

Commissioners:
J. TERRY DEASON, CHAIRMAN
E. LEON JACOBS, JR.
LILA A. JABER



DIVISION OF REGULATORY OVERSIGHT
DANIEL M. HOPPE, DIRECTOR
(850) 413-6480

Public Service Commission

August 16, 2000

RECEIVED - PSC
AUG 17 PM 5:24
RECORDS AND REPORTING

Mr. Charles Gauthier, AICP, Chief
Bureau of Local Planning
Department of Community Affairs
2555 Shumard Oak Boulevard
Tallahassee, FL 32399-2100

Re: Docket No. ~~2000-1753~~ VS; Application by Florida Water Services Corporation for Expansion of Water and Wastewater Territory in Nassau County, Florida.

Dear Mr. Gauthier:

According to the Memorandum of Understanding between the Public Service Commission (PSC) and the Department of Community Affairs (DCA), the DCA will provide information to the PSC regarding the relationship of a PSC certificate application and the local government Comprehensive Plan. By letter dated August 9, 1999, the DCA sent a letter to the PSC in reference to the above docket. The letter stated:

“The Department comments that, based on the current Nassau County Comprehensive Plan, there is no need for service in the proposed service area and that development as proposed in the certificate appears to be inconsistent with the Nassau County Comprehensive Plan...”

On August 4, 2000, Florida Water Services provided a response to the PSC regarding the DCA letter dated August 9, 1999. Please refer to the attached response letter. Please provide any additional follow up comments to their response by September 11, 2000.

We will incorporate your response into the final staff recommendation. You and your staff are welcome to participate at the Agenda Conference. However, the date for the Agenda Conference has not yet been scheduled. We will advise your office when this docket is scheduled for the Agenda Conference.

- APP _____
- CAF _____
- CMP _____
- COM _____
- CTR _____
- ECR _____
- LEG _____
- OPC _____
- PAI _____
- RGO _____
- SEC _____
- SER _____
- OTH _____

DOCUMENT NUMBER - DATE
101102 AUG 17 00
PSC RECORDS REPORTING

Mr. Charles Gauthier, AICP, Chief
Page 2
August 16, 2000

If you have any questions, please call me at (850) 413-6808, or Mr. Richard Redemann at (850) 413-6999, who is the staff member assigned to the case.

Sincerely,



Patti Daniel, Bureau Chief
Division of Regulatory Oversight

C:\WP6\990817C.RPR
Enclosures

cc: Division of Regulatory Oversight (Hoppe, Lowe, Redemann)
Division of Legal Services (Christensen)
Division of Records and Reporting (Bayo, Security File)



760/Redmann

August 3, 2000

Via Federal Express

Ms. Blanca Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 990817-WS
Application for Amendment of Certificate Nos. 171-W and 122-S in Nassau
County by Florida Water Services Corporation.

Dear Ms. Bayo:

Enclosed please find an original and five copies of Arthur Jacobs' letter and attachments.

If you need any additional information or other assistance, please call me Charles Sweat
at (407) 598-4171.

Sincerely,

A handwritten signature in cursive script that reads "Wendy R. Thompson".

Wendy R. Thompson
Legal Secretary

RECEIVED

AUG 07 2000

Florida Public Service Commission
Division of Regulatory Oversight

007195-4-010144

cc: Charles Sweat

DOCUMENT NUMBER DATE

09493 AUG -4 8

JACOBS & ASSOCIATES, P.A.

ATTORNEYS AT LAW

401 CENTRE STREET
THE HISTORIC POST OFFICE BUILDING
SECOND FLOOR

FERNANDINA BEACH, FLORIDA 32034

TELEPHONE (904) 261-3693
FAX NO. (904) 261-7879

ARTHUR I. JACOBS
LANNY M. RAUER
OF COUNSEL
E. CLINCH KAVANAUGH

MAILING ADDRESS
POST OFFICE BOX 1110
FERNANDINA BEACH, FL 32035-1110

July 21, 2000.

Mr. Charles Sweat
Vice President
Florida Water Services
P.O. Box 609520
Orlando, FL 32860-9520

Dear Mr. Sweat:

In response to Charles Gauthier's, AICP, letter to you of August 19, 1999 (attached), the Board of the County Commissioners of Nassau County, Florida, during its regular session of October 13, 1997, (Verbatim minutes of the Board of County Commissioners October 13, 1997 meeting attached) approved Crane Island for RS-1 density and intensity pursuant to the 1.09.03 provision of the Nassau County Comprehensive Plan.

Provision 1.09.03 provides:

"Areas identified on the FLUM as wetlands are generally defined. A land owner may provide more detail data to the County to clarify jurisdictional wetlands area. Those land areas determined by the Board of County Commissioners with the advice of the St. Johns River Water Management District that are determined not to be jurisdictional wetlands will be allowed to develop at the adjacent land use density and intensities."

The objective of provision 1.09.03 of the Nassau County Comprehensive Plan is consistent with the Florida Statutes and Law and is specifically included in the Nassau County Comprehensive Plan, in order to comply with those provisions of the Statutes which mandate that the land uses be consistent with applicable state laws and rules. Pursuant to the Nassau County Comprehensive Plan, the Crane Island designation was rectified by procedure that was approved by the Department of Community Affairs.

This action was taken by the County Commission with the advice of the St. Johns River Water Management District, as well as the jurisdictional survey of Crane Island approved by ACOE and the DEP. At the time the Nassau County Comprehensive Plan was approved, Nassau County did not have the wetlands inventory thus, the wetlands as identified could only be generally defined.

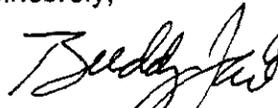
Furthermore, the current owners of this property, have successfully established a wetland line delineation pursuant to the laws and regulations of Florida and the United States of America. (See;

F.A.C. 9J5-003(142) which adopts the definition of a wetland as set forth in subsection 373.019(22) Florida Statutes and, the wetland delineation methodology in Section 373.4211 Florida Statutes. These statutes, as adopted by F.A.C. 9J5-003(142) define in detail the definition of a wetland and, the methodology for determining such a designation.)

As such, the DCA's determination that "based on Nassau County Comprehensive Plan, there is no need for service in the proposed service area," was based upon an misinterpretation of the situation at hand. In light of the foregoing, we would appreciate approval of our application before the Florida Water Services Corporation requesting expansion of water and waste water territory in Nassau County Florida.

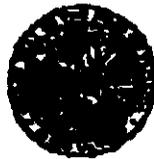
If you have any questions or if I may be of further assistance in this matter, please do not hesitate to call.

Sincerely,

A handwritten signature in cursive script, appearing to read "Arthur I. Jacobs".

Arthur I. Jacobs

aij/cab
Enclosures



STATE OF FLORIDA
DEPARTMENT OF COMMUNITY AFFAIRS

"Helping Floridians create safe, vibrant, sustainable communities"

JOE BLAH
Governor

STEVEN M. SIEBERT
Secretary

August 9, 1999

RECEIVED

AUG 10 1999

Florida Public Service Commission
Division of Water and Wastewater

Mr. Charles H. Hill, Director
Division of Water and Wastewater
Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: PSC Docket No. 990817-WS: Application by Florida Water Services Corporation for Expansion of Water and Wastewater Territory in Nassau County, Florida.

Dear Mr. Hill:

On July 12, 1999, the Department received a copy of the Florida Water Services Corporation application for amendment of its certification for water and wastewater service in Nassau County; the Department has now completed its review and offers the comments below.

Per the Memorandum of Understanding between the Public Service Commission (PSC) and the Department of Community Affairs, the Department will provide information to the PSC regarding the relationship of the certificate application and the local government Comprehensive Plan -- to include information from the local government comprehensive plan, such as the land use categories, the densities and intensities of use, and other information regarding the land uses, patterns of development, and the need for service in the requested territory.

The Department comments that, based on the current Nassau County Comprehensive Plan, there is no need for service in the proposed service area and that development as proposed in the certificate application appears to be inconsistent with the Nassau County Comprehensive Plan, as discussed below.

The proposed service area is designated Conservation on the County Future Land Use Map, allowing a maximum of one dwelling unit per 5 acres. The site is also located in the Coastal High Hazard Area. The Department is unaware of need for more residential or commercial lands in the County or other data which would support changing the Conservation category to allow the proposed development.

2540 SHUMARD OAK BOULEVARD - TALLAHASSEE, FLORIDA 32399-2100
Phone: (850) 488-8468/Suncom 378-8466 FAX: (850) 321-0781/Suncom 281-0281
Internet address: <http://www.state.fl.us/comaff>

FLORIDA DEPT
Office of Critical Data Collection Field Office
2000 University Parkway, Suite 200
Tallahassee, Florida 32302-2327

FLORIDA DEPT
Office of Critical Data Collection Field Office
2000 University Parkway, Suite 100
Tallahassee, Florida 32302-2327

Mr. Charles H. Hill
 August 9, 1999
 Page Two

The Department finds that the proposed extension of utilities, and the development as proposed in the application to the PSC, would also be inconsistent with the following Nassau County Comprehensive Plan policy, guideline and objective:

Sanitary Sewer, Solid Waste, Drainage, Potable Water and Natural Groundwater Aquifer Recharge Element Policy 4.01.05, which requires that expansion of service areas shall be consistent with the development areas on the Future Land Use Map.

Amelia Island Planning District: General Development Guidelines: "Crane Island, located in the marshlands between the airport and Intracoastal Waterway, requires bridging from the airport for access by land. [T]he plan recommends that it be conserved as open space. Any future development should be low intensity with careful conservation of access and the introduction of impermeable surfaces whose runoff could have a detrimental affect on the marshlands. The plan focuses on maintaining the pristine ecological character of the marshlands which abut the Intracoastal Waterway. . . ."

Coastal Management Element Objective 5.07: The County shall direct population concentrations away from known (coastal) high hazard areas.

Thank you for the opportunity to comment on this application. We would appreciate receiving a copy of any response to our comments which the applicant may provide to you. If you have any questions on this matter, please call Bob Cambria, Growth Management Administrator, or Jen Eversole, Planner IV, Bureau of Local Planning, at (850) 487-4545.

Sincerely yours,



Charles Gauthier, AICP, Chief
 Bureau of Local Planning

CG/jle

cc: Kenneth B. Wright, Esq., Datz, Jacobson, Lembecke and Wright

VERBATIM MINUTES OF MEETING
BOARD OF COUNTY COMMISSIONERS
OCTOBER 13, 1997, REGULAR SESSION

Consideration of Ordinance regarding the Comprehensive Plan Amendment, CPA-97-003 relative to Crane Island.

Chairman Crawford: We need to backup to Tab D regarding an Ordinance regarding Comp Plan Amendment, CPA97-003. Mr. Attorney.

Mr. Mullin: Mr. Chairman, the applicants would be withdrawing their Comp Plan Amendment CPA97-003. This would be the same category as we just discussed. The Comprehensive Land Use Plan goal and objective 1.0903 which provides for the delineation in wetlands areas would be applicable. The density and intensity of the adjacent land use density and intensity is RS-1, so basically you'd be approving an RS-1 density and intensity and whatever delineation is provided by the applicant to Jack and ultimately brought back to you for the wetlands determination. But, by motion you would need to approve as you did the previous two, the utilization of 1.0903, as regards to Crane Island.

Chairman Crawford: So we don't need a public hearing?

Mr. Mullin: No, sir.

by Commissioner Kirkland, seconded by Commissioner Marshall, and unanimously carried to award the annual bid No. 98-17 for Propane Liquefied Petroleum Gas to the low bidder, National Propane, 1303 East State Road 200, Yulee, Florida 32097.

The Board considered the ordinance regarding the Comprehensive Plan Amendment CPA-97-003 concerning Crane Island. Attorney Mullin advised that the applicants would be withdrawing their request for a Comp Plan Amendment, citing their utilization of the Comprehensive Land Use Plan goal and objective 1.09.03 which provides for the delineation of wetlands areas. He explained that the adjacent land use density and intensity of the adjacent land is RS-1. Upon the recommendation of the County Attorney, it was moved by Commissioner Kirkland, seconded by Commissioner Deonas, and unanimously carried to approve the utilization of the Comprehensive Land Use Plan goal and objective 1.09.03 for Crane Island. A Public Hearing on this matter was not required.

Upon the request of the Solid Waste Director, it was moved by Commissioner Kirkland, seconded by Commissioner Deonas, and unanimously carried to award the bid for the Recycling and Education Program Management contract to the sole bidder, Keep Nassau Beautiful, 1939 South 8th Street, Fernandina Beach, Florida 32034, at a contract amount of \$18,720 to be paid at a rate of \$4,680 per quarter, with funds to be expended from the 1997-98 Recycling and Education Grant, Account No. 534304.

Upon the request of the County Attorney, it was moved by Commissioner Kirkland, seconded by Commissioner Marshall, and unanimously carried to schedule a Public Hearing concerning the Flood Ordinance at 7:05 P.M. on November 24, 1997.

Upon the request of the County Attorney, it was moved by Commissioner Kirkland, seconded by Commissioner Marshall, and unanimously carried to authorize travel for the County Attorney, the Clerk, and the County Coordinator to travel to Tallahassee to meet with bond counsel on October 16, 1997.

10/13/97

ORDINANCE NO: 781

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, A MUNICIPAL CORPORATION, ANNEXING A PORTION OF CRANE ISLAND TO THE CORPORATE LIMITS OF SAID CITY, UPON PETITION BY THE OWNER OF SAID LAND; PROVIDING FOR REDEFINING OF BOUNDARY LINES OF SAID CITY TO INCLUDE SAID PROPERTY; PROVIDING FOR THE PUBLICATION OF SAID ORDINANCE; PROVIDING FOR THE FILING OF THE ORDINANCE, AFTER ADOPTION, WITH THE CLERK OF THE CIRCUIT COURT AND DEPARTMENT OF STATE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Florida Statutes §171.044 does provide a procedure whereby real property being contiguous to the corporate limits of the City of Fernandina Beach may be annexed into said City, upon Petition of the owner of said property, and the adoption of an ordinance annexing same, and

WHEREAS, CRANE ISLAND VENTURES, INC., owner of real property of lands contiguous to the corporate limits of the City of Fernandina Beach has by Petition requested the annexation of said lands to the City of Fernandina Beach, and

WHEREAS, the City Commission of the City of Fernandina Beach has deemed it to the best interest of said City that the land described on said Petition be annexed within the corporate limits of the City of Fernandina Beach.

NOW, THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF FERNANDINA BEACH, FLORIDA, as follows:

1. That the following parcel of real property be and is hereby annexed to the City of Fernandina Beach, pursuant to a Petition filed by the owner of said land and approved by the City Commission of the City of Fernandina Beach, said real property and owner of same being as described in Exhibit "A" attached hereto, and by reference incorporated herein.

2. That it is hereby deemed to be in the best interest of the City of Fernandina Beach that the land above described be annexed to and become a part of the City of Fernandina Beach. That upon adoption of this ordinance, the boundary lines of the corporate limits of the City of Fernandina Beach shall be redefined so as to include the real property described above.

3. That the Notice of Intent to Adopt this Ordinance shall be published in the Fernandina Beach Newsleader for four (4) consecutive weeks, and that proof of the publication of this Ordinance be filed herein prior to the final reading of this Ordinance.

4. That the Mayor and City Clerk are hereby authorized to execute on behalf of the City that certain Annexation Agreement dated _____, 198____, by and between the City of Fernandina Beach and the property owner who has petitioned for annexation, a copy of which is attached hereto as Exhibit "B", and said agreement is hereby adopted in full by reference.

5. That upon the filing of Proof of Publication and final adoption of this Ordinance, a copy of the same shall be filed with the Clerk of the Circuit Court of Nassau County, Florida, and a copy be forwarded to the Department of State, Tallahassee, Florida.

6. That this Ordinance shall take effect immediately upon the execution of the attached Agreement by both parties thereto, and the occurrence of all conditions and contingencies stated therein.

ADOPTED this 19th or 1st day of January, 1988.

CITY OF FERNANDINA BEACH

Attest: Nicki P. Puigate
Its: City Clerk

By: Lonnie Soy
Its: Mayor-Commissioner

Date of First Reading: 12-15-87
Date of Publication: 12-24,31-87; 1-7,14-88
Date of Public Hearing & Second Reading: 1-19-88
Date of Final Passage: 1-19-88

87-1
annex.ord

Note: Annexation Agreement was not executed per Section 6 of this Ordinance.

9042812866 1-204 P. 10/18 P-211

EXHIBIT "A"

Section 19 - Craney Island - Township 2 North, Range 28 East, Nassau County, Florida, LESS AND EXCEPT THE FOLLOWING DESCRIBED LANDS:

A portion of Section 19, Township 2 North, Range 28 East, Nassau County, Florida, being a portion of lands described and recorded in Official Records Book 138, pages 277-278 of the Public Records of Nassau County, Florida, being more particularly described as follows:

COMMENCE at a United States Army Corps of Engineers' Disk, IWN-9 (1978), on the West bank of the Intercoastal Waterway; thence North $15^{\circ} 14' 42''$ East, 1431.10 feet; thence North $14^{\circ} 36' 36''$ East, 692.80 feet to an intersection with the approximate High Water Line as field located January 15, 1987, and as shown on Map of Specific Purpose Survey by Sunshine State Surveyors, Inc., File Number 87E-2218 and the POINT OF BEGINNING; thence Northerly, Northeasterly, Easterly, Southeasterly, Southerly and Southwesterly along said approximately High Water Line to the intersection with a line which bears North $83^{\circ} 41' 24''$ East, 1421.52 feet from the aforesaid POINT OF BEGINNING; thence South $83^{\circ} 41' 24''$ West, 1421.52 feet to the POINT OF BEGINNING.

FERNANDINA BEACH ANNEXATION AGREEMENT

THIS ANNEXATION AGREEMENT dated this _____ day of _____, 1987, by and between the CITY OF FERNANDINA BEACH, a municipal corporation, (hereinafter referred to as "City"); and CRANE ISLAND VENTURES, INC., a Florida corporation, (hereinafter referred to as "Applicant").

WHEREAS, this Annexation agreement shall be considered entered into only upon the adoption of an Ordinance by the City Commission of City authorizing and approving the execution of such Agreement, consistent with the mutual promises, covenants and acknowledgements agreed to by the City Commission; and

WHEREAS, Applicant is the owner of record of those certain parcels and tracts of land, consisting of approximately 84.9 + acres in size, located in Nassau County and being contiguous to the boundary of the City of Fernandina Beach and as more particularly described in the metes and bounds descriptions of the said property attached hereto and made a part hereof and designated as Exhibit A; and

WHEREAS, the Covenants and acknowledgements contained herein have been made in consideration of annexation into the City of Fernandina Beach of the subject property; and

WHEREAS, the Applicant has filed a Petition for Annexation of the subject property with the City; and

WHEREAS, Applicant does hereby certify that all of the owners of the subject property did join in said Petition; and

WHEREAS, the appropriate and required public hearings have been held pursuant to City and State law; and

WHEREAS, it is the desire of the City to provide for appropriate uses of the subject property; and

WHEREAS, the Applicant is willing to have the subject property annexed to the City and the City desires and believes that it would be in the best interest of the City to annex the land which is contiguously located outside the corporate limits of the City in Nassau County, Florida; and

WHEREAS, the Applicant has requested and the City agrees that certain credits toward impact fees for improvements to be constructed by applicant to extend the sanitary sewer facilities of the City are appropriate in light of the substantial development costs to be incurred in improving the property for residential and commercial use and in light of the dedication of such facilities to the City to serve the general area as well as the proposed developments; and

NOW, THEREFORE, in consideration of the mutual promises, covenants and acknowledgments stated herein, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Effective Date: This Agreement shall become effective on the date that Ordinance Number 781 becomes effective; PROVIDED, HOWEVER, that the Applicant shall have the right at any time prior to the effective date of this Agreement to withdraw its consent to the proposed annexation, by delivery of written notice to the office of the City Manager by 5:00 p.m. of the day preceding the effective date of said ordinance; and upon receipt of said Notice, this Agreement shall thereupon become void and as of no effect without further action by the City Commission of Fernandina Beach. Time is of the essence.

2. Execution: The parties hereto agree to execute any and all such documents as are necessary to carry out the terms and provisions of this Annexation Agreement.

3. Binding effect: The parties hereto do covenant and agree that the within instrument and its Exhibits, in whole or in part, shall be binding on their assigns, personal representatives and successors, including the body politic and corporate known as the City of Fernandina Beach.

4. Assignment: This Agreement, its benefits and burdens shall be assignable, in whole or in part, by Applicant without the consent of the City, to any purchasers of all or any substantial part of Applicant's property in a bulk sale, but not to purchasers of individual lots; provided, however, that neither

party shall be relieved of any obligation to the other pursuant to this Agreement without the express written consent of the other.

5. Governing law: The laws of the State of Florida shall govern the interpretation, validity and construction of the terms and provisions of this Agreement. If any term or provision of this Agreement is declared illegal or invalid for any reason by a court of competent jurisdiction, the remaining terms and provisions of this Agreement shall, nevertheless, remain in full force and effect.

6. Entire Agreement: The parties hereto acknowledge that this Agreement constitutes the sole agreement between the parties; that all prior proposals and agreements, whether oral or written, are hereby superceded; and that this Agreement may not be changed, altered or modified except in writing and signed by the Parties hereto. The parties hereto further acknowledge that, in entering into this Agreement, each party has not been induced by, has not relied upon, and has not included as part of the basis of the bargain herein, any representation or statement, whether express or implied, made by any agent, representative or employee, which representation or statement is not expressly set forth in this Agreement, except for any substantive representations made by any of the parties and approved by the other at any public hearing or work session of the City Commission or otherwise made as part of the official public record in the proceedings related to Ordinance 781.

7. Compliance with Applicable Ordinances: The Applicant agrees to comply with all ordinances of the City as amended from time to time in the development of the property, provided that all new ordinances, amendments, rules and regulations relating to zoning, building and subdivision of land adopted after the date of this Agreement shall not be arbitrarily or discriminatorily applied to the property but shall be equally applicable to all property similarly zoned and situated to the extent possible. Applicant, in the development of the property, shall comply with the standards set forth in the Comprehensive Plan as amended from

time to time. Applicant has not, at the time of this agreement, submitted final plans for development; however, applicant, CRANE ISLAND VENTURES, INC., has indicated its desire to develop its property in a planned unit development with no more than 100 single family lots at 1.2 units per acre, with a 90 slip marina. City finds that such proposed use would be consistent with the city's comprehensive land use plan.

8. Sanitary Sewer: Applicant shall be permitted to tap into the City's sanitary sewer system at points recommended by the City Manager. Applicant will construct a sewer main and lift stations, and appurtenant facilities from existing facilities to Applicant's property according to City approved specifications. Such construction shall be coordinated with the City Manager and contracts for the construction work shall be awarded on the basis of the lowest and best bid among a minimum of three (3) contractors submitting bids for the project. Applicant will contribute to the construction of the sewer main from existing City facilities to Applicant's, property based on estimated cost of construction of improvements necessary to accommodate only the projected waste water flows from the Applicant's, development. Any cost of over sizing lines, liftstations or appurtenant facilities beyond Applicant's needs will be borne by the City of Fernandina Beach and assessed to other property owners requesting connection to the city sewer system. Other property owners requesting connection to the city sewer system prior to the construction of the sewer main, liftstations and related appurtenant facilities will be required by the City of Fernandina Beach to make a pro rata financial contribution to the cost of construction of the same based on their proportionate share of the cumulative projected waste water flows. Construction shall be coordinated and approved by City's Engineers.

9. Sewer Impact Fees: Once applicant has contributed its pro rata share toward the cost of extending the sewer main facilities, it shall be entitled to reimbursement of the payment of sewer impact fees as provided for in sections 12-91, et seq.,

of the Code of Ordinances of the City. Such reimbursement shall be transferrable to bulk purchasers of Applicant's property, but not to purchasers of individual lots within the subdivisions or planned unit developments to be created on the applicant's property, except that Applicant shall be entitled to reimbursement for the amount of sewer impact fees paid by the purchasers of individual lots or units in its subdivision, within five (5) years of the effective date of this agreement, in the same amounts and at the time of payment of such fees by the individual lot purchasers, up to but not exceeding applicant's pro rata share of the cost of construction of the extension of the city sewer facilities to the applicant's property. Bulk purchase is herein defined as the purchase of more than 50% of applicant's property as owned at the effective date of this agreement. The total impact fee credits shall not exceed the Applicant's actual contributions to the construction of the improvements.

10. Dedication of sewer facilities: Applicant agrees to, within sixty (60) days of completion of any sewer lines, lift stations or other facilities, dedicate such lines, lift stations or other facilities to the City free and clear of any liens, mechanics or otherwise, in perpetuity for maintenance of the same, and shall further grant the City all necessary easements to permit City to maintain such facilities and to provide sewer service to surrounding properties. Such dedication and grants shall occur prior to the payment by City to Applicant of any sewer impact fee reimbursement as provided in § 9 above.

11. Fees: Upon presentation of final plans for development, the City of Fernandina Beach agrees to identify to the satisfaction of the property owner all fees or other charges in any form which the City will assess in connection with the development and construction of the improvements planned for the annexed property. This agreement will include credits for work done by the property owner in connection with the construction of various infrastructure improvements relating to the planned development, where such credits are permitted by law or ordinance.

12. Construction of access road: Applicant shall, at its own expense, construct on the City airport property adjacent to the property to be annexed and property to the north thereof owned by Rayland Company, Inc., an access road from the Amelia Island Parkway to the property to be annexed. Such road shall be constructed in compliance with city specifications. Construction thereof shall be coordinated with the City Manager and Public Works Director. Such road, upon completion of construction and acceptance thereof by the City, shall be dedicated to the City for public use and maintenance thereof by the City. Applicant shall pay to the City Airport fund an amount equal to the appraised value of the acreage from the Airport property to be dedicated for such right of way, such funds to be used only for airport purposes. City shall secure the necessary release from the Federal Aviation Administration to provide insurable access to Crane Island via the aforesaid road.

13. Facilitation of Development: Time is of the essence of this Agreement, and all parties will make every reasonable effort to expedite the subject matters hereof. It is further understood and agreed that the successful consummation of this Agreement and the development of the property in the best interests of all the parties requires their continued cooperation. The Applicant does hereby evidence its intention to fully comply with all City requirements, its willingness to discuss any matters of mutual interest that may arise, and its willingness to assist the City to the fullest extent possible. The City does hereby evidence its intent to cooperate in the resolution of mutual problems and its willingness to facilitate the development of the Property, as contemplated by the provisions of this Agreement.

14. Enforceability of the Agreement: This Agreement shall be enforceable in any court of competent jurisdiction by either of the parties or by an appropriate action at law or in equity to secure the performance of the covenants herein described. If any provision of this Agreement is held invalid,

such provisions shall be deemed to be excised herefrom and the invalidity thereof shall not affect any of the provisions contained herein.

15. Default: In the event either of the parties default in the performance of the obligations set forth in this Agreement, then the other may, upon notice to defaulting party, allow defaulting party sixty (60) days to cure default or provide evidence to the non-defaulting party that such default will be cured in a timely manner if it cannot be cured during said period. If defaulting party fails to cure such default or provide such evidence as provided above, then, with notice to defaulting party, the other may begin proceedings to require specific performance of this agreement or bring suit for damages for breach of the agreement. The prevailing party shall be entitled to a reasonable attorney's fee for having brought such action.

16. Additional Covenants:

A. This agreement is conditioned upon the occurrence of both of the following:

(1). The closing of the purchase by Applicant of the property to be annexed; and

(2). The release of the necessary property on the City airport property by the FAA to allow City to provide insurable access to the property to be annexed.

IN WITNESS WHEREOF, the City and Applicant have caused this instrument to be executed by their respective proper officials duly authorized to execute the same on the day and the year first above written.

CITY OF FERNANDINA BEACH

By: _____
Its: Mayor-Commissioner

ATTEST:

By: _____
Its: City Clerk

CRANE ISLAND VENTURES, INC.

Witness _____

By: _____

ITS

Witness _____

87-1
annex. agr