

BOARD OF COUNTY COMMISSIONERS

DATE: February 21, 2012

AGENDA ITEM NO. 19.

Consent Agenda

Regular Agenda

Public Hearing

County Administrator's Signature

Subject:

The Purpose of this Lease Agreement is to Provide a Site on Panama Key in the Shell Key Preserve for the USF College of Marine Science to Install and Operate an Off-Grid Renewable Energy Learning Laboratory.

Department:

Parks & Conservation Resources
Real Estate Management

Staff Member Responsible:

Paul Cozzie, Director
Paul Sacco, Director

Recommended Action:

I RECOMMEND THE BOARD OF COUNTY COMMISSIONERS (BOARD) APPROVE THE ATTACHED MUTUAL RELEASE AND TERMINATION OF LEASE AGREEMENT WITH AMIKIDS PINELLAS, INC., THE ATTACHED RESOLUTION TO DECLARE SURPLUS, AND THE ATTACHED LEASE AGREEMENT WITH THE UNIVERSITY OF SOUTH FLORIDA (USF), BOARD OF TRUSTEES

Summary Explanation/Background:

Panama Key was acquired by the County as endangered lands to be placed in the Shell Key Preserve. The southern portion of Panama Key was purchased from the Pinellas Marine Institute, Inc. (PMI) in June, 1988 for \$63,000 in a sale/leaseback transaction. This provided PMI the opportunity to operate an education program for "at-risk children" on the property. On June 18, 2009 PMI changed its name to AMIKids Pinellas, Inc. With the recent request from USF College of Marine Science to enter into a long-term lease agreement, AMIKids Pinellas, Inc. has voluntarily agreed to terminate their lease agreement with the County. USF has also proposed to collaborate with AMIKids, Inc. as part of an outreach and education learning center.

The northern portion of Panama Key was purchased by Pinellas County from William C. Moore in August 1988, granting a life estate to Mr. Moore. In January 2009 the remainder Mr. Moore's life estate reverted back to the County through an executed purchase agreement for \$10,000. Pinellas County now owns the entire Panama Key Island in fee simple.

This new license agreement allows the USF College of Marine Science to convert and improve the existing structures on the island for use as an Off-Grid Renewable Energy Learning Laboratory.

The Lease Agreement term will commence upon execution by both parties for an initial period of Ten (10) years, thereafter with additional Five (5) year renewal options. Either Party may terminate the Lease Agreement at any time with three hundred sixty (360) days written notification.

Fiscal Impact/Cost/Revenue Summary:

There is no fiscal impact to Pinellas County as a result of this Agreement.

Exhibits/Attachments Attached:

- Contract Review
- County Location Map
- Board Resolution
- Mutual Release and Termination of Lease Agreement
- Lease Agreement

CONTRACT REVIEW TRANSMITTAL SLIP

PROJECT: USF BOARD OF TRUSTEES – PANAMA KEY LEASE AGREEMENT

ESTIMATED EXPENDITURE/REVENUE:

TYPE: (X) Lease () License \$ 0.00
 () Amendment () Other (Circle appropriate choice above.)

In accordance with the policy guide for Contract Administration, the attached documents are submitted for your review and suggested comments and/or changes.

- *To assist other reviewers in this process, please mark your comments and/or suggested changes directly upon the document itself in INK.*
- *So that we can correctly identify which are your comments on this form, please indicate the page numbers that correspond to your suggested changes and/or comments.*

Upon completion of your review, please complete the Contract Review Transmittal Slip below and call Jeffrey Harris, ext. 33369 so that it can be picked up and taken to the next Review Authority on the list.

<u>Review Authority</u>	<u>Review Date</u>	<u>Review Signature</u>	<u>Corres. Pg. #'s to Document</u>	<u>Comments Included/Addressed (Date)</u>
Real Prop. Div. (D. DelMonte)	11-2-11			12-27-11 12/28/11
Real Estate Mgmt. (P. Sacco)	11/1/11			
Parks & Cons. Res. (P. Cozzie)	11/2/11			
Risk Mgmt. (V. Holscher)	11/11/11		Pg 546 (and email) See attached revision	There is no location on our current policy covering existing. Can legal require that Lessee obtain indemnification from any contractors and that it also indemnify owner
Legal (M. Zas)	11/14/11		Addressed w/Right VIA email	
County Admin. (M. Woodard)	11/15/11		-> See comment.	

Please return to Real Estate Management Department, Real Property Division by November 10, 2011
 All inquiries should be made to Jeffrey Harris at telephone extension 33369.

PANAMA KEY Location Map



RESOLUTION NUMBER 11-_____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS DECLARING COUNTY OWNED PROPERTY SURPLUS AS DESCRIBED IN EXHIBIT A, LOCATED WITHIN THE SHELL KEY PRESERVE, ST. PETERSBURG, FLORIDA, AND FURTHER AUTHORIZES THE LEASE OF THE PROPERTY TO USF COLLEGE OF MARINE SCIENCE.

WHEREAS, the County acquired a portion of the property described in Exhibit A, and holds title by Warranty Deed OR 6807 Page 0747 dated August 8, 1988, and;

WHEREAS, the County acquired the remainder of the property described in Exhibit A, and holds title by Warranty Deed OR 16481, Page 1655-1656 dated January 8, 2009, and;

WHEREAS, there exists no current COUNTY need for the property, and;

WHEREAS, USF College of Marine Science has requested use of the property for research and education, and;

NOW, THEREFORE, BE IT RESOLVED by this Board of County Commissioners of Pinellas County, Florida, in regular session duly assembled on this _____ day of _____, 2012, that this Board declare the aforementioned property surplus.

AND; BE IT FURTHER RESOLVED that the property is to be leased to USF College of Marine Science for consideration of One (\$1.00) The property is to be leased to USF College of Marine Science to be used for research and educational purposes for an initial Ten (10) year term with One (1) additional renewal option of Five (5) years.

Commissioner _____ offered the foregoing Resolution and moved its adoption, which was seconded by Commissioner _____ and upon roll call, the vote was:

Ayes:

Nays:

Absent and not voting:

Exhibit A PANAMA KEY



**MUTUAL RELEASE AND TERMINATION OF
LEASE AGREEMENT**

THIS MUTUAL RELEASE AND TERMINATION OF LEASE AGREEMENT
made and entered into as of the ____ day of _____, 2011, between Pinellas County,
hereunder referred to "COUNTY," as LESSOR and AMIKIDS PINELLAS, INC., a Florida Non
Profit Corporation, hereunder referred to as "LESSEE."

WITNESSETH:

WHEREAS, COUNTY and LESSEE entered into a Lease Agreement, herein after
referred to as "Lease", dated August 5, 1988 with Pinellas Marine Institute, Inc.; and

WHEREAS, Pinellas Marine Institute, Inc. submitted notification of name change and
Articles of Amendment to the Articles of Incorporation of Pinellas Marine Institute, Inc. to the
Florida Department of State June 18, 2009 changing the name of the Corporation to "AMIKids
Pinellas, Inc.,"; and,

WHEREAS, COUNTY and LESSEE agree to the early termination of the Lease and to
mutually release each other from any current or future obligation(s) arising under the Lease as
provided herein.

NOW, THEREFORE, in consideration of the above premises, and the covenants herein,
COUNTY and LESSEE agree as follows:

1. The COUNTY and LESSEE mutually agree to the termination of the Lease
effective _____, 2011.
2. COUNTY and LESSEE further agree that each shall have all rights, actions,
claims or damages against each other as provided in the Lease and pursuant to Florida law that
accrued prior to the termination of the Lease term, which rights, actions, claims or damages shall
survive the termination of the Lease term as provided herein.

<Signature pages follow>

IN WITNESS WHEREOF, the parties have hereunto executed this Mutual Release and Termination of Lease Agreement as of the date first above written.

WITNESS:

PINELLAS COUNTY, FLORIDA

By: _____

Printed Name: _____

Name: _____

Title: _____

Printed Name: _____

**APPROVED AS TO FORM
OFFICE OF COUNTY ATTORNEY**
By M. J. [Signature]
Attorney

STATE OF FLORIDA
COUNTY OF PINELLAS

Sworn to and subscribed before me by _____, who is () personally known to me or () produced _____ as identification this _____ day of _____, 2011.

Notary Public
My Commission Expires: _____

<One additional signature page follows>

WITNESS:

AMikids Pinellas, Inc.

[Handwritten Signature]

Printed Name: JOSEPH T. DETCHELIV

By: [Handwritten Signature]

Name: Robert S. WEAVER III

Title: Chairman AMikids Pinellas

Linda B. Meloney

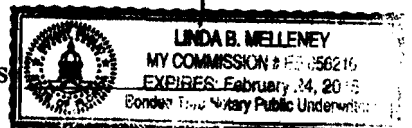
Printed Name: LINDA B. MELONEY

STATE OF FLORIDA
COUNTY OF PINELLAS

Sworn to and subscribed before me by ROBERT S. WEAVER III, who is () personally known to me or () produced _____ as identification this 19th day of DECEMBER, 2011.

Linda B. Meloney

Notary Public
My Commission Expires



LEASE AGREEMENT

THIS AGREEMENT, hereinafter referred to as "Lease Agreement", is made and entered into this ___ day of _____, 2011, between PINELLAS COUNTY, FLORIDA, a political subdivision of the State of Florida, hereinafter referred to as "COUNTY" as LESSOR and UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES, a public body corporate, for its College of Marine Science, hereinafter referred to as "LESSEE", together hereinafter referred to as the "Parties".

WITNESSETH

In consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged and the promises and covenants contained herein, the Parties agree as follows:

1. PREMISES:

COUNTY leases to LESSEE a tract of land referred to as Panama Key, hereinafter referred to as the "Premises" as described on Exhibit "A".

2. TERM:

This Lease Agreement shall be for a period of ten (10) years, commencing on the date the Pinellas County Administrator executes this Lease Agreement.

This Lease Agreement shall stand renewed on a five (5) year term unless either party gives the other party three hundred sixty (360) days written notice of termination prior to the end of any said term or as indicated in paragraph 3 below.

3. TERMINATION:

This Lease Agreement may be terminated at any time as follows by either party with three hundred sixty (360) days written notice.

A. By COUNTY at any time, if COUNTY determines that the land is required to be used for a public purpose, which is incompatible with USF'S use under this Lease Agreement. By way of example and not limitation, a public purpose use would be COUNTY'S need to use the area to make room for capital improvements required to fulfill a governmental purpose.

B. By LESSEE in the event that any government or public body shall take all or such part of the Premises or in the event of casualty, damage or destruction thereby making it physically or financially infeasible for the Premises to be used in the manner as leased.

C. By LESSEE if COUNTY fails to have proper ownership of the site and/or authority to enter into this Lease Agreement.

D. By COUNTY at any time without liability if the LESSEE has made intentional misstatements or misrepresentations of any type on any questionnaire or lease application.

In the event of a breach of any of the provisions of this Lease Agreement, the non-breaching Party shall give the breaching Party ninety (90) days written notice within which to cure the breach. If the breach is not cured, or if good faith efforts have not begun to cure the breach, this Lease Agreement shall terminate upon the expiry of the ninety (90) days.

Upon termination, neither party will owe any further obligation under the terms of this Lease Agreement except that LESSEE shall be responsible for removing its equipment from the Premises and for restoring the areas occupied by LESSEE to its original condition as near as practical to the COUNTY'S satisfaction, save and except for normal wear and tear and acts beyond LESSEE'S control.

Upon termination of this Lease Agreement, the term hereby granted and all rights, title and interest of LESSEE in the Premises shall end and the COUNTY may retake possession of the Premises, excluding LESSEE'S research equipment, which LESSEE shall retain. Such termination shall be without prejudice to COUNTY'S right to collect from LESSEE any and all damages which are suffered by COUNTY because of LESSEE'S breach of any covenant under this Lease Agreement.

4. USE:

LESSEE has forwarded a proposal for Premises use subject to securing the necessary funding. LESSEE intends to seek funding to convert the existing Premises into an Off-Grid Island Renewable Energy Learning Laboratory for research and development. This project is envisioned to consist of two main parts: 1) improvements and modifications to the existing island structure (s) (Section 5); and 2) acquisition and installation of necessary research and development equipment. Envisioned projects and applications at the Premises include:

- o A high efficiency roof mounted solar array and/or a standalone solar trackers
- o Establishment of an island micro-grid with battery back-up for power supply
- o Investigative research into battery and other energy storage technologies
- o Investigative research of locally available ocean energy technologies (including novel ideas such as Salinity Gradient/Tidal inlet power) with micro-grid intertie

- Investigative research of water quality, purification, and seawater desalination technologies
- An electrolyzer for H2 production, storage, energy generation via a fuel cell
- Local environmental studies and monitoring
- Other related concepts as become technologically feasible and available

Any use of the Premises by third party project supporters, as discussed in the June 08, 2011 presentation entitled “Panama Key – An Off-Grid Island Renewable Energy Learning Laboratory” which is incorporated herein by reference and included as Exhibit “B”, shall be in compliance with this Lease Agreement.

5. IMPROVEMENTS:

LESSEE has forwarded a proposal, subject to securing the necessary funding, to repair, modify, renovate and/or remove the existing island out buildings as needed and to repair, modify, and renovate the existing island main structure, basically a stilt housing unit, to LEED certified/energy efficient condition. Other planned site improvements are subject to change, due to the nature of a research facility; however, most applications will be dedicated to research and development for alternative potable water and renewable energy sources. Any improvements, in addition to those listed in Section 4 above, must be approved by COUNTY prior to construction, which approval may not be unreasonably withheld.

6. SURRENDER AT END OF TERM:

No later than one hundred and twenty (120) days after the termination or expiration of this Lease Agreement, the LESSEE shall remove the all associated equipment from the Premises, and shall return the Premises to substantially the same condition existing on the Commencement Date, reasonable wear and tear and loss by casualty or other causes beyond LESSEE’S control excepted.

7. MAINTENANCE:

All maintenance and repairs for the existing and proposed improvements on the Premises shall be the sole responsibility of the LESSEE.

8. COVENANT AGAINST LIENS:

LESSEE shall have no power or authority to create any lien or permit any lien to attach to the estate, reversion or other estate of COUNTY in the Premises or on the building or other improvements thereon, and all materialmen, contractors, artisans, mechanics and laborers and

other persons contracting with LESSEE with respect to the Premises or any part thereof, are hereby charged with notice that they must look to the LESSEE to secure payment of any bill for work done or material furnished or for any other purpose during the term of this Lease Agreement.

9. ASSIGNMENT AND SUBLETTING:

LESSEE may assign or sublet the Premises to the extent of their interest or any part thereof with the consent of the COUNTY only if the nature of the use is not changed and the Assignment is made to an affiliate, or subsidiary of LESSEE.

10. ACCESS TO THE PREMISES:

The COUNTY and LESSEE shall allow their technicians, engineers, or contractor's reasonable ingress and egress-24 hours per day, 7 days per week to the Premises. Each party is responsible for any damage which might be done to said site by reason of the negligence or willfulness of its officers, employees, third party partners, servants, agents or guests, shall be paid for, corrected or repaired by said party.

11. SECURITY:

LESSEE'S officers, employees, servants, agents and guests shall comply with all security requirements of the Pinellas County Park Department. LESSEE and the COUNTY agree to be diligent in keeping the Premises secure by observing security measures such as locks on buildings, gates and barriers. COUNTY is not responsible or liable for damages or destruction of LESSEE'S personal property not caused by the negligent or willful acts of the COUNTY, its employees, agents, invitees or other Lessees. The COUNTY reserves the right to eject and/or refuse entry to anyone not complying with any security measures or tampering with COUNTY facilities in any way.

12. PARTIES LIABILITY:

The University of South Florida Board of Trustees (LESSEE), a public body corporate, on behalf of its College of Marine Science, and Pinellas County, a political subdivision of the State of Florida, shall each remain liable for their own respective acts of negligence, pursuant to Florida law. Nothing contained herein is intended or shall be construed to waive any immunity from or limitation of liability to which LESSEE and/or the COUNTY may be entitled under the doctrine of sovereign immunity or Section 768.28, Florida Statutes, as it may be amended from time to time. All property of any kind that may be on the Premises during the continuance of the Lease Agreement shall be at the sole risk of LESSEE except that COUNTY shall be liable for

damage to personal property of LESSEE as shall have been directly caused or resulting from the sole negligence of COUNTY.

13. HAZARDOUS SUBSTANCES:

The COUNTY represents that it has no knowledge of any substance, chemical, or waste (collectively, substance) on the site that is identified as hazardous, toxic or dangerous in any applicable Federal, State or local regulation. LESSEE shall not store, treat, or discard any such substance on the site in violation of any applicable law.

14. INSURANCE:

If LESSEE is a governmental entity entitled to sovereign immunity or Section 768.28, Florida Statute, a written statement of Self-Insurance shall be supplied to Pinellas County Risk Management annually until termination of this contract. LESSEE shall require any contractors or sub-contractors to obtain and maintain, at all times during its performance of the Agreement, insurance of the types and in the amounts set forth below. Such requirements shall be included in a written agreement with contractor(s). All insurance policies shall be from responsible companies duly authorized to do business in the State of Florida and have a "Bests" rating of at least A-VIII. Within ten (10) days calendar days after contractor receipt of notice of award, LESSEE's Contractor shall provide the COUNTY with properly executed Certificates of Insurance to evidence compliance with the insurance requirements of the agreement. The Certificate(s) of Insurance shall be signed by authorized representatives of the insurance companies shown on the Certificate(s). **A copy of the endorsement(s) referenced in paragraph (4) for Additional Insured shall be attached to the certificate(s).**

All insurance policies of the LESSEE'S contractor(s) shall be primary and non-contributory to the insurance or self insurance programs carried by the COUNTY. Receipt of the certificate of insurance by the COUNTY of any Certificate of Insurance or Self- Insurance statement, does not constitute approval or agreement by the COUNTY that the insurance requirements have been satisfied or that the insurance policy shown on the Certificate of Insurance is in compliance with the requirements of the Agreement.

No work shall commence at any site unless prior approval has been received and approved by Pinellas County and until the required Certificate(s) of Insurance are received and approved by the COUNTY.

All liability insurance policies, other than professional liability, worker's compensation and employer's liability policies obtained by LESSEE'S Contractor(s) to meet the requirements of the Agreement shall be endorsed to include Pinellas County Board of County Commissioners as an Additional Insured.

If any insurance provided pursuant to the Agreement expires prior to the termination of this lease agreement, renewal Certificates of Insurance and endorsements, or Self Insurance Statements, and, if requested by the COUNTY, certified true copies of the renewal policies shall be furnished by the LESSEE to the COUNTY within thirty (30) days prior to the expiration date.

Should the LESSEE'S contractor, at any time, not maintain the insurance coverages required herein, the COUNTY may terminate the Agreement, or at its sole discretion be authorized to purchase such coverage's and charge the LESSEE for such purchase. The COUNTY shall be under no obligation to purchase such insurance, nor shall it be responsible for the coverage's purchased or the insurance company or companies used. The decision of the COUNTY to purchase such insurance shall in no way be construed to be a waiver of any of its rights under the Agreement.

The LESSEE shall submit to the COUNTY Department of Risk Management a copy of all accident reports arising out of any injuries to its employees or those of its contractors or subcontractors, or any personal injuries or property damage arising or alleged to have arisen during the term of this Agreement.

The insurance requirements for this Agreement, which shall remain in effect throughout its duration, are as follows:

(A) Workers' Compensation

Limit	Florida Statutory
Employer's Liability Limits	
Per Employee	\$ 500,000
Per Employee Disease	\$ 500,000
Policy Limit Disease	\$ 500,000

Workers Compensation Policy shall include Longshoreman & Harborworkers Act coverage and/or Jones Act Coverage if watercraft will used as part of any project. These coverages may also be carried on a marine policy (see "D" below) in lieu of being carried on the Workers Compensation policy.

(B) Commercial General Liability Insurance including, but not limited to, Independent Contractor, Contractual Liability (covering the liability assumed under indemnification provisions of this contract) Premises/Operations, Products/Completed Operation and Personal Injury.

Limits

General Aggregate	\$1,000,000
Products/Completed Operations Aggregate	\$1,000,000
Personal Injury and Adv Injury	\$1,000,000
Each Occurrence	\$1,000,000

(C) Business Automobile or Trucker's/Garage liability (if motor vehicles will be on premises) covering owned, hired and non-owned vehicles. Coverage shall be on an "occurrence" basis, such insurance to include coverage for loading and unloading hazards, unless Contractor can show that his coverage exists under the Commercial General Liability policy.

Limit

Per Accident	\$ 500,000
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(D) Protection and Indemnity (if watercraft are used by LESSEE or LESSEE's contractor as part of any project)

Limit

Bodily Injury and Property Damage	\$1,000,000
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(E) Pollution Legal Liability (for any project involving potential environmental damage to land, air or water, including use of chemicals).

Limit

Each Occurrence	\$1,000,000
Aggregate	\$2,000,000

for pollution losses arising from this contract. Coverage shall apply to sudden and gradual pollution conditions including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water, which results in Bodily Injury or Property Damage. Coverage should include:

- (1) Bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death; property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean up costs, and the loss of use of tangible property that has not been physically injured or destroyed;
- (2) Defense including costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensation damages.
- (3) Cost of Cleanup/ Remediation.

For acceptance of Pollution Liability forms included within a Commercial General Liability policy, a statement notifying the certificate holder must be included on the certificate of insurance issued by the Insurance Broker; and the total amount of Commercial General Liability coverage per occurrence must be greater than or equal to the amount of Commercial General Liability and Pollution Legal Liability as listed separately.

- (F) Professional Liability including coverage for Environmental work (if LESSEE contracts with Engineer/Architect for projects arising from this agreement) with at least minimum limits as follows:

Limits	
Each Occurrence or Claim	\$1,000,000
Aggregate	\$1,000,000

If coverage is written on a “claims-made” basis, shall submit a certificate of insurance each year for three years after completion and acceptance of the project, evidencing claims-made coverage. If coverage is purchased specifically for the project, “tail coverage” shall be purchased for a period of three years after expiration of the policy.

- (G) Builders Risk Insurance and/or Installation Floater shall be provided to insure against loss of or damage to the work by perils insured under and “all risk” form including, but not limited to fire, lightning, extended coverage perils, sinkhole and flood. The amount of the coverage shall be the replacement cost of the work as determined by the COUNTY. Policy shall remain in effect until final acceptance by COUNTY and LESSEE, and shall include coverage for all testing. Said policy shall name the COUNTY, LESSEE and LESSEE’S contractors and subcontractors as

named insureds as their interests may appear (ATIMA). Any loss payment shall be made payable to the COUNTY for the benefit of all concerned. Deductible(s) shall be the responsibility of LESSEE or LESSEE's contractor. A waiver of subrogation endorsement shall be included as stated in (7) below.

Each insurance policy shall include the following conditions by endorsement to the policy:

- (1) LESSEE or LESSEE'S contractor shall notify COUNTY within twenty four (24) hours after receipt, of any notices of expiration, cancellation, non-renewal or material change in coverage received by said LESSEE or LESSEE'S Contractor from its insurer by certified mail to: Pinellas COUNTY Risk Management, 400 S. Ft. Harrison Avenue, 3rd Floor, Clearwater, Florida 33756; and nothing contained herein shall absolve Contractor of this requirement to provide notice.
- (2) Companies issuing the insurance policy, or policies, shall have no recourse against COUNTY for payment of premiums or assessments for any deductibles which all are at the sole responsibility and risk of LESSEE.
- (3) The term "COUNTY" or "Pinellas County" shall include all Authorities, Boards, Bureaus, Commissions, Divisions, Departments and offices of COUNTY and individual members, employees thereof in their official capacities, and/or while acting on behalf of Pinellas County.
- (4) **Pinellas COUNTY shall be endorsed** to the required policy or policies as an Additional Insured. The policy clause "Other Insurance" shall not apply to any insurance coverage currently held by COUNTY to any such future coverage, or to COUNTY's Self-Insured Retention's of whatever nature. Copy of endorsement must be provided with certificate of insurance as proof of coverage.
- (5) All policies shall be written on a primary, non-contributory basis
- (6) Any certificate of insurance evidencing coverage provided by a leasing company for either workers compensation or commercial general liability shall have a list of covered employees certified by the leasing company attached to the certificate of insurance.

(7) Insurance policies shall include waivers of subrogation in favor of Pinellas County.

15. TAXES:

LESSEE shall be responsible for the payment of any and all sales, use, rental, ad valorem, or other taxes that may be levied and assessed due to any construction undertaken as provided herein or for LESSEE'S use or occupancy of the Premises, or due to this Lease Agreement or any right arising under this Lease Agreement, excluding taxes assessed against the real property or improvements other than the one constructed or installed by LESSEE.

16. GOVERNING LAW:

This Lease Agreement and the performance hereof shall be governed, interpreted, construed and regulated by the laws of the State of Florida. Venue shall be in Pinellas County, Florida.

17. NOTICES:

Official correspondence, notices and other documentation required under this Lease Agreement shall be forwarded to the COUNTY by registered or certified mail, return receipt requested unless LESSEE is notified otherwise to the following address:

Parks and Conservation Resources
12520 Ulmerton Road
Largo, FL 33774

Copies to:

Real Property Division
509 East Avenue South
Clearwater, Florida 33756

And:

Official notices, correspondence, and documentation given to the LESSEE hereunder shall be forwarded by registered or certified mail, return receipt requested unless COUNTY is notified otherwise in writing to the following address:

University of South Florida/College of Marine Science
140 Seventh Avenue South, Room 136-M
St. Petersburg, Florida 33701
Attn: Dr. Clifford R. Merz, PE

18. SEVERABILITY:

If any one or more of the covenants, agreements or provisions of this Lease Agreement shall be held contrary to any expressed provisions of law, although not expressly prohibited, contrary to any express provision of public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Lease Agreement.

19. COMPLIANCE WITH LAWS:

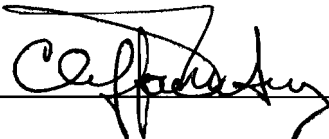
LESSEE shall comply with all laws of the United States of America and the State of Florida. LESSEE shall obtain all necessary permits and leases and keep the same in force during the term of this Lease Agreement and shall not permit or commit any strip or waste of the Premises.

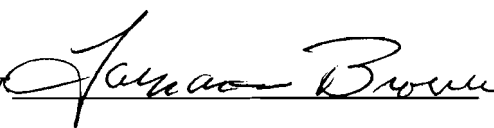
20. MODIFICATION TO AGREEMENT/ENTIRE AGREEMENT AND BINDING EFFECT:

This Lease Agreement and the attached exhibits constitute the entire Lease Agreement between the COUNTY and LESSEE. No prior written or prior, contemporaneous or subsequent oral promises or representations shall be binding. This Lease Agreement shall not be amended or changed except by written instrument signed by both parties hereto. Paragraph captions herein are for convenience only, and neither limits nor amplifies the provisions of this Lease Agreement.

IN WITNESS WHEREOF, COUNTY and LESSEE have executed this Lease Agreement as of the date and year first above written.

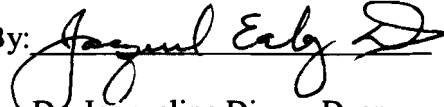
WITNESSES:

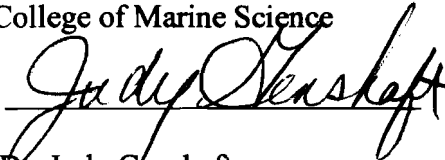
By: 
Print Name: Dr. Clifford R. Merz


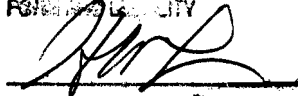
By: 
Print Name: TAMERA BROWN

LESSEE:

UNIVERSITY OF SOUTH FLORIDA

By: 
Dr. Jacqueline Dixon, Dean
University of South Florida/
College of Marine Science

By: 
Dr. Judy Genshaft
President, University of South Florida



HENRY W. LAVANOS
ATTORNEY AT LAW

ATTEST:

KEN BURKE
Clerk of the Circuit Court

LESSOR:

PINELLAS COUNTY, FLORIDA,
by and through its Board of County Commissioners

By: _____
Deputy Clerk

By: _____
Chairman

(OFFICIAL SEAL)

THE TERMS SPECIFIED HEREIN ARE SUBJECT TO APPROVAL IN OPEN SESSION BY THE BOARD OF COUNTY COMMISSIONERS, PINELLAS COUNTY, FLORIDA.

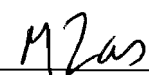
APPROVED AS TO FORM
OFFICE OF THE COUNTY ATTORNEY
By: 
Sr. Asst. County Attorney

Exhibit A PANAMA KEY



Panama Key - An Off-Grid Island Renewable Energy Learning Laboratory

Safe, Clean, Green, Renewable Energy



Mr. Paul Cozzie, Director
Pinellas County Parks and Conservation Resources
12520 Ulmerton Road
Largo, FL 33774

Wednesday, 08 June, 2011 9 am



Presenters:

Dr. Clifford R. Merz, PE – University of South Florida/College of Marine Science
Mr. Joseph Lettelleir – AMIkids, Inc.

Agenda

- **Panama Key - Recent Past and Present**
- **Proposed New Use for Panama Key**
- **Technology Opportunity**
- **Community Value**
- **Existing Interest**
- **Recent Project Activities/Needs**
- **PI Background - Merz**
- **Conclusion**



Panama Key – Recent Past and Present

■ Panama Key – Present

- Panama Key is a 2.5 acre (M.O.L.) barrier island off the Gulf of Mexico in Boca Ciega Bay, southernmost Pinellas County.
- Currently on the island there exists a 2,000 square-foot stilt house and dock built in 1992.
- AMIkids, Inc (formally Pinellas Marine Institute [PMI]) is the current lessee and Pinellas County is the property owner. Lease end date is August 2013.
- Originally established as a lab to measure the effectiveness of a program where troubled kids were taken out of court and introduced to a 30 to 60 day island stay.
- The lab worked and over the years has been able to turn kids around after having moved them from their home influences.
- However, over the years, funding for this program has disappeared and the facility condition has degraded and is in need of much repair.



Proposed New Use for Panama Key

■ Panama Key – Proposed Future

- Propose to collaborate with AMIkids, Inc., Pinellas County, and supporting partners to perform needed infrastructure and building (LEED Certified) repair/renovation and convert the Island into a self-contained off-grid renewable energy and water quality/drinking water production research, outreach and education learning center.
- Ultimately the self-contained, renewable energy/water quality research facility would consist of (among others):
 - A high energy efficient – LEED Certified building with rain water capture and hold with backup diesel generator capable of running on Biodiesel;
 - An high efficiency roof mounted solar array/or a stand alone solar tracker;
 - Establishment of an island micro-grid with battery back-up for power supply;
 - Investigative research into battery and other energy storage technologies;
 - Investigative research of locally available ocean energy technologies (including novel ideas such as Salinity Gradient/Tidal inlet power) with micro-grid intertie;
 - Investigative research of water quality, purification, and seawater desalination technologies;
 - An electrolyzer for H₂ production, storage, energy generation via a fuel cell.

Technology Opportunity

- This ambitious project offers a unique opportunity to conduct research at a convenient location and apply it directly to real world conditions and needs.
- This remote facility would provide unique opportunities for students and faculty at USF to conduct research in a local environment where research results would enhance the technical knowledge and application of renewable energy and water quality/purification techniques.
- These techniques would be demonstrated “on the ground” and interested partners could experience the practical applications without the expense and difficulties of travel to remote rural or island-based communities.
- At the same time, it is possible that governmental, commercial, and volunteer organizations could be trained to export our findings.

*“If at first, the
idea is not
absurd, then
there is no hope
for it”*

Albert Einstein

Community Value

- To the extent feasible, we would involve students and staff at AMIkids in installation activities as adjuncts to classroom education. AMIkids will also assist in local environmental studies, island to mainland transportation needs, and provide a night time resident/caretaker.
- Exposure to possible Renewable Energy and Water Quality related career opportunities is an added benefit, not only to AMIkids and/or USF participants but also to members of the general community.

RENEWABLE ENERGY WILL HELP FILL THE SUPPLY GAP TO MEET MARKET DEMANDS

Existing Interest

- Existing and Interested Project Supporters include:
 - University of South Florida/College of Marine Science
 - AMIkids, Inc.
 - Progress Energy
 - Southwest Florida Water Management District
 - Pinellas Science Center
 - Tampa Bay Water
 - Dyalitics, Inc.
 - Tampa Bay Watch

- Although significant project supporters exist, no existing funding is available. Once county approval has been obtained, efforts will continue to locate and secure the necessary funding.

- To this end, I gave this basic presentation on December 2nd, 2010 to the Pinellas County Environmental Science Form (ESF) Meeting. It was well received and comments have been incorporated into this presentation.

Recent Project Activities/Needs

- Discussed and determined a high level of interest within other parts of USF: USF Engineering /CERC/Architecture/Global Sustainability....via a March 30, 2011 presentation @USF Tampa.
- Drafted and sent a formal proposal letter to Mr. Cozzie, Pinellas County on April 29, 2011.
- **Immediate Course of Action:**
 - No funding currently exists but need the county officially on board before any project can move forward. ESF vetting was an initial step.
 - Meet with Mr. Cozzie and other Pinellas County representatives to discuss the proposal letter (**today**).
 - The county will then review and proceed with drafting a license to use agreement for the facilities.
 - This agreement will then be included/referenced in support of requests for funding and sponsorships.

PI Background - Merz

■ Experience

- Extensive private and academic sector experience in the application of advanced engineering and program management to the design, development, closeout and transition to operation of ocean and hydrologic systems. Last 12 years as USF/CMS Coastal Ocean Monitoring and Prediction System (**COMPS**) Program Director.
- **COMPS** (<http://comps.marine.usf.edu/>), is a coastal ocean hydrologic and meteorological monitoring observing network along the West Florida coast, consisting of 4 offshore surface buoys, 8 National Ocean Service (NOS) compliant tidal and meteorological stations, and 5 High Frequency (HF) Radar surface current monitoring sites.
- Some of these sites are in Pinellas County where I have active license use agreements in place with the county at: Fred Howard Park (Tarpon Springs), Redington Shores, Ft De Soto and the City of St. Petersburg.
- Registered Professional Engineer, State of Florida, USA. Status: Active.

■ Education

- **PhD, Engineering Science, MS and BS in Ocean Engineering.**
 - Researched and identified a novel approach to generate electricity via the use of salinity concentration gradient differences while doing research during my PhD dissertation. Filed for a Patent on the **Dialytic Power Generator Using Diffusion Gradient** back in 2004 and was finally awarded the U.S Patent US 7,736,791 B1 on June 15 2010.
- **U. of South Florida College of Marine Science (USF/CMS) & School of Global Sustainability NT Faculty**
- **Certificate in Renewable Energy Technology, NSF's Consortium for Education in Renewable Energy Technology (CERET) Program.** Program consists of direct hands-on Solar, Wind, and Biomass workshops at remote in-field locations coupled with related sustainability based distance-learning course work.
- **Desalination Technology and Engineering Graduate Certificate, USF, Dr. Robert P. Carnahan, Program Coordinator.** Selected courses include: Membrane Theory and Practice; Pilot Plant Design and Operation; Design of Membrane Desalination Systems.

Conclusion

- Thank you for your time and attention.
- Questions:
- Contact info:

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