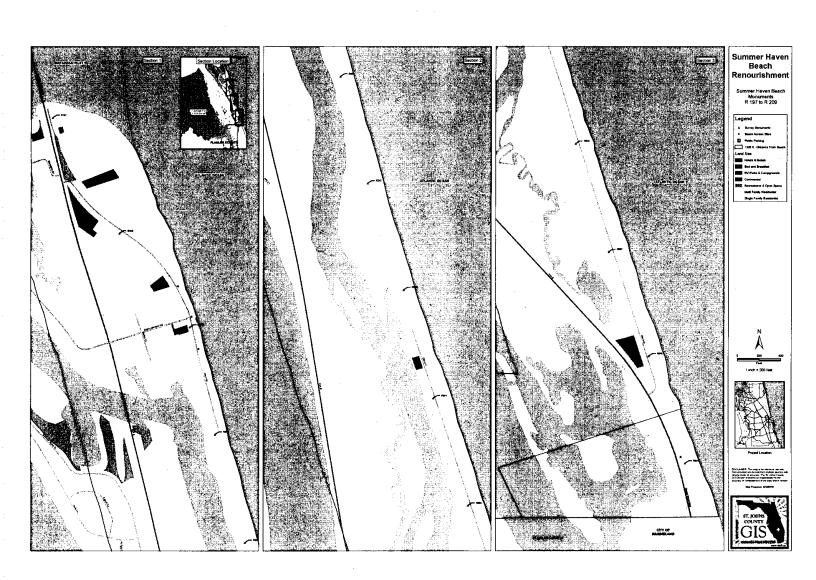
What is the volume of advanced nourishment lost since the last sand placement event of a beach restoration or nourishment project as measured landward of the Mean High Water Line? (Information should be consistent with annual post-construction monitoring reports) Roughly

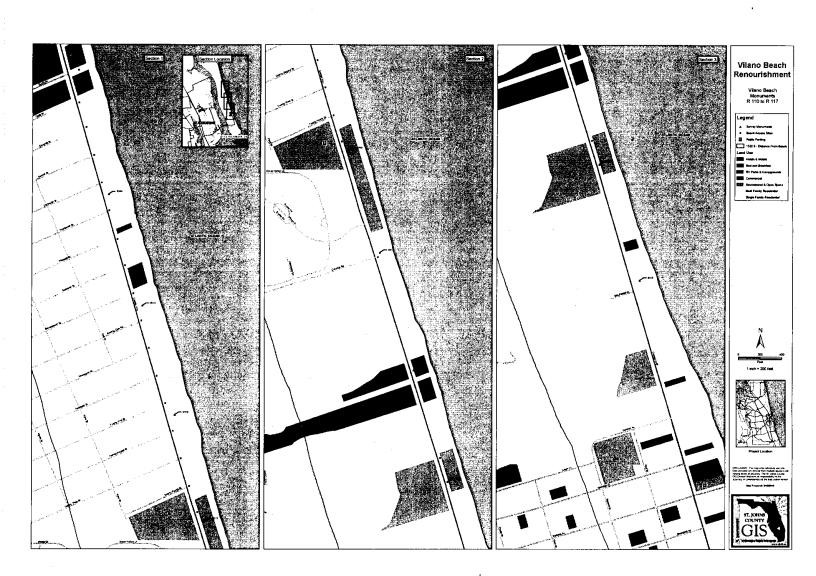
604,000 cy, as measured landward of the 2012 post-construction MHW position, have eroded from the 2012 nourishment's placement area.

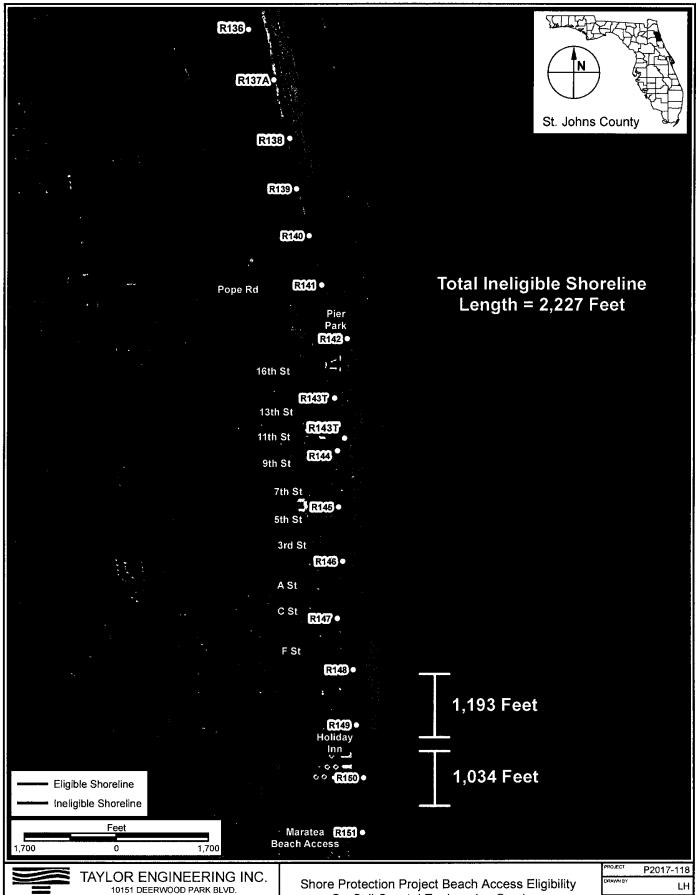
Has the project eroded into the design template (Y/N)? Y If so, provide the eroded segments by listing the R-monuments. R-42 and R-43

For construction projects, what is the proposed sand placement volume? Approximately 900,000 cy











BLDG 300 SUITE 300 JACKSONVILLE, FL 32256 CERTIFICATE OF AUTHORIZATION # 4815 On-Call Coastal Engineering Services St.Johns County, FL

PROJECT	P2017-118
DRAWN BY	LH
SHEET	
DATE	JULY 2017

PROJECT COOPERATION AGREEMENT BETWEEN THE DEPARTMENT OF THE ARMY AND

ST. JOHNS COUNTY, FLORIDA FOR CONSTRUCTION OF THE ST. JOHNS COUNTY, FLORIDA SHORE PROTECTION PROJECT

WITNESSETH, THAT:

WHEREAS, construction of the St. Johns County, Florida Shore Protection Project at St. Johns County, Florida was authorized by Title V, Section 501(a) of the Water Resources Development Act of 1986, Public Law 99-662;

WHEREAS, as required by Section 316 of the Water Resources Development Act of 1999, Public Law106-53, modified the Public Law 99-662 authorization to include navigation mitigation as a project purpose;:

WHEREAS, the Government and the Non-Federal Sponsor desire to enter into a Project Cooperation Agreement for construction of the St. Johns County, Florida Shore Protection Project (hereinafter the "Project", as defined in Article I.A. of this Agreement);

WHEREAS, Section 103 of the Water Resources Development Act of 1986, Public Law 99-662, as amended, specifies the cost sharing requirements applicable to the Project except to the extent the specific project authorization provides for the Government to pay 50 percent of total project costs as mitigation for the impacts of the navigation improvements at St. Augustine Inlet.;

WHEREAS, Section 221 of the Flood Control Act of 1970, Public Law 91 611, as amended, and Section 103 of the Water Resources Development Act of 1986, Public Law 99-662, as amended, provide that the Secretary of the Army shall not commence construction of any water resources project, or separable element thereof, until each non-Federal sponsor has entered into a written agreement to furnish its required cooperation for the project or separable element;

WHEREAS, Section 902 of Public Law 99-662 establishes the maximum amount of costs for the St. Johns County, Florida Shore Protection Project and sets forth

procedures for adjusting such maximum amount; and

WHEREAS, the Government and Non-Federal Sponsor have the full authority and capability to perform as hereinafter set forth and intend to cooperate in cost sharing and financing of the Project in accordance with the terms of this Agreement.

NOW, THEREFORE, the Government and the Non-Federal Sponsor agree as follows:

ARTICLE I - DEFINITIONS AND GENERAL PROVISIONS

For purposes of this Agreement:

- A. The term "Project" shall mean the initial construction and periodic nourishment of shoreline beginning approximately 2.7 miles south of the St. Augustine Inlet and extending south approximately 2.5 miles, as generally described in the "St. Johns County, Florida Shore Protection Project General Reevaluation Report with Environmental Assessment", dated March 1998 and approved by the Assistant Secretary of the Army (Civil Works) on December 15, 1998 (hereinafter the "GRR).
- B. The term "initial construction" shall mean the restoration of a 60-foot wide protective beach berm beginning at contour elevation +12.0 feet above mean low water; advance nourishment; and any mitigation as determined necessary by the Government as generally described in the GRR referenced in paragraph A above.
- C. The term "periodic nourishment" shall mean the placement of suitable beach material within the areas of initial construction, or any functional portion of the initial construction, as generally described in the GRR referenced in paragraph A. above.
- D. The term "total project costs" shall mean all costs incurred by the Non-Federal Sponsor and the Government in accordance with the terms of this Agreement directly related to initial construction and periodic nourishment of the Project. Subject to the provisions of this Agreement, the term shall include, but is not necessarily limited to: continuing planning and engineering costs incurred after October 1, 1985; advanced engineering and design costs; preconstruction engineering and design costs; engineering and design costs during construction; the costs of investigations to identify the existence and extent of hazardous substances in accordance with Article XV.A. of this Agreement; costs of historic preservation activities in accordance with Article XVIII.A. of this Agreement; actual construction costs, including the costs of alteration, lowering, raising, or replacement and attendant removal of existing railroad bridges and approaches thereto; supervision and administration costs; costs of participation in the Project Coordination Team in accordance with Article V of this Agreement; costs of contract dispute settlements or awards; the value of lands, easements, rights-of-way, relocations, and suitable borrow and dredged or excavated material disposal areas for which the Government affords credit in accordance with Article IV of this Agreement; costs of audit in accordance with Article X of this Agreement and those dikes and other

construction works necessary to promote placement of the beachfill material. The term does not include any costs for operation, maintenance, repair, replacement, or rehabilitation; any costs due to betterments; or any costs of dispute resolution under Article VII of this Agreement.

- E. The term "total costs of initial construction" shall mean that portion of total project costs allocated by the Government to initial construction.
- F. The term "total costs of periodic nourishment" shall mean that portion of total project costs allocated by the Government to periodic nourishment.
- G. The term "financial obligation for initial construction" shall mean a financial obligation of the Government, other than an obligation pertaining to the provision of lands, easements, rights-of-way, relocations, and borrow and dredged or excavated material disposal areas, that results or would result in a cost that is or would be included in total costs of initial construction.
- H. The term "financial obligation for periodic nourishment" shall mean a financial obligation of the Government, other than an obligation pertaining to the provision of lands, easements, rights-of-way, relocations, and borrow and dredged or excavated material disposal areas, that results or would result in a cost that is or would be included in total costs of periodic nourishment.
- I. The term "non-Federal proportionate share" with respect to initial construction, shall mean the ratio of the Non-Federal Sponsor's total cash contribution required in accordance with Article II.D. of this Agreement to total financial obligations for initial construction, as projected by the Government. The term shall mean, with respect to periodic nourishment, the ratio of the Non-Federal Sponsor's total cash contribution required in accordance with Article II.G. of this Agreement to total financial obligations for periodic nourishment, as projected by the Government.
- J. The term "period of construction" shall mean the time from the date the Government first notifies the Non-Federal Sponsor in writing, in accordance with Article VI.B. of this Agreement, of the scheduled date for issuance of the solicitation for the first construction contract to the date that the U.S. Army Engineer for the Jacksonville District (hereinafter the "District Engineer") notifies the Non-Federal Sponsor in writing of the Government's determination that construction of the Project is complete.
- K. The term "authorized periodic nourishment period" shall mean 50 years from the completion of the period of initial construction, the authorized duration for Federal participation in periodic nourishment for the Project.
- L. The term "highway" shall mean any public highway, roadway, street, or way, including any bridge thereof except for the Atlantic Ocean Beach in St. Johns County, Florida.

- M. The term "relocation" shall mean providing a functionally equivalent facility to the owner of an existing utility, cemetery, highway or other public facility, or railroad (excluding existing railroad bridges and approaches thereto) when such action is authorized in accordance with applicable legal principles of just compensation or as otherwise provided in the authorizing legislation for the Project or any report referenced therein. Providing a functionally equivalent facility may take the form of alteration, lowering, raising, or replacement and attendant removal of the affected facility or part thereof.
- N. The term "fiscal year" shall mean one fiscal year of the Government. The Government fiscal year begins on October 1 and ends on September 30.
- O. The term "functional portion of the Project" shall mean a portion of the Project that is suitable for tender to the Non-Federal Sponsor to operate and maintain in advance of completion of the entire Project. For a portion of the Project to be suitable for tender, the District Engineer must notify the Non-Federal Sponsor in writing of the Government's determination that the portion of the Project is complete and can function independently and for a useful purpose, although the balance of the Project is not complete.
- P. The term "betterment" shall mean a change in the design and construction of an element of the Project resulting from the application of standards that the Government determines exceed those that the Government would otherwise apply for accomplishing the design and construction of that element.

ARTICLE II - OBLIGATIONS OF THE GOVERNMENT AND THE NON-FEDERAL SPONSOR

- A. The Government, subject to receiving funds appropriated by the Congress of the United States (hereinafter, the "Congress") and using those funds and funds provided by the Non-Federal Sponsor, shall expeditiously construct the Project (including alteration, lowering, raising, or replacement and attendant removal of existing railroad bridges and approaches thereto and including periodic nourishment at such times during the authorized periodic nourishment period as the Government, after consultation with the Non-Federal Sponsor, determines such placement to be necessary and economically justified), applying those procedures usually applied to Federal projects, pursuant to Federal laws, regulations, and policies.
- 1. The Government shall afford the Non-Federal Sponsor the opportunity to review and comment on the solicitations for all contracts, including relevant plans and specifications, prior to the Government's issuance of such solicitations. The Government shall not issue the solicitation for the first construction contract until the Non-Federal Sponsor has confirmed in writing its willingness to proceed with the Project. To the extent possible, the Government shall afford the Non-Federal Sponsor the opportunity to review and comment on all contract modifications, including change orders, prior to the issuance to the contractor of a Notice to Proceed. In any instance where providing the

Non-Federal Sponsor with notification of a contract modification or change order is not possible prior to issuance of the Notice to Proceed, the Government shall provide such notification in writing at the earliest date possible. To the extent possible, the Government also shall afford the Non-Federal Sponsor the opportunity to review and comment on all contract claims prior to resolution thereof. The Government shall consider in good faith the comments of the Non-Federal Sponsor, but the contents of solicitations, award of contracts, execution of contract modifications, issuance of change orders, resolution of contract claims, and performance of all work on the Project (whether the work is performed under contract or by Government personnel), shall be exclusively within the control of the Government.

- 2. Throughout the period of construction, the District Engineer shall furnish the Non-Federal Sponsor with a copy of the Government's Written Notice of Acceptance of Completed Work for each contract for the Project.
- 3. Notwithstanding paragraph A.1. of this Article, if, upon the award of any contract for construction of the Project, cumulative financial obligations for construction would exceed \$310,177,000, the Government and the Non-Federal Sponsor agree to defer award of that contract and all subsequent contracts for construction of the Project until such time as the Government and the Non-Federal Sponsor agree to proceed with further contract awards for the Project, but in no event shall the award of contracts be deferred for more than three years. Notwithstanding this general provision for deferral of contract awards, the Government, after consultation with the Non-Federal Sponsor, may award a contract or contracts after the Assistant Secretary of the Army (Civil Works) makes a written determination that the award of such contract or contracts must proceed in order to comply with law or to protect life or property from imminent and substantial harm.
- B. The Non-Federal Sponsor may request the Government to accomplish betterments. Such requests shall be in writing and shall describe the betterments requested to be accomplished. If the Government in its sole discretion elects to accomplish the requested betterments or any portion thereof, it shall so notify the Non-Federal Sponsor in a writing that sets forth any applicable terms and conditions, which must be consistent with this Agreement. In the event of conflict between such a writing and this Agreement, this Agreement shall control. The Non-Federal Sponsor shall be solely responsible for all costs due to the requested betterments and shall pay all such costs in accordance with Article VI.C. of this Agreement.
- C. When the District Engineer determines that the entire Project is complete or that a portion of the Project has become a functional portion of the Project, the District Engineer shall so notify the Non-Federal Sponsor in writing and furnish the Non-Federal Sponsor with an Operation, Maintenance, Repair, Replacement, and Rehabilitation Manual (hereinafter the "OMRR&R Manual") and with copies of all of the Government's Written Notices of Acceptance of Completed Work for all contracts for the Project or the functional portion of the Project that have not been provided previously. Upon such notification, the Non-Federal Sponsor shall operate, maintain, repair, replace, and

rehabilitate the entire Project or the functional portion of the Project in accordance with Article VIII of this Agreement.

- D. The Non-Federal Sponsor shall contribute one-half of 35 percent of the total costs of initial construction assigned by the Government to hurricane and storm damage reduction, plus one-half of 50 percent of total project costs of initial construction assigned by the Government to recreation, plus one-half of 100 percent of the total costs of initial construction assigned by the Government to privately owned shores (where the use of such shores is limited to private interests) (hereinafter the "non-Federal share of total costs of initial construction") in accordance with the provisions of this paragraph.
- 1. In accordance with Article III of this Agreement, the Non-Federal Sponsor shall provide all lands, easements, rights-of-way, and suitable borrow and dredged or excavated material disposal areas that the Government determines the Non-Federal Sponsor must provide for the initial construction, operation, and maintenance of the Project, and shall perform or ensure performance of all relocations that the Government determines to be necessary for the initial construction, operation, and maintenance of the Project.
- 2. If the Government projects that the value of the Non-Federal Sponsor's contributions under paragraphs D.1. of this Article and Articles V, X, and XV.A. of this Agreement will be less than the non-Federal share of initial construction, the Non-Federal Sponsor shall provide an additional cash contribution, in accordance with Article VI.B. of this Agreement, in the amount necessary to make the Non-Federal Sponsor's total contribution equal to non-Federal share of initial construction.
- 3. If the Government determines that the value of the Non-Federal Sponsor's contributions provided under paragraphs D.1. and D.2. of this Article and of the Non-Federal Sponsor's contributions attributable to initial construction under Articles V, X, and XV.A. of this Agreement has exceeded the non-Federal share of initial construction, the Government, subject to the availability of funds, shall reimburse the Non-Federal Sponsor for any such value in excess of the non-Federal share of initial construction. After such a determination, the Government, in its sole discretion, may provide any remaining Project lands, easements, rights-of-way, and suitable borrow and dredged or excavated material disposal areas and perform any remaining Project relocations on behalf of the Non-Federal Sponsor.
- E. The Non-Federal Sponsor may request the Government to provide lands, easements, rights-of-way, and suitable borrow and dredged or excavated material disposal areas or perform relocations on behalf of the Non-Federal Sponsor during the period of initial construction. Such requests shall be in writing and shall describe the services requested to be performed. If in its sole discretion the Government elects to perform the requested services or any portion thereof, it shall so notify the Non-Federal Sponsor in a writing that sets forth any applicable terms and conditions, which must be consistent with this Agreement. In the event of conflict between such a writing and this Agreement, this Agreement shall control. The Non-Federal Sponsor shall be solely

responsible for all costs of the requested services and shall pay all such costs in accordance with Article VI.C. of this Agreement. Notwithstanding the provision of lands, easements, rights-of-way, and suitable borrow and dredged or excavated material disposal areas or performance of relocations by the Government, the Non-Federal Sponsor shall be responsible, as between the Government and the Non-Federal Sponsor, for the costs of cleanup and response in accordance with Article XV.C. of this Agreement.

- F. After completion of initial construction the Government shall perform a final accounting in accordance with Article VI.D. of this Agreement to determine the contributions provided by the Non-Federal Sponsor in accordance with paragraphs B., D., and E. of this Article and Articles V, X, and XV.A. of this Agreement and to determine whether the Non-Federal Sponsor has met its obligations under paragraphs B., D., and E. of this Article.
- G. For each iteration of periodic nourishment, the Non-Federal Sponsor shall contribute one-half of 35 percent of the total costs of periodic nourishment assigned by the Government to hurricane and storm damage reduction, plus one-half of 50 percent of total project costs of periodic nourishment assigned by the Government to recreation, plus one-half of 100 percent of the total costs of periodic nourishment assigned by the Government to privately owned shores (where the use of such shores is limited to private interests) (hereinafter the "non-Federal share of periodic nourishment") in accordance with the provisions of this paragraph.
- 1. In accordance with Article III of this Agreement, the Non-Federal Sponsor shall provide all lands, easements, rights-of-way, and suitable borrow and dredged or excavated material disposal areas that the Government determines the Non-Federal Sponsor must provide for the iteration of periodic nourishment and shall perform or ensure performance of all relocations that the Government determines to be necessary for the iteration of periodic nourishment.
- 2. If the Government projects that the value of the Non-Federal Sponsor's contributions under paragraph G.1. of this Article and of the Non-Federal Sponsor's contributions attributable to periodic nourishment under Articles X, and XV.A. of this Agreement will be less than the non-Federal share of periodic nourishment, the Non-Federal Sponsor shall provide an additional cash contribution, in accordance with Article V1.E. of this Agreement, in the amount necessary to make the Non-Federal Sponsor's total contribution equal to non-Federal share of periodic construction.
- 3. If the Government determines that the value of the Non-Federal Sponsor's contributions provided under paragraphs G.1. and G.2. of this Article and of the Non-Federal Sponsor's contributions attributable to periodic nourishment under Articles X, and XV.A. of this Agreement has exceeded the non-Federal share of periodic nourishment, the Government, subject to the availability of funds, shall reimburse the Non-Federal Sponsor for any such value in excess of the non-Federal share of periodic nourishment. After such a determination, the Government, in its sole discretion, may

provide any remaining periodic nourishment lands, easements, rights-of-way, and suitable borrow and dredged or excavated material disposal areas and perform any remaining periodic nourishment relocations on behalf of the Non-Federal Sponsor.

- H. The Government shall assign all costs included or to be included in total project costs and all contributions provided by the Non-Federal Sponsor to hurricane and storm damage reduction, or to recreation, or to protecting undeveloped private lands and other privately owned shores.
- I. The Non-Federal Sponsor may request the Government to accomplish betterments during the authorized periodic nourishment period. Such requests shall be in writing and shall describe the betterments requested to be accomplished. If the Government in its sole discretion elects to accomplish the requested betterments or any portion thereof, it shall so notify the Non-Federal Sponsor in a writing that sets forth any applicable terms and conditions, which must be consistent with this Agreement. In the event of conflict between such a writing and this Agreement, this Agreement shall control. The Non-Federal Sponsor shall be solely responsible for all costs due to the requested betterments and shall pay all such costs in accordance with Article VI.C. of this Agreement.
- J. The Non-Federal Sponsor may request the Government to provide lands, easements, rights-of-way, and suitable borrow and dredged or excavated material disposal areas or perform relocations on behalf of the Non-Federal Sponsor during the authorized periodic nourishment period. Such requests shall be in writing and shall describe the services requested to be performed. If in its sole discretion the Government clects to perform the requested services or any portion thereof, it shall so notify the Non-Federal Sponsor in a writing that sets forth any applicable terms and conditions, which must be consistent with this Agreement. In the event of conflict between such a writing and this Agreement, this Agreement shall control. The Non-Federal Sponsor shall be solely responsible for all costs of the requested services and shall pay all such costs in accordance with Article VI.C. of this Agreement. Notwithstanding the provision of lands, easements, rights-of-way, and suitable borrow and dredged or excavated material disposal areas or performance of relocations by the Government, the Non-Federal Sponsor shall be responsible, as between the Government and the Non-Federal Sponsor, for the costs of cleanup and response in accordance with Article XV.C. of this Agreement.
- K. For each iteration of periodic nourishment, the Government shall perform a final accounting in accordance with Article VI.F. of this Agreement to determine the contributions provided by the Non-Federal Sponsor toward the total costs of periodic nourishment and costs due to betterments in accordance with paragraphs G., I., and J. of this Article and Articles X and XV.A. of this Agreement and to determine whether the Non-Federal Sponsor has met its obligations under paragraphs G., I., and J. of this Article.
 - L. In the event the completed initial construction, or any functional portion of the

initial construction, is damaged or destroyed by a storm or other natural forces, the Government, subject to the availability of funds and Article II.A. of this Agreement, shall place suitable beach fill material within the area of the completed initial construction, or functional portion of the initial construction, as periodic nourishment. The costs of such placement shall be included in the total costs of periodic nourishment and cost shared in accordance with Article II.G. of this Agreement. In the event an uncompleted portion of the initial construction is damaged or destroyed by a storm or other natural forces, the Government, subject to the availability of funds, shall place suitable beach fill material with the area of uncompleted initial construction as initial construction. The costs of such placement shall be included in the total costs of initial construction and cost shared in accordance with Article II.D. of this Agreement. Nothing in this paragraph shall preclude the Government from using Public Law 84-99 to accomplish any emergency repair and restoration of work of the completed initial construction or a functional portion of the initial construction.

- M. The Non-Federal Sponsor shall not use Federal funds to meet the Non-Federal Sponsor's share of total costs of initial construction or the non-Federal share of total costs of periodic nourishment under this Agreement unless the Federal granting agency verifies in writing that the expenditure of such funds is expressly authorized by statute.
- N. The Non-Federal Sponsor agrees to participate in and comply with applicable Federal floodplain management and flood insurance programs in accordance with Section 402 of Public Law 99-662, as amended.
- O. Not less than once each year the Non-Federal Sponsor shall inform affected interests of the extent of protection afforded by the Project. The Government shall advise the Non-Federal Sponsor as to who should be informed and the extent of protection afforded by the Project.
- P. The Non-Federal Sponsor shall publicize flood plain information in the area concerned and shall provide this information to zoning and other regulatory agencies for their use in preventing unwise future development in the flood plain and in adopting such regulations as may be necessary to prevent unwise future development and to ensure compatibility with protection levels provided by the Project.
- Q. The Non-Federal Sponsor shall prescribe and enforce regulations to prevent obstruction of or encroachment on the Project that would reduce the level of protection it affords or that would hinder operation and maintenance of the Project.
- R. For so long as the Project remains authorized, the Non-Federal Sponsor shall ensure conditions of public ownership and use of the shore upon which the amount of Federal participation is based.
- S. The Non-Federal Sponsor shall provide and maintain necessary access roads, parking areas, sanitation facilities and other public use facilities, open and available to all

on equal terms during the life of the Project.

T. The Non-Federal Sponsor shall adopt appropriate ordinances or provide other means to ensure preservation of the beach fill areas and the dunes.

ARTICLE III - LANDS, RELOCATIONS, DISPOSAL AREAS, AND PUBLIC LAW 91-646 COMPLIANCE

- A. The Government, after consultation with the Non-Federal Sponsor, shall determine the lands, easements, and rights-of-way required for the initial construction, periodic nourishment, operation, and maintenance of the Project, including those required for relocations, borrow materials, and dredged or excavated material disposal. The Government in a timely manner shall provide the Non-Federal Sponsor with general written descriptions, including maps as appropriate, of the lands, easements, and rightsof-way that the Government determines the Non-Federal Sponsor must provide, in detail sufficient to enable the Non-Federal Sponsor to fulfill its obligations under this paragraph, and shall provide the Non-Federal Sponsor with a written notice to proceed with acquisition of such lands, easements, and rights-of-way. Prior to the end of the period of initial construction, the Non-Federal Sponsor shall acquire all lands, easements, and rights-of-way required for the initial construction, operation or maintenance of the Project set forth in such descriptions. Prior to the end of the authorized periodic nourishment period, the Non-Federal Sponsor shall acquire all lands, easements, and rights-of-way required for the periodic nourishment, as set forth in such descriptions. Furthermore, prior to issuance of the solicitation for each contract for initial construction or periodic nourishment, the Non-Federal Sponsor shall provide the Government with authorization for entry to all lands, easements, and rights-of-way the Government determines the Non-Federal Sponsor must provide for that contract. For so long as the Project remains authorized, the Non-Federal Sponsor shall ensure that lands, easements, and rights-of-way that the Government determines to be required for the operation and maintenance of the Project and that were provided by the Non-Federal Sponsor are retained in public ownership for uses compatible with the authorized purposes of the Project.
- B. The Government, after consultation with the Non-Federal Sponsor, shall determine the improvements required on lands, easements, and rights-of-way to enable the proper disposal of dredged or excavated material associated with the initial construction, periodic nourishment, operation, and maintenance of the Project. Such improvements may include, but are not necessarily limited to, retaining dikes, wasteweirs, bulkheads, embankments, monitoring features, stilling basins, and dewatering pumps and pipes. The Government in a timely manner shall provide the Non-Federal Sponsor with general written descriptions of such improvements in detail sufficient to enable the Non-Federal Sponsor to fulfill its obligations under this paragraph, and shall provide the Non-Federal Sponsor with a written notice to proceed with construction of such improvements. Prior to the end of the period of initial construction, the Non-Federal Sponsor shall provide all improvements required for initial construction set forth in such descriptions. Prior to the end of the authorized periodic

nourishment period, the Non-Federal Sponsor shall provide all improvements required for the periodic nourishment as set forth in such descriptions. Furthermore, prior to issuance of the solicitation for each Government contract for initial construction or periodic nourishment, the Non-Federal Sponsor shall prepare plans and specifications for all improvements the Government determines to be required for the proper disposal of dredged or excavated material under that contract, submit such plans and specifications to the Government for approval, and provide such improvements in accordance with the approved plans and specifications.

- C. The Government, after consultation with the Non-Federal Sponsor, shall determine the relocations necessary for the initial construction, periodic nourishment, operation, and maintenance of the Project, including those necessary to enable the removal of borrow materials and the proper disposal of dredged or excavated material. The Government in a timely manner shall provide the Non-Federal Sponsor with general written descriptions, including maps as appropriate, of such relocations in detail sufficient to enable the Non-Federal Sponsor to fulfill its obligations under this paragraph, and shall provide the Non-Federal Sponsor with a written notice to proceed with such relocations. Prior to the end of the period of initial construction, the Non-Federal Sponsor shall perform or ensure the performance of all relocations required for the initial construction as set forth in such descriptions. Prior to the end of the authorized periodic nourishment period, the Non-Federal Sponsor shall perform or ensure performance of all relocations required for the periodic nourishment as set forth in such descriptions. Furthermore, prior to issuance of the solicitation for each Government construction contract, the Non-Federal Sponsor shall prepare or ensure the preparation of plans and specifications for, and perform or ensure the performance of, all relocations the Government determines to be necessary for that contract.
- D. The Non-Federal Sponsor in a timely manner shall provide the Government with such documents as are sufficient to enable the Government to determine the value of any contribution provided pursuant to paragraphs A., B., or C. of this Article. Upon receipt of such documents the Government, in accordance with Article IV of this Agreement and in a timely manner, shall determine the value of such contribution, include such value in total project costs, and afford credit for such value toward the Non-Federal Sponsor's share of initial construction or the Non-Federal Sponsor's share of periodic nourishment.
- E. The Non-Federal Sponsor shall comply with the applicable provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, as amended by Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (Public Law 100-17), and the Uniform Regulations contained in 49 C.F.R. Part 24, in acquiring lands, easements, and rights-of-way required for the initial construction, periodic nourishment, operation, and maintenance of the Project, including those necessary for relocations, borrow materials, and dredged or excavated material disposal, and shall inform all affected persons of applicable benefits, policies, and procedures in connection with said Act.

ARTICLE IV - CREDIT FOR VALUE OF LANDS, RELOCATIONS, AND DISPOSAL AREAS

- A. The Non-Federal Sponsor shall receive credit toward its share of initial construction for the value of the lands, easements, rights-of-way, and suitable borrow and dredged or excavated material disposal areas that the Non-Federal Sponsor must provide for initial construction, operation, and maintenance of the Project pursuant to Article III of this Agreement, and for the value of the Article III.B. improvements, and the relocations that the Non-Federal Sponsor must perform or for which it must ensure performance for initial construction, operation, and maintenance of the Project pursuant to Article III of this Agreement. The Non-Federal Sponsor shall receive credit toward the non-Federal share of periodic nourishment for the value of additional lands, easements, rights-of-way, and suitable borrow and dredged or excavated material disposal areas that the Non-Federal Sponsor must provided for periodic nourishment of the Project pursuant to Article III of this Agreement, and for the value of the additional Article III.B. improvements, and the relocations that the Non-Federal Sponsor must perform or for which it must ensure performance for periodic nourishment of the Project pursuant to Article III of this Agreement. However, the Non-Federal Sponsor shall not receive credit for the value of any lands, easements, rights-of-way, relocations, or borrow and dredged or excavated material disposal areas that have been provided previously as an item of cooperation for another Federal project. The Non-Federal Sponsor also shall not receive credit for the value of lands, easements, rights-of-way, Article III.B. improvements, and the relocations, or borrow and dredged or excavated material disposal areas to the extent that such items are provided using Federal funds unless the Federal granting agency verifies in writing that such credit is expressly authorized by statute.
- B. For the sole purpose of affording credit in accordance with this Agreement, the value of lands, easements, and rights-of-way, including those necessary for relocations, borrow materials, Article III.B. improvements, and the dredged or excavated material disposal, shall be the fair market value of the real property interests, plus certain incidental costs of acquiring those interests, as determined in accordance with the provisions of this paragraph.
- 1. Date of Valuation. The fair market value of lands, easements, or rights-of-way owned by the Non-Federal Sponsor on the effective date of this Agreement shall be the fair market value of such real property interests as of the date the Non-Federal Sponsor provides the Government with authorization for entry thereto. The fair market value of lands, easements, or rights-of-way acquired by the Non-Federal Sponsor after the effective date of this Agreement shall be the fair market value of such real property interests at the time the interests are acquired.
- 2. General Valuation Procedure. Except as provided in paragraph B.3. of this Article, the fair market value of lands, easements, or rights-of-way shall be determined in accordance with paragraph B.2.a. of this Article, unless thereafter a different amount is determined to represent fair market value in accordance with paragraph B.2.b. of this Article.

- a. The Non-Federal Sponsor shall obtain, for each real property interest, an appraisal that is prepared by a qualified appraiser who is acceptable to the Non-Federal Sponsor and the Government. The appraisal must be prepared in accordance with the applicable rules of just compensation, as specified by the Government. The fair market value shall be the amount set forth in the Non-Federal Sponsor's appraisal, if such appraisal is approved by the Government. In the event the Government does not approve the Non-Federal Sponsor's appraisal, the Non-Federal Sponsor may obtain a second appraisal, and the fair market value shall be the amount set forth in the Non-Federal Sponsor's second appraisal, if such appraisal is approved by the Government. In the event the Government does not approve the Non-Federal Sponsor's second appraisal, or the Non-Federal Sponsor chooses not to obtain a second appraisal, the Government shall obtain an appraisal, and the fair market value shall be the amount set forth in the Government's appraisal, if such appraisal is approved by the Non-Federal Sponsor. In the event the Non-Federal Sponsor does not approve the Government's appraisal, the Government, after consultation with the Non-Federal Sponsor, shall consider the Government's and the Non-Federal Sponsor's appraisals and determine an amount based thereon, which shall be deemed to be the fair market value.
- b. Where the amount paid or proposed to be paid by the Non-Federal Sponsor for the real property interest exceeds the amount determined pursuant to paragraph B.2.a. of this Article, the Government, at the request of the Non-Federal Sponsor, shall consider all factors relevant to determining fair market value and, in its sole discretion, after consultation with the Non-Federal Sponsor, may approve in writing an amount greater than the amount determined pursuant to paragraph B.2.a. of this Article, but not to exceed the amount actually paid or proposed to be paid. If the Government approves such an amount, the fair market value shall be the lesser of the approved amount or the amount paid by the Non-Federal Sponsor, but no less than the amount determined pursuant to paragraph B.2.a. of this Article.
- 3. Eminent Domain Valuation Procedure. For lands, easements, or rights-of-way acquired by eminent domain proceedings instituted after the effective date of this Agreement, the Non-Federal Sponsor shall, prior to instituting such proceedings, submit to the Government notification in writing of its intent to institute such proceedings and an appraisal of the specific real property interests to be acquired in such proceedings. The Government shall have 60 days after receipt of such a notice and appraisal within which to review the appraisal, if not previously approved by the Government in writing.
- a. If the Government previously has approved the appraisal in writing, or if the Government provides written approval of, or takes no action on, the appraisal within such 60-day period, the Non-Federal Sponsor shall use the amount set forth in such appraisal as the estimate of just compensation for the purpose of instituting the eminent domain proceeding.
- b. If the Government provides written disapproval of the appraisal, including the reasons for disapproval, within such 60-day period, the Government and the

Non-Federal Sponsor shall consult in good faith to promptly resolve the issues or areas of disagreement that are identified in the Government's written disapproval. If, after such good faith consultation, the Government and the Non-Federal Sponsor agree as to an appropriate amount, then the Non-Federal Sponsor shall use that amount as the estimate of just compensation for the purpose of instituting the eminent domain proceeding. If, after such good faith consultation, the Government and the Non-Federal Sponsor cannot agree as to an appropriate amount, then the Non-Federal Sponsor may use the amount set forth in its appraisal as the estimate of just compensation for the purpose of instituting the eminent domain proceeding. The fair market value shall be adjusted utilizing Federal rules of Compensation including application of the principles of specific benefits.

- c. For lands, easements, or rights-of-way acquired by eminent domain proceedings instituted in accordance with sub-paragraph B.3. of this Article, fair market value shall be either the amount of the court award for the real property interests taken to the extent the Government determined such interests are required for the construction, operation, and maintenance of the Project, or the amount of any stipulated settlement or portion thereof that the Government approves in writing.
- 4. Incidental Costs. For lands, easements, or rights-of-way acquired by the Non-Federal Sponsor within a five-year period preceding the effective date of this Agreement, or at any time after the effective date of this Agreement, the value of the interest shall include the documented incidental costs of acquiring the interest, as determined by the Government, subject to an audit in accordance with Article X.C. of this Agreement to determine reasonableness, allocability, and allowability of costs. Such incidental costs shall include, but not necessarily be limited to, closing and title costs, appraisal costs, survey costs, attorney's fees, plat maps, and mapping costs, as well as the actual amounts expended for payment of any Public Law 91-646 relocation assistance benefits provided in accordance with Article III.E. of this Agreement.
- C. After consultation with the Non-Federal Sponsor, the Government shall determine the value of relocations in accordance with the provisions of this paragraph.
- 1. For a relocation other than a highway, the value shall be only that portion of relocation costs that the Government determines is necessary to provide a functionally equivalent facility, reduced by depreciation, as applicable, and by the salvage value of any removed items.
- 2. For a relocation of a highway, the value shall be only that portion of relocation costs that would be necessary to accomplish the relocation in accordance with the design standard that the State of Florida would apply under similar conditions of geography and traffic load, reduced by the salvage value of any removed items.
- 3. Relocation costs shall include, but not necessarily be limited to, actual costs of performing the relocation; planning, engineering and design costs; supervision and administration costs; and documented incidental costs associated with performance of the relocation, but shall not include any costs due to betterments, as determined by the

Government, nor any additional cost of using new material when suitable used material is available. Relocation costs shall be subject to an audit in accordance with Article X.C. of this Agreement to determine reasonableness, allocability, and allowability of costs.

D. The value of the improvements made to lands, easements, and rights-of-way for the proper disposal of dredged or excavated material shall be the costs of the improvements, as determined by the Government, subject to an audit in accordance with Article X.C. of this Agreement to determine reasonableness, allocability, and allowability of costs. Such costs shall include, but not necessarily be limited to, actual costs of providing the improvements; planning, engineering and design costs; supervision and administration costs; and documented incidental costs associated with providing the improvements, but shall not include any costs due to betterments, as determined by the Government.

ARTICLE V - PROJECT COORDINATION TEAM

- A. To provide for consistent and effective communication, the Non-Federal Sponsor and the Government, not later than 30 days after the effective date of this Agreement, shall appoint named senior representatives to a Project Coordination Team. Thereafter, the Project Coordination Team shall meet regularly until the end of the period of initial construction and thereafter shall meet and convene during each period of periodic nourishment. The Government's Project Manager and a counterpart named by the Non-Federal Sponsor shall co-chair the Project Coordination Team.
- B. The Government's Project Manager and the Non-Federal Sponsor's counterpart shall keep the Project Coordination Team informed of the progress of construction and of significant pending issues and actions, and shall seek the views of the Project Coordination Team on matters that the Project Coordination Team generally oversees.
- C. The Project Coordination Team shall generally oversee the Project, including issues related to design; plans and specifications; scheduling; real property and relocation requirements; real property acquisition; contract awards and modifications; contract costs; the Government's cost projections; final inspection of the initial construction and periodic nourishment or functional portions thereof; preparation of the proposed OMRR&R Manual; anticipated requirements and needed capabilities for performance of operation, maintenance, repair, replacement, and rehabilitation of the Project; and other related matters. This oversight shall be consistent with a project management plan developed by the Government after consultation with the Non-Federal Sponsor.
- D. The Project Coordination Team may make recommendations that it deems warranted to the District Engineer on matters that the Project Coordination Team generally oversees, including suggestions to avoid potential sources of dispute. The Government in good faith shall consider the recommendations of the Project Coordination Team. The Government, having the legal authority and responsibility for construction of the Project, has the discretion to accept, reject, or modify the Project

Coordination Team's recommendations.

E. The costs of participation in the Project Coordination Team shall be included in total project costs and cost shared in accordance with the provisions of this Agreement.

ARTICLE VI - METHOD OF PAYMENT

- A. The Government shall maintain current records of contributions provided by the parties and current projections of total project costs, total costs of initial construction, total costs of periodic nourishment and costs due to betterments. By October 1st of each year and at least quarterly thereafter, the Government shall provide the Non-Federal Sponsor with a report setting forth all contributions provided to date and the current projections of total project costs, of total costs of initial construction, of total costs of periodic nourishment, of total costs due to betterments, of the maximum amount of total project costs determined in accordance with Article XIX of this Agreement, of the components of total project costs, of the non-Federal share of initial construction, of the non-Federal share of periodic nourishment, of the Non-Federal Sponsor's total cash contributions required in accordance with Articles II.B., II.D., II.E., II.G., II.I., and II.J of this Agreement, of the non-Federal proportionate share, and of the funds the Government projects to be required from the Non-Federal Sponsor for the upcoming fiscal year. On the effective date of this Agreement, total project costs are projected to be \$222,900,000, and the Non-Federal Sponsor's cash contribution required under Articles II.D. of this Agreement is projected to be \$3,735,000, and the Non-Federal Sponsor's cash contribution required under Article II.G. of this Agreement is projected to be \$39,765,000. Such amounts are estimates subject to adjustment by the Government and are not to be construed as the total financial responsibilities of the Government and the Non-Federal Sponsor.
- B. The Non-Federal Sponsor shall provide the cash contribution required under Article II.D.2. of this Agreement in accordance with the provisions of this paragraph.
- 1. Not less than 120 calendar days prior to the scheduled date for issuance of the solicitation for the first contract for initial construction, the Government shall notify the Non-Federal Sponsor in writing of such scheduled date and the funds the Government determines to be required from the Non-Federal Sponsor to meet the non-Federal proportionate share of projected financial obligations for initial construction through the first fiscal year of initial construction, including the non-Federal proportionate share of financial obligations for construction incurred prior to the commencement of the period of initial construction. Not later than such scheduled date, the Non-Federal Sponsor shall verify to the satisfaction of the Government that the Non-Federal Sponsor has deposited the required funds in an escrow or other account acceptable to the Government, with interest accruing to the Non-Federal Sponsor.
- 2. For the second and subsequent fiscal years of construction, the Government shall notify the Non-Federal Sponsor in writing, no later than 60 calendar days prior to the beginning of that fiscal year, of the funds the Government determines to

be required from the Non-Federal Sponsor to meet the non-Federal proportionate share of projected financial obligations for initial construction for that fiscal year. No later than 30 calendar days prior to the beginning of the fiscal year, the Non-Federal Sponsor shall make the full amount of the required funds for that fiscal year available to the Government through the funding mechanism specified in Article VI.B.1. of this Agreement.

- 3. The Government shall draw from the funds provided by the Non-Federal Sponsor such sums as the Government deems necessary to cover: (a) the non-Federal proportionate share of financial obligations for initial construction incurred prior to the commencement of the period of initial construction; and (b) the non-Federal proportionate share of financial obligations for initial construction as they are incurred during the period of initial construction.
- 4. If at any time during the period of initial construction the Government determines that additional funds will be needed from the Non-Federal Sponsor to cover the non-Federal proportionate share of projected financial obligations for initial construction for the current fiscal year, the Government shall notify the Non-Federal Sponsor in writing of the additional funds required, and the Non-Federal Sponsor, no later than 45 calendar days from receipt of such notice, shall make the additional required funds available through the payment mechanism specified in Article VI.B.1, of this Agreement.
- C. In advance of the Government incurring any financial obligation associated with additional work under Article II.B., II.E., II.I., or II.J. of this Agreement, the Non-Federal Sponsor shall verify to the satisfaction of the Government that the Non-Federal Sponsor has deposited the full amount of the funds required to pay for such additional work in an escrow or other account acceptable to the Government, with interest accruing to the Non-Federal Sponsor. The Government shall draw from the funds provided by the Non-Federal Sponsor such sums as the Government deems necessary to cover the Government's financial obligations for such additional work as they are incurred. In the event the Government determines that the Non-Federal Sponsor must provide additional funds to meet its cash contribution, the Government shall notify the Non-Federal Sponsor in writing of the additional funds required. Within 45 calendar days thereafter, the Non-Federal Sponsor shall provide the Government with a check for the full amount of the additional required funds.
- D. Upon completion of initial construction or termination of this Agreement during the period of initial construction, and upon resolution of all relevant claims and appeals relevant to initial construction, the Government shall conduct a final accounting and furnish the Non-Federal Sponsor with the results of the final accounting. The final accounting shall determine total costs of initial construction, each party's contribution provided thereto, and each party's required share thereof. The final accounting also shall determine costs due to betterments during the period of initial construction and the Non-Federal Sponsor's cash contribution provided pursuant to Article II.B. of this Agreement during the period of initial construction.

- 1. In the event the final accounting shows that the total contribution provided by the Non-Federal Sponsor is less than the non-Federal share of initial construction plus costs due to any betterments provided in accordance with Article II.B. of this Agreement during the period of initial construction, the Non-Federal Sponsor shall, no later than 90 calendar days after receipt of written notice, make a cash payment to the Government of whatever sum is required to meet the Non-Federal Sponsor's required share of total project costs plus costs due to any betterments provided in accordance with Article II.B. of this Agreement during the period of initial construction.
- 2. In the event the final accounting shows that the total contribution provided by the Non-Federal Sponsor exceeds the non-Federal share of initial construction plus costs due to any betterments provided in accordance with Article II.B. of this Agreement during the period of initial construction, the Government shall, subject to the availability of funds, refund the excess to the Non-Federal Sponsor no later than 90 calendar days after the final accounting is complete. In the event existing funds are not available to refund the excess to the Non-Federal Sponsor, the Government shall seek such appropriations as are necessary to make the refund.
- E. The Non-Federal Sponsor shall provide the cash contribution required under Article II.G.2. of this Agreement in accordance with the provisions of this paragraph.
- 1. Not less than 120 calendar days prior to the scheduled date for issuance of the solicitation for the first contract for periodic nourishment, the Government shall notify the Non-Federal Sponsor in writing of such scheduled date and the funds the Government determines to be required from the Non-Federal Sponsor to meet the non-Federal proportionate share of projected financial obligations for periodic nourishment through the first fiscal year of the authorized periodic nourishment period. Not later than such scheduled date, the Non-Federal Sponsor shall verify to the satisfaction of the Government that the Non-Federal Sponsor has deposited the required funds in an escrow or other account acceptable to the Government, with interest accruing to the Non-Federal Sponsor.
- 2. For the second and subsequent fiscal years of periodic nourishment, the Government shall notify the Non-Federal Sponsor in writing, no later than 60 calendar days prior to the beginning of that fiscal year, of the funds the Government determines to be required from the Non-Federal Sponsor to meet the non-Federal proportionate share of projected financial obligations for periodic nourishment for that fiscal year. No later than 30 calendar days prior to the beginning of the fiscal year, the Non-Federal Sponsor shall make the full amount of the required funds for that fiscal year available to the Government through the funding mechanism specified in Article VI.E.1. of this Agreement.
- 3. The Government shall draw from the funds provided by the Non-Federal Sponsor such sums as the Government deems necessary to cover: (a) the non-Federal proportionate share of financial obligations for periodic nourishment incurred

prior to the commencement of the authorized periodic nourishment period; and (b) the non-Federal proportionate share of financial obligations for periodic nourishment as they are incurred during the authorized periodic nourishment period.

- 4. If at any time during the authorized periodic nourishment period the Government determines that additional funds will be needed from the Non-Federal Sponsor to cover the non-Federal proportionate share of projected financial obligations for periodic nourishment for the current fiscal year, the Government shall notify the Non-Federal Sponsor in writing of the additional funds required, and the Non-Federal Sponsor, no later than 45 calendar days from receipt of such notice, shall make the additional required funds available through the payment mechanism specified in Article VLE.1. of this Agreement.
- F. Upon completion of each iteration of periodic nourishment or termination of this Agreement during the authorized periodic nourishment period, and upon resolution of all claims and appeals relevant to the periodic nourishment, the Government shall conduct a final accounting and furnish the Non-Federal Sponsor with the results of the final accounting. The final accounting shall determine total costs of periodic nourishment, each party's contribution provided thereto, and each party's required share thereof. The final accounting also shall determine costs due to betterments during the authorized periodic nourishment period and the Non-Federal Sponsor's cash contribution provided pursuant to Article II.I. of this Agreement.
- 1. In the event the final accounting shows that the total contribution provided by the Non-Federal Sponsor is less than the non-Federal share of periodic nourishment costs plus costs due to any betterments provided in accordance with Article II.I. of this Agreement during the authorized periodic nourishment period, the Non-Federal Sponsor shall, no later than 90 calendar days after receipt of written notice, make a cash payment to the Government of whatever sum is required to meet the Non-Federal Sponsor's required share of periodic nourishment costs plus costs due to any betterments provided in accordance with Article II.I. of this Agreement during the authorized periodic nourishment period.
- 2. In the event the final accounting shows that the total contribution provided by the Non-Federal Sponsor exceeds the non-Federal share of periodic nourishment costs plus costs due to any betterments provided in accordance with Article II.I. of this Agreement during the authorized periodic nourishment period, the Government shall, subject to the availability of funds, refund the excess to the Non-Federal Sponsor no later than 90 calendar days after the final accounting is complete. In the event existing funds are not available to refund the excess to the Non-Federal Sponsor, the Government shall seek such appropriations as are necessary to make the refund.

ARTICLE VII - DISPUTE RESOLUTION

As a condition precedent to a party bringing any suit for breach of this Agreement, that party must first notify the other party in writing of the nature of the purported breach and seek in good faith to resolve the dispute through negotiation. If the parties cannot resolve the dispute through negotiation, they may agree to a mutually acceptable method of non-binding alternative dispute resolution with a qualified third party acceptable to both parties. The parties shall each pay 50 percent of any costs for the services provided by such a third party as such costs are incurred. The existence of a dispute shall not excuse the parties from performance pursuant to this Agreement.

ARTICLE VIII - OPERATION, MAINTENANCE, REPAIR, REPLACEMENT, AND REHABILITATION (OMRR&R)

A. Upon notification in accordance with Article II.C. of this Agreement and for so long as the Project remains authorized, the Non-Federal Sponsor shall operate, maintain, repair, replace, and rehabilitate the entire Project or the functional portion of the Project, at no cost to the Government, in a manner compatible with the Project's authorized purposes and in accordance with applicable Federal and State laws as provided in Article XI of this Agreement and specific directions prescribed by the Government in the OMRR&R Manual and any subsequent amendments thereto. The requirements of this subparagraph do not include periodic nourishment.

B. The Non-Federal Sponsor hereby gives the Government a right to enter, at reasonable times and in a reasonable manner, upon property that the Non-Federal Sponsor owns or controls for access to the Project for the purpose of inspection and, if necessary, for the purpose of completing, operating, maintaining, repairing, replacing, or rehabilitating the Project. If an inspection shows that the Non-Federal Sponsor for any reason is failing to perform its obligations under this Agreement, the Government shall send a written notice describing the non-performance to the Non-Federal Sponsor. If, after 30 calendar days from receipt of notice, the Non-Federal Sponsor continues to fail to perform, then the Government shall have the right to enter, at reasonable times and in a reasonable manner, upon property that the Non-Federal Sponsor owns or controls for access to the Project for the purpose of completing, operating, maintaining, repairing, replacing, or rehabilitating the Project. No completion, operation, maintenance, repair, replacement, or rehabilitation by the Government shall operate to relieve the Non-Federal Sponsor of responsibility to meet the Non-Federal Sponsor's obligations as set forth in this Article VIII, or to preclude the Government from pursuing any other remedy at law or equity to ensure faithful performance pursuant to this Agreement.

ARTICLE IX - INDEMNIFICATION

The Non-Federal Sponsor shall hold and save the Government free from all damages arising from the construction (which includes the initial construction and periodic nourishment), operation, maintenance, repair, replacement, and rehabilitation of the Project and any Project related betterments, except for damages due to the fault or

negligence of the Government or its contractors.

ARTICLE X - MAINTENANCE OF RECORDS AND AUDIT

- A. Not later than 60 calendar days after the effective date of this Agreement, the Government and the Non-Federal Sponsor shall develop procedures for keeping books, records, documents, and other evidence pertaining to costs and expenses incurred pursuant to this Agreement. These procedures shall incorporate, and apply as appropriate, the standards for financial management systems set forth in the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments at 32 C.F.R. Section 33.20. The Government and the Non-Federal Sponsor shall maintain such books, records, documents, and other evidence in accordance with these procedures and for a minimum of three years after the period of construction and resolution of all relevant claims arising therefrom. To the extent permitted under applicable Federal laws and regulations, the Government and the Non-Federal Sponsor shall each allow the other to inspect such books, documents, records, and other evidence.
- B. Pursuant to 32 C.F.R. Section 33.26, the Non-Federal Sponsor is responsible for complying with the Single Audit Act of 1984, 31 U.S.C. Sections 7501-7507, as implemented by Office of Management and Budget (OMB) Circular No. A-13328 and Department of Defense Directive 7600.10. Upon request of the Non-Federal Sponsor and to the extent permitted under applicable Federal laws and regulations, the Government shall provide to the Non-Federal Sponsor and independent auditors any information necessary to enable an audit of the Non-Federal Sponsor's activities under this Agreement. The costs of any non-Federal audits performed in accordance with this paragraph shall be allocated in accordance with the provisions of OMB Circulars A-87 and A-13328, and such costs as are allocated to the Project shall be included in total project costs and cost shared in accordance with the provisions of this Agreement.
- C. In accordance with 31 U.S.C. Section 7503, the Government may conduct audits in addition to any audit that the Non-Federal Sponsor is required to conduct under the Single Audit Act. Any such Government audits shall be conducted in accordance with Government Auditing Standards and the cost principles in OMB Circular No. A-87 and other applicable cost principles and regulations. The costs of Government audits performed in accordance with this paragraph shall be included in total project costs and cost shared in accordance with the provisions of this Agreement.

ARTICLE XI - FEDERAL AND STATE LAWS

In the exercise of their respective rights and obligations under this Agreement, the Non-Federal Sponsor and the Government agree to comply with all applicable Federal and State laws and regulations, including, but not limited to, Section 601 of the Civil Rights Act of 1964, Public Law 88-352 (42 U.S.C. 2000d), and Department of Defense Directive 5500.11 issued pursuant thereto, as well as Army Regulations 600 7, entitled "Nondiscrimination on the Basis of Handicap in Programs and Activities Assisted or Conducted by the Department of the Army" and Section 402 of the Water

Resources Development Act of 1986, as amended (33 U.S.C. 701b-12), requiring Non-Federal preparation and implementation of flood plain management plans.

ARTICLE XII - RELATIONSHIP OF PARTIES

- A. In the exercise of their respective rights and obligations under this Agreement, the Government and the Non-Federal Sponsor each act in an independent capacity, and neither is to be considered the officer, agent, or employee of the other.
- B. In the exercise of its rights and obligations under this Agreement, neither party shall provide, without the consent of the other party, any contractor with a release that waives or purports to waive any rights such other party may have to seek relief or redress against such contractor either pursuant to any cause of action that such other party may have or for violation of any law.

ARTICLE XIII - OFFICIALS NOT TO BENEFIT

No member of or delegate to the Congress, nor any resident commissioner, shall be admitted to any share or part of this Agreement, or to any benefit that may arise therefrom.

ARTICLE XIV - TERMINATION OR SUSPENSION

- A. If at any time the Non-Federal Sponsor fails to fulfill its obligations under Article II.B., II.D., II.G., II.L, II.J., VI, or XVIII.C. of this Agreement, the Assistant Secretary of the Army (Civil Works) shall terminate this Agreement or suspend future performance under this Agreement unless he determines that continuation of work on the Project is in the interest of the United States or is necessary in order to satisfy agreements with any other non-Federal interests in connection with the Project.
- B. If the Government fails to receive annual appropriations in amounts sufficient to meet Project expenditures for the then-current or upcoming fiscal year, the Government shall so notify the Non-Federal Sponsor in writing, and 60 calendar days thereafter either party may elect without penalty to terminate this Agreement or to suspend future performance under this Agreement. In the event that either party elects to suspend future performance under this Agreement pursuant to this paragraph, such suspension shall remain in effect until such time as the Government receives sufficient appropriations or until either the Government or the Non-Federal Sponsor elects to terminate this Agreement.
- C. In the event that either party elects to terminate this Agreement pursuant to this Article or Article XV of this Agreement, both parties shall conclude their activities relating to the Project and proceed to a final accounting in accordance with Article VI.D. or VI.F. of this Agreement.

D. Any termination of this Agreement or suspension of future performance under this Agreement in accordance with this Article or Article XV of this Agreement shall not relieve the parties of liability for any obligation previously incurred. Any delinquent payment shall be charged interest at a rate, to be determined by the Secretary of the Treasury, equal to 150 per centum of the average bond equivalent rate of the 13 week Treasury bills auctioned immediately prior to the date on which such payment became delinquent, or auctioned immediately prior to the beginning of each additional 3 month period if the period of delinquency exceeds 3 months.

ARTICLE XV - HAZARDOUS SUBSTANCES

A. After execution of this Agreement and upon direction by the District Engineer, the Non-Federal Sponsor shall perform, or cause to be performed, any investigations for hazardous substances that the Government or the Non-Federal Sponsor determines to be necessary to identify the existence and extent of any hazardous substances regulated under the Comprehensive Environmental Response, Compensation, and Liability Act (hereinafter "CERCLA"), 42 U.S.C. Sections 9601 9675, that may exist in, on, or under lands, easements, and rights-of-way that the Government determines, pursuant to Article III of this Agreement, to be required for the construction, operation, and maintenance of the Project. However, for lands that the Government determines to be subject to the navigation servitude, only the Government shall perform such investigations unless the District Engineer provides the Non-Federal Sponsor with prior specific written direction, in which case the Non-Federal Sponsor shall perform such investigations in accordance with such written direction.

- 1. All actual costs incurred by the Non-Federal Sponsor or the Government during the period of initial construction for such investigations for hazardous substances shall be included in total costs of initial construction and cost shared in accordance with the provisions of this Agreement, subject to an audit in accordance with Article X.C. of this Agreement to determine reasonableness, allocability, and allowability of costs.
- 2. All actual costs incurred by the Non-Federal Sponsor or the Government during the period of periodic nourishment for such investigations for hazardous substances shall be included in total costs of periodic nourishment and cost shared in accordance with the provisions of this Agreement, subject to an audit in accordance with Article X.C. of this Agreement to determine reasonableness, allocability, and allowability of costs.
- B. In the event it is discovered through any investigation for hazardous substances or other means that hazardous substances regulated under CERCLA exist in, on, or under any lands, easements, or rights-of-way that the Government determines, pursuant to Article III of this Agreement, to be required for the initial construction, periodic nourishment, operation, and maintenance of the Project, the Non-Federal Sponsor and the Government shall provide prompt written notice to each other, and the

Non-Federal Sponsor shall not proceed with the acquisition of the real property interests until both parties agree that the Non-Federal Sponsor should proceed.

- C. The Government and the Non-Federal Sponsor shall determine whether to initiate initial construction or periodic nourishment of the Project, or, if already in initial construction or periodic nourishment, whether to continue with work on the Project, suspend future performance under this Agreement, or terminate this Agreement for the convenience of the Government, in any case where hazardous substances regulated under CERCLA are found to exist in, on, or under any lands, easements, or rights-of-way that the Government determines, pursuant to Article III of this Agreement, to be required for the initial construction, periodic nourishment, operation, and maintenance of the Project. Should the Government and the Non-Federal Sponsor determine to initiate or continue with construction after considering any liability that may arise under CERCLA, the Non-Federal Sponsor shall be responsible, as between the Government and the Non-Federal Sponsor, for the costs of clean-up and response, to include the costs of any studies and investigations necessary to determine an appropriate response to the contamination. Such costs shall not be considered a part of total project costs. In the event the Non-Federal Sponsor fails to provide any funds necessary to pay for clean up and response costs or to otherwise discharge the Non-Federal Sponsor's responsibilities under this paragraph upon direction by the Government, the Government may, in its sole discretion, either terminate this Agreement for the convenience of the Government, suspend future performance under this Agreement, or continue work on the Project.
- D. The Non-Federal Sponsor and the Government shall consult with each other in accordance with Article V of this Agreement in an effort to ensure that responsible parties bear any necessary clean up and response costs as defined in CERCLA. Any decision made pursuant to paragraph C. of this Article shall not relieve any third party from any liability that may arise under CERCLA.
- E. As between the Government and the Non-Federal Sponsor, the Non-Federal Sponsor shall be considered the operator of the Project for purposes of CERCLA liability. To the maximum extent practicable, the Non-Federal Sponsor shall operate, maintain, repair, replace, and rehabilitate the Project in a manner that will not cause liability to arise under CERCLA.

ARTICLE XVI - NOTICES

A. Any notice, request, demand, or other communication required or permitted to be given under this Agreement shall be deemed to have been duly given if in writing and either delivered personally or by telegram or mailed by first class, registered, or certified mail, as follows:

If to the Non-Federal Sponsor:

Chairman
St. Johns County Board of County Commissioners
4020 Lewis Speedway
St. Augustine, Florida 32095

If to the Government:

District Engineer
U.S. Army Engineer District
Jacksonville District
P.O. Box 4970
Jacksonville, Florida 32232-0019

- B. A party may change the address to which such communications are to be directed by giving written notice to the other party in the manner provided in this Article.
- C. Any notice, request, demand, or other communication made pursuant to this Article shall be deemed to have been received by the addressee at the earlier of such time as it is actually received or seven calendar days after it is mailed or transmitted.

ARTICLE XVII - CONFIDENTIALITY

To the extent permitted by the laws governing each party, the parties agree to maintain the confidentiality of exchanged information when requested to do so by the providing party.

ARTICLE XVIII - HISTORIC PRESERVATION

- A. The costs of identification, survey and evaluation of historic properties shall be included in total project costs and cost shared in accordance with the provisions of this Agreement.
- B. As specified in Section 7(a) of Public Law 93-291 (16 U.S.C. Section 469c(a)), the costs of mitigation and data recovery activities associated with historic preservation shall be borne entirely by the Government and shall not be included in total project costs, up to the statutory limit of one percent of the total amount authorized to be appropriated for the Project.
- C. The Government shall not incur costs for mitigation and data recovery that exceed the statutory one percent limit specified in paragraph B. of this Article unless and until the Assistant Secretary of the Army (Civil Works) has waived that limit in accordance with Section 208(3) of Public Law 96-515 (16 U.S.C. Section 469c-2(3)). Any costs of mitigation and data recovery on lands subject to federal cost sharing that exceed the one percent limit shall be included in total project costs. Any costs of

mitigation and data recovery on lands not subject to federal cost sharing (undeveloped private lands and privately owned shores that do not provide public benefits) that exceed the one percent limit shall not be included in total project costs but shall be paid by the Non-Federal Sponsor.

ARTICLE XIX - SECTION 902 PROJECT COST LIMITS

The Non-Federal Sponsor has reviewed the provisions set forth in Section 902 of Public Law 99-662, as amended, and understands that Section 902 establishes the maximum amount of total project costs for the St. Johns County Shore Protection Project. Notwithstanding any other provision of this Agreement, the Government shall not make a new Project financial obligation, make a Project expenditure, or afford credit toward total project costs for the value of any contribution provided by the Non-Federal Sponsor, if such obligation, expenditure, or credit would result in total project costs exceeding this maximum amount, unless otherwise authorized by law. On the effective date of this Agreement, this maximum amount is estimated to be \$310,177,000, as calculated in accordance with ER 1105-2-100 using October 1, 1999 price levels and allowances for projected future inflation. The Government shall adjust this maximum amount in accordance with Section 902.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, which shall become effective upon the date it is signed by the Assistant Secretary of the Army (Civil Works).

THE DEPARTMENT OF THE ARMY

JOSEPH W. WESTPHAL Assistant Secretary of the Army

(Civil Works)

ST. JOHNS COUNTY, FLORIDA

Chairman

St. Johns County Board of County Commissioners

DATE: duguel 24, 2000

DATE: Queent 14, 2000

CERTIFICATE OF AUTHORITY

I, James Sisco, do hereby certify that I am the principal legal officer of St. Johns County, Florida, that St. Johns County, Florida is a legally constituted public body with full authority and legal capability to perform the terms of the Agreement between the Department of the Army and St. Johns County, Florida in connection with the St. Johns County, Florida Shore Protection Project, and to pay damages in accordance with the terms of this Agreement, if necessary, in the event of the failure to perform, as required by Section 221 of Public Law 91-611 (42 U.S.C. Section 1962d-5b), and that the persons who have executed this Agreement on behalf of the St. Johns County, Florida have acted within their statutory authority.

IN WITNESS WHEREOF, I have made and executed this certification this day of Pusus 2000.

James Sisco County Attorney

St. Johns County, Florida

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards made by the Non-Federal Sponsor for the Project at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

James E. Bryant

Chairman

St. Johns County Board of County Commissioners

DATE: august 24, 2000

CERTIFICATION OF LEGAL REVIEW

The draft Project Cooperation Agreement for the St. Johns County, Florida Shore Protection Project has been fully reviewed by the Office of Counsel, USAED, Jacksonville, and is legally sufficient.

Assistant District Counsel