MEMORANDUM OF AGREEMENT FOR LAND USE CONTROLS FOR THE PORT OF PENSACOLA

This MEMORANDUM OF AGREEMENT FOR LAND USE CONTROLS ("MOA") made pursuant to Section 376.30701, Florida Statutes ("F.S."), and Chapter 62-780 of the Florida Administrative Code ("F.A.C."), between the "Parties," CITY OF PENSACOLA ("CITY"), a Florida municipal corporation with powers pursuant to Section 166.021, Florida Statutes, and the Florida Department of Environmental Protection (the "DEPARTMENT"), a public agency of the state of Florida.

RECITALS:

- A. WHEREAS, the Port of Pensacola ("PORT") plays a critical role in the state of Florida's economy by providing opportunities for job growth and additional revenue;
- B. WHEREAS, the expansion of the Panama Canal in 2016 offers significant new global opportunity and increased maritime business for the state of Florida because of its location;
- C. WHEREAS, the DEPARTMENT aims to balance the interests of PORT expansion, the potential for growth of c o m m erce, and the state of Florida's economy with effectively managing present and future contamination discovered within the PORT;
- D. WHEREAS, the PORT is a municipal enterprise of the CITY;
- E. WHEREAS, the CITY is the fee simple owner of that certain real property situated in the County of Escambia, state of Florida, more particularly described in Exhibit "A" attached hereto and made a part hereof ("PORT PROPERTY");
- F. WHEREAS, the PORT PROPERTY has controlled access in its industrial and berthing areas;
- G. WHEREAS, PORT PROPERTY land use is exclusively commercial or industrial;
- H. WHEREAS, the PORT has adopted its Terminal Tariff, that is applicable at all PORT tenants and facilities. Currently PORT tenants, pursuant to their lease agreements, must comply with the Terminal Tariff as it may be revised from time to time;
- I. WHEREAS, the PORT agrees to revise its Terminal Tariff to include this MOA;
- J. WHEREAS, the PORT has numerous tenants that operate separate facilities within the PORT PROPERTY, and each of these facilities is performing commercial or industrial uses;
- K. WHEREAS, the PORT intends to construct subsurface vaults or pits in the near future and those projects will require access to shallow groundwater and involve dewatering;
- L. WHEREAS, Facility Names and Identification Numbers, or other similar tracking numbers, and a Person Responsible for Site Rehabilitation ("PRSR") for each contaminated facility within the PORT subject to this MOA are set forth in Exhibit "B" attached hereto and made a part hereof.

- M. WHEREAS, Contamination, as defined by Rule 62-780.200, F.A.C., currently exists on portions of the PORT PROPERTY and is documented by reference to each contaminated facility's tracking number in reports found on file in the DEPARTMENT's electronic document management system;
- N. WHEREAS, assessments have been completed and are ongoing on PORT PROPERTY at various facilities for existing contamination pursuant to Chapter 62-780, F.A.C., and Chapter 62-777, F.A.C., and it has been determined by the DEPARTMENT that Institutional Controls ("ICs") are appropriate on PORT PROPERTY;
- O. WHEREAS, pursuant to the revised Terminal Tariff, future assessment work will be completed on PORT PROPERTY pursuant to Rule 62-780.600, F.A.C., any other applicable local, state, and federal requirements, and this MOA;
- P. WHEREAS, the DEPARTMENT is authorized to move monitoring points to the edge of the plume, PORT PROPERTY, or facility boundary, as appropriate, while cleanup or monitoring is proceeding;
- Q. WHEREAS, it is a purpose of this MOA to enable the PORT and other PRSRs operating within the PORT PROPERTY to expeditiously complete the assessment of contamination and reduce or eliminate the threat of migration of the contaminants; and
- R. WHEREAS, the PORT and the DEPARTMENT have agreed to a procedure, set forth herein, that: 1) will allow the PORT to expedite and more cost effectively perform contamination assessments on PORT PROPERTIES; 2) uses and applies ICs as part of the site rehabilitation process; 3) will allow the DEPARTMENT to ensure the long-term integrity of the IC; and 4) will ensure that the risk to human health and the environment from contamination is effectively managed.

NOW THEREFORE, THE CITY and THE DEPARTMENT, in consideration of the recitals above and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, agree as follows:

- 1. The foregoing recitals are true and correct and are incorporated herein by reference.
- 2. In the remaining paragraphs, all references to the CITY and the DEPARTMENT shall also mean and include their respective successors and assigns. References to the PORT shall mean and include the PORT or PORT PROPERTY depending on the context.

PART I

Institutional Controls

- 1. Pursuant to the terms and conditions of this MOA, the CITY hereby imposes the following restrictions on the PORT PROPERTY:
 - a. There shall be no access to groundwater under the PORT PROPERTY. There shall be no drilling for water conducted on the PORT PROPERTY, nor shall

any wells be installed on the PORT PROPERTY other than monitoring wells pre-approved in writing by FDEP's Division of Waste Management ("DWM"), in addition to any authorizations required by the Division of Water Resource Management ("DWRM") or the applicable Florida Water Management District ("WMD").

- b. Any contaminated groundwater extracted as a result of dewatering activities associated with PORT PROPERTY construction work must be treated to or meet applicable standards before discharge. If discharging to surface waters, any discharge shall be governed by applicable law.
- C. Stormwater swales, stormwater detention and retention facilities, and ditches on the PORT PROPERTY are illustrated in Exhibit "C." Such existing stormwater features, if located in a facility listed in Exhibit "B" where contamination is known to exist may be modified to accommodate PORT expansion or necessary stormwater conveyance and treatment infrastructure upgrades as long as the PORT obtains a certification from a licensed professional engineer that exposure to potentially contaminated soil and groundwater is addressed in accordance with applicable regulations, and as long as it is evaluated as part of the design that the modifications do not cause migration of any known groundwater plume. The same control applies to the construction of new stormwater conveyance swales, ditches, and detention and retention facilities. This does not free or exempt the PORT from complying with any written approvals or authorizations imposed by the DWRM or WMD. Such prior written approval(s) or authorizations would be provided to the PORT within timeframes applicable to the processing of any related requests to the Department for permit(s) administered by the DWRM or the WMD.
- d. Soil contamination has been identified on the PORT PROPERTY and is described in the documents on file with the DWM for listed contaminated facilities. Should soil contamination levels at these sites exceed the Commercial/Industrial Direct Exposure limits, the PORT or the responsible party shall address the contamination through remediation or engineering controls approved by the DEPARTMENT. Engineering controls and engineering controls management plans shall be attached to and incorporated within this MOA as Exhibit "D" when approved by the DEPARTMENT.
- e. Excavation and construction is not prohibited on the PORT PROPERTY, provided any known contaminated soils that are excavated are properly managed or disposed of pursuant to applicable local, state, and federal requirements. Nothing herein shall limit any legal requirements regarding construction methods or precautions that must be taken to minimize risk of exposure while conducting work in contaminated areas. Temporary storage or stockpiling of contaminated soil or sediment shall be conducted in accordance with Rule 62-780.500(5)(a)(7), F.A.C., in the same area where the contaminated soils were removed. Returning contaminated soils to the excavation site within a soil contamination area shall be allowed by the DEPARTMENT, provided that the PORT or other PRSR ensures that a completed exposure pathway does not exist.
- f. During the term of this MOA, the PORT PROPERTY shall be used only for industrial or commercial uses and PORT or PORT-related uses. The Department

must be notified of land uses other than industrial or commercial and may object to these proposed alternate land uses.

PART II

Assessment and Points of Compliance

- 1. PORT surface waters shall meet the applicable surface water Cleanup Target Levels as specified in Chapter 62-777, F.A.C., Table I, marine surface water criteria column. Where surface water may be exposed to contaminated groundwater, the point of measuring compliance with the surface water standards shall be in the groundwater from the landward side immediately adjacent to the surface water body.
- During the assessment of a facility, the CITY or other responsible party conducting the assessment may, with PORT's permission, move the monitoring point to the edge of a facility boundary if the following criteria are met:
 - a. Soil contamination levels do not exceed the Commercial/Industrial Direct Exposure criteria set forth in Rule 62-777.170, Table II, DEPARTMENT approved alternative Soil Cleanup Target Levels for a given facility, or engineering controls approved by the DEPARTMENT and incorporated herein are in effect;
 - b. The source of any continuing discharge has been eliminated, the CITY or PRSR shows that the groundwater plume is stable or shrinking, and the CITY or PRSR demonstrates that surface waters are not negatively affected; and
 - c. If extending the monitoring point to a PORT PROPERTY boundary, contamination above applicable cleanup target levels in any medium does not extend beyond a PORT PROPERTY boundary.
- 3. Should the CITY elect to move the monitoring point to a facility or a PORT PROPERTY boundary, the CITY or designated responsible party must evaluate groundwater plume migration and groundwater quality at the new monitoring point for an agreed upon frequency of time and duration.
- 4. After the criteria of Part II(2) are met, no further assessment of the degree and extent of soil contamination will be required by the DEPARTMENT if soil contamination levels are less than the Commercial/Industrial Direct Exposure criteria or approved alternative Soil Cleanup Target Levels for a given facility, and if soil contamination levels at the PORT PROPERTY boundary do not exceed the Residential Direct Exposure criteria or background for the contaminant(s) of concern.
- 5. For the purposes of expediting assessment and cleanup, the DEPARTMENT will accept Combined Documents in accordance with Rule 62-780.450, F.A.C.
- 6. The CITY reserves the right to apply the terms of this MOA to facilities within the PORT PROPERTY. By reserving this right, PRSRs responding to releases on the PORT PROPERTY require the CITY'S express authorization to utilize this MOA when conducting site rehabilitation pursuant to DEPARTMENT rules.

PART III

General

- 1. Promptly after complete execution of this MOA, the CITY shall incorporate the MOA in its Terminal Tariff, which is adopted and maintained in accordance with Section 10-3 of the Pensacola Municipal Code. The Terminal Tariff shall be publicly available through the PORT's web site. The CITY shall provide notice of this MOA to all tenants under lease, other leaseholders, and easement holders on the PORT PROPERTY that are encumbered by the MOA. The notice must include information regarding the CITY's entry into this MOA, the type and location of the restriction(s) on the PORT PROPERTY, and the DEPARTMENT's contact information. Where an easement materially conflicts with the terms of this MOA, in addition to providing the above notice, the PORT shall obtain a "Joinder and Consent" of the easement holder to this MOA.
- The DEPARTMENT shall include the restrictions in this MOA in the DEPARTMENT's DWM online Institutional Controls Registry.
- 3. For the purpose of monitoring the requirements contained herein, the CITY shall grant the DEPARTMENT a right of entry upon and access to PORT PROPERTY at reasonable times (from 8:30 AM local time to 5 PM local time) and after three (3) business days advance written notice to the PORT.
- 4. This MOA shall apply to the PORT PROPERTY during its term and shall apply to and be binding upon and inure to the benefit of the PORT and the DEPARTMENT. Should the PORT convey by deed PORT PROPERTY or any portion thereof where contamination remains in place, the CITY shall record in the public records of Escambia County a Declaration of Restrictive Covenant for that land consistent with the requirements of Chapter 62-780, F.A.C., and the intended land use for that property.
- During the term of this MOA, the DEPARTMENT or the CITY may enforce the terms and conditions of this MOA by injunctive relief and other appropriate available legal remedies. Any forbearance on behalf of the DEPARTMENT to exercise its rights in the event of the failure of the PORT to comply with the provisions of this MOA shall not be deemed or construed to be a waiver of the DEPARTMENT's rights hereunder. This MOA shall remain in effect unless it is otherwise terminated pursuant to Part IV(2) or modified in writing by the PORT and the DEPARTMENT. If the CITY does not or will not be able to comply with any or all of the provisions of this MOA, the CITY shall notify the DEPARTMENT in writing within three (3) business days. Additionally, the PORT shall notify the DEPARTMENT at least thirty (30) days prior to any conveyance, sale, granting, or transferring of PORT PROPERTY including, without limitation, the conveyance of any security interest in PORT PROPERTY (this notification provision does not apply to the leasing of PORT PROPERTY in the ordinary course of business).
- 6. The CITY shall reference this MOA in any new deed of conveyance or lease. Furthermore, prior to the entry into a landlord-tenant relationship with respect to the PORT PROPERTY, the PORT agrees to notify in writing the proposed tenant of PORT PROPERTY of the existence and contents of this MOA.
- 7. If any provision of this MOA is held to be invalid by any court of competent jurisdiction, the invalidity of that provision shall not affect the validity of any other provisions of the

- MOA. All such other provisions shall continue unimpaired in full force and effect.
- 8. The CITY covenants and represents that, on the date of execution of this MOA, the CITY is seized of the PORT PROPERTY in fee simple and has good right to create, establish, and impose this MOA and its restrictions on the use of the PORT PROPERTY. The CITY also covenants and warrants that the PORT PROPERTY is free and clear of any and all liens, mortgages, and encumbrances that could impair the PORT's rights to impose the requirements described in this MOA.

PART IV

Modification or Termination of Agreement

- 1. This MOA contains the entire agreement of the parties with respect to the subject hereof, and no modification of this MOA shall be effective unless executed in writing by the parties.
- 2. This MOA may be terminated by either party with or without cause. The party terminating the MOA shall provide 60 days advance written notice of termination to the other party. A termination notice submitted by the DEPARTMENT shall be signed by the Secretary of the DEPARTMENT. The notice submitted by the PORT shall be signed by the Mayor of the City or the PORT Director. By mutual agreement of all parties, the 60-day notice period may be reduced. Within 30 days of a notice of intent to terminate this MOA, all parties shall make good faith efforts to preserve the MOA by attempting to resolve the basis(es) for the termination. This MOA also may be terminated by future agreements between the parties that expressly supersede this MOA.
- 3. The CITY, with the concurrence of the DEPARTMENT, may amend this MOA as necessary to effectuate its purposes. Such amendments may include, but are not limited to, the listing of new facilities and/or PRSRs that are subject to the MOA, the documentation of any engineering controls that are approved by the DEPARTMENT, and updating the status of the facilities listed in Exhibit "B." All amendments shall be made in accordance with Paragraph IV(1).

IN WITNESS WHEREOF, the lawful representatives of the parties have caused this MOA to be executed as follows:

ATTEST:

Auche L. Burnett

City Clerk

CITY OF PENSACOLA
By: The Som For
Ashton J. Hayward III, Mayor
Date: 6/22/2015
Approved as to Substance:
Ву:
Amy Miller, Port Director
Date:
Legal in Form and Valid as Drawn:
By:
City Attorney
Date: 10 · 26 · 2015

PROTECTION Approved as to form by: By: Toni Sturtevant, Asst. General Counsel JOHN COATES. Office of General Counsel Assistant Division Director Dept. of Environmental Protection Division of Waste Management 2600 Blairstone Road Tallahassee, FL 32399-2400 Signed, sealed, and delivered in in the presence of: Witness Signature WAYNE S. KIGER MATTHEW MCGOY Printed Name Printed Name

STATE OF FLORIDA COUNTY OF LEON

The foregoing instrument was acknowledged before me this 20 day of November, 2015, by JOHN COATES, who is personally known to me.



Notary Public, State of Florida at Large

FLORIDA DEPARTMENT OF

ENVIRONTMENTAL

Exhibit List:

Exhibit "A": Legal Description of PORT PROPERTY and Sketch

Exhibit "B": Listing of FDEP Facility Names, Facility Identification Numbers, or other similar FDEP tracking numbers at the time of this MOA {To be updated as required}.

Exhibit "C": Map showing size and location of proposed stormwater swales, stormwater detention and retention facilities, and ditches.

Exhibit "D": Engineering Control Maintenance Plans ("ECMPs") {For multiple ECMPs, label D-1, D-2, etc.}

EXHIBIT "A"

Legal Description of PORT PROPERTY and Sketch

EXHIBIT "B"

Listing of Identified Facilities

LISTING OF FACILITIES ^{1,2}			
Facility Name	Facility No.	Responsible Party	
HALCORP	FL0083811695	HALCORP, INC.	
HALCORP	8627145	HALCORP, INC.	
SULPHUR TERMINALS	9102399	SULPHUR TERMINALS	
PORT OF PENSACOLA	FLD981468275	PORT	
PORT OF PENSACOLA	9601061	PORT	
COASTAL FUELS	COM_70559	TRANSMONTAIGNE	

¹ Some of these facilities are not the subject of active site rehabilitation.
² Some of these facilities have not had any contamination identified or releases reported.

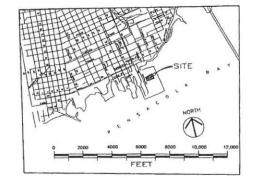
EXHIBIT "C"

Illustration of Existing or Proposed Surface Stormwater Features

DEEP FLEX SITE WORK PLANS

OWNER/DEVELOPER

DEEP FLEX, INC. 3350 ROGERDALE ROAD, SUITE 300 HOUSTON, TX 77042-4159 PH: 713-334-1500



HORROWS)

127,355 SF (7.81 AC) - 40.1%

130,400 SF (3.00 AC) - 47.8%

52,185 SF (1.20 AC) - 17.1% CONDITIONS)

0 SF (0.00 AC) - 0.00%

152.044 SF (3.49 AC) - 49.9%

152.908 SF (3.51 AC) - 30.1% Jehle-Halstedd, nc Cval Engineering and Surveying That chair there is treated bean that chair the chair bean the interpretation of treated bean the interpretation of treated bean set interpretation of treated bean set interpretation of treated bean set interpretation of treated bean

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CITY OF PENSACOLA DEEP

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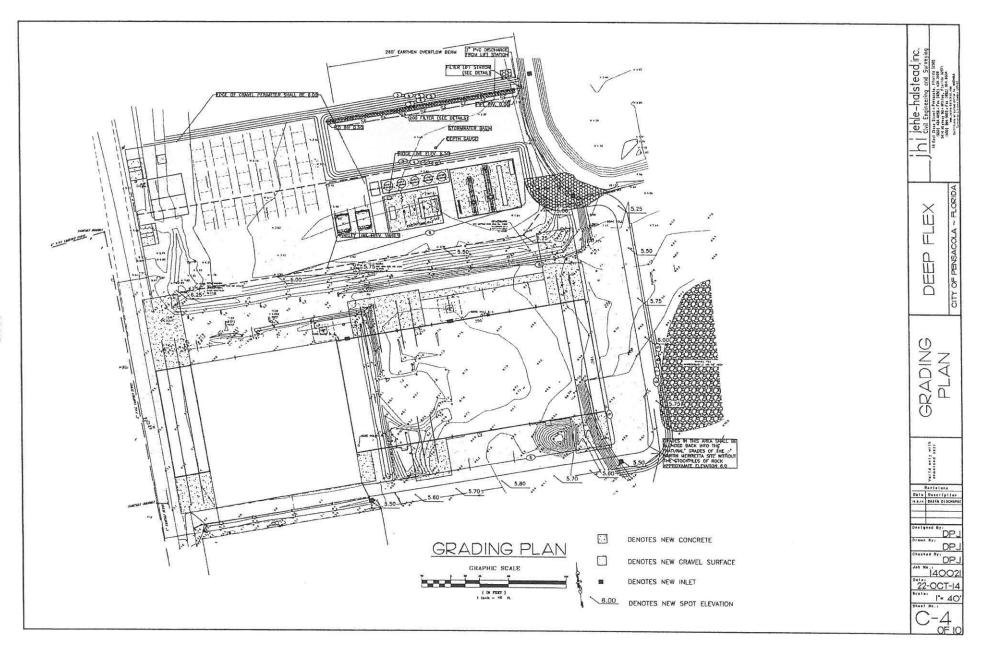
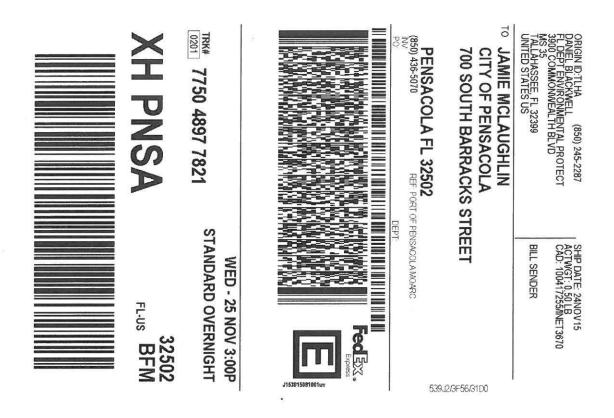


EXHIBIT "D"

Engineering Control and Maintenance Plans (TO BE DEVELOPED AS NEEDED)



After printing this label:

- 1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
- 2. Fold the printed page along the horizontal line.
- 3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

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Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com.FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim.Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss.Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our ServiceGuide. Written claims must be filed within strict time limits, see current FedEx Service Guide.



Florida Department of Environmental Protection

Marjory Stoneman Douglas Building 3900 Commonwealth Boulevard Tallahassee, Florida 32399-3000 Rick Scott Governor

Carlos Lopez-Cantera Lt. Governor

Jonathan P. Steverson Secretary

For of Startant

MEMORANDUM

TO:

John Coates, Assistant Director, Division of Waste Management, FDEP

CC:

Joe Ullo, Director, Division of Waste Management, FDEP

FROM:

Toni Sturtevant, Senior Asst. General Counsel, Office of the General Counsel

FDEP

DATE:

November 19, 2015

SUBJECT:

Port of Pensacola, Memorandum of Agreement for Land Use Controls

I have reviewed the attached Memorandum of Agreement for Land Use Controls (MOALUC) for the above referenced site. It appears to meet all of the legal requirements for such an institutional control. Therefore, I recommend that you <u>sign the MOALUC in the presence of a notary public and two witnesses</u>. If you decide to execute the attached document, please <u>forward the three originals back to me</u> so that OGC may return the MOALUC to the City of Pensacola or its representative for recording.

After evidence of incorporating the MOALUC into the port tariff is presented, the MOALUC may be used as an institutional control for the port. However, prior to finalization of any closure order using this MOALUC, proper notice to encumbrance holders who may be effected must be given by the port and evidence of notice should be made a part of the file for this institutional control. After notice is effected and time for comment has passed and any closure order is finalized, the site manager should complete the database form for the Institutional Control Registry and submit that form to the Division of Waste Management Director's Office. Please contact me at toni.sturtevant@dep.state.fl.us or Dan Blackwell at dan.blackwell@dep.state.fl.us or 850-245-2257 if you have any questions regarding this MOALUC.