MANAGEMENT AGREEMENT FOR CERTAIN SOVEREIGNTY

SUBMERGED LANDS IN MARTIN COUNTY, FLORIDA

AGREEMENT NO. MA-43-124

BOT FILE NO. 430219306

PA NO. 43-0143979-004

WHEREAS, the Board of Trustees of the Internal Improvement Trust Fund holds title to

certain sovereignty submerged land in Martin County, Florida; and

WHEREAS, the Board of Trustees of the Internal Improvement Trust Fund may

authorize the management of said lands by virtue of Chapter 253. 03, Florida Statutes; and

WHEREAS, the City of Stuart desires to manage the subject lands for public purposes as

outlined in Exhibit "A" attached hereto:

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE INTERNAL

IMPROVEMENT TRUST FUND OF THE STATE OF FLORIDA, referred to herein as

"Grantor", hereby grants to the City of Stuart, a Florida municipal corporation, herein referred to

as "Grantee", the right to manage for public purposes the site described in Exhibit "B" attached

hereto and made a part hereof, for a period of 20 years from November 24, 2003 the expiration

date of this modified management agreement. The terms and conditions on and for which this

management agreement is granted are as follows:

1. MANAGEMENT OF THE PROPERTY: The Grantee shall manage the subject

properties as provided in the management plan attached as Exhibit "A" and the Department of

Environmental Protection, Consolidated Environmental Resource Permit No. 43-0143979-001 dated December 23, 1998, and Consolidated Environmental Resource Permit No. 43-0143979-004, dated March 29, 2002, incorporated herein and made a part of this management agreement by reference, in a manner which will not conflict with the conservation, protection and enhancement of said lands and which will not interfere with the maintenance of public navigation projects or other public work projects authorized by the United States Congress. The Grantee shall not alter or engage in activity except as provided for in the required plan without the prior written approval of the Grantor. All of the foregoing subject to the remaining conditions of this Management Agreement.

- 2. <u>RIGHT TO INSPECT:</u> The Grantor shall have the right at any; time to inspect the works and operations of the Grantee in any matter pertaining to this Agreement.
- 3. <u>PROPERTY RIGHTS:</u> This Agreement does not convey any title interest to the area described in Exhibit "B" attached hereto.
- 4. <u>EXPIRATION OF AGREEMENT:</u> Upon expiration of this Agreement, the Grantee agrees to leave all fixed improvements for the use of the Grantor and to put no claim upon said fixed improvements; or, at the option of the Grantor, the Grantee agrees to remove any or all improvements from the property at Grantee's expense.
- 5. GRANTOR'S RIGHT TO GRANT COMPATIBLE USES OF THE PROPERTY: The Grantor retains the right to enter the property and to engage in management activities other than those provided for herein following notification to and consultation with the Grantee and further retains the right to grant approval for compatible uses of the property to third parties during the term of this Agreement. The Grantor shall determine whether or not any proposed uses by a third party are compatible with the uses authorized herein.
- 6. <u>RENEWAL PROVISIONS</u>: Renewal of this Agreement is at the sole option of the Grantor. Any renewal granted shall be subject to the terms, conditions and provisions of management standards and applicable laws, rules and regulations in effect at that time.
- 7. <u>ASSIGNMENT OF MANAGEMENT AGREEMENT:</u> This Agreement shall not be assigned or otherwise transferred without prior written consent of the Grantor or its duly authorized agent and which consent shall not be unreasonably withheld. Any assignment or other transfer without prior written consent of the Grantor shall be null and void and without legal effect.
- 8. <u>INDEMNIFICATION/INVESTIGATION OF ALL CLAIMS</u>: The Grantee shall investigate all claims of every nature at its expense. Each party is responsible for all personal injury and property damage attributable to the negligent acts or omissions of that party and the officers, employees and agents thereof. Nothing herein shall be construed as an indemnity or a waiver of sovereign immunity enjoyed by any party hereto, as provided in Section 768.28, Florida Statutes, as amended from time to time, or any other law providing limitations on claims.

#### 9. TITLE TO ALL TREASURE TROVE ARTIFACTS AND OBJECTS OF

ANTIQUITY: Section 267.061(1)(b), Florida Statutes, specifies that title to all treasure trove, artifacts and such objects of antiquity having intrinsic, scientific or historical and archaeological value, which have been abandoned on state-owned lands or state-owned sovereignty submerged lands is vested in the Division of Historical Recourses (DHR) of the department of State, for the purpose of administration and protection for the State of Florida. Execution of this Agreement in no way affects any of the parties' obligations pursuant to Chapter 267, Florida Statutes. The disturbance archaeological and historical sites on state-owned lands is prohibited unless prior authorization has been obtained from DHR. All proposals for changes in the character or use of state lands shall be coordinated with DHR in order to mitigate potential damage or disturbance of, or to preserve, archaeological and historical sites and properties.

- 10. <u>NON-DISCRIMINATION:</u> The Grantee shall not discriminate against any individual because of that individual's race, color, religion, sex, national orgin, age, handicap, or marital status with respect to any activity occurring within the area subject to this Agreement or upon linds adjacent to and used as an adjunct of the area.
- 11. <u>VENUE</u>: Grantee waives venue as to any litigation arising from matters relating to this management agreement and any such litigation between Grantor and Grantee shall be initiated and maintained only in Martin County, Florida.

	BOARD OF TRUSTEESX OF THE INTERNAL IMPROVEMENT TRUST FUND OF THE STATE OF FLORIDA	
Original Signature	OF FLORIDA (SEAL)	
Print/Type Name of Witness  Original Signature	Ralph M. Perkins, Operations and Management Consultant Manager, Bureau of Public Land Administration Division of State Lands, Department of Environmental Protection, as agent for and on behalf of Board of Trustees of The Internal Improvement Trust Fund of the State of Florida	
Print/Type Name of Witness		
STATE OF FLORIDA COUNTY OF LEON	"GRANTOR"	
Ralph M. Perkins, Operations and Management Lands, Department of Environmental Protection Trust Fund of the State of Florida. He is persona		
APPROVED AS TO FORM AND LEGALITY:	Notary Public, State of Florida	
DEP Attorney		
	Printed, Typed or Stamped Name	
	My Commission Expires:	
	Commission/Serial No	
WITNESSES:	City Of Stuart (SEAL)	
	CITY OF STUART (SEAL)	
	CITY OF STUART (SEAL)	
Original Signature  Typed/Printed Name of Witness ATTEST	CITY OF STUART (SEAL)  By: Original Signature of Executing Authority	
Original Signature  Typed/Printed Name of Witness	CITY OF STUART (SEAL)  By: Original Signature of Executing Authority  Typed/Printed Name of Executing Authority	
Original Signature  Typed/Printed Name of Witness ATTEST  Typed/Printed Name of Witness  The foregoing instrument was acknow	CITY OF STUART (SEAL)  By: Original Signature of Executing Authority  Typed/Printed Name of Executing Authority  Title of Executing Authority  "GRANTEE"	
Original Signature  Typed/Printed Name of Witness ATTEST  Typed/Printed Name of Witness  The foregoing instrument was acknow	CITY OF STUART (SEAL)  By: Original Signature of Executing Authority  Typed/Printed Name of Executing Authority  Title of Executing Authority  "GRANTEE"  cledged before this day of, 20, but of the City of Stuart, Florida. He is personally known to me.	

# Exhibit "A"

City of Stuart Southpoint Anchorage Management Plan

# **CITY OF STUART**

## SOUTHPOINT ANCHORAGE

### **MODIFICATION NUMBER TWO**



MANAGEMENT PLAN

#### CITY OF STUART SOUTHPOINT ANCHORAGE RULES AND REGULATIONS

<u>Issue</u>	Section No.
Intent of Management Plan	1.0
Anchorage rules	2.0
Authority of the Harbormaster	2.1
Operational vessels only allowed	2.2
Equipment requirements for vessels	2.3
No commercial use of the field	2.4
Mooring of the vessel	2.5
Abandonment of vessels	2.6
Use of dinghy dock	2.7
Zero tolerance for drug use or possession	2.8
Illegal activities	2.9
Placement of additional anchors	2.10
Responsibilities of Tenants	3.0
No liability for use of the Anchorage field	3.1
Safe operation of vessels within the anchorage	3.2
Use of sewage pump out facilities	3.3
Prohibition of repairs within the anchorage field	3.4
Conduct of tenants	3.5
Discharge of waste or any other materials prohibited	3.6
Storage of equipment	3.7
Feeding wildlife prohibited	3.8
Non-tenant use of Field prohibited	3.9
Boarding by Law Enforcement personnel	3.10
Emergency Repairs	3.11
Unauthorized departure of Vessels	3.12
Amenities and Services	4.0
Misuse of any amenity grounds for ejection	4.1
Use of Parking lot	4.2
Use of City River Walk	4.3
Leasing requirements	5.0
Lease Agreement	5.1
Leasing fees	5.2
Grandfathered vessels	5.3
Late charges	5.4
Security Deposit	5.5
Reservation of right to rent unoccupied slips	5.6
Tenant information required	5.7
Expiration of Management Agreement	5.8
Hurricane or Severe Storm Plan	6.0
Evacuation of Vessels	6.1
Plans for future expansion of the Managed Anchorage Field	7.0

#### 1.0 Intent

It is the intent of this Plan to address the primary management concerns of the Managed Anchorage Field in the City of Stuart. It is the stated purpose of the City of Stuart to provide the Stuart Anchorage Field and amenities to accommodate the needs of as many responsible, considerate boaters as possible.

The term of this management plan is to run concurrently with the term of the Management Agreement between the State of Florida and the City of Stuart for <u>twenty</u> years from the signing of this modification. This plan may be modified and changed as needed to address unanticipated issues and needs as deemed necessary by the City. However, before any such modification becomes effective, these modifications to the Plan must be accepted by the Florida Department of Environmental Protection.

These rules shall apply to any vessel, its owner(s), crew, and guests entering the Stuart Anchorage Field. Failure to comply with these rules shall be a violation of City Ordinance, and be sufficient for ejection from the Stuart Anchorage Field.

#### 2.0 Anchorage Rules

2.1 Authority of the Harbormaster. The Harbormaster has the right to assign berths and moorings. No vessel shall occupy any mooring slip without the approval of the Harbormaster. Subleasing of mooring slip or transfer of vessels from one slip to another without the approval of the Harbormaster is prohibited. Owners wishing to transfer to a different slip other than the one assigned shall obtain the prior authorization of the Harbormaster and complete the required forms to be obtained in the Harbormaster's office. The City may move any vessel from the particular space rented to any other mooring in the sole discretion of the Harbormaster.

Any violation of these rules may void the Agreement for use of the mooring slip and result in the ejection of the vessel, as well as the forfeiture of any part or all of the security deposit, if deemed appropriate in the sole discretion of the Harbormaster. The decision or interpretation of these rules shall be the responsibility of the Harbormaster. Appeals thereof may be made to the Public Works Director, the City Manager, and ultimately to the City Commission.

- <u>2.2</u> Operational Vessels only allowed. Only vessels that are in compliance with the United States Coast Guard regulations and safety standards and Chapter 327, Florida Statutes, as determined by the Harbormaster, shall be allowed anchorage within the Stuart Anchorage Field. Only vessels in good operational condition, capable of maneuvering under their own power and with current registration and acceptable documentation shall be allowed to moor within the field. Vessels without integral mechanical power for propulsion are not allowed to remain in the Field. For the purpose of these rules vessels with sails only will be considered to comply.
- <u>2.3</u> Equipment requirements for vessels. All vessels should have a dinghy or other small craft as an alternate method of conveyance to enable access to the dinghy dock and Harbormaster's office. Absent this, the vessel owner shall communicate the absence of a dinghy to the harbormaster. The lack of such a dinghy shall not be cause to refuse rental of a mooring slip. The

Harbormaster may allow the use of a dinghy for the vessel occupants to access the upland property if such a dinghy is available and on the condition that the use of that dinghy is and remains at the sole risk of the user. It is the sole responsibility of vessel occupants to provide their own conveyance to the upland facilities. Under no circumstances is the City responsible for owning, operating or maintaining a dinghy for the exclusive use of mooring patrons.

- 2.4 <u>No commercial use of the Field allowed</u>. Commercial activities or vessels engaged in commercial activities are prohibited from mooring in the Stuart Anchorage Field. No advertising or soliciting shall be permitted on any vessel within the Stuart Anchorage Field except for "For Sale by Owner" signs not to exceed one square foot in size. Each vessel shall be limited to only two (2) such "For Sale by Owner" signs.
- 2.5 <u>Mooring of vessels</u>. All persons landing by vessel or dinghy must register at the Harbormaster's office within 12 hours of landing. The method of mooring of vessels at each slip shall be by tying the vessels to mooring ball by the bow only. No vessel shall be moored to the buoys at the stern. Rafting or mooring of more than one vessel to any buoy shall be prohibited, without the prior approval of the Harbormaster.
- 2.6 <u>Abandonment of vessels</u>. If a vessel is left unattended for an extended period of time, the boat may be considered abandoned pursuant to Chapter 705, Florida Statutes. If any boat is abandoned, it may be placed in a secure location during which time the City shall make a reasonable, diligent effort to locate the vessel owner. If it is not reclaimed, the vessel may be sold at fair market value to cover the cost of unpaid rental fees, as well as any fees due for storage.
- 2.7 <u>Use of dinghy dock</u>. The dinghy dock is for the exclusive use of dinghies, not vessels. Dinghies are not to be moored or pulled ashore for any reason without the prior permission of the Harbormaster. Unattended dinghies shall be left only at the dinghy dock. Use of the dinghy dock is restricted to such reasonable limits on time as may be established by the Harbormaster and no dinghy shall be left at the dock for more than 24 continuous hours without the prior permission of the Harbormaster.
- 2.8 <u>Zero Tolerance for Drug Use or Possession</u>. It is the policy of the City to not tolerate any illegal drug use or possession within its jurisdiction or within the Stuart Anchorage Field. Such use shall be immediately prosecuted to the fullest extent of the provision of all applicable laws.
- 2.9 <u>Illegal Activities prohibited</u>. Any illegal activity within the Stuart Anchorage Field shall be grounds for immediate prosecution under the provisions of Florida Law. It is the intent of the City to prosecute each violation to the fullest extent of the law. If there is a reasonable cause for suspicion of an illegal activity occurring within the Stuart Anchorage Field, the appropriate authorities will be called to investigate immediately.
- 2.10 <u>Placement of additional anchors</u>. There shall be no dropping of additional anchors from any vessel in the Stuart Anchorage Field. It shall be considered unlawful for any person to place an unauthorized mooring anchor or device in the Stuart Anchorage Field without utilizing the mooring mechanism provided by the City.

#### 3.0 Responsibilities of Tenants

- 3.1 <u>No liability for use of Field by City or personnel</u>. The City of Stuart and its personnel assume absolutely no responsibility for personal possessions, any vessel, dinghy, or their contents or use while said vessels are located within the Stuart Anchorage Field or facilities.
- 3.2 <u>Safe Operation of vessels within the Field</u>. Reckless operation of any vessel, including any recreational vessels or dinghy, when in the judgment of the Harbormaster said operation is an endangerment life, property or other vessels, shall be grounds for immediate ejection from the Stuart Anchorage Field.
- 3.3 <u>Use of sewage pump out facilities</u>. Upon entering the Stuart Anchorage Field or upon registering with the Harbormaster, all vessels shall have their sewage holding tanks inspected by the Harbormaster and will secure their sewage holding tanks, which are to be emptied into the sewage pump out facilities prior to achieving anchorage or upon registering with the Harbormaster Absolutely no pumping of sewage in any area within the Stuart Anchorage Field shall be allowed except at the pump out station or at the authorized pumpout vessel. All vessels with live-aboard occupants will be required to have their tanks pumped at the approved station not less than every three days without fail. Violation of this condition will be reason for immediate ejection and withholding of the security deposit and will be prosecuted to the fullest extent of the law.
- 3.4 <u>Prohibition of repairs within the Field</u>. Repairs or refitting of vessels, including any activity, which could result in a deposition of materials into the waterway or within the Stuart Anchorage Field, is strictly prohibited. Repairs or mechanical adjustments may only be conducted with prior approval of the Harbormaster. The Harbormaster shall be contacted in advance to verify compliance of any proposed activity. Additionally, only the City will accomplish alterations or repairs to docks, piers, moorings or other common area structures. Any unauthorized structure or activity may result in ejection from the Anchorage field and a loss of security deposit.
- 3.5 <u>Conduct of tenants</u>. Tenants shall use discretion in using any sound producing devices or machinery, not limited to televisions, radios and stereos, so as not to create a nuisance to other tenants. Generators, blowers, drills, saws or other noisy machinery shall not be operated between the hours of 7:00 p.m. and 9:00 a.m.

Disorderly, boisterous or rowdy conduct by a vessel owner, crew or guests that disturbs the peace of other boat occupants in the Stuart Anchorage Field shall be cause for ejection of the vessel from the field.

The use of charcoal burners or any open flame equipment is prohibited on the docks or piers of the marina except in areas that are designed for such use and are designated by the Harbormaster. Vessels properly equipped and approved by the Harbormaster in advance may use charcoal burners aboard while in the anchorage field. Swimming, and diving from moored vessels, dinghy docks or bulkheads is prohibited.. All pets must be leashed while on the marginal pier or dingy docks or in any of the common areas. Pets will only be permitted if they do not disturb other

tenants. Laundry of any type or any item of a personal nature shall not be hung out to dry, or air, in public view aboard any vessel or common area.

- 3.6 <u>Discharge of waste or any other materials prohibited.</u> Discharge into the water body of any fluids, regardless of nature, waste or other material, is strictly prohibited within the Stuart Anchorage Field. If the Harbormaster or any City employee observes or is made aware of any such discharge, they will immediately notify the Department of Environmental Protection State Hot Point. If such a discharge is determined to have occurred, except under life threatening emergency conditions, this shall be cause for ejection from the field, once appropriate environmental enforcement information has been obtained.
- 3.7 <u>Storage of materials or equipment.</u> Personal equipment, property or stowage facilities may not be kept or used on the dinghy dock, walkways, in the common area or in the parking lot except by permission of the Harbormaster. No motorized vehicle of any kind shall be driven, operated, stored or otherwise permitted on the dinghy dock, walkways, in the common area or in the parking lot except by permission of the Harbormaster or in areas clearly designed for the use or parking of motorized vehicles and then by permit only.
- 3.8 <u>Feeding wildlife prohibited</u> It is prohibited for any vessel owner, crew or guest to feed or leave food for any wildlife, particularly birds or threatened or endangered species, such as manatees.
- 3.9 <u>Non-tenant use of Field prohibited</u>. It is prohibited for any non-tenant vessel to moor within the Anchorage Field, without the prior authorization by the Harbormaster, except as provided by the provisions of this plan.
- 3.10 <u>Boarding by Law Enforcement personnel</u>. The vessel owner shall fully comply with the directions of the Harbormaster or other Law Enforcement personnel. Further, any vessel within the Anchorage Field shall allow the Harbormaster or other Law Enforcement personnel full access to board or inspect their vessel as necessary.
- 3.11 <u>Emergency repairs in tenants' absence</u>. The tenant will be required to grant consent to the Harbormaster that in the event of an emergency, the Harbormaster has the authority to have necessary repairs necessary made as economically as possible. The emergency shall include, but not be limited to the breakdown of a bilge fuel or sewage pump or other leak, chaffed or broken lines. The cost of these repairs, parts and labor, will be charged to the vessel owner and payable within 24 hours of the vessels owners return or as provided by the Harbormaster.
- 3.12 <u>Unauthorized departure of vessels with due balances</u>. It is unlawful for a vessel owner to vacate its moorings without the permission of the Harbormaster when said vessel has a delinquency in its dockage account. The Harbormaster has the right and authority to secure the vessel to prevent its removal until the delinquency is satisfactorily addressed. Additionally, as part of the leasing agreement, the vessel owner shall grant a lien on the vessel for the cost of the unpaid fees or charges lawfully assessed by the City.

#### 4.0 Amenities and Services

- 4.1 <u>Misuse of any amenity is grounds for ejection</u>. If any tenant, crew or guest destroys or damages any property or equipment of the amenities, due to neglect, misuse, failure to follow stated instructions, or vandalism, they shall be held responsible for the cost of repair and replacement, as well as any civil or criminal charges for the activity.
- 4.2 <u>Use of Parking Lot</u>. Parking facilities, except where otherwise indicated, are limited to vessel owners and guests. All vehicles must be operable and properly licensed and must display a valid current parking permit issued by the Harbormaster. All bicycles must be kept at the bicycle rack provided in the common area when not in use. Any bicycles found at any location other than the bicycle rack provided will be deemed to have been abandoned and become the property of the City. All motor vehicles must be removed within twenty-four (24) hours after the vessel vacates the field.
- 4.3 <u>Use of City River Walk marginal pier</u>. All tenants are welcome to utilize the River Walk marginal pier. However, this pier is for pedestrian traffic only. No roller-skates, roller-blades, skateboards, bicycles or other vehicles, except for wheel chairs or those vehicles necessary to accommodate handicapped persons and infants are allowed on the River Walk marginal pier.

#### 5.0 Leasing requirements

- Lease agreement All tenants of the Stuart Anchorage Field shall be required to execute a lease agreement within 12 hours of achieving anchorage within the Field. The lease agreement shall contain whatever reasonable language is deemed necessary by the City to enforce compliance with the provisions of this Management Plan. Leases shall be deemed to fall into three categories: *Transient*, which is defined as overnight to one week in length; *Short Term*, which is defined as more than one week in length to less than six weeks in length; and *Long Term*, which is defined as more that six weeks in length and less than six months in length. Refusal to execute a lease agreement will be grounds for ejection from the mooring field.
- 5.2 <u>Lease fees</u> The City, by separate resolution, shall be allowed to assess any charge deemed necessary to cover the costs of operation, maintenance, or the projected costs of future expansions of the Stuart Anchorage Field. However, if the income exceeds the costs of operation and maintenance, or the projected costs of future expansions, this income shall be reported to the Florida Department of Environmental Protection, Division of State Lands, or its successor, within 30 days.

#### 5.3 Reserved.

5.4 <u>Late Charges</u> All moorage fees must be paid by the 20th of each month. Mooring fees which have not been paid before 10 days past the due date set forth on the bill shall be deemed in arrears. A \$10.00 per month penalty will be charged on all overdue accounts. Failure to pay overdue dockage or moorage fees, or abandonment of vessels berthed or moored at the Anchorage shall provide cause for legal action, up to and including seizure and sale of the vessel

to pay such accumulated overdue fees and charges.

5.5 <u>Security Deposit</u> The City of Stuart may require any reasonable security deposit at any time before or during the tenancy of a long-tern tenant. This security deposit may be refunded to the tenant based on the reasonable judgment of the Harbormaster or the direction of the City Commission. This does not apply to transient or short-term tenants.

The security deposit may be refunded with interest at the same rate as established for utility deposits, at the termination of the tenant's stay within the Stuart Anchorage Field. However, from the deposit shall be deducted any assessment for violations of the Management Plan by the by any tenant, crew or guest, based on the judgment of the Harbormaster.

- 5.6 Reservation of the right to lease unoccupied or abandon slips Owners of vessels with long term leases leaving the mooring field for a temporary period of absence must notify the Harbormaster's office of their approximate time of return, before departure and twenty-four (24) hours prior to their return. The City reserves the right to rent any unoccupied mooring space when an assigned vessel is absent for 24 hours or more.
- 5.7 <u>Tenant information required</u> The City of Stuart shall obtain the name and address of the vessel owner and/or captain, and if appropriate, including the name of all crew members and guests aboard the vessel. The vessel operator shall provide the Harbormaster with the name and telephone numbers at which they can be reached in the event of an emergency. Copies of the registration of the vessel may be obtained for the duration of the tenancy and appended to the lease agreement.
- 5.8 <u>Expiration of the Management Agreement</u> Upon expiration of the Management Agreement, all vessels and equipment shall be removed as required by the Management Agreement.

#### 6.0 Severe Storm or Hurricane Plan

6.1 <u>Evacuation of vessels</u> In the event of a Hurricane watch all vessels will be counseled to move to safer waters. Within 8 hours of the time the City of Stuart comes under a Hurricane watch all vessels will be required to be secured and properly tied down. No tenants will be allowed to ride out the storm aboard their vessels. All live aboards will be mandatorily evacuated to safe shelter. All tenants shall be solely and totally responsible for any and all damages to their own vessels and for damage to all persons or property caused by their vessels.

#### 7.0 Plans for Future expansion of Managed Anchorage Field

It may become necessary or desirable to expand the field to provide additional slips as needed to meet future demand. This expansion may also include additional management issues and concerns. As a result, this plan may be modified to include these areas.

There is not anticipated to be a profit from the facility. The anticipated charges for use of the facility are established to only cover the costs of operation and maintenance of the activity. If the

proceeds from the project exceed expenditures, then this money will go towards upgrading and expanding the upland service facilities and area, and into reserves for unanticipated repairs.

It is not our intention or goal to make a profit or make more than operational costs for the facility. As an assurance of this, we would be willing to annually submit a cost expenditure report for the facility, which will detail our income from the Anchorage operation and our expenditures to offer and continually improve operation and services.

# Exhibit "B"

City of Stuart Southpoint Anchorage Site Location





