AN APPRAISAL REPORT

SOUTHWEST AGGREGATES

AS A RESERVOIR PROPERTY

16450 TAMIAMI TRAIL

PUNTA GORDA, CHARLOTTE COUNTY, FLORIDA 33955

EFFECTIVE DATE OF APPRAISAL

FEBRUARY 15, 2019

Gillott Appraisal Services, Inc.

Real Property • Special Purpose Properties • Counseling • Litigation Valuation

DORETTA R. GILLOTT, MAI, SRA
State-Certified General Appraiser
RZ 1872

JOHN A. GILLOTT, MAI, ASA, SRA
State-Certified General Appraiser
RZ 212

July 19, 2019

Mr. Steve Griffin, Esquire
City of Cape Coral
P.O. Box 150027
Cape Coral, Florida 33915-0027

Re: Southwest Aggregates Reservoir
16450 Tamiami Trail
Punta Gorda, Florida 33955

Dear Mr. Griffin:

In accordance with your request and authorization, we have prepared an appraisal report on the property, known as Southwest Aggregates, a borrow pit that the City of Cape Coral proposes to acquire for use as an off-line water supply storage reservoir. It is located on the east side of Tamiami Trail (US Highway 41) in Charlotte County about one mile north of the Lee County line.

The fee simple interest in the property described herein has been considered in our value estimate. The effective date of this appraisal is February 15, 2019, the date we inspected the property. The date of this appraisal report is July 19, 2019, the date of report was ready for delivery. The purpose of this appraisal is to estimate the market value of the property as a reservoir. The value estimate represents year 2019 dollars. We analyzed the property as if free and clear of all encumbrances.

The user of the report is the City of Cape Coral. No one other than the stated user may rely upon the information and analyses contained in this report. Parties who receive a copy of the appraisal as a consequence of disclosure requirements or other reasons applicable to the appraiser's client do not become intended users of the report unless they were specifically identified by the appraiser at the time of the assignment. We understand that our appraisal will be used to establish a purchase price for the property as a reservoir.

Market value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

Buyer and seller are typically motivated;

Both parties are well informed or well advised, and acting in what they consider their own best interests;

3136 Windmoor Drive North • Palm Harbor, Florida 34685-1741 • (727) 787-2213
2095 Buffalo Creek Road • Lake Lure, North Carolina 28746 • (828) 625-4370
djgillott@aol.com • www.wedoappraisals.com • djgillott@wedoappraisals.com

A reasonable time is allowed for exposure in the open market;

Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute 2010.

Our report consists of:

This letter, identifying the property appraised, summarizing the nature and extent of our investigation, and presenting the conclusion reached;

An introduction section with an executive summary and an overview of the property;

A narrative report describing the nature of the assignment, the area and neighborhood, the property appraised, the valuation method(s) used, the conclusion of value(s) reached and;

Exhibits Including:

- Photographs
- Certification
- Qualifications of Appraisers
- Assumptions and Limiting Conditions
- Engagement Letter
- Related Documents

The following factors were considered in developing our opinion of value:

Location, size, zoning and utility of the land

Highest and best use of the land and of the property as vacant and improved

Prevailing trends in the neighborhood, general conditions and the relative desirability of the property in the marketplace.

The appraisers have no knowledge of the existence of hazardous material on the property, however, the appraisers are not qualified to detect the presence of contaminants. The presence of potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or under the property that would cause a loss in value.

Our work effort was designed to meet the requirements of Title XI of the Federal Financial Institutions, Reform, Recovery, and Enforcement Act (FIRREA) of 1989. The appraisal analyses and opinions were developed and this appraisal report was prepared in conformance with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation, and the State of Florida. The appraisers are competent to complete the report in accordance with the competency

provision of the Uniform Standards of Professional Appraisal Practice. We specialize in appraising special purpose properties, like the subject property, and are competent to complete the report in accordance with the competency provision of USPAP. We have not previously appraised the subject property.

This letter of transmittal precedes the narrative report further describing the property and containing the reasoning and most pertinent data leading to the value estimates. The opinions expressed in this letter can only be completely understood by reading the narrative report, exhibits, and other data that follow. Your attention is directed to the Assumptions and Limiting Conditions, and Certification which are located in the Addenda of this report. We have not investigated the title to or any liabilities against the property appraised.

We have made the extraordinary assumption that the estimate of acre-feet capacity for the subject property, upon which our opinion of value is based, is more or less correct. We have made the hypothetical condition that the subject property is permitted for use as a reservoir. The appraisers have acted in an independent capacity, and the appraisal assignment is not based upon a requested minimum valuation or a specific valuation. Based on the investigation and premise outlined above, we have provided below our opinion of market value, as of February 15, 2019, for the property.

OPINION OF MARKET VALUE
$4,800,000

We appreciate your business. If you have any questions, please contact us.

Sincerely,

GILLOTT APPRAISAL SERVICES, INC.

John A. Gillott, MAI, ASA, SRA
Cert. Gen. RZ 212

Doretta Gillott, MAI, SRA
Cert. Gen. RZ 1872

Appraisal Report

Southwest Aggregates Property
16450 Tamiami Trail
Punta Gorda, Florida 33955

Prepared for

Mr. Steve Griffin, Esquire
City of Cape Coral
P.O. Box 150027
Cape Coral, Florida 33915-0027

Prepared by

John A. Gillott, MAI, ASA, SRA
Doretta Gillott, MAI, SRA
Gillott Appraisal Services, Inc.
3136 Windmoor Drive N.
Palm Harbor, Florida 34685-1741

Date of Valuation

February 15, 2019

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Section 1. Introduction

EXECUTIVE SUMMARY

Property Appraised	Southwest Aggregates Property 16450 Tamiami Trail Punta Gorda, Florida 33955

Parcel Numbers

422428300001	422429300004	422421300004
422427300003	422429300005	422427300001
422429151001	422429400001	422427300002
422429152001	422429476003	422428400001
422429152002	422430426009	422428126001
422429300001	422430426010	422428200001
422429300002	422430476001	422434200001
422429300003	422420427001	422434200004
		422435300002

Total Area	1,203.893 acres including 531± acres of lakes
Lake Capacity	7,550 Acre-Feet
Appraisal Date	February 15, 2019
Purpose	To provide an opinion of the market value for the subject property as a reservoir
User of the Report	City of Cape Coral
Appraisal Use	To establish a purchase price for the property
Highest and Best Use	Use as a reservoir upon depletion of the permitted reserves and/or closing of the mining operation
Zoning and Land Use	Zoning, AG, Agriculture; Land Use Agriculture and Agriculture with Conservation Overlay, Charlotte County, Florida

Opinion of Values

Value of 652-Acre Reservoir Property	$ 3,500,000
Value of 551-Acre Conservation Land	$ 1,267,000
Market Value of Subject Property	$ 4,800,000

PROPERTY OVERVIEW

The subject property, Southwest Aggregates, is located between US Highway 41 (Tamiami Trail) and Interstate-75 in southwest Charlotte County about one mile north of the Charlotte County/Lee County line. The neighborhood is rural in character with vast areas of environmentally sensitive lands. The Fred C. Babcock/Cecil M. Webb Wildlife Management Area is just east of the interstate extending southward from Punta Gorda, the county seat of Charlotte County, into Lee County. Another wildlife management area, Yucca Pens, is located between Tamiami Trail and Burnt Store Road several miles west. Two large landfills with a total of over 1,030 acres are located on Tamiami Trail immediately west of the subject property. The proximately of these two landfills to the subject negatively affect the use of the subject for any future residential development. This along with the fact that the Southwest Aggregates acreage outside of the mining area is conservation land used for off-site mitigation indicates limited potential to develop the site for residential uses. The Department of Correction's Charlotte County facility is adjacent to the subject property on the east side of the interstate.

High wet-season water flows in southwest Florida offer opportunities to harvest and store seasonal resources to meet area needs while preserving the freshwater flows needed to support estuaries. The Florida Water Resources Act, Chapter 373, F.S., established that all water in Florida, on the surface or in the ground, that comes from rivers, streams, wetlands, lakes, springs, aquifers, and estuaries across the state is a public resource managed by five water management districts. Florida has more that 7,700 lakes and wide expanses of wetlands, such as marshes, bogs, wet prairies, and swamps, which serve as a natural reservoir system to store water.

Florida's fresh water is used for public water, agriculture, irrigation, flood and water flow management, and commercial, industrial and institutional uses. Water storage is a broad term that refers to the storage of potable water for consumption and non-potable water in natural wetlands, small artificial ponds, tanks and reservoirs. The districts are interested in the possibility of increasing water storage capabilities through surface reservoirs and aquifer storage and recovery facilities. Reclaimed water remains the most frequently utilized method for water supply development and the implementation of water resource management through the construction, operation, and maintenance of major public works facilities to provide for flood control, surface, and underground water storage.

The subject property with a total of 1,204± acres has operated as a borrow pit for many years forming several lakes. Engineering maps generally divide the property into the mining tract with 917± acres and the off-site mitigation or conservation area with 286± acres. The mining tract includes 531 acres of lakes, 121 acres of setbacks, berms and uplands, and a 265-acre conservation easement used for mitigation and hydraulic barriers. The 286 off-site acreage includes ten parcels most of which are located between the I-75 corridor and the CSX rail line to the east of the mining tract. In our analysis we will value the reservoir property with 652 acres, including 531 acres of lakes and 121 acres for surrounding berms,

setbacks and uplands, and the 551 acres of conservation land which includes the 265-acre conservation easement on the mining tract and the 286 acres of off-site conservation land.

Reportedly the reserve base on Southwest Aggregates is almost depleted. It is the intent of the City of Cape Coral to purchase the property and use it as a reservoir for off-line storage of wet season runoff from the Cecil M. Webb Wildlife Management Area. Blockage of the historic flow ways west of the WMA have caused the backup of water which damages both wetland and upland habitat within the wildlife management area. Reconnecting a flow-way from the WMA to the Southwest Aggregates property would substantially benefit the flooded lands on the southwest portion of the Cecil M. Webb WMA and provide a viable source of irrigation water to the City of Cape Coral.

Delayed flow deliveries from the reservoir would flow west to the Yucca Pens WMA with the objective of improving the Yucca Pens wetland hydroperiods. Natural flow-ways west of I-75 towards Yucca Pens have been removed and public/private partnerships are being pursued with landowners between I-75 and US 41 to restore the flow-way from the Cecil M. Webb WMA to Yucca Pens WMA. The stored water on Southwest Aggregates could also be used to augment dry season flows from Gator Slough. The Bond Ranch on the east side of I-75 adjacent to the subject property and the headwaters for the Gator Slough was purchased in recent years as part of this effort. The farm is now part of the Cecil M. Webb WMA and, although an off-line storage area was designed for the farm, the storage volume of this new area is less than one half of the volume of excess water in the WMA.

The City of Cape Coral has a successful integrated water supply program that uses fresh and brackish groundwater, treated wastewater, and large-scale storm water to meet the city's water demands. There has been a significant increase in demand on the canal system as a source of irrigation water and, although the canal system has been a reliable source of irrigation water and meets demands for most months of the year, under drought conditions it has reached seasonal limits.

According to the ADA Engineering, AECOM Technical Services report from May 2015, using the Southwest Aggregates property for storage would require:

1. Modification of the existing property berms to store water on site;
2. Clay cut-off walls to reduce seepage to manageable levels;
3. A pump station to transfer water into the site;
4. A gated outflow structure;
5. Alterations to the western US 41 ditch to regulate flows from the reservoir south to Gator Slough at US 41.

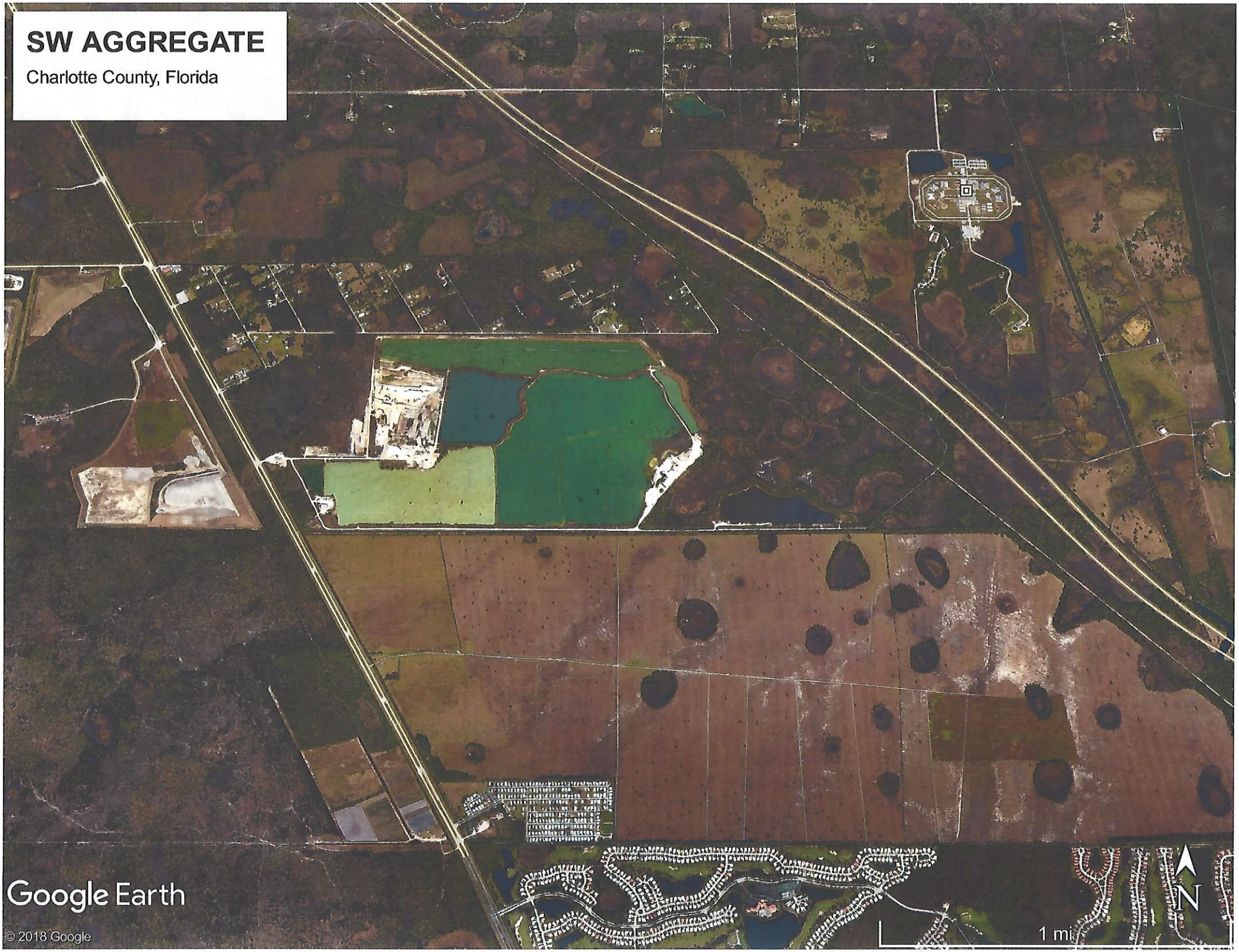
The ADA Engineering, AECOM report from November 2017 indicated that the shallow layer of low permeability sand and clays contributes to the rapid rise and fall of water levels in Yucca Pens. Water Science Associates designed and oversaw a pilot pumping test between April 27 and July 7, 2017. Approximately 17 million gallons per day was pumped from the Southwest Aggregates lake into the ditches along US 41 which was routed south and flowed approximately three miles to eventually reach Gator Slough, a source canal to the Cape

Coral Canal System. The study was conducted to obtain detailed information of the hydrogeology in the area of the Southwest Aggregates pit to evaluate the capacity of the mine for withdrawals, to evaluate potential impacts to surrounding areas from water withdrawal, to determine seepage losses in the US 41 ditches, and to deliver irrigation quality water to the City of Cape Coral canal system during a severe drought period.

A Hydrographic Survey by AIM Engineering & Surveying, Inc. of Fort Myers, dated June 26, 2019, provided the calculation of the acre-feet of water for the exiting lake acreage. We based the estimated acre-feet of storage capacity for the 531 acres of existing and future lakes on the measured average lake depth of 14.22 feet for a total reservoir capacity of 7,550 acre-feet.

Reservoirs are distributed across Florida, although the largest concentration of reservoirs, many natural lakes, are in the north part of the state. Below is an overview of these locations by county based on available information.

County	Number	County	Number	County	Number	County	Number
Alachua	2	Escambia	4	Lake	4	Putnam	1
Baker	1	Franklin	1	Leon	11	Santa Rosa	6
Bay	1	Gadsden	5	Levy	3	Sarasota	3
Brevard	1	Gilchrist	2	Madison	3	St. Johns	1
Broward	2	Hamilton	4	Manatee	2	St. Lucie	1
Citrus	1	Hillsborough	2	Miami-Dade	3	Suwannee	9
Clay	3	Holmes	3	Okaloosa	20	Volusia	2
Columbia	10	Jackson	9	Orange	1	Wakulla	6
Duval	3	Jefferson	4	Pinellas	2	Walton	10
						Washington	2


SW AGGREGATE
Charlotte County, Florida
Google Earth
© 2018 Google
1 mi
N

Oil Well Rd
Greenville Rd
T42-R24-Sec 35
T42-R24-Sec 26
T42-R24-Sec 27
T42-R24-Sec 34
T42-R24-Sec 33
T42-R24-Sec 28
T42-R24-Sec 32
T42-R24-Sec 31
T42-R24-Sec 29
T42-R24-Sec 20
T42-R24-Sec 21
CHARLOTTE County

Section 2. Nature of the Assignment

Subject of the Appraisal

This appraisal report provides an opinion of value for the Southwest Aggregates Mine property located on the east side of US Highway 41 in west Charlotte County about a mile north of the Charlotte County/Lee County line. We are valuing the property, a borrow pit that will soon be out of reserves, as a reservoir for off-line water supply storage of wet season runoff from the Cecil M. Webb Wildlife Management Area. Delayed flow deliveries will go west to the Yucca Pens Wildlife Management Area with the objective of improving Yucca Pens wetland hydroperiods and also to augment dry season flows from Gator Slough into Cape Coral.

Engineering reports and maps provided to us by the City of Cape Coral, our client, as well as information from Charlotte County were used in this analysis. ADA Engineering, Inc. of Doral, Florida and AECOM Technical Services, Inc. of Fort Myers, Florida prepared a report entitled "Feasibility Study for Potential Off-Line Water Supply Storage," dated August, 2015. Southwest Engineering & Design of Punta Gorda provided, on a map entitled "Charlotte County Mines Summary of Property Area", dated March 24, 2016, the acreage of the existing and future lake areas and of the on-site mitigation areas. An overview of this acreage is presented in Section 4 of this report and a copy of the map is in the Addenda of this report under Related Documents.

A third report dated, November 2017, by Water Science Associates, Fort Myers, Florida provided the results of a pilot pumping test for the Southwest Aggregates Reservoir with their conclusions and recommendations. The potential capacity for the Southwest Aggregates Reservoir at 7,550 acre-feet was based on lake depth measurements made by AIM Engineering & Surveying, Inc., dated June 26, 2019, in their report titled "Hydrographic Survey".

The identification numbers for the 25 parcels comprising the property are listed below, which we have divided into two groups based on the parcel boundary drawing dated March 2017 and provided in the November 2017 engineering report by Water Science Associates. The first group consists of the 15 parcels located within the engineer's approximate mining-tract boundary, which includes the existing and future lakes, berms, setbacks, uplands, and the conservation easement to the east of the lakes used for monitoring wells and as an existing hydraulic barrier and

mitigation area. The second group consists of ten off-site conservation parcels used for mitigation located to the east of the mining tract. Parcel sizes are from the Charlotte County Property Appraiser's property record cards indicating a total of 1,203.893 acres. A copy of the map (Figure 2) from the Water Science Associates report proceeds this section of the report.

Reservoir Parcels	Size in Acres	Reservoir Parcels	Size in Acres
422428300001	385.0	422429300004	5.0
422427300003	19.5	422429300005	100.06
422429151001	7.0	422429400001	* 287.7
422429152001	6.9	422429476003	2.12
422429152002	6.887	422430426009	1.2
422429300001	44.7	422430426010	34.94
422429300002	6.887	422430476001	2.0
422429300003	7.709	Total Acreage	917.603

* Includes 265-acre conservation easement

Off-Site Mitigation Conservation Parcels	Size in Acres	Off-Site Mitigation Conservation Parcels	Size in Acres
422420427001	6.39	422428126001	14.33
422421300004	21.4	422428200001	75.65
422427300001	1.46	422434200001	36.21
422427300002	43.69	422435300002	68.3
422428400001	5.2	422434200004	13.66
		Total Acreage	286.29
		Total Property Acreage	1,203.89

Purpose, Use and Users of the Appraisal

This appraisal was made to express an opinion of the market value of the fee simple interest in the subject property. The effective date of our opinion of market value is February 15, 2019 the date the property was inspected. The date of our appraisal report is July 19, 2019, the date the appraisal was ready for delivery.

The purpose of this assignment is to provide an opinion of the market value for the subject property as a reservoir for off-line water supply storage. The use of this appraisal is to establish a purchase price for the property as a reservoir. This report is for the use of the City of Cape Coral, the potential buyer and our client. No one other than the stated user may rely upon the information and analyses contained in this report. Parties who receive a copy of the appraisal as a consequence of disclosure requirements or other reasons applicable to the appraiser's client do not become intended users of the report unless they were specifically identified by the appraiser as a user at the time of the

assignment. Payment of the appraisal fee by another entity other than the client does not make that party our client under USPAP.

Definition of Market Value

The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer whereby:

a. Buyer and seller are typically motivated;

b. Both parties are well informed or well advised, and acting in what they consider their own best interests;

c. A reasonable time is allowed for exposure in the open market;

d. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: *The Dictionary of Real Estate Appraisal, Sixth Edition,* Chicago: Appraisal Institute, 2015

Property Rights Appraised

We are valuing the fee simple interest in the subject property. Fee simple estate is defined as: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Source: *The Dictionary of Real Estate Appraisal, Sixth Edition* Chicago: Appraisal Institute, 2015.

Definition of Extraordinary Assumption

An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or conditions external to the property such as market conditions or trends; or the integrity of data used in an analysis.

Source: USPAP, 2018-2019 Edition.

We have made the extraordinary assumption that the estimate of the capacity for the Southwest Aggregates Reservoir of 7,550 acre-feet is more or less correct.

Definition of Hypothetical Condition

A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Source: USPAP, 2018-2019 Edition

We have made the hypothetical condition that the subject property is permitted for use as a reservoir.

Exposure Time

Exposure time is the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

Source: *Uniform Standards of Professional Appraisal Practice, 2018-2019 Edition*, The Appraisal Foundation

Exposure time is always presumed to occur prior to the effective date of the appraisal. Exposure time for the property as a property suitable for use as a reservoir is less than one year.

Methodology and Scope of the Assignment

In accordance with our client's request we have prepared an appraisal report that provides an opinion of market value for the fee simple interest in the property as an off-line water storage reservoir. The specific steps are outlined below.

1. We visited the property known as Southwest Aggregates, a mining operation, and used the Goggle Earth mapping system and County GIS maps for aerial views of the subject property and surrounding areas;

2. The area and neighborhood were visited, regional and area information and demographics were researched and the internet was used to obtain information about general development trends, the economic base, employment picture and related topics;

3. Parcel numbers associated with the subject property were provided to us as well as engineering reports describing the feasibility of the property as an off-line water storage facility and analyzing the pilot pumping program for the Southwest Aggregates Reservoir. We used the illustration of the approximate parcel boundary for the reservoir provided in the

November 2017 report by Water Science Associates and the Summary of Property Area by Southwest Engineering & Design dated March 24, 2016 to identify the parcels associated with the reservoir itself and the off-site mitigation parcels outside the mining property boundary. We also used information from the county's property records, zoning and planning department, the tax collector, and other county and state departments in the preparation of this report;

4. The property was analyzed from the viewpoint of utility, access and other physical and locational factors, and the highest and best use of the appraised property was determined;

5. We used the acre-foot capacity for the potential reservoir provided to us and analyzed the property on this basis;

6. The applicable approaches were developed to provide an opinion of the market value for the property as a off-line water supply storage facility;

7. We developed the sales comparison approach using sales of water storage facilities from the state of Florida and Georgia. These sales like the subject were former mining properties that were purchased specifically for use as water storage facilities. To provide additional support, we also analyzed sales of former mining properties with lakes that were purchased for other uses;

8. The market value of the conservation parcels were valued using the sales comparison approach;

9. The income approach was developed using reservoir properties in central and southwest Florida that were leased. Although there was limited information on leased reservoirs, this approach provided support for the sales comparison approach;

10. A reconciliation and conclusion of the market value for the subject property was provided.

Property Ownership

Ownership of the parcels associated with the subject property, as listed in public records of Charlotte County are:

B P Limited Liability Co.
or
Neslund Family Ltd. Partnership II
15210 Wayzata Boulevard
Wayzata, Minnesota 55391

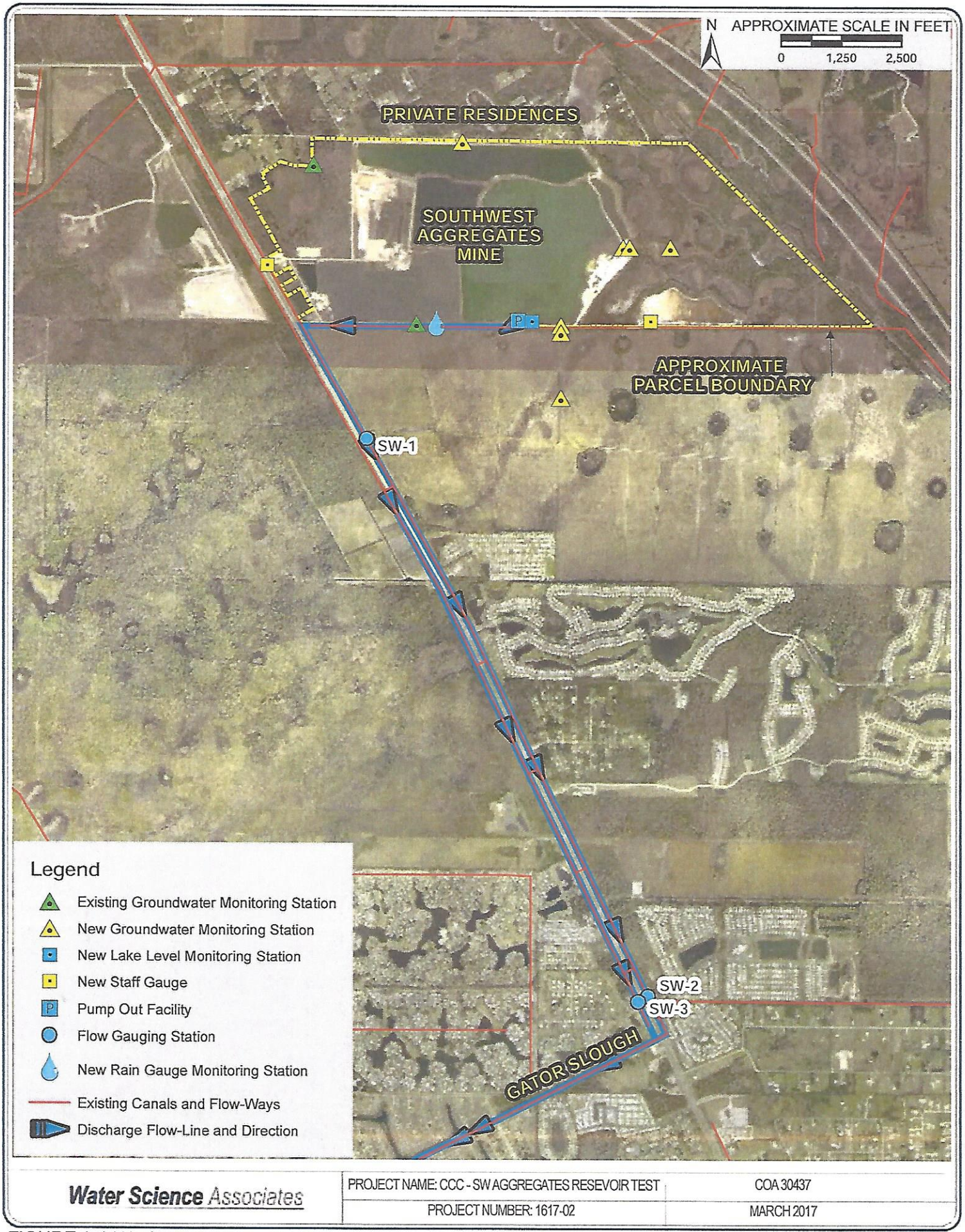


FIGURE 2. MAP SHOWING TEST PROGRAM PUMPING, MONITORING, AND CONVEYANCE ROUTING

From: Grant Fichter <gfichter@aimengr.com>
Sent: Thursday, June 27, 2019 7:39 PM
To: Dawn Andrews <dandrews@capecoral.net>
Cc: Roger Copp <roger@wsaconsult.com>
Subject: [EXTERNAL] - FW: AIM-SW Aggregates Bathymetric Survey

Dawn,
I have corrected the table below. Please delete previous email with information so there is no confusion going forward. Let me know if any questions come up.

Thanks!

Grant Fichter, Survey Manager | **AIM Engineering & Surveying, Inc.** | 239.332.4569 office | 239.284.1914 direct line| 239.872.2625 cell | gfichter@aimengr.com

From: Grant Fichter
Sent: Thursday, June 27, 2019 3:06 PM
To: Dawn Andrews <dandrews@capecoral.net>
Cc: Roger Copp <roger@wsaconsult.com>
Subject: AIM-SW Aggregates Bathymetric Survey

Hi Dawn,
I have a link below where you can download the bathymetric survey CAD files and the electronically signed surveyor's report. The report shows the calculations we derived from the survey data using our standard methodology. We used those calculations and we came up with the following acre feet of water calculations and we used the formulas and values below. Please make sure this is the methodology and formula your staff would use. This is not something we normally calculate.

https://aim.ftpstream.com/140278/b25ecd6c48a352d39e6f4196fd6ad4ab/SW%2bAggregates.zip

Formula: Multiplying the lake acreage by average depth of lake.

Lake #	Acreage	Average Lake Depth	Acre Feet of Water
1	5.40	12.36	66.744
2	171.57	14.93	2561.5401
3	66.44	14.11	937.4684
4	38.18	13.58	518.4844
5	76.14	16.13	1228.1382

Please let me know if you have any questions, and thanks for your patience with us.

Grant Fichter, Survey Manager | **AIM Engineering & Surveying, Inc.** | 239.332.4569 office | 239.284.1914 direct line| 239.872.2625 cell | gfichter@aimengr.com

AIM Engineering & Surveying, Inc.

Corporate Office
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Suite 100
Fort Myers, FL 33901

239-332-4569
800-226-4569
www.aimengr.com

Successfully providing our clients and the community with quality planning, engineering and surveying since 1980.

REPORT OF SURVEY

Southwest Aggregates Mine

HYDROGRAPHIC SURVEY

AIM Project Number: ***19-0902***

AIM Project Manager: ***Darren Townsend, PSM***

June 26, 2019

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Abbreviations

GPS	Global Positioning System
FDOT	Florida Department of Transportation
FPRN	Florida Permanent Reference Network
ft or '	foot or feet
Inc.	Incorporated
LB	Florida Licensed Business Number
NAD	North American Datum
NAVD 88	North American Vertical Datum of 1988
NGS	National Geodetic Survey
No.	Number
PSM	Professional Surveyor and Mapper
RTK	Real-time Kinematic
+/-	More or less

Notes

1. This hydrographic survey report and copies thereof are not valid without the electronic signature and seal of a Florida Licensed Surveyor and Mapper. This report is not complete or valid without the digital deliverables referenced in this report.

2. Additions or deletions to the report by other than the signing party are prohibited without written consent of the signing party.

3. All field work was performed by:

AIM Engineering & Surveying, Inc.
Licensed Business No. 3114
2161 Fowler Street, Suite 100
Fort Myers, FL 33901
(239) 332-4569

4. Surveyor and Mapper in Responsible Charge: Darren Townsend, PSM 6476

5. This is not a boundary survey.

Certification

I hereby certify that as of the date of this report the information contained herein and referenced digital files are a true representation of a field survey made in my responsible charge. This survey is certified as meeting or exceeding, in quality and precision, the standards applicable for this work, as set forth in Chapter 5J-17, Florida Administrative Code.

Digitally signed by
Darren Townsend,
PSM
Date: 2019.06.27
14:31:32 -04'00'

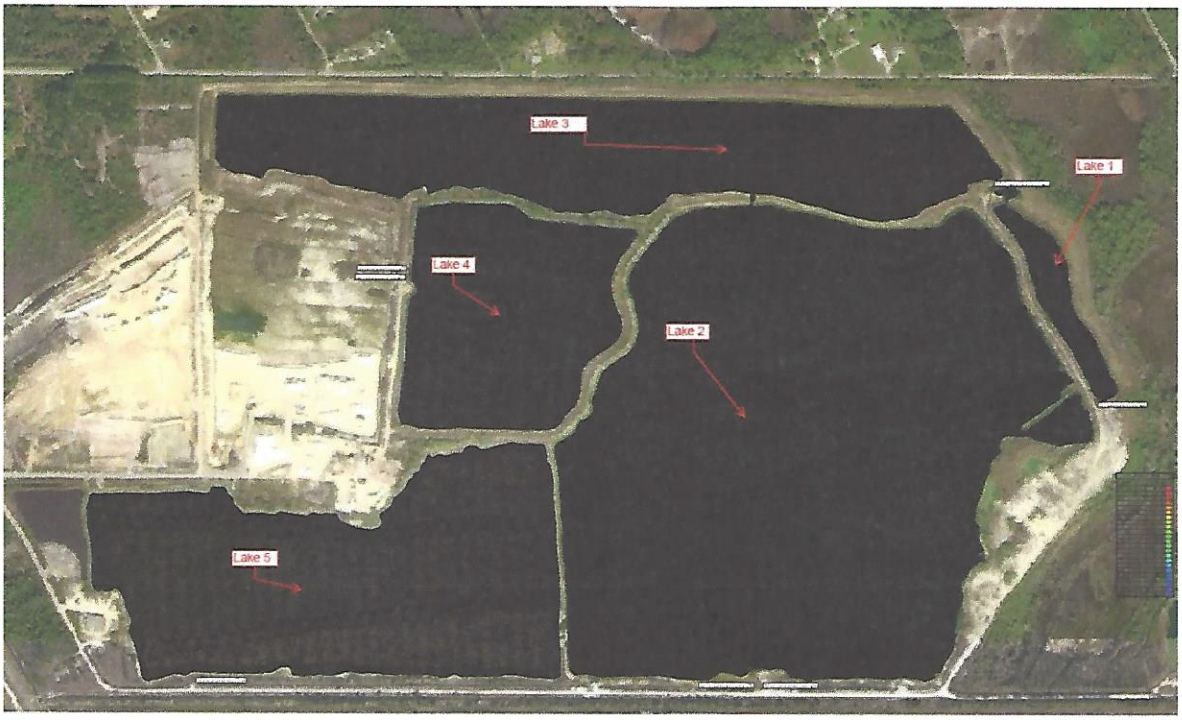
Darren Townsend, PSM
Florida Certificate No. 6476
(For the firm – LB 3114)

Date Signed

Purpose & Objective

The purpose of this hydrographic survey was to define the bottom topography to calculate approximate water storage capacity for each of the five lakes in Punta Gorda, FL. Please refer to the sketch below for a depiction of the area covered for this project.

Lakes Surveyed



Volume and Area Calculations

These calculations are based on the present water (PW) elevation for each lake at the time of the survey, as well as the bathymetric survey depths and elevations derived from the survey.

Lake #	Present Water Elevation (NAVD 88) US Survey Feet	Area in Square Feet	Acreage	Cubic Yards of Lake Volume Below (PW)	Average Lake Bottom Elevation
1	23.15	235273	5.40	108086	10.79
2	23.21	7473684	171.57	4132205	8.28
3	23.21	2894048	66.44	1512015	9.10
4	22.36	1663012	38.18	836146	8.78
5	23.18	3316820	76.14	1981181	7.05

Project Control & Datum

Horizontal location and elevation of bathymetric data and features were collected using RTK GPS corrections received from the Florida Department of Transportation FPRN Network, base station "PNTA" and verified by ties to NGS control point "E 801".

All data is horizontally related to the Florida State Plane Coordinate System, West Zone, NAD 1983.

All elevations are relative the North American Vertical Datum of 1988 (NAVD 88), GEOID 12A.

All measurements are in U.S. survey feet or decimals thereof.

Equipment & Procedures

Single beam acoustic soundings were acquired using a Hydrolite-TM Acoustic Echo Sounder with a 200 kilohertz, single frequency transducer. The transducer was mounted midway along the port side of a ten (10) foot jon boat. The horizontal and vertical positions of the soundings were established by RTK GPS.

Bathymetric data was post-processed using Autodesk Civil 3D software.

Expected Accuracy

The vertical network accuracy of RTK GPS corrections has been tested by ties to the NGS control point cited above. It is estimated that the vertical network accuracy is +/- .2'.

It is estimated that the relative positional horizontal accuracy of sonar bathymetric data is +/- 1.5'. This includes errors associated with wave action and the subsequent rolling, pitching and heaving of the survey boat as well as time lag between the GPS position measurement and reception of the acoustic sounding signal from the bottom.

The relative vertical accuracy of the sonar bathymetric data was tested by comparing sonar depth readings to manual distance measurements from the sensor to the bottom surface; and by comparing overlapping data collected on different days or survey lines. The expected vertical accuracy of sonar derived bathymetric data is +/- 0.3'.

Dates of Field Data Collection

Field survey data collection was collected between June 14th, 2019 and June 20th, 2019 as recorded in field book 1562, pages 36-40.

Project Personnel

Office Personnel:
Christian Phillips-Survey Technician
Grant Fichter-Quality Control
Darren Townsend, PSM – Project Manager

Field Personnel:
Jordon Rowley – Crew Chief / Sonar Operator
Tim Buchannan – Instrument Operator

Index of Digital Files Delivered

In addition to the information provided in this survey report, the following digital deliverables were provided to the client:

- "*GDTMRD01*" - AutoCAD Civil 3D eTransmit package *"GDTMRD01"* containing project topographic data as well as all supporting CAD files.

TN
MN (6.0°W)

Scale 1 : 900,000
1" = 14.20 mi
Data Zoom 7-7

Section 3. Area and Neighborhood Overview

Market Area Overview

This section describes the local, regional and statewide markets, and the vitality of various industry sectors in these Florida markets. The information provided in this overview of the state, region and county is data published by the US Census Bureau, US Department of Labor, Bureau of Economic and Business Research, the University of Florida, and other sources. The information and statistics used in this section are the most recent information found and it is assumed that it reflects the area's current demographic and economic picture.

Florida, the most populous state in the south, became the third largest state in the US in total population in early 2015 behind California and Texas. Florida with a mid-2018 population estimated by World Population Review at 21,002,678 has 900 to 1,000 new residents moving into the state each day for an estimated 365,000 new residents per year.

The state has three of the top ten fastest growing metro areas in the nation in terms of overall population growth. These are the Miami-Fort Lauderdale-West Palm Beach metro area ranked sixth in the US, the Tampa-St. Petersburg-Clearwater metro area ranked seventh, and the Orlando-Kissimmee-Sanford metro area ranked eighth. The state also has ten of the top 20 fastest growing metro areas in the nation in terms of growth rate with seven metro areas accounting for more than three-quarters of the state's population gain and four metropolitan areas having populations of over one-million residents. According to the US census Bureau, two southwest Florida cities, Bonita Springs and Fort Myers, were ranked as having the eighth and fifteenth fastest growth rates in the US. A snapshot of Florida's population growth since 1980 and its projected growth is presented below.

POPULATION

Year 2040	Mid Year 2018	Year 2010	Year 2000	Year 1990	Year 1980
29,413,775	21,002,678	18,801,310	15,982,824	12,938,071	9,746,961

Florida's seven most populous counties, Miami-Dade, Broward, Palm Beach, Hillsborough, Orange, Pinellas and Duval, account for more than 50% of the state's population. Much of Florida's population growth through 2060 is expected to take place within

two broad corridors: the Tampa Bay area through Orlando to the Atlantic coast and the Tampa Bay area to Jacksonville. Pinellas County is fully developed and it is anticipated that Hillsborough, Orange, Lee, Polk, and Pasco Counties will absorb a proportionately greater share of Florida's growth.

Overview of Charlotte County

The subject property is located in Charlotte County in the southwest region of Florida. The region is located on the Gulf of Mexico, south of the Tampa Bay area, west of Lake Okeechobee, and for the most part north of the Everglades. The ten counties in the southwest Florida region include the fast-growing gulf coast counties of Charlotte, Collier, Lee, Manatee and Sarasota Counties, and the rural inland counties of DeSoto, Glades, Hardee, Hendry and Highlands.

The southwest region, a tourism and retirement mecca with of population of 2.272 million residents, continues to be one of the fastest growing regions in one of the fastest growing states in the nation. The growth rate for the Punta Gorda MSA (Charlotte County) between 2010 and 2018 was 11.3%, that for the Cape Coral-Fort Myers MSA (Lee County) was 15.4%, for the Naples-Immokalee-Marco Island was 14.l%, and for the North Port-Sarasota-Bradenton MSA (Manatee and Sarasota Counties) was 13.2%. Presented below is an overview of the population estimates for the ten southwest counties and a detailed discussion of Charlotte County.

POPULATION OVERVIEW IN SOUTHWEST FLORIDA

County	April 1, 2018	2010	2000	1990	1980
Charlotte	177,987	159,978	141,627	110,975	58,460
Collier	357,347	321,520	251,377	152,099	85,971
DeSoto	35,621	34,862	32,209	23,865	19,039
Glades	13,087	12,884	10,576	7,591	5,992
Hardee	27,426	27,731	26,938	19,499	20,357
Hendry	39,057	39,140	36,210	25,773	18,599
Highlands	102,138	98,786	87,366	68,432	47,526
Lee	713,903	618,754	440,888	335,113	205,266
Manatee	377,826	322,833	264,002	211,707	148,445
Sarasota	417,442	379,448	325,961	277,776	202,251

SOUTHWEST FLORIDA MSAs APRIL 1, 2018 ESTIMATES

Metropolitan Statistical Area	2018 Population	2010 Population	Percent Growth
Cape Coral-Fort Myers	713,903	618,754	15.4%
Naples-Marco Island	367,347	321,520	14.3%
North Port-Sarasota-Brandenton	795,268	702,281	13.2%
Punta Gorda	177,987	159,978	11.3%

Charlotte County with a land area of 694 square miles is located south of Sarasota and DeSoto Counties, north of Lee County, west of Glades County and northwest of Hendry County. Its 2018 population is estimated at 177,987 ranking it 29th of Florida's 67 counties in population. The growth rate of the county in the past year was 2.18%. Punta Gorda is the county seat and is the only incorporated city in Charlotte County.

CHARLOTTE COUNTY POPULATION DISTRIBUTION OVERVIEW 2000-2018

City or Area	Population April 2018	Population April 2010	Population April 2000
Punta Gorda	19,761	16,641	14,344
Unincorporated	158,226	143,337	130,319
Total County	177,987	159,978	141,627

CHARLOTTE COUNTY QUICK FACTS 2017

9-Year Annual Growth	1.26%	Median House Value	$145,700
Households	101,195	Average Annual Salary	$37,011
Median Age	55.9	Cost of Living Index	100.8
Housing Permits Issued 2017	1,297	Projected Population 2025	207,300

Overview of the State's Economy

After experiencing some of the nation's greatest growth in the early and mid-2000s and a recession from early 2009 through 2012, Florida enjoyed another solid year of growth in 2018. For the first time, the state GDP reached $1 trillion in July 2018 and is adding $2.74 billion each day to the state's GDP. One in 14 jobs in the nation are created in Florida and, as a low-tax state, it is expected to continue to benefit from the recently-passed federal tax bill. The state has the highest growth rate in the nation and at the end of 2018 had a 195,000 year-over-year job increase with an annual job growth rate outpacing the nation for 74 or the past 75 months. The state's economy remains the

fourth largest among all states, the largest in the southeast, and the 17th largest in the world.

The adjusted unemployment rate in Florida in December 2018 was 3.3% with a civilian labor force of 10,279,000, up from a civilian labor force of 10,092,000 in December 2017. Between December 2010 and June 2018 Florida businesses created 1.555 million private-sector jobs.

Personal income includes net earning by place of residence such as dividends, interest, rent and personal current transfer receipts received by the residents of Florida. In 2017, Florida had a total personal income of $983,294,332 ranking it fourth in the US and first in the southeast. This was an increase over the total personal income of $944,443,033 in 2016, $894.2 million in 2015, $850.2 million in 2014, and $815.189 million in 3013. The per capita personal income in 2017 was $46,858, ranking it 26th in the US. This was 2.2% over 2016's per capita personal income of $45,819 and was 93% of the national average.

There are 170 commercial banks with $131 billion in assets in the state which is home to 129,500 financial and professional services firms with 897,500 employees. Professional and business services is the state's fastest growing sector with over 97,000 professionals servicing legal, accounting, architecture, engineering and research and development companies.

Commercial real estate's contribution to the state's economic and employment growth soared in 2017 ranking the state fifth in the US behind Texas, California, Pennsylvania and New York, supporting 333,817 related jobs and contributing $52.69 billion to Florida's economy. Commercial real estate includes office, industrial, warehouse and retail and, in the major commercial real estate category, the state ranked second behind Texas in retail and third behind Texas and California in warehouse/flex space.

The state's info-tech strengths are diverse and range from photonics, to mobile technologies, to communication equipment, to modeling and simulation. There are about 27,000 companies and 245,900 employees in the general information technology industry. Although this sector was the only one expected to have negative growth in 2017, the state boasts one of the nation's largest software and computer-systems industries with 14,100 firms employing over 84,400 industry professionals. An overview of this industry follows.

INFORMATION TECHNOLOGY

Area	Companies	Employees	Business
Photonics & Optics	270	5,800	Design, development, manufacturing, testing integration of photonics and related systems
Software & Computer	14,100	84,400	Gaming, medical, finance, defense/homeland security
Microelectronics & Computer Products	745	31,000	Microprocessors, circuit boards, nano-devices
Digital Media	4,200	11,000	Video games, mobile application, digital media technologies
Telecom	7,300	91,200	Web portal and internet development, mobile technologies & equipment, gateway to Latin America and Europe
Modeling, Simulation	300	22,500	Simulation and training for defense, medical, entertainment, education and others

International trade was once again one of the state's strongest sectors in 2016 with goods entering or exiting the state exceeding $143 billion. The state is also a major producer and exporter of Florida-origin products which reached over $52 billion in 2016. There are 61,000 mostly small and medium exporting companies in Florida, second only to California. International trade in Florida supports 2.5 million jobs and grew 3.2 times faster than total employment in the last decade.

About 260,800 Floridians are employed by foreign-owned companies and the state ranks third in the US in high-tech exports. It is one of the nation's leading centers for international banking and leads the country in merchandise exports to Latin America and the Caribbean. The state is ranked fifth in the US for logistics and distribution employment and second in infrastructure with 15 deepwater seaports and 19 commercial airports.

Florida tourism is a large part of the economy with the state being the top travel destination in the world. In 2017, 116.5 million persons visited the state setting a record for the eighth straight year in spite of Hurricane Irma requiring thousands to evacuate their homes and briefly shutting down Orlando's theme parks. This was up 3.6% over 2016 when 112.4 million people visited the state, which was up 5.9% over 2015. The figures for 2017 have not been released but in 2016 it generated $109 billion which was up from $108.8 billion in 2015. Tourism jobs in the

state in 2017 hit 1.4 million up from 1.2 million in 2015. Domestic visitors made up most of the total with 102.3 million and foreign visitors numbered 10.7 million including 3.5 million Canadians. The continued increases in tourism in Florida is attributable to the state's global marketing strategies and it's substantial investments in deepwater seaports to support nearly 15.2 million cruise passengers in 2015.

In 2016, Florida was home to over 19,000 manufacturers employing more than 331,000 workers and contributing more than $40 billion annually to its economy. The state is number two in the US for aviation and aerospace businesses with more than 2,000 aerospace and aviation companies employing over 82,500 workers. With an annual payroll of $5 billion, which contributes $17.7 billion in revenues to the state's economy, Florida is a leader nationally and internationally in the global aerospace industry. Florida was ranked first in the US in early 2015 for the second year in the row for aviation manufacturing attractiveness, is ranked number one in the US for air transportation and flight training businesses, and is home to the top ranked airport for international air cargo. The drone industry is expected to have a $82 billion economic impact in Florida between 2015 and 2025, create 104,000 new jobs, and have the fourth greatest impact among all states. Some of Florida's aerospace industry diversified strengths are:

- Florida has 20 major military installations and three unified combatant commands
- NASA and US Air Force rocket launching at Cape Canaveral
- Development of navigation and guidance control systems in Orlando and Clearwater
- Manufacturing of rocket engines as well as advanced helicopter systems in West Palm Beach
- Small satellite development in Gainesville
- Significant MRO Centers around the state with particular strength in Miami, Jacksonville, Melbourne, and the Pensacola to Panama City corridor
- Business jet research and development and manufacturing in Melbourne

Florida is home to over 1,100 biotech, pharmaceutical and medical devices companies and more than 46,000 healthcare establishments including over 720 hospitals. It is the second largest state in the US in medical device manufacturing, third largest in pharmaceutical manufacturing, and eight largest in biotech research and development with nearly 19,000 Floridians working in this sector. The majority of companies are located along the I-4 corridor in Central Florida, the Jacksonville area, and in South Florida.

The state has 260± biotech companies and research and development institutes specializing in therapeutics, diagnostics, and industrial/agricultural biotech areas. There are over 220 pharmaceutical and medicine manufacturing companies employing 4,500 researchers, engineers, technicians and workers. Major companies in the state include Actavis, Arthrex, Bristol-Myers Squibb, Johnson & Johnson, Medtronic, Noven and Steripak. These companies specialize in the development and manufacture of novel treatments, generic drugs, nutraceuticals, and OTC drugs. Its healthcare sector continues to expand because of an aging population and a growing biomedical field with more than $500 million per year in sponsored research provided to state universities. There are 726,000 healthcare workers engaged in research and clinical trials in Alzheimer's, cancer, diabetes, heart disease and other studies.

Agriculture remains an important sector of the state's economy. There were 47,000 commercial farms and ranches in the state in 2017 producing nearly 300 different commodities and covering 9.45 million acres with an average farm size of 201 acres. Statewide industry revenue from agriculture was $148.5 billion in 2015, the latest numbers available. As reported in December 2016, direct employment in agriculture, natural resources and food industries was 1,565,167 or 13.8% of all jobs in the state. Employment in this sector was up about 40,000 from the year before and 29% in the last 13 years. This does not consider the 645,424 jobs added in processing, manufacturing and distribution activities related to agriculture, natural resources and food industries.

In 2016 the state ranked first in production of oranges, grapefruit, sugar cane and seed, and watermelon, second in the production of bell peppers, cucumbers, strawberries and tomatoes, and third in cantaloupes. Overviews of the cash receipt value and ranking for certain highlight commodities are provided below.

HIGHLIGHTED COMMODITIES (NOVEMBER 3, 2017)

Product	US Rank	Value in $	Product	US Rank	Value in $
Miscellaneous Crops, Floriculture	2	$2.07 B	Strawberries	1	$450
Oranges	1	$905 M	Tomatoes	2	$382
Sugarcane for Sugar and Seed	1	$591	Bell Peppers	2	$210
Cattle and Calves	24	$547	Broilers	19	$175
Dairy Products, Mild	17	$489			

B = Billion M = Million

LIVESTOCK INVENTORY AND MILK PRODUCTION (JANUARY 2018)

Commodity	Inventory	Commodity	Inventory/Production
Cattle, Cows, Beef	886,000	Hogs	15,000
Cattle Cows, Milk	124,000	Chickens, Broilers	65,200,000
Cattle Included Calves	1,630,000	Milk Measured in Lb/Head	20,129
Goats, Meat & Other	45,000	Milk Production in $	536,640,000
Goats, Milk	10,000	Milk Measured in Pounds	2,496,000,000

The value of all commodities in the state for 2016 totaled $3.52 billion including $1.63 billion in livestock and products and $1.9 in crops. Some other interesting facts about the agricultural industry are presented below.

- Florida has 13,755 horse farms with 122,000 horses supporting 12,000 jobs and bringing $3 billion to Florida's economy each year.

- A 500-acre state-of-the-art horse park near Ocala had a total economic impact of more than $912 million from April 2014 through March 2015 and drew 1.7 million visitors. The venue features dressage, jumping and rodeo events and is attracting corporate events and cross-country competitions year-round.

- All cattle and calves on Florida farms and ranches as of January 2018, including dairy cattle, totaled 1.63 million head.

- Florida is home to eight of the 20 largest beef cow-calf operations in the US including the largest, Deseret Cattle & Citrus in St. Cloud, with 42,000 cows. Many of these operations are family-owned.

- Part of the tourism industry is directly related to agriculture from outdoor kitchen festivals featuring edible plants to businesses creating Disney character topiaries.

- The University of Florida Citrus Research and Education Center in Lake Alfred has a staff of more than 200 employees, 600 acres of groves, greenhouses, a juice processing plant, a fresh fruit packing house, and 40 laboratories dedicated to researching and solving Florida's citrus-related diseases.

- Researchers have been working on solutions to citrus greening from mapping the citrus genome and pinpointing the bacterial cause of the disease to developing resistant rootstock, developing nutritional and pesticide spray treatment protocols to reduce the spread of the disease, and finding a long-term solution. Without a cure Florida is faced with the loss of an industry that is critically important financially to the state, employs 62,000, and is a big part of its export business.

- The highbush cultivars of blueberries grown in Florida ripen in late April and May when few blueberries are available in other markets and market prices are high.

- Florida ranked seventh among all states in 2014 in fresh seafood production with more than 98 million pounds harvested which includes 60 edible species processed in 347 plants with a dockside value of $256 million. The state's seafood industry contributes an estimated $24 billion annually and employs more than 82,000 in the commercial harvesting, seafood processing, distribution, retail, and wholesale sectors.

- Florida is the number four honey producer in the US. There were 3,500 beekeepers in Florida in 2014, 96% of which were commercial keepers, up from 900 six years ago. There are 400,000 bee colonies in the state producing 22 million pounds of honey. The state ships bees to 27 states and in 2014 shipped 333 semi-truck loads of bees to California to pollinate its almond crop.

Forestry and forest products manufacturing is Florida's largest agricultural commodity and its top agricultural export. Florida's forest industry generated $12.55 billion in sales revenue in 2016, which was up about $4.77 billion from 2003. The total economic contributions of the forestry industry in 2016 were $25.05 billion in industry output including 124,104 jobs. In 2016 the industry directly employed 36,055 people in full and part-time jobs, a 19.53% increase from 2003.

The ownership of the 17.16 million acres of timberlands in Florida in 2016 was 66% private, which is often managed to commercially produce a variety of products for building materials, paper and packaging products, chemicals, and renewable biomass fuels. Forests also provide environmental benefits

including surface and groundwater storage, air and water purification, carbon storage, and soil preservation. Public forests also attract a significant number of recreational visitors as well as provide many non-marketed environmental or ecosystem services.

Timberlands in the state consists of 49% pine, 45% hardwood or mixed hardwood-pine and 6% cypress forests. The top ten counties in terms of forest industry direct sales revenues are Duval, Miami-Dade, Taylor, Polk, Nassau, Bay, Hillsborough, Putnam, Broward and Escambia. The counties of Dixie, Liberty, Nassau and Taylor are critically dependent on the forest industry which contributes more than 20% of their total employment. About 5.3 million acres in the state are enrolled into the forestry Best Management Practices program with an estimated 99% compliance rate.

A major effort is being made to diversify the state's economic sectors to prevent the historic up and downs of its dependence upon tourism, real estate and agriculture. Below are some notable examples of recent big corporate relocations and expansions.

- Lockheed Martin landed two defense contracts in late 2016 with the work to be done at their facility in Orlando.

- Minnesota software firm Safitec Solutions announced in July 2016 that it will expand and add 60 jobs in the Tampa market.

- ADP announced plans in mid 2016 for 1,600 new jobs in the Orlando area.

- Amazon, which has a large facility in Ruskin south of Tampa, announced in July 2016 that it will expand its warehouse and distribution empire to Jacksonville and hire 1,500.

- In 2015 Bristol-Myers Squibb opened offices in Tampa creating 600 jobs.

- The Navy Federal Credit Union created 1,500 jobs in 2015 with an expansion in Pensacola and the development of two new buildings totaling 342,000 square feet.

- Deutsche Bank recently created an international finance office in Jacksonville creating 200 new jobs.

- The headquarters of rental car giant Hertz Global Holdings was relocated to Estero in Lee County in southwest Florida and will occupy a new $70 million building.

- Lockheed Martin, Northrup Grumman, USAA, and Verizon have all made expansions in 2015 and added new facilities to their operations in Florida.

Local Economic Picture

The very moderate winter temperatures in Charlotte County and southwest Florida have attracted seasonal residents for the last 50 years as a tourist and retirement destination. The economy of Charlotte County has evolved from being the greatest shipping point in the world for phosphate in the late 1890s to an economy devoted to the long-term vitality of the county and business growth ranging from agriculture to tourism to distribution and manufacturing. The December 2018 unemployment rate for the county was 3.8% down from 4.0% in December 2017. The county has a labor force of 71,540, a growing 18-54 age demographic, and a ready work force of 525,000 within 60 miles of the county. Below are the current unemployment rates for southwest area counties and the Metropolitan Statistical Area (MSAs), and the county's top employers.

SOUTHWEST FLORIDA UNEMPLOYMENT RATES BY COUNTY
(December 2018 - Not Seasonally Adjusted)

County	Rate	County	Rate	County	Rate
Charlotte	3.8%	Hardee	4.3%	Lee	3.2%
Collier	3.2%	Hendry	5.0%	Manatee	3.1%
DeSoto	3.7%	Highlands	4.6%	Sarasota	3.1%
Glades	3.8%				

SOUTHWEST FLORIDA MSA LABOR FORCES & UNEMPLOYMENT RATES
(Not Seasonally Adjusted)

State Metropolitan Statistical Area	December 2018 Labor Force	December 2018 Unemployment Rate
Florida	10,279,000	3.3%
Cape Coral-Fort Myers	343,149	3.2%
Punta Gorda	71,540	3.8%
Naples-Immokalee-Marco Island	176,447	3.4%
North Port-Sarasota-Bradenton	368,870	3.1%

TOP CHARLOTTE COUNTY PRIVATE EMPLOYERS

Company	Number	Sector	Company	Number	Sector
Publix	1,665	Grocery Store	Home Depot	450	Retail
Wal-Mart Stores	1,500	Retail	Tidewell Hospice	400	Nursing
St. Joseph Healthcare	1,400	Healthcare	Seabreeze Electric	329	Construction
Millennium Physician Group	1,326	Physicians	Smugglers Enterprises	275	Restaurants
Punta Gorda/Port Charlotte	1,080	Hospitals	Supermedia	254	Publishing
Fawcett Memorial	895	Hospitals	Walgreen	253	Pharmacies
Palm Motor Cars	595	Motor Vehicles	McDonalds	245	Fast Food
Cheney Brothers	500	Distribution	Punda Gorda Associates	230	Nursing
Sun Coast Media	493	Publishing	Port Charlotte Rehabilitation	205	Nursing
Winn-Dixie Stores	474	Grocery Store	Douglas Jacobson Veterans	200	Nursing
			Sam's West	200	Dept. Store

Source: D & B Hoovers, May 2017

INTERSTATE AIRPORT PARK MAJOR EMPLOYERS

Company	Number	Sector	Company	Number	Sector
Cheney Brothers	500	Distribution	Air Trek	50	Aviation
Pulsafeeder	80	Manufacturing	APG Avionics	35	Aviation
County Airport Authority	78	Aviation	Gulf Contours	25	Manufacturing
Peace River	77	Distribution	Blue Bell Creameries	20	Manufacturing
SE Freightlines	62	Distribution			

Source: Charlotte County EDO 2018

The Punta Gorda Airport is a critical economic engine for the county and supports 475 full time equivalent jobs directly. Combined with local employment generated by net visitor spending and by airport entity commercial spending, the airport supports 1,699 FTE jobs in the county with an estimated annual labor income of $60.5 million dollars and an overall economic output within Charlotte County of $208.3 million. Allegiant has an aircraft and crew base at Punta Gorda and provides nonstop low fare flights to 33 destinations throughout the Northeast, Midwest, Mid-Atlantic and South Central US. Regionally the airport is responsible for:

- 2,546 FTE jobs with a direct effect of $74.5 million in annual payroll

- Another 1,072 FTE jobs with $35.86 million in annual payroll with a direct or induced effect
- A regional total of 3,618 FTE jobs and $110.4 million in annual payroll
- A total of $353.2 million in annual economic output
- An estimated $24.8 million in annual state and local tax generation
- An estimated $28.65 million in annual federal tax generation.

Agriculture remains an important sector in Charlotte County with an estimated 284 farms averaging 765 acres per farm and 217,222 acres of land devoted to agricultural use. The total market value of the products sold was $103,401,000 in the latest year surveyed with 92% in crop sales and 8% in livestock sales. Approximately 44.6% of the farm land in Charlotte County is pastureland, 44.5% is woodland, 8.5% is crop land and 2.4% is for other uses. The county is ranked first in the state in the production of watermelons, sixth in vegetables, melons, potatoes and sweet potatoes, and eleventh in orange production.

The large-scale mixed-use development project of Babcock Ranch, which broke ground in 2016, is changing Charlotte County's landscape and potential. Located east of Punta Gorda and extending southward to the Charlotte and Lee County line, Babcock Ranch is the nation's first solar-powered city supporting a 10,000-acre community. The first of an anticipated 19,500 housing units are completed with home prices starting at $179,000 for villas and the low-$300,000 for single family homes. The developer also plans to provide affordable workforce housing and rentals. The initial development includes a downtown district with a wellness center, general store, restaurant, and an outdoor outfitter providing equipment to explore multiple lakes and a 3.5 mile trail system. A charter neighborhood school will be run by a 440-acre solar power plant. Kitson & Partners, the developer, kept 18,000 acres for his village and sold 73,000 acres to the state for their preserve. About half of the land area in the village will stay green including 500 acres of lakes and trail systems and 800 acres for a wildlife corridor. The developer also agreed to spend up to $208 million for future road improvements.

Another development that is reborn after being initiated by Charlotte County in 2002, being affected by a long recession and having several false starts, Murdock Village in Port Charlotte is

now being developed by a Fort Myers-based company. The project with 452 acres between US 41 and State Road 776 just west of the Port Charlotte Town Center was approved for sale and purchase in November 2016. The village will be developed as an adult lifestyle community but it will not be age-restricted or age-targeted. It is planned for up to 2,400 residential units consisting of single-family homes, multi-family villas, townhomes, and market-rate rental apartments. The development will also include a 150-room hotel, 200,000 square feet of retail space, and a recently approved entertainment zone with a water park, top golf range, a conference center, and a park with a farmers' market. Murdock Village is expected to generate an economic impact of close to $92 million with construction activity projected for this development to extend over a 30-year period.

Other projects considered by the Charlotte County Commission on April 5, 2018 were:

- The developer of the Harper-McNew property, consisting of 1,554 acres on the Lee County line east of US 41, wants to rezone its property from agriculture and planned development to a PD to allow for a rural, mixed-use residential, commercial and potential industrial development that calls for a maximum of 3,109 residential units, 450,000 square feet of commercial use and 126,964 square feet of potential industrial use

- Lennar Homes, LLC is requesting approvals for a final plat and developer's agreement for 165 homes in a 100-acre subdivision to be named Harbor West located south of the Butterford Waterway, north of Abalone Road, east of Santa Cruz Drive and west of St. Paul Drive in South Gulf Cove

- Bert's Black Widow Harley-Davidson plans an expansion with a paved 7.5-acre riding area for a motorcycle training and safety course. Future plans include a 7,800-square foot restaurant, an outdoor pavilion with a permanent roof for live music and movies, parking for 300 vehicles, and a 40-foot high Harley-Davidson water tower

- Sunseeker wants to buy 3.6 acres of county land for 142 condo units and 202 hotel rooms in conjunction with the $800 million Sunseeker Resort now underway in Charlotte Harbor which features 730 condos, 75 hotel rooms, a 1,000-foot long pool and public boardwalk with up to ten restaurants and bars. Sunseeker is proposing to make $16.3 million in public improvements in lieu of payment for the land which the county bought in late 2016 for $4.5 million

- GBT Realty Corporation in February 2018 announced its plans for Port Charlotte Marketplace, a shopping center redevelopment project on nine acres with a 75-year ground lease that was the site of a vacant 108,500 square foot K-Mart. The center which is about 76% leased will include an updated facade, new paving and landscaping, the addition of two small-shop buildings, a 40,000 square foot Burlington store, a 20,000 square foot Home Goods store, and a 7,500 square foot national shoe store. A second phase will include an additional 62,000 square feet of retail and restaurant space on five acres. Charlotte County issued a permit in December 2017 to allow demolition of interior walls and some exterior renovations to the old K-Mart building

- In May 2018, Florida Governor announced that Charlotte County will receive an $800,000 grant as part of the Florida Job Growth Fund indicating a belief in the economic potential of the county. The money will provide critical water line infrastructure and road extensions.

Services Available

The major north/south roads in Charlotte County are I-75, US Highway 41, both of which service the Port Charlotte-Punta Gorda area near Charlotte Harbor, and US Highway 17. Interstate-75 and US 41 more or less parallel the west coastline of Florida linking Charlotte County to Sarasota and Tampa and other points to the north and Fort Myers and Naples to the south. US 17 connects Punta Gorda with Arcadia in Desoto County to the north. State Road 31 services rural east-central Charlotte County between Arcadia to the north and Fort Myers to the south. County Road 771/775 and State Road 776 service Charlotte County's coastal communities. County Road 74 (Bermont Road) is the only east-west road spanning the County.

All typical services are available in the region. Electrical power is provided by Florida Power & Light which provides electric service to all of Charlotte County with its approximate 104,400 customers. Telephone, cable and internet service is available through Century Link, Comcast Cable, Direct TV and AT&T, Exede, Frontier, HughesNet, US Dish, and Verizon. Water service and sanitation sewers are provided to 50,000 households and businesses by Charlotte County Utilities. Other utility companies providing water and/or sewer service include the City of Punta Gorda, Englewood Water District, Gasparilla Island Water Association, and the Charlotte Harbor Water Association. Natural gas is available through TECO Peoples Gas. Police and fire protection is provided by Charlotte County or Punta Gorda.

Charlotte County boasts four area hospitals including Fawcett Memorial Hospital, a 237-bed full-service acute-care hospital, Englewood Community Hospital, a 100-bed acute-care hospital, Bayfront Health Punta Gorda, a 208-bed acute-care hospital, and Bayfront Health Port Charlotte, a 254-bed accredited full-service hospital.

Educational opportunities are adequately provided in the area with each county having a public school system, providing education from pre-kindergarten through the twelfth grade. There are ten elementary schools for kindergarten through fifth grades, four middle schools, and four high schools in the county. The total kindergarten through twelfth grade enrollment is estimated at 13,806 not including adult and community education, technical education, or virtual, home and charter schools. There are two technical schools and a number of private elementary and secondary education schools. Florida Gulf Coast University and Florida South Western State College are located within Charlotte County with 20 other college and universities within driving distance of the county.

Punta Gorda Airport and the adjoining commerce park is located within a Foreign Trade Zone about five minutes east of Punta Gorda and just east of I-75. Other area airports with scheduled airline service are Sarasota-Brandenton International in Sarasota and Southwest Florida International in Fort Myers. Total passenger activity for the three airports was 1.305 million in February 2018 an increase of 12% over February 2017.

Charlotte Harbor, the Gulf Islands and the Gulf of Mexico, the Myakka and Peace Rivers, the C. M. Webb and Yucca Pens Wildlife Management Areas, 70 parks and recreational areas, golf courses, and 200 miles of Blueway Trails provide nature lovers, beachcombers, art connoisseurs, fishermen, hikers, bicyclists, boaters, and tourists an ideal place to visit or retire or engage in many water-related and recreational activities.

Area growth is controlled by the Florida Growth Management Act which was implemented in January 1990 and requires infrastructure improvements to be made concurrent with development.

Neighborhood Description

The subject property, Southwest Aggregates, is located a mile north of the Charlotte County/Lee County line between US Highway 41 on the west and Interstate-75 on the east. The neighborhood is mostly undeveloped with wide expanses of environmentally sensitive land. The 80,772-acre Fred C. Babcock/Cecil M. Webb Wildlife Management Area, the oldest WMA in Florida which extends south and east of Punta Gorda in Charlotte and Lee Counties, is just east of I-75 and the subject property. The WMA has its own exit off I-75 at Tucker's Grade Road five miles north of the subject property. Both the Department of Correction's Charlotte County facility and the 116-acre Bond Ranch, acquired in February 2015 by the Florida Department of Environmental Protection, abut I-75 just east of the subject property. The Yucca Pens Wildlife Management Area, located between US 41 and Burnt Store Road (CR 765), offers open space for hunting, fishing, trapping and frogging.

The entrance to the subject property is on the east side of US Highway 41. Directly west of the property are the 390± acre SLD Landfill and the 640-acre Charlotte County land fill. These landfills are massive and their proximity to the subject property would negatively affect any residential development that might be proposed for the subject property.

Immediately north of the property is Orange Blossom Boulevard, an area of scattered single-family homes on acreage lots and Zemel Road, which links US 41 to Burnt Store Road five miles to the west. About one mile to the north at Oil Well Road is the Sun-N-Shade RV park and a mile south of the subject property are the county line, Heron's Glen Golf and Country Club, and the Golf Club at Magnolia Landing. The subject property is about three miles north of North Fort Myers, the city limits of Cape Coral, and the Gator Slough canal.

The character of the neighborhood remains largely rural. There is no public water or sewer service in the immediate area of the subject property and the single family homes to the north of Orange Blossom Boulevard have private wells and septic systems.

Conclusion

The State of Florida is the third largest state in population in the US, has the fourth largest economy nationwide, and is the largest state and economy in the southeast. Tourism and real estate are surging and, although agriculture remains the second largest industry, efforts continue to diversify the economy from the

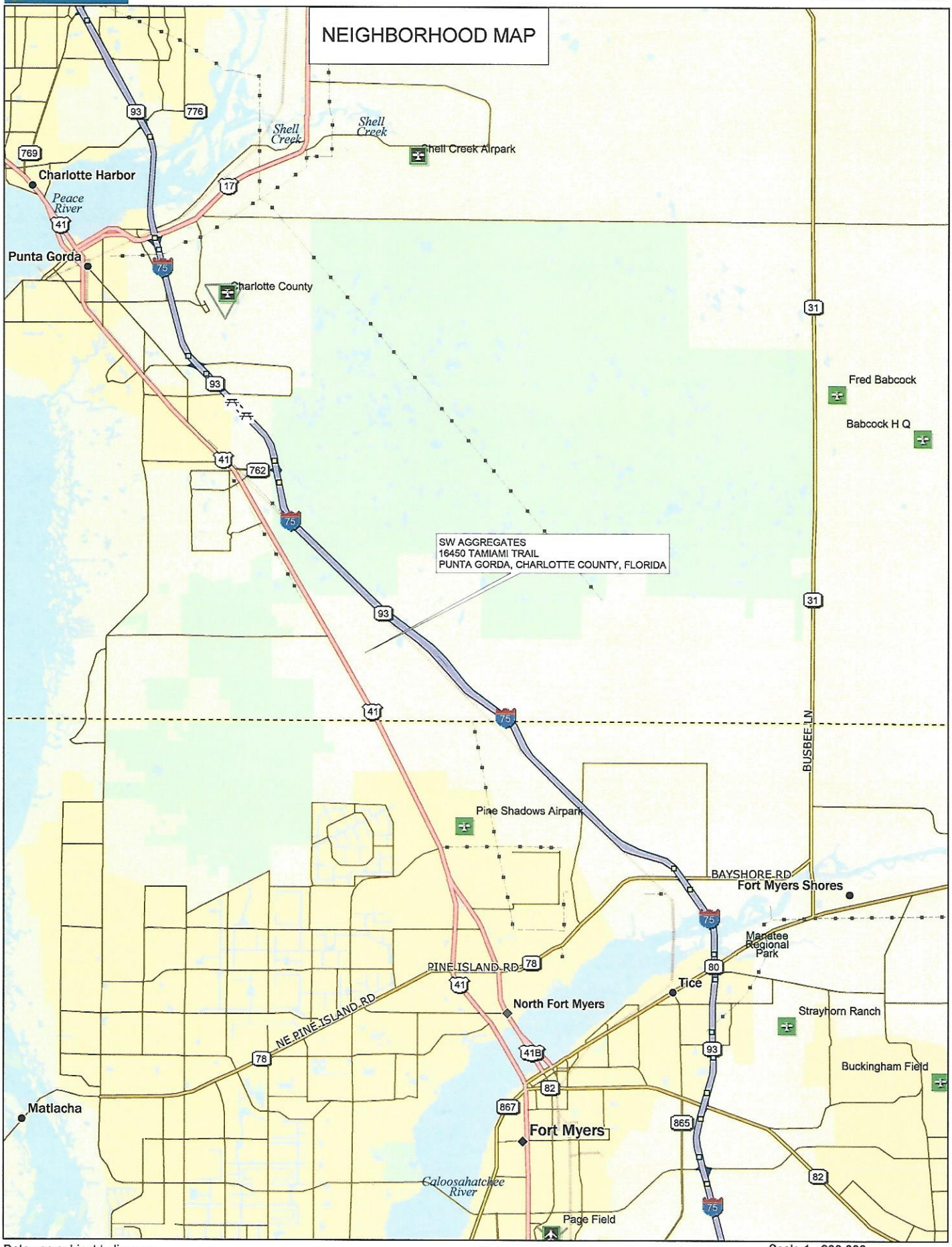
historic tourism, real estate and agriculture sectors. There is substantial growth in general manufacturing and the aerospace, pharmaceutical, medical, and healthcare industries.

Charlotte County on the gulf coast in southwest Florida continues to grow and its economy is evolving to ensure the long-term vitality of the county and continued business growth. The subject neighborhood remains largely rural in character with most growth located just south in Lee County.

Sources:

- Press Releases, Florida Governor Rick Scott, Various dates
- Enterprise Florida, Inc. Data Center, Various dates
- 2017 State Agriculture Overview
- US Bureau of Labor Statistics, January 2019
- Bureau of Economic Analysis, US Department of Commerce, January 2019
- United States of Agriculture: Florida
- Florida GDP, Department Numbers
- Florida Estimates of Population, 2019, Bureau of Economic and Demographic Research, Florida Legislature
- Florida Department of Economic Development, December 2018
- Quick Facts, US Census, Bureau, Punta Gorda, July 1, 2017
- Charlotte County Economic Development
- "Charlotte County's Future is Now," by Gary Roberts, Charlotte Sun, January 3, 2017

NEIGHBORHOOD MAP



TN
MN (6.0°W)

Scale 1 : 200,000

1" = 3.16 mi

Data Zoom 10-0

Section 4. Description of the Subject Property

Property Description

The subject property, a borrow pit with depleting reserves, is located in southwestern Charlotte County. The property is identified under 25 parcel numbers on the records of Charlotte County (see Section 2 of this report) with a total of 1,203.9 acres. Fifteen parcels are associated with the existing mining operation itself and ten other parcels are conservation parcels for off-site mitigation located mostly between the Seaboard Coastline Railroad line and the west side of I-75.

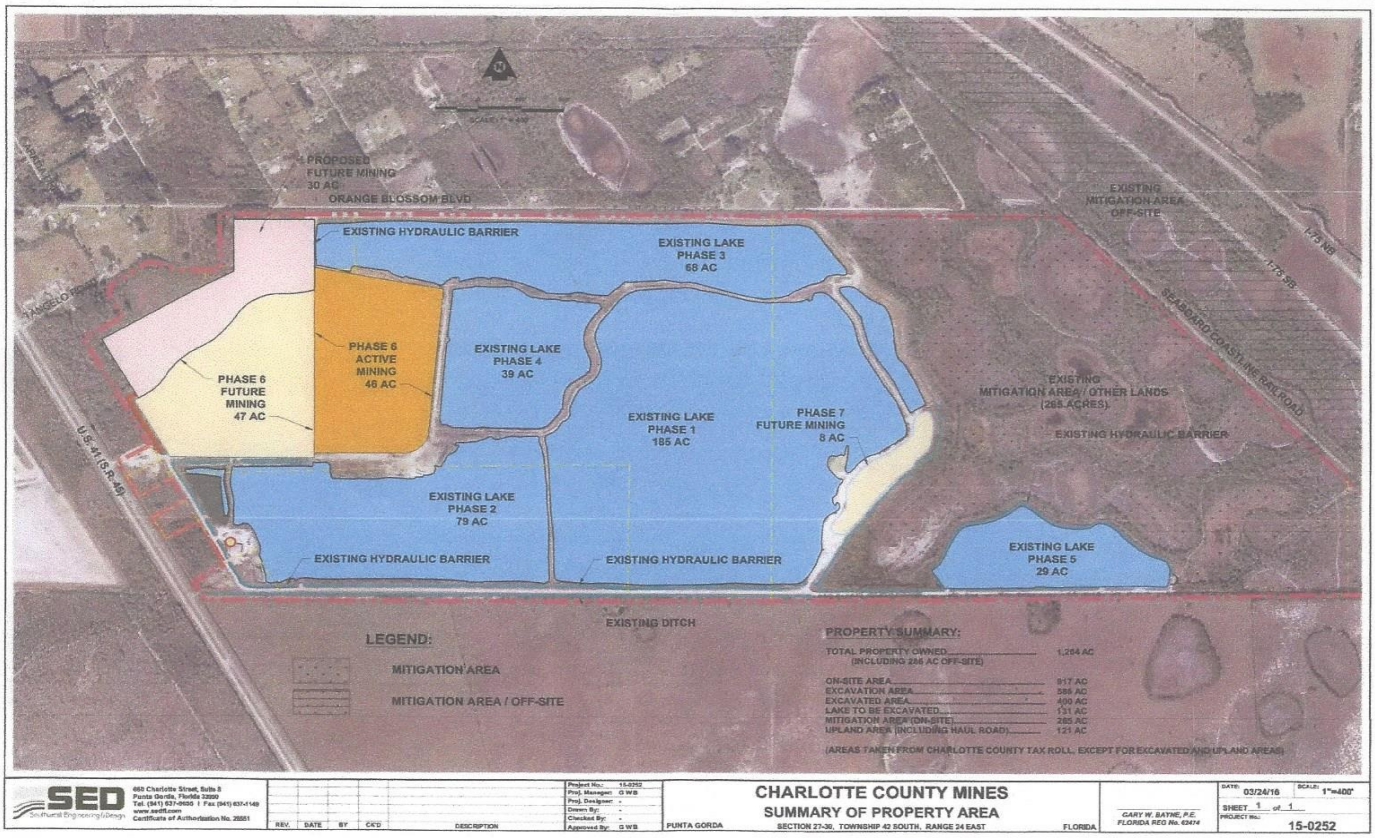
As shown on the map on the next page by Southwest Engineering & Design titled "Summary of Property Area", dated March 24, 2016, the mining excavation had formed six lakes with three other phases that are identified as an active mining site or future mining areas. The borrow pit has continued in operation since the engineer's study made three years ago and it is likely that the size or volume of the lake areas have increased in that time period. Areas on the easternmost part of the mining site are identified as mitigation land that form an existing hydraulic barrier.

Existing Lakes	Phase 1	185 Acres
	Phase 2	79 Acres
	Phase 3	68 Acres
	Phase 4	39 Acres
	Phase 5	29 Acres
Active Mining Area	Phase 6	46 Acres
Future Lake	Phase 6	47 Acres
Future Lake	Phase 7	8 Acres
Future Lake	Proposed	30 Acres
Conservation Easement (Mitigation Area) (Hydraulic Barrier Area)		265 Acres
Berms, Setbacks, Uplands		121 Acres
Total On-Site Mining Acreage *		917 Acres
10 Off-Site Conservation Parcels *		286 Acres
Total Subject Acreage		1,204 Acres

* Very small differences for acreage between engineering sketch and Charlotte County Property Records appear due to rounding

The conservation easement was granted to the State of Florida Department of Environmental Protection by the property owner in June 2000 in consideration for the issuance of FDEP Permit Number 014-7954-001.

SUMMARY OF MINING AREA



Some general information about the property is provided below.

Site Size/Shape	1,204± acres including 917± acres on the mining site and 286 acres outside the mining area; property very irregular in shape
Access	Accessed by a haul road from Tamiami Trail (US Highway 41) a major four-lane highway along the west coast of Florida
Exposure	Average exposure from Tamiami Trail

Topography	Several lakes formed by many years of mining activities; environmentally sensitive land; some uplands
Easements	Conservation easement; No adverse easements known which would affect the subject property
Drainage	Drainage appears adequate with mitigation areas to the east of excavated lakes and hydraulic barriers on perimeters
Flood Zone	Property shown as being in Zone D, an area of undetermined flood hazard, on Community Panel 12015C0450F for Unincorporated Charlotte County dated May 5, 2003
Utilities	Public electricity and telephone service, wells and septic system
Improvements	6,000 square foot equipment and maintenance shed; 420 square foot fuel storage shed; 10,000 gallon fuel storage tank; truck scale; wash plant (Note that these improvements are generally associated with a mining operation and have no significant value for use with a reservoir).

Zoning

The subject property currently operates as a borrow pit. The intent of the City of Cape Coral is to purchase the property for use as a reservoir for wet-season water flows from nearby wildlife management areas. According to the Charlotte County Zoning and Planning Department, the subject property was permitted for a mining operation about 20 years ago and was a legal conforming use in the AG zoning district. In 2007 the county introduced a separate EM, Excavating Mining, district for mining, therefore, the subject borrow pit is now a grandfathered use in the AG zoning district. The county is undecided as to the appropriate zoning district for an off-line water supply storage reservoir and, therefore, whether the subject's use for a reservoir would be legal and conforming in the AG zoning district.

The 25 subject parcels are zoned AG, Agriculture, by Charlotte County, with an agriculture land use. The intent and purpose of the agriculture zoning district is to allow agriculture, very low density residential, rural recreation, and other rural uses. Agriculture and agricultural activities are frequently associated with noise, odors, dust, aerial chemical spraying, and other

activities generally incompatible with urban-style living. Agriculture forms a vital segment of the economy and it is the purpose of the agriculture district to provide areas for the establishment and/or continuation of agricultural operations with residential uses being permitted only at very low densities and to accommodate those individuals who understand and desire to live in an agricultural environment.

Permitted Uses	Assisted living facility or day care center (six or fewer residents); bio-fuel production (less than 5,000 gallons per day); cemetery and mausoleum; community garden; dairy, grain, fruit, field crops and vegetable production, cultivation, packing and storage; domestic animal breeding, boarding and training; fish and wildlife management areas; nature preserve; fish hatchery; game lands (public or private); harvesting, cultivation, processing and sales of crops grown on premises including silviculture, aquaculture, and commercial citriculture; horse stables, barns, workshops and other structures and uses incidental to agriculture uses; livestock breeding, boarding, training and grazing; minor home occupation; outdoor educational facility; park (public or not-for-profit); plant nursery; poultry raising; single family detached dwellings (one per ten acres); telecommunication facility greater than 50 feet in height

Minimum Lot Size	10 Acres	
Minimum Width	250 Feet	
Minimum Setbacks	Front	40 Feet
	Side	20 Feet
	Rear	20 Feet

As stated above the land use for the subject property is agriculture which allows a range of uses including ranching, crop farming including citriculture, siliculture, aguaculture, and row crops, as well as rural residential, rural recreations uses, rural industrial uses and public services and facilities. Agriculture lands may not exceed a maximum residential density of one dwelling unit per ten acres under agriculture zoning. There is a conservation land use overlay on a portion of Parcel 422428300001, which is part of the mining tract and identified as a 265-acre conservation easement (see Conservation Easement

Deed OR Book 1798, Page 346, Charlotte County), and on the ten conservation parcels located along the west side of I-75. According to Charlotte County, the conservation overlay is specific to the subject's conservation easement granted in consideration for the issuance of FDEP's permit on the borrow pit.

Property Taxes and Assessed Values

The assessment authority for the subject property is Charlotte County, Florida. The assessors typically use forms of the sales comparison, cost, and income capitalization approaches to estimate property values. Once the assessed value is established for the property, a millage rate is applied to determine the tax burden. The subject is listed on the county tax rolls under the account numbers provided below. Assessments and taxes appear average for agricultural land.

ASSESSMENT AND TAXES MINING SITE PARCELS

Parcel	Assessed Value	School Assessed Value	2018 Ad-Valorem Taxes	Non-Ad Valorem	Total Taxes
422428300001	$229,528	$229,582	$3,694.05	$0	$3,694.05
422427300003	$51,300	$51,300	$825.53	$0	$825.53
422429151001	$18,415	$18,415	$296.37	$1,433.85	$1,730.22
422429152001	$128	$36,865	$235.28	$1,499.03	$1,734.31
422429152002	$56,943	$72,472	$1,015.03	$0	$1,015.03
422429300001	$85,797	$85,797	$1,380.82	$760.38	$2,141.20
422429300002	$47,714	$54,399	$810.34	$0	$810.34
422429300003	$51,849	$51,849	$834.46	$0	$834.46
422429300004	$21,046	$21,046	$338.71	$179.65	$518.36
422429300005	$135,034	$135,034	$2,173.26	$1,395.82	$3,569.08
422429400001	$305,676	$305,676	$4,919.58	$4,551.88	$9,471.46
422429476003	$9,551	$9,551	$153.71	$75.45	$229.16
422430426009	$9,923	$12,628	$176.86	$0	$176.86
422430426010	$30,087	$30,087	$484.23	$260.70	$744.93
422430476001	$16,539	$21,046	$294.80	$0	$294.80
				Total	$27,789.79

ASSESSMENT AND TAXES OFF-SITE MITIGATION PARCELS

Parcel	Assessed Value	School Assessed Value	2018 Ad-Valorem Taxes	Non-Ad Valorem	Total Taxes
4224220427001	$8,406	$8,406	$132.54	$9.33	$141.87
422421300004	$22,888	$22,888	$360.92	$31.24	$392.16
422427300001	$3,741	$3,841	$59.62	$2.13	$61.75
422427300002	$22,987	$22,987	$362.44	$63.79	$426.23
422428126001	$32,490	$32,490	$522.90	$71.86	$594.76
422428200001	$146,335	$146,335	$2,307.57	$110.45	$2,418.02
422428400001	$6,840	$6,840	$107.86	$7.59	$115.45
4224234200001	$37,488	$37,488	$591.09	$52.87	$643.96
422435300002	$179,681	$179,681	$2,833.07	$99.72	$2,932.79
422434200004	$35,936	$35,936	$566.61	$19.94	$586.55
				Total	$8,313.54

History of the Property

The Charlotte County property appraiser's records indicate that there have been no sales of the subject property for many years.

Highest and Best Use Analysis

In *The Appraisal of Real Estate, Thirteenth Edition* Highest and Best Use is defined as:

> "the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value." The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

The highest and best use of the land as if vacant and available for development may differ from the highest and best use of the property as improved; this is true when the improvements do not constitute an appropriate use. The existing use will continue unless or until the land value in its highest and best use exceeds the sum of the value of the entire property in its existing use plus the cost to remove the improvements.

Land As If Vacant

Legal Permissibility - Legally permissible uses are those uses which are legally allowed. These uses vary with the type of zoning, building codes, deed restrictions, and environmental restrictions imposed on the subject site.

The 1,204± acre subject property has been used as a borrow pit for about 20 years. It is zoned AG, Agriculture, by Charlotte County with an agriculture land use. Part of the property, namely 265 acres of the 385-acre Parcel 422428300001, that is part of the mining tract, and the ten off-site conservation parcels, have an agriculture land use with a conservation overlay. Although its use as a borrow pit in the AG zoning district is grandfathered, the operation's reserves are being depleted and the property will have a new highest and best use.

Zoning allows typical agricultural uses on the property and, under the current zoning, single-family dwellings on ten-acre home sites are permitted. There are no approved site plans for the property as residential development at greater densities than that allowed in the current zoning and land use. Charlotte County could not state in which zoning district(s) off-line water supply storage reservoirs would be permitted.

The conservation easement deed which affects the property prohibits the construction of buildings, roads and utilities; the dumping of soil or materials; the destruction of trees or other desirable vegetation; the excavation or removal of materials; the use of the surface except for purposes that permit the land or water area to remain in its natural condition; activities detrimental to drainage and water conservation; and other uses that would affect conservation intent and purposes.

Physical Possibility - Physically possible uses are those uses which could be physically put on the subject site. These uses change with the size, shape, soil, and terrain of the property, and also whether public utilities are available to the site.

The property is located on the east side of US Highway 41, also known as Tamiami Trail, just north of the Charlotte County/Lee County line. The neighborhood is mostly undeveloped with large areas of environmentally sensitive land. The landfills for Charlotte County are immediately west of the subject property on the west side of US 41.

Based upon a map by engineer, Gary W. Bayne, P. E. for Charlotte County titled Summary of the Property and dated March 24, 2016, the subject property had 400± acres of existing lakes, an active mining area of 46 acres, and future lakes estimated at 85 acres for a total of 531 acres. There are 121 acres of berms, setbacks, and uplands around the lake perimeters. Another 265 acres on the eastern portion of the mining tract, which form a hydraulic barrier, were granted as a conservation easement. There are also ten conservation parcels with a total of 286 acres, identified on engineers' maps as an off-site mitigation area, that lay mostly between the railroad line and the western side of the I-75 corridor. These parcels can only be used for conservation purposes.

There is no public water or sewer service to the property which is serviced by electricity and telephone, wells and a septic system. The proximity of the landfills to the subject property would negatively affect any residential development that might be proposed for the subject property.

Financial Feasibility - The test of financially feasible considers those uses which are both physically possible and legally permissible and determines among them which uses, if any, would generate a positive return to the property. A return is positive if the income of the property is greater than the property's operating expenses, financial expenses and capital amortization.

There are about 121 acres of berms, setbacks and uplands around the lake perimeters (about 10% of the overall property size) and an estimated 531 acres of lakes when the borrow pit operation is complete. The remaining acreage includes the mitigation land which forms a hydraulic barrier for the mining operation, granted as a conservation easement, and the ten conservation parcels which form an off-site mitigation area. The use of the conservation areas for typical agriculture purposes, such as pastureland or growing crops, is not physically possible, legally permitted or feasible. Development of the property with ten-acre home sites, the minimum lot size in the agriculture zoning district, would also be limited because of the lack of uplands for home sites and the negative affect of the nearby landfills upon residential development.

Maximum Profitability - Maximum profitability is obtained from that use among those financially feasible uses which provides the highest present worth to the property. The highest and best use of the subject site must reflect its physical characteristics, its location and the surrounding property uses.

We have considered the permitted, physically possible, and potentially feasible uses of the subject property after the cessation of the mining operation. Considering the size of the lake areas and the amount of mitigation and conservation land, the use of the property for water storage is practical, feasible, and is the future highest and best use of the property.

Methodology and Approaches to Value

In estimating the market value of the real property interest for any type of improved real estate, three approaches to value are typically considered: the cost approach, the sales comparison approach, and the income capitalization approach.

In the cost approach, an estimate is made of the current cost of replacement new of the building(s) and land improvements. This is then adjusted to reflect depreciation resulting from physical deterioration, functional inadequacies, and external or economic obsolescence, if applicable, and added to the market value of the land, as if vacant and available for its highest and best use, providing an indication of value by the cost approach.

In the sales comparison approach, similar properties recently sold or currently offered for sale are analyzed and compared with the property being appraised. Adjustments, if necessary, are made for condition of sale, time of sale, location, size, age, construction quality, condition of the improvements, physical characteristics and other relevant differences. Comparable sales and offerings provide a range of unit prices within which the current real estate market is operating and within which the appraised property might be expected to sell.

The direct capitalization and discounted cash flow techniques are typically used in income analysis. In direct capitalization a single year's net income is divided by an appropriate capitalization rate to estimate a property's value. Discounting is a procedure based on the assumption that benefits received in the future are worth less than the same benefits received today with capital being returned through periodic income, the reversion, or a combination of both. Net operating income is the actual or anticipated net

income remaining after deducting all operating expenses from effective gross income but before deducting mortgage debt service. Capitalization itself is the conversion of income into value.

In the final step the relevancy, defensibility and strength of each approach is explained as it pertains to the property. The value estimates, as indicated by the applicable approaches, are then correlated into a final estimate of the property's value.

Application of Approaches

The sales comparison approach was developed to provide an opinion of market value for the property as a reservoir for off-line water storage of wet-season water runoff. Two groups of sales were analyzed on the basis of acre-feet. First, sales of properties purchased for use as reservoirs were researched and analyzed. Second, sales of former mining properties with lakes that were purchased for other uses were analyzed. The sales comparison approach was also used to estimate the value of the conservation parcels.

The income approach was developed using lease rates for reservoir properties. This approach provided support for the sales comparison approach. The cost approach was not applicable to valuing this property type.

Section 5 A. Opinion of Value - The Reservoir Tract The Sales Comparison Approach

Methodology of the Sales Comparison Approach

In the sales comparison approach, similar properties which have recently sold or are currently offered for sale in the open market are analyzed and compared with the property being appraised. Adjustments are then considered for differences in financing, condition of sale, market conditions, location, access, visibility, property condition, property age, size, land-to-building ratio, physical characteristics, or other applicable comparisons.

This approach has its greatest value when there are sufficient sales within a particular area having common elements and similar amenities. In the absence of sales with sufficient similarity to allow direct comparison, other reasonably similar properties are considered because they provide a range of unit prices within the current real estate market. The reliability of this technique is dependent on the degree of comparability of each sale with the appraised property, the date of sale in relation to the appraisal date, taking into account market changes during the interim, and consideration of any unusual conditions affecting price or terms of sale.

The sales comparison approach is based on the assumption that a prudent buyer would not pay more for a property than it would cost to acquire a comparable substitute. The price a purchaser pays usually represents the best available alternative between the buyer's specifications and the purchase price. Therefore, carefully analyzed data generally provide a good indication of value and represents typical actions and reactions of buyers and sellers in the market. The steps used in this approach follow.

1. Research the market to identify similar properties for which pertinent sale or listing data is available;

2. Qualify the data as to its factuality, accuracy, terms and the motivating forces of the sale;

3. Select relevant units of comparison, e.g. price per square foot, price per acre, price per unit, price per room, and develop a comparative analysis for each;

4. Consider all dissimilarities of the comparable sales to the subject and the probable effect on price and adjust the sale price of each comparable appropriately;

5. Reconcile the various value conclusions and formulate an opinion of market value from the foregoing analysis.

Analysis of the Comparable Sales

The subject property is an active quarry that has been in operation for about 20 years but now has limited reserves. The total acreage of the mining property (the reservoir tract) is 652± acres which includes 531 acres of lakes and 121 acres of berms, setbacks, and uplands around the perimeters of the lakes. In this section of the report we are valuing the subject property as a reservoir using the acre-feet of lake area as the unit of comparison. This analysis did not include the 551± acres of conservation land which were valued separately.

An extensive search was made to find sales of comparable properties. We contacted county property appraiser offices statewide, real estate appraisers, agencies such as the Florida Department of Environmental Protection, and the five water management districts in Florida, which include the Southwest Florida Water Management Department (SWFWMD), the South Florida Water Management District (SFWMD), the Suwannee Water Management District, Northwest Florida Water Management District, and the St. Johns Water Management District.

We also made a state wide search using Department of Revenue (DOR) codes for waterways, lakes, quarries, and the like. We contacted many of the 67 counties in Florida to find reservoir and or lake sales. Many of the sales we used were actually the sales of mining properties that we have appraised in the past that were subsequently sold as either reservoirs, future residential developments, or just lakes.

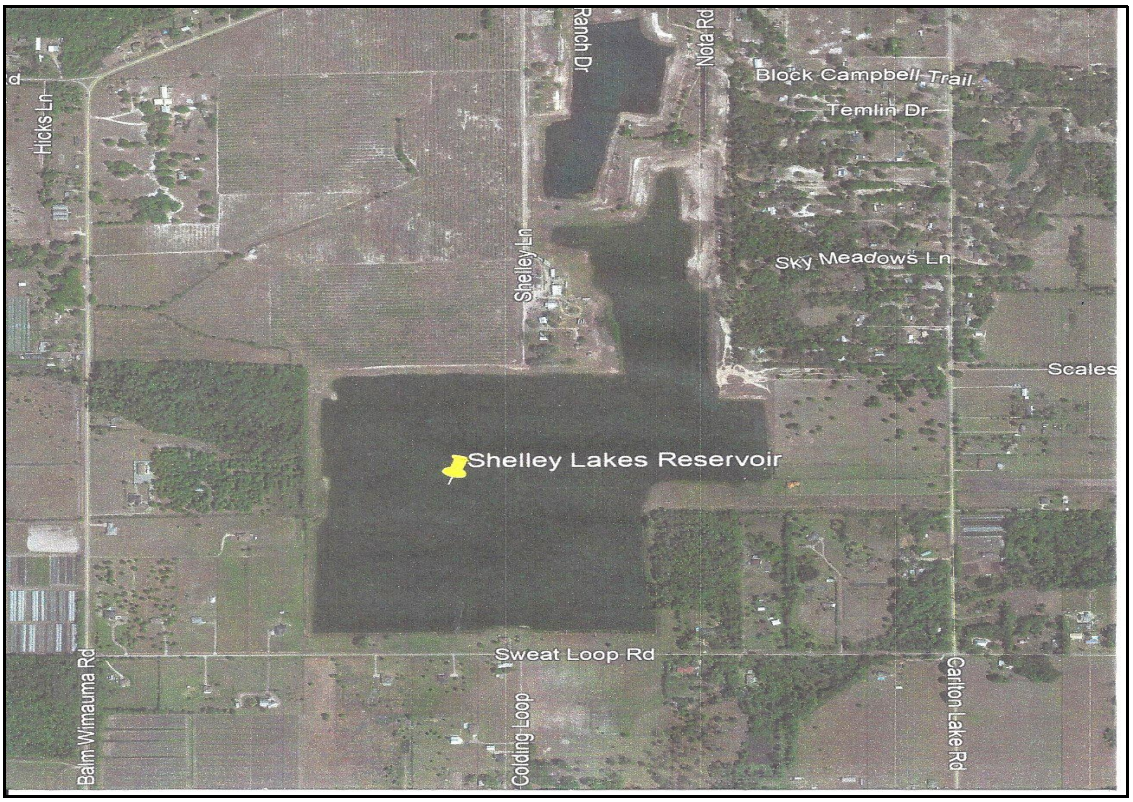
We have divided our sales into two groups: sales of properties (all closed mines) that were purchased as reservoir properties; and lake properties that were similar to the subject and sold for other uses. These two groups of sales are the most relevant and most recent found. All of the reservoir sales, but Sale 2, were purchased by government agencies for water storage. Overviews of these sales, which gave a good indication of value for the subject property by the sales comparison approach, are presented on the following pages.

RESERVOIR SALE ONE - WHITE ROCK

Property Location	:	NW 74th Street, Miami, Miami-Dade County, Florida
Identification	:	30-3913-000-0030
Property Use	:	Storage Reservoir
Grantor	:	White Rock Quarries, Inc
Grantee	:	Miami-Dade Water and Sewer Department
Date of Sale	:	January 2019; Negotiations started in 2016
Sales Price	:	$4,800,000
Deed Book/Page	:	Not Yet Recorded
Size and Depth	:	87.957 Acres, 80 Feet Deep
Capacity in Acre-Feet	:	7,036 Acre-Feet
Price per Acre-Foot	:	$682.20 per Acre-Foot
Recharge Source	:	Spring Fed
Access/Frontage	:	State Road NW 74th Street
Zoning/Land Use	:	SA, Special Agricultural District, Palm Beach County
Confirmation	:	Sewer Department Miami-Dade: House Files of Gillott Appraisal Services, Inc.

Comments: This property is located in the heart of the Miami-Dade mining district. This site represents a portion of the White Rock mining complex consisting of several hundred acres. This site was essentially mined out with only about two hundred thousand tons of material remaining. The Miami-Dade Sewer and Water District started negotiations to purchase this property at or near $7 million but was finalized at slightly less than $5 million. The property is spring fed and has a good recharge rate and is a true reservoir sale. We appraised this property in 2012 as an operating quarry.

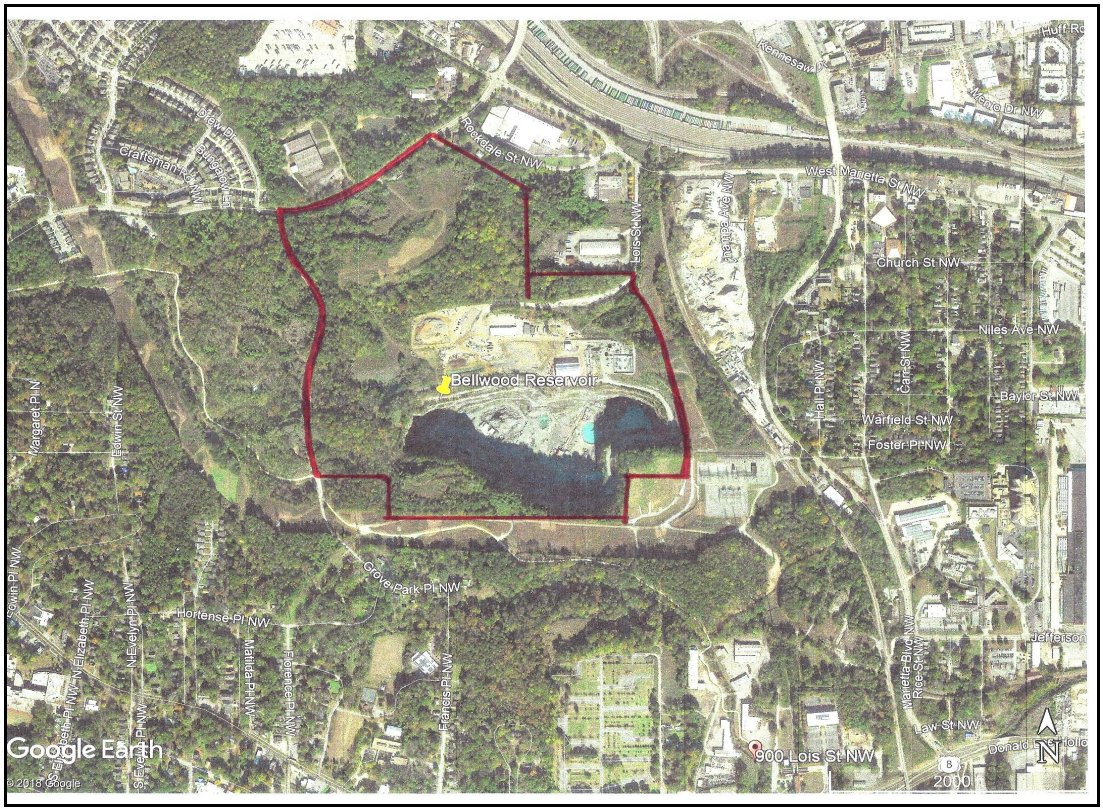
RESERVOIR SALE TWO - SHELLEY LAKES



Property Location	:	13632 Sweat Loop Road, Wimauma, Hillsborough County, Florida
Identification	:	088698-0000 and 12 Other Parcels
Property Use	:	Irrigation Reservoir
Grantor	:	Shelley Lakes Mine, Inc
Grantee	:	Eisenhower Property Group, LLC
Date of Sale	:	May 2018
Sales Price	:	$1,600,000
Deed Book/Page	:	25762-0880, Hillsborough County
Size and Depth	:	190.98 Acres with 149.21-Acre Lake, 48 Feet Deep
Capacity in Acre-Feet	:	7,162 Acre-Feet
Price per Acre-Foot	:	$223.40 per Acre-Foot
Recharge Source	:	Spring Fed
Water Use Permit (WUP)	:	500,000 Gallons/Day
Access/Frontage	:	Sweat Loop Road
Zoning/Land Use	:	AR, Agriculture Rural, with AR Land Use
Confirmation	:	Sellers; House Files of Gillott Appraisal Services, Inc.; Public Records

Comments: This property was an active quarry for about 30 years prior to its present use as a reservoir. The property consists of 190 acres of which 149 acres are lakes which are 48 feet deep and fed by springs and run off. The property has a water use permit (WUP) issued by the South Florida Water Management District. The WUP allows a daily removal of 500,000 gallons per day. The recharge rate far exceeds the withdrawal rate so the overflow leaves the property by weir and flows into a nearby creek. We appraised this property, which is a true reservoir sale, in 2014.

RESERVOIR SALE THREE - BELLWOOD



Property Location	:	900 Lois Street NW, Atlanta, Fulton County, Georgia
Identification	:	017-0190-LL053 and Other Parcels
Property Use	:	Potable Water Reservoir
Grantor	:	Vulcan Materials Company
Grantee	:	City of Atlanta
Date of Sale	:	June 2016
Sales Price	:	$5,000,000
Deed Book/Page	:	42930-564, Fulton County, Georgia
Size and Depth	:	137 Acres with 50-Acre Lake, 100± Feet Deep
Capacity in Acre-Feet	:	6,000 Acre-Feet
Price per Acre-Foot	:	$833.33 per Acre-Foot
Recharge Source	:	Chattahoochee River by Pipeline
Recharge Rate	:	3 Million Gallons per Day
Water Use Permit (WUP)	:	3 Million per Day
Access/Frontage	:	Lois Street
Confirmation	:	Mathew Arbuckle, Land Development Director, City of Atlanta

Comments: This property is located northwest of downtown Atlanta. It was operated by Vulcan Materials and was an active mine for 100 years. The City of Atlanta purchased the property for $15.2 million or $110,757 per acre for the full 137.237 acres, which was market value for the Atlanta area, and included the $5,000,000 paid to Vulcan for the remaining reserves under the 50-acre lake area with 6,000 acre-feet of water. The remaining 87.237 acres outside the lake area are to be developed into a park. In 2016 the City of Atlanta began to dig a five-mile underground pipeline system between the Chattahoochee River and the reservoir to provide drinking water for the City of Atlanta.

RESERVOIR SALE FOUR - VENICE MINERALS

Property Location	:	500 Gene Green Road, Laurel, Sarasota County, Florida
Identification	:	365001030, 367001010, 350003010, 352004020
Property Use	:	Water Storage Reservoir
Grantor	:	Venice Minerals & Mining, LLC
Grantee	:	Sarasota County, Florida
Date of Sale	:	September 2004
Sales Price	:	$1,095,000
Deed Book/Page	:	2004206843, Sarasota County, Florida
Size and Depth	:	740 Acres with 441-Acre Lake, 24 Feet Deep
Capacity in Acre-Feet	:	10,584 Acre-Feet
Price per Acre-Foot	:	$103.46 per Acre-Foot
Recharge Source	:	Rain Run-Off
Recharge Rate	:	Moderate.
Water Use Permit (WUP)	:	500,000 Gallons/Day
Access/Frontage	:	Water Storage
Zoning/Land Use	:	A, Agriculture
Confirmation	:	Owner, Venice Minerals; Gillott Appraisal Services, Inc. House Files; Public Records

Comments: The property, which is a true reservoir sale, began as a quarry in 1998 near the City of Venice and had 2.2 million tons of sand reserves remaining at the time of sale to Sarasota County for use as a reservoir. The lake(s) were about 440 acres in size with an average depth of 24 feet. The county continues to store and remove water from the lakes, which have a water use permit. We appraised this property several times as a mining operation.

RESERVOIR SALE FIVE - JESSE HARDY

Property Location	:	6000 Naomi Street, Naples, Collier County, Florida
Identification	:	NW ¼ of Section 16, Township 50 South, Range 28 East
Property Use	:	Water Storage
Grantor	:	Jesse James Hardy
Grantee	:	State of Florida/TIITF
Date of Sale	:	April 2005
Sales Price	:	$1,200,000 Allocated to The Lakes
Deed Book/Page	:	3775/2878
Size and Depth	:	100 Acres with Four 25-Acre Lakes, 20 Feet Deep
Capacity in Acre Feet	:	2,000 Acre Feet
Price per Acre Foot	:	$600 per Acre Foot
Recharge Source	:	Rain Run Off
Water Use Permit(WUP)	:	None Required
Access/Frontage	:	Naomi Street
Zoning/Land Use	:	Conservation
Confirmation	:	Florida Dept. of Environmental Protection; Jessie Hardy, Seller; Gillott Appraisal Services, Inc. House Files; Public Records

Comments: The property was located in an area of Collier County, known as the Hole in the Donut, within a 55,000-acre conservation project known as Save Our Everglades or the Southern Golden Gate Estates Restoration Project. The property was purchased by Mr. Hardy who obtained an aqua permit allowing the excavation of 100 acres with four 25-acre lakes 20-feet deep for a commercial fish/turtle operation. The operation was limited as there was no electricity to the area because of its being classified as an area of critical state concern, which prevents the installation of electrical service. Properties in this area were being purchased by the state to restore the natural and historic sheet flow of water in the area, to restore the pre-development condition of the area, and to improve the saltwater quality in the Port of the Isles area to the south. This was

one of the last properties the state was attempting to acquire and the family circumstances surrounding it were highly publicized with much public criticism for the state's uprooting this family. There were 25 acres for the homestead parcel with two small old low-quality cabins, several sheds, and 35 acres of wetlands. Electricity was provided to the fish operation by a generator. The settlement to move Mr. Hardy and his family out of the Everglades was $4.95 million which covered the land, the old homestead, a new house purchase, moving expenses, the stock, the mining equipment, substantial attorney fees, and $1,200,000 allocated for the four lakes. The Florida Department of Environmental Protection on behalf of the Board of Trustees of the Internal Improvement Trust Fund received a stipulated order of taking which transferred the property to the state. The negotiated purchase price for the property was above market value. We appraised the property on two occasions. The above image was taken in late 2004.

Analysis and Explanation of Adjustments

The reliability of the sales comparison approach to provide an opinion of value depends on the degree of comparability of each sale. The price a purchaser pays is typically the result of an extensive shopping process in which the property purchased represents a balance between the buyer's specifications and the seller's price.

The property rights conveyed, financing, conditions of sale and date of sale are first analyzed in the comparison process. The adjusted price is then reduced to a unit price to facilitate comparison, and adjusted for physical characteristics, if necessary. The sales were analyzed on a per acre-foot basis, which is the size of the lake area to a depth of one foot, but included all surrounding berms and uplands that were part of the sale price for each comparable property.

Property Rights Conveyed

The comparables sales were conveyed in fee simple estate. No adjustments were necessary in this category.

Financing and Conditions of Sale

We appraised all the Florida properties that were purchased for reservoirs. The Georgia sale was confirmed with a party knowledgeable with the transaction. All were arm's length transactions between unrelated parties and were cash to the seller or had typical financing. Sale 5, however, was the sale of a highly publicized taking that received much public criticism. Under these negative circumstances, a purchase price above maket value was necessary to enable the state to acquire the property including the lakes. Therefore, this sale was adjusted downward for condition of sale.

Market Conditions (Time)

Market conditions generally changes over time and past sales must be examined in the light of change between the sale date of the comparable and the valuation date of the subject property. Three of the sales were very recent and no adjustment for time was made. Sales 4 and 5 occurred about 15 years ago. Interest in acquiring reservoir properties for water management is

increasing and, therefore, it is reasonable to make an adjustment for time for these two sales.

Characteristics Specific to Reservoirs

Most factors, which are typically considered in this adjustment category, are specific to reservoirs. Besides the superior location for Sale 3, which is in the City of Atlanta, the other variable for which an adjustment appeared appropriate was the recharge source. Sales 1 and 2's recharge from springs was superior. Sale 3 was recharged by the Cattahoochee River, which was considered very superior compared to recharge from rain run-off or sheet water. These three sales were adjusted downward in this category.

RESERVOIR SALES ADJUSTMENT GRID

	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
Name		White Rock Reservoir	Shelley Lakes Reservoir	Bellwood Reservoir	Venice Minerals Reservoir	Jesse Hardy Property
Sale Price		$4,800,000	$1,600,000	$5,000,000	$1,095,000	$1,200,000
Sale Price/Acre-Foot		$682	$223	$833	$103	$600
Condition of Sale Adjustment		Typical - 0 -	Typical - 0 -	Typical - 0 -	Typical - 0 -	Above Market - $200
Date of Sale Adjustment	2019	2019 - 0 -	2018 - 0 -	2016 - 0 -	2004 + $100	2005 + $100
Lake Size in Acres Lake Depth in Feet	531 14.22	87.95 80	149.21 48	50 120	441 24	100 20
Lake Size Acre-Feet	7,550	7,036	7,162	6,000	10,584	2,000
Adjusted Price/Acre-Foot		$682	$223	$833	$203	$500
Location Adjustment	Average	Average - 0 -	Average - 0 -	Far Superior - $100	Average - 0 -	Average - 0 -
Recharge Method Adjustment	Run-Off Only	Springs - $50	Springs - $50	River - $200	Run-Off - 0 -	Sheet Water - 0 -
Water Use Permit		Yes	Yes	Yes	Yes	N/A
Price Acre-Foot		$632	$173	$533	$203	$500

A statewide effort was made to locate sales of properties purchased for use as reservoirs. We analyzed the sales in three ways: using the raw data for the sales before making adjustments, using the data after adjusting for time, condition of sale, location and recharge sources, and, finally, analyzing the data for just the Florida sales.

Raw Data

The five sales indicated a range of value from $103 to $833 per acre-foot with a mean of $488± acre-feet. Applied to the subject property with a lake volume of 7,550 acre-feet would indicate a value of $3,684,400.

Adjusted Data

Analyzing the five sales and after making adjustments for condition of sale, date of sale, location, and recharge method, indicated a range of value from $173 to $632 per acre-foot with a mean of $408± acre-feet. Applied to the subject property with a lake volume of 7,550 acre-feet would indicate a value of $3,080,400.

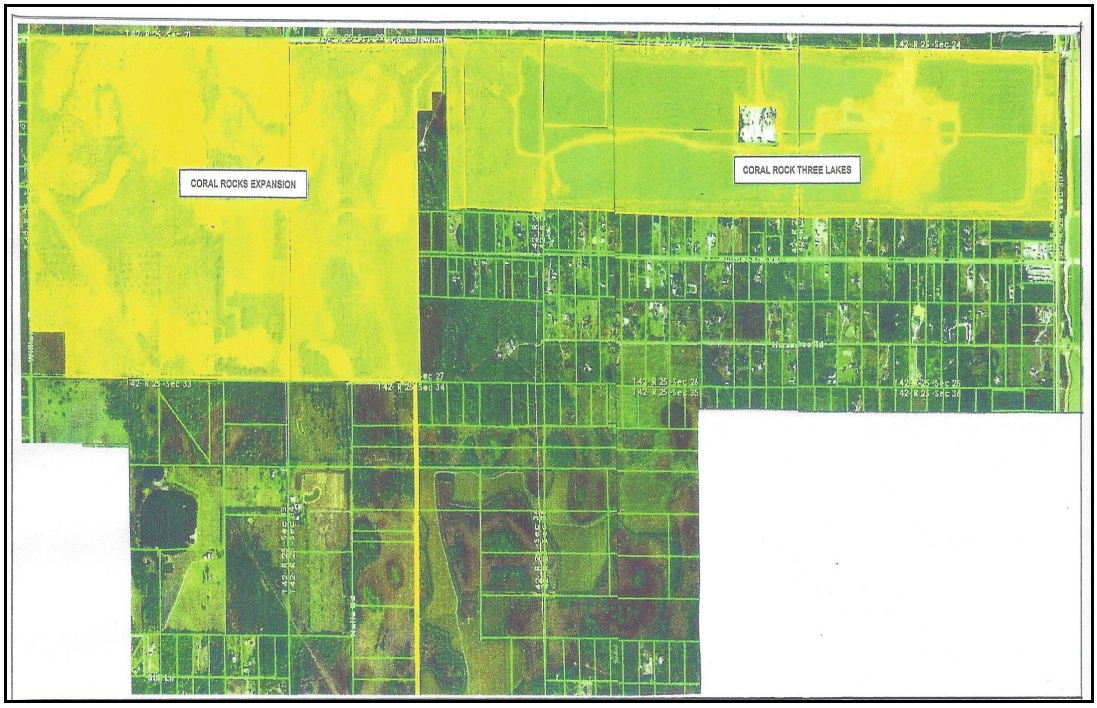
Florida Sales Only

Finally we considered only the Florida sales in our analysis. This indicated a range of $173 to $632 per acre-foot with a mean of $377± acre-feet. Applied to the subject property with a lake volume of 7,550 acre-feet would indicate a value of $2,846,350.

Additional Lake Sales

In additional to the sales of properties purchased specifically for use as reservoirs, we analyzed three sales of properties with lakes that were purchased for other uses. We analyzed these sales on the same per acre-foot basis as were the reservoir sales. Detail sheets on these properties are presented on the following pages.

LAKE PROPERTY SALE ONE - CORAL ROCK



Property Location	:	38211 Cook Brown Road, Charlotte County, Florida
Identification	:	422525100001 and Seven Other Parcels
Property Use	:	Mining, Residential
Grantor	:	AC Magnum Coral LLC
Grantee	:	Smyrna Ready Mix
Date of Sale	:	April 2019
Sales Price	:	$7,000,000
Deed Book/Page	:	Not Yet Recorded
Total Acreage	;	1,710 Acres
Lake Size and Depth	:	349 Acres of Lakes, 32 Feet Deep
Capacity in Acre-Feet	:	11,168 Acre-Feet
Price per Acre-Foot	:	$627 per Acre-Foot
Zoning/Land Use	:	AG, Agriculture, Charlotte County
Access/Frontage	:	SR 31 and Cook Brown Road
Confirmation	:	Owner, Magnum Coral LLC; House Files, Gillott Appraisal Services, Inc.

Comments: This property sold for $7 million in April 2019. It is located on the west side of SR 31 across from the new Babcock Ranch residential development. There are 349 acres of lakes on the front (eastern) portion of the property which were created by a previous mining operation. The property is permitted for a continuing mining operation on the western part of the property with reserves of mostly sand. The zoning and the future land use on this property is agriculture which allows development of the property to a density of one unit per acre. We appraised this property several times between 2005 and 2019.

LAKE PROPERTY SALE TWO - BURNT STORE

Property Location	:	4751 Burnt Store Road, N. Cape Coral, Lee County
Identification	:	0843230000002.0000, 0843230000003.0000, 0843230000005.0010
Property Use	:	Residential
Grantor	:	H2ONC,LLC
Grantee	:	Burnt Store Mine & Fill, LLC
Date of Sale	:	May 2012
Sales Price	:	$475,000
Deed Book/Page	:	2012000099750
Total Acreage	:	123.190 Acres
Lake Size and Depth	:	41 Acres, 35 Feet Deep
Capacity in Acre-Feet	:	1,435 Acre-Feet
Price per Acre-Foot	:	$331 per Acre-Foot
Access/Frontage	:	Burnt Store Road
Zoning/Land Use	:	A/ACSC/ST, Rural Agriculture with a Critical State Concern and Special Treatment Overlay; Conservation Land Use, Collier County
Access/Frontage	:	Burnt Store Road
Confirmation	:	House Files, Gillott Appraisal Services, Inc.; Public Records

Comments: This property was an active mine producing perk sand. It has a site plan approval for 19 residential units. The total acreage is 123.190 of which 41 acres is a lake. The highest and best use of the site is either to develop it with 19 single family units or for use for water storage. We appraised this property in the past.

LAKE PROPERTY SALE THREE - RMC

Property Location	:	14500 Corkscrew Road, Estero, Lee County, Florida 33928
Identification	:	2846260000001.0000, 2146260000001.0010
Property Use	:	Residential
Grantor	:	Cemex International
Grantee	:	Singletary Concrete Products
Date of Sale	:	June 2011
Sales Price	:	$10,000,000
Deed Book/Page	:	N/A
Total Acreage	:	745 Acres
Lake Size and Depth	:	250 Acres, 58 Feet Deep
Capacity in Acre-Feet	:	14,500 Acre-Feet
Price per Acre-Foot	:	$689 per Acre-Foot
Access/Frontage	:	Corkscrew Road
Zoning/Land Use	:	AG-2, Agriculture, with a DRGR, land use.
Confirmation	:	Cemex USA,; House Files, Gillott Appraisal Services, Inc

Comments: The property consists of 745 acres of which 250 acres are lakes and 165 acres are designated as wetlands. The lakes were formed by a former mining operation run by Florida Rock. The DRGR (density reduction-groundwater resource land use classification) allowed one residential unit per ten acres. The original residential site plan allowed 250 housing units including 86 lakefront lots, 84 preserve lots and 80 interior lots to which it was developed. The property is located near I-75 in a very desirable and highly developed part of Lee County near malls and the University of Southwest Florida. We appraised this property in the past.

Analysis of Sales

We analyzed three additional sales of nearby properties with lakes that were created by mining operations but were purchased for a different highest and best use. The sales were analyzed on a per acre-foot basis and the results compared to those for the five sales purchased specifically for use as reservoirs.

ADDITIONAL SALES

	Subject	Sale 1	Sale 2	Sale 3
Sale Price	N/A	$7,000,000	$475,000	$10,000,000
Total Acres Lake Acres	652 531	1,710 349	123 41	745 250
Date of Sale	2019	April 2019 - 0 -	May 2012 - 0 -	June 2011 -0-
Lake Capacity in Acre-Feet	7,550	11,168	1,435	14,500
Price per Acre-Foot	N/A	$627	$331	$689
Location Adjustment	Average	Average - 0 -	Average - 0 -	Superior -$100
Price per Acre-Foot		$627	$331	$589

These three sales of lakes were located in the same market area as the subject property. They were analyzed on the basis of selling price per acre-foot as were the reservoir sales. The sales had a range of value from $331 to $627 per foot-acre and a mean of $516 within in same range as the reservoir sales.

Conclusion of Value

We have analyzed the sales of five properties purchased for use as reservoirs and three other properties with lakes purchased for a different highest and best use. Considering all of the above, we used a per acre-foot of $400 and applied it to the subject property as follows.

7,550 Acre-Feet x $400 per Acre Foot = $3,020,000

Our opinion of value is based on the report by AIM Consulting made between June 14 and June 20, 2019 that established the capacity of the 531 acres of lakes at 7,550 acre-feet of water. Therefore, it is our opinion that the market value of the reservoir tract by the sales comparison approach, as of February 15, 2019, is:

MARKET VALUE OF RESERVOIR TRACT
BY THE SALES COMPARISON APPROACH
$3,020,000

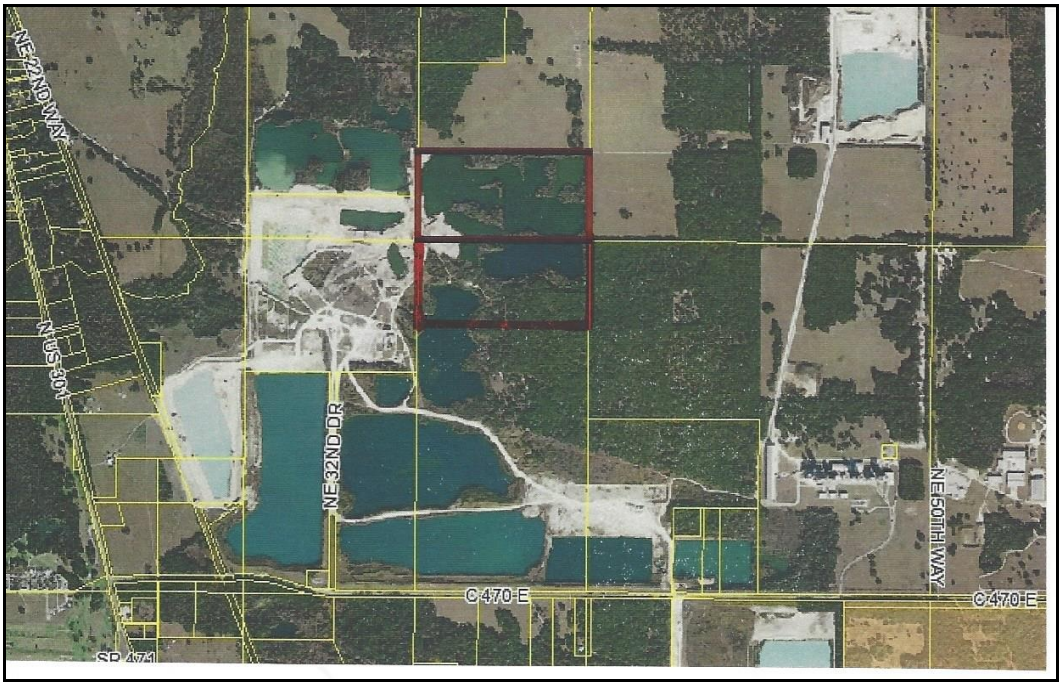
Section 5 B. Opinion of Value - Conservation Parcels The Sales Comparison Approach

Valuing the Conservation Parcels

In this section of the report the value of the conservation parcels with 551± acres is estimated using the sales comparison approach. This includes the 265-acre conservation easement on the mining site and 286 acres of off-site conservation land identified on engineering maps as mitigation areas. We employed the steps outlined in Section 8 A of this report in this analysis.

We used our own files and contacted appraisers and real estate agents to locate other sales of conservation land. Because few were available, we also researched sales of properties in rural areas zoned for agriculture use. Because large parts of rural Charlotte Counties are set aside for extensive preserves and wildlife management areas, the most recent and comparable agricultural sales were located in nearby rural counties. Detail sheets for the conservation easement and agriculture sales are presented on the following pages followed by an explanation of the adjustment process.

SALE ONE - CONSERVATION EASEMENT



Location	:	3238 E. County Road 470, Sumterville, Sumter County, Florida
Parcel Numbers	:	K06-006 and Part (59.26 Acres) of K07-001
Date of Contribution	:	December 2018
Grantor	:	Resource Holding, LLC and Dixie Lime and Stone Company
Grantee	:	Wildland Conservation, Inc.
Deed Book/Page	:	Not Yet Recorded
Sales Price	:	$285,000
Zoning and Land Use	:	A10C, General Agriculture, Agriculture Land Use, Sumter County
Size/Shape/Topography	:	114.26 Acres/Rectangular/Areas of Lakes
Access and Frontage	:	No frontage
Utilities	:	Electricity, telephone
Use at Time of Sale	:	Native woodlands, lakes
Price Per Acre	:	$2,495/Acre
Financing	:	Cash to Seller
Confirmation	:	Property Owner; Appraisal Files; Public Records

Tax Information	K06-006	Part of K07-001
Market Value	$194,810	$104,250*
Assessed Value	$194,810	$104,250
Exemption	$0	$0
Taxes & Fees	$2,245.21	$1,201.49

* Assessments and taxes are for full 315-acre parcel

Comments: This is the sale of 114.26 acres purchased for a conservation easement. It is located to the north of County Road 470 just east of I-75 and US 301 near the community of Sumterville and several miles south of the growing retirement community of the Villages, a major driver of the area's economy. It consists of Parcel K06-006 with 55 acres and 59.26 acres of the larger 315-acre Parcel K07-001. It was part of a large mining operation known as Dixie Lime and Stone on the north side of County Road 470. Access is through the adjacent mining property. Several lakes 30 to 40 feet deep were formed on the property when it was mined in the 1950s

and 1960s. The rest is covered in natural trees and vegetation with a small cleared area on the western edge of the tract. Engineer's reports confirm that there are 17-million tons of road base material to a depth of 110 feet remaining on the parcels that are recoverable using modern mining methods. The conservation easement will be used for wildlife management. There are no other recent sales of the proeprty.

SALE TWO - AGRICULTURE LAND

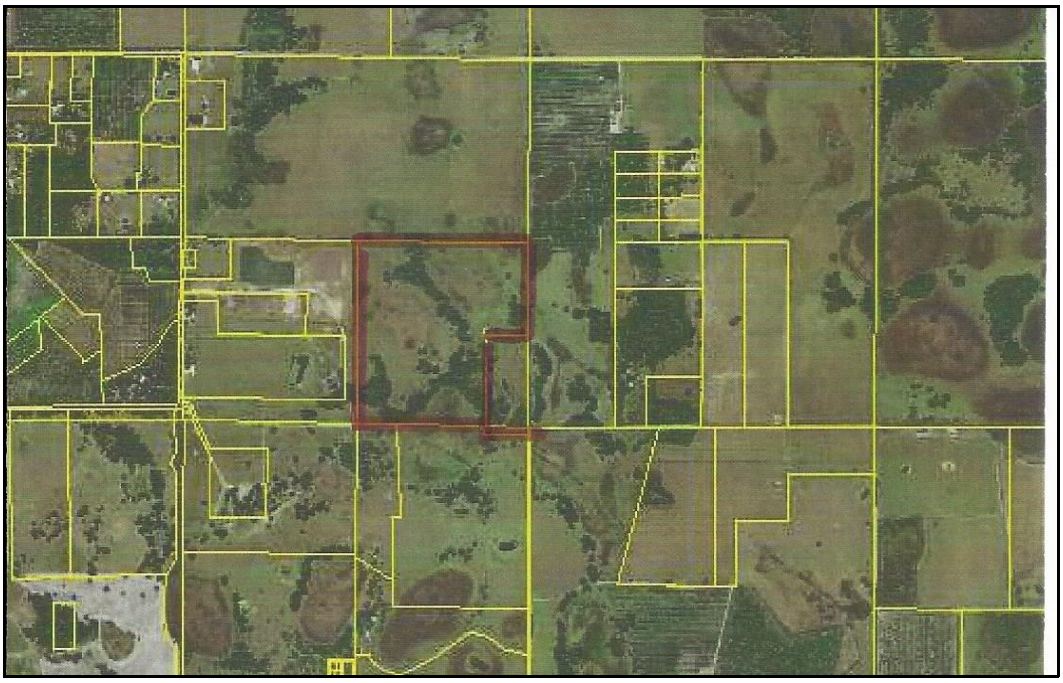
Location	:	Fish Branch Road, Sections 3, 9, 10 or 11, T36, R 26, Hardee County, Florida
Parcel Numbers	:	03-36-26-0000-10010-0000, 09-36-26-0000-06820-0000, 10-36-26-0000-01000-0000, 10-36-26-0000-01300-0000, 10-36-26-0000-01500-0000, 10-36-26-0000-00320-0000 and 11-36-26-0000-00620-0000
Date of Sale	:	November 2017
Grantor	:	Mission Farms of Wellington, Inc.
Grantee	:	Lawrence B. Wells and Cynthia L. Wells, Tenants by the Entirety
Deed Book/Page	:	201725006776
Sales Price	:	$2,750,000 ($3,000,000 less $250,000 in cattle and equipment)
Zoning and Land Use	:	A-1, Agriculture, Agriculture Land Use, Hardee County
Size/Shape/Topography	:	784.8± Acres/Very Irregular/Level
Access and Frontage	:	Unpaved road
Utilities	:	Electricity, telephone
Use at Time of Sale	:	Pastureland and native woodlands
Price Per Acre	:	$3,504/Acre
Financing	:	Cash to Seller
Confirmation	:	Multiple Listing Service; Lawrence Wells, Grantee; Public Records

Tax Information *	010010-0000	06820-0000	01000-0000	0130-0000	01500-0000	00320-0000	00620-0000
Market Value	$195,360	$296,200	565,915	$188,153	$1,025,800	$25,600	$119,450
Assessed Value	$13,605	$12,595	$95,949	$135,428	$49,830	$460	$6,369
Exemption	$0	$0	$0	$0	$0	$0	$0
Taxes & Fees	$272.59	$220.56	$1,888.75	$2,505,63	$1,020.79	$13.54	$127.58

* In Sections 3, 9, 10 or 11, Township 36, Range 26

Comments: This is an arm's length sale of a seven-parcel property located about five miles east of US 17 in rural Hardee County and two miles north of the DeSoto County line. It was about half pasture and half native woodlands and wetlands. It had a permit for livestock irrigation with an existing eight-inch well and three solar wells that provided limited irrigation for cattle. The $3,000,000 sale included a John Deere tractor valued at $50,000 and cattle valued at $200,000, which indicated a value for the land of $2,750,000. The land was purchased for cattle grazing and recreation and was listed for sale at $3.25 million. There was a single-family home, an older mobile home, horse stables, and fencing on site. There were no other recent sales.

SALE THREE - AGRICULTURE LAND

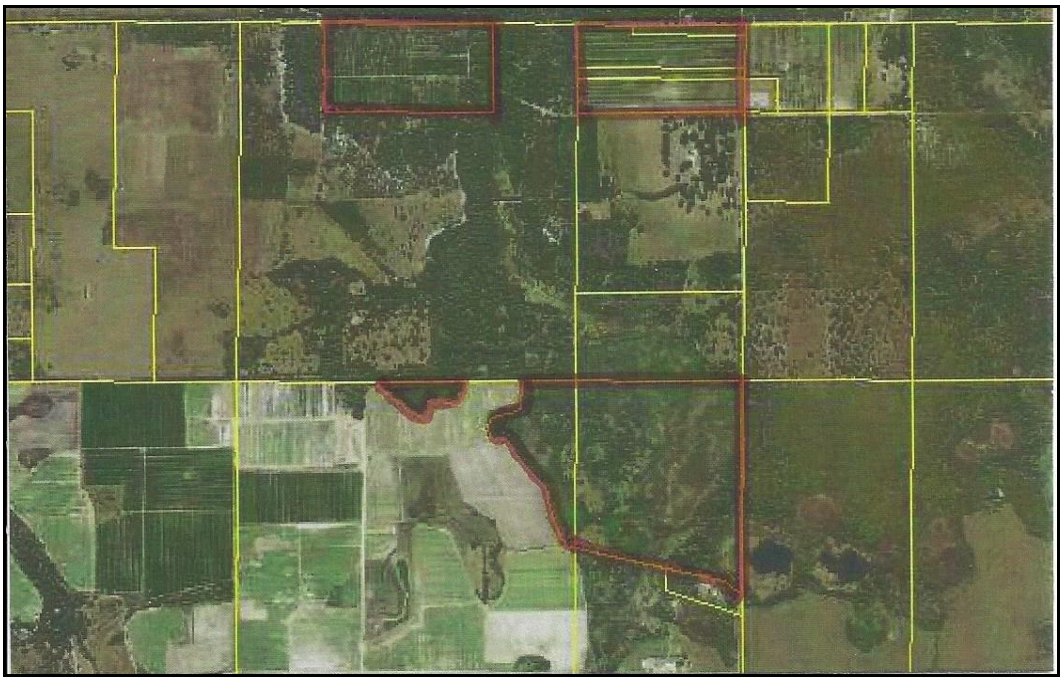


Location	:	SW Grape Avenue, DeSoto County, Florida
Parcel Numbers	:	21-38-24-0000-0041-0000 and 28-38-24-0000-0018-0000
Date of Sale	:	September 2017
Grantor	:	Thomas J. Tregworgy
Grantee	:	Alfred G. & Mary Josephine Parker Co-Trustees
Deed Book/Page	:	20174004568
Sales Price	:	$465,000
Zoning and Land Use	:	A-10, Agriculture, Agriculture Land Use, DeSoto County
Size/Shape/Topography	:	141.77 Acres/Irregular/Level
Access and Frontage	:	SW Grape Avenue
Utilities	:	Electricity, telephone
Use at Time of Sale	:	Pastureland and wetlands
Price Per Acre	:	$3,280/Acre
Financing	:	Cash Sale
Confirmation	:	DeSoto County Property Appraiser; Public Records

Tax Information	21-38-24-0000-0041-0000	28-38-24-0000-0018-0000
Market Value	$420,000	$17,700
Assessed Value	$14,241	$442
Exemption	$0	$0
Taxes & Fees	$272.59	$220.56

Comments: This property is located about three miles east of US Highway 17 and the community of Fort Ogden and two miles north of the Charlotte County line. It consists of improved and unimproved pastureland and some wet areas. It is accessed from the west side of SW Grape Avenue off 144th Street which intersects with US 17 to the west. The purchasers of the property own an adjacent 119 acres of pastureland to the south. The neighborhood is a rural area of pastureland, citrus groves and other agriculture areas. There were no other recent arm's length sales of the property.

SALE FOUR - AGRICULTURE LAND



Location	:	9567 NW Lily County Line Road, DeSoto County, Florida
Parcel Numbers	:	22-36-23-0000-0020-0000, 23-36-23-0216-0010-0015, 23-36-23-0216-0020-0000, 23-36-23-0216-0050-0000, 23-36-23-0216-0060-0000, 26-36-23-0000-0011-0000, 27-36-23-0000-0011-0000 and 27-36-23-0000-0012-0000
Date of Sale	:	November 2016
Grantor	:	Gary and Mary Jo Hickman
Grantee	:	Bethel Farms LLLP
Deed Book/Page	:	201614005670
Sales Price	:	$1,800,000
Zoning and Land Use	:	A-10, Agriculture, Agriculture Land Use, DeSoto County
Size/Shape/Topography	:	377.88 Acres/Very Irregular/Level
Access and Frontage	:	County Road 665 and W Lily County Line Road
Utilities	:	Electricity, telephone, wells
Use at Time of Sale	:	Land with native vegetation and citrus
Price Per Acre	:	$4,763/Acre
Financing	:	Cash to Seller
Confirmation	:	DeSoto County Property Appraiser; Public Records

Tax Information *	0000-0020	0216-0010	0216-0020	0216-0050	02160-0060	0011-0000	0011-0000	0012-0000
Market Value	$400,490	$43,355	$269,839	$65,000	$120,000	$331,860	$123,540	$70,005
Assessed Value	$142,721	$10,005	$53,194	$15,000	$45,000	$6,637	$1,647	$430
Exemption	$0	$0	$0	$0	$0	$0	$0	$0
Taxes & Fees	$2,406.01	$168.66	$896.76	$252.88	$758.62	$111.89	$27.77	$7.26

* In Sections 22, 23, 26 or 27 Township 36, Range 23

Comments: This property with eight parcels is located in a rural area of the northwest corner of DeSoto County about eleven miles northwest of Arcadia. The eight parcels are not all contiguous with the other parcels in the sale. The northernmost parcels are planted in irrigated old and new early and mid varieties of orange trees and the rest is covered with native vegetation. Some parcels are accessed from the south side of NW Lily County Line Road and some have access from the west side of CR 665, also know as S. Pine Level Road SW, about four miles north of State Road 70. Except for some fuel pump sheds, there are no other buildings on the property. The buyers own 1,332 acres of adjacent crop and pastureland. There were no other recent arm's length sales of the property.

SALE FIVE - CONSERVATION EASEMENT

Location	:	East of State Road 29, LaBelle, Hendry County, Florida
Parcel Numbers	:	1-29-43-34-A00-0001.0000, 1-29-43-34-A00-0001.0200, 1-29-43-34-A00-0002.0000, 1-29-43-34-A00-0002.0100, 1-29-43-34-A00-0005.0000, 1-29-43-34-A00-0006.0000, 1-29-43-34-A00-0007.0000, 1-29-43-34-A00-0007.0100, 1-29-43-34-A00-0008.0000, 1-30-43-31-A00-0001.0000, 1-30-43-32-A00-0001.0000, 1-29-44-03-A00-0001.0000, 1-29-44-02-A00-0001.0000, 1-29-43-35-A00-0001.0000, 1-29-43-27-010-0002-129.1
Closing Date for Sale	:	February 2014
Grantor	:	SPP Land, LLC
Grantee	:	CPB Properties
Deed Book/Page	:	874/509
Sales Price	:	$4,466,000 (Less $300,000 for Unencumbered 62 Acres and Improvements)

Adjusted Sales Price	:	$4,166,000
Zoning / Land Use	:	A2, Agriculture / Agriculture Land Use, Sumter County
Size/Shape/Topography	:	3,018 Encumbered Acres/Irregular and Non-Contiguous/ Level
Access/Frontage	:	“A” Road to SR 29
Utilities	:	Electricity, telephone
Use at Time of Sale	:	Conservation Easement
Price Per Acre	:	$1,380/Acre
Financing	:	Cash to Seller
Confirmation	:	Cliff Bowen, Agri-Consultants; Public Records, Hendry County

Tax Information *	0001.0000	0001.0200	0002.0000	0002.0100	0005.0000	0006.0000	0007.0000	0007.0100
Market Value *	$1,863,080	$11,658	$240,000	$16,918	$23,316	$23,316	$21,339	$5,564
Just Value	$142,799	$19,662	$13,380	$10,391	$6,229	$6,505	$20,790	$84
Exemption	$0	$0	$0	$0	$0	$0	$0	$0
Taxes & Fees **	$6,897.19	$6,711.66	$610.57	$3,625.15	$1,013.50	$1,562.86	$846.49	$7.57

* Ag Land In Section 29, Township 43, Range 34 ** Total Tax Land and Improvements

Tax Information *	0008.0000	0001.0000	0001.0000	0001.0000	0001.0000	0001.0000	0002.1291
Market Value *	$257,600	$2,488,000	$1,038,480	$4,200,000	$2,250,500	$2,560,000	$36,091
Just Value	$21,854	$57,464	$30,008	$55,998	$41,149	$519,172	$192
Exemption	$0	$0	$0	$0	$0	$0	$0
Taxes & Fees **	$1,545.01	$4,186.15	$1,860.07	$4,048.70	$2,378.10	$12,922.70	$42.06

* Ag Land In Section 29, T43, R34; Section 30, T43, R31; Section 30, T43, R32; Section 29, T44, R30; Section 29, T43, R35; and Section 29, T43, R27 ** Total Tax land and Improvements

Comments: This is a sale of a property most of which was encumbered by a conservation easement conveyed in October 2002 to the Board of Trustees of the Internal Improvement Trust. The property is located about four miles south of SR 80 and the town of LaBelle within the greater Caloosahatchee Ecoscape of Hendry and Glades County. It is accessed by an easement to a farm road about two miles east of SR 29. The conservation easement’s purpose is for the protection of rural character, control of soil erosion, protection of habitat, enhancement of wildlife and game, maintenance or improvement of timber resources and protection of surface water quality, wetland and riparian areas. The sale included an allocation of $300,000 for the 62 acres of unencumbered agricultural land that included a packing house. It consists of 15 parcels in western Hendry County forming two non-contiguous tracts one of which is to the east of SR 29, and the other is to the west of Gerber Road. The Grantor’s Reserved Rights included the right to harvest sod and to plant and harvest row crops and watermelons solely from the existing improved pasture areas with no more than 30% of the improved pasture land able to be planted and harvested each year. About 385 acres are being used for sod and melon production. The property was subject to several short-term leases at the time for farming, grazing and hunting purposes. The seller, SPP Land, LLC, purchased the tract from Farm Credit of Central Florida, ACA in December 2012 for $3,100,000. Farm Credit was a lender who took the property back by deed in lieu of foreclosure in 2011.

SALE SIX - CONSERVATION EASEMENT

Location	:	78 NW 1st Avenue, Webster, Sumter County, Florida
Parcel Numbers	:	A01-001, A02-002, A02-003, A12-006, 41109-017-02
Closing Date for Sale	:	December 13, 2013
Grantor	:	Drake Ranch
Grantee	:	Westrock, LLC
Deed Book/Page	:	2715/417 Sumter County, 5971/542 Marion County
Sales Price	:	$2,281,500
Zoning / Land Use	:	A10C, Agriculture / Agriculture & Conservation Land Use, Sumter County A1, Agricultural / Rural Land Use, Marion County
Size/Shape/topography	:	1,065 Acres /Irregular, Level
Access/Frontage	:	Easement to State Road 200
Utilities	:	Electricity, telephone
Use at Time of Sale	:	Conservation Easement
Price Per Acre	:	$2,140/Acre
Financing	:	Cash to Seller
Confirmation	:	Robert Drake, Selling Partnership; Jerry Williamson, Conservation Easement Appraiser; Public Records, Sumter & Marion Counties

Tax Information	A01-001	A02-002	A02-003	A12-006	41109-017-02
Market Value	$1,60,300	$465,050	$244,750	$238,700	$31,526
Assessed Value	$26,223	$8,250	$5,410	$5,430	$25,986
Exemption	$0	$0	$0	$0	$0
Taxes & Fees	$302.19	$95.08	$62.34	$62.57	$216.25

Comments: This is a sale of a property encumbered by a conservation easement. It consists of five parcels; four in Sumter County and one in Marion County that provides access. It is located in extreme northwest Sumter County just east of the Withlacoochee River. The parcel is covered in pine flat woods, was part of the Drake Ranch and used for hunting, and was totally encumbered by a perpetual conservation easement to Southwest Florida Water Management District. It was accessed by a long easement to State Road 200 in Marion County. Recordings in 2013 and 2015 on the parcel in Marion County were internal recordings for Westrock, LLC.

Analysis and Explanation of Adjustments

We analyzed the value of the subject's conservation parcels using three sales of conservation easements and three sales of agriculture land. We arranged the six sales in chronological order. We first analyzed the property rights conveyed, financing, conditions of sale, and date of sale in the comparison process. The adjusted price was then reduced to a unit price, to facilitate comparison, and adjusted for physical characteristics, if necessary.

Property Rights Conveyed

The comparable sales were conveyed in fee simple estate. No adjustments were necessary in this category.

Financing and Conditions of Sale

Sales 1, 5, and 6 were sales of properties encumbered by conservation easements. Sale 2 was agriculture land offered for sale in the multiple listing service. Sales 3 and 4 were purchased by persons who owed adjacent property. All sales appear to be arm's length transactions and all sold as cash to the seller. The sales were confirmed through someone familiar with the sale and/or through public records.

Market Conditions (Time)

Market conditions generally change over time and past sales must be examined in the light of change between the sale date of the comparable and the valuation date of the subject property. The market for conservation easements and vacant land similar to the subject property appears stable with no increases or decreases in value in recent years, therefore, no adjustments were made for time.

Physical Characteristics

Factors, which are typically considered in this adjustment category, are location, access, topography, size, zoning, and the availability of utilities as compared to the subject. Those that apply in this analysis are presented below.

The first category considered for adjustment was location, including access and frontage. The subject property and the comparables were located in rural areas dominated by farms, ranches, rural residential properties, other agricultural uses, and conservation areas. The subject's ten off-site mitigation parcels are located between the CSX railroad line and I-75 with no direct road access and the on-site mitigation parcel has limited access through the mining operation. Conservation Sales 1, 5 and 6 have similar access. Sales 2, 3 and 4 are located on local roads with easy access to major roads. An adjustment for access appears appropriate and Sales 2, 3 and 4 were adjusted downward in this category.

The subject's conservation parcels total 551 acres in size. They are covered in natural vegetation and wetlands with little cleared land. The comparable sales ranged in size from 114± to 3,018± acres in size. Sale 5, which was much larger in size than the other comparables, was adjusted upward for size. Sales 2, 3, and 4 were unencumbered by a conservation easement and, therefore, had greater utility and were adjusted downward $500 per acre, which appeared appropriate.

Sale 2 was adjusted downward about $120,000 or $150 on a per acre basis for the single-family home, mobile home and stables included in the sale. About 40% of Sale 4 was planted in old unproductive or new citrus trees, for which we adjusted under the improvement category. An adjustment grid for the six comparable sales is presented on the following page.

LAND SALES ADJUSTMENT GRID

	Subject Conservation Parcels	Sale 1 Conservation Easement	Sale 2 Agriculture Land	Sale 3 Agriculture Land	Sale 4 Agriculture Land	Sale 5 Conservation Easement	Sale 6 Conservation Easement
Sale Price	N/A	$285,000	$2,750,000	$465,000	$1,800,000	$4,166,000	$2.281.500
Price/Acre	N/A	$2,495	$3,504	$3,280	$4,736	$1,380	$2,140
Date of Sale	2/19	12/18 - 0 -	11/17 - 0 -	9/17 - 0 -	11/16 - 0 -	2/14 - 0 -	12/13 - 0 -
Adjusted Price		$2,495	$3,504	$3,280	$4,763	$1,380	$2,140
Location Access Adjustment	Average Inferior	Average Equal - 0 -	Average Average - $500	Average Average - $500	Average Average - $500	Average Equal - 0 -	Average Equal - 0 -
Size (Acres) Adjustment Utility Adjustment	551± Inferior	114.26 - 0 - Equal - 0 -	785± - 0 - Average - $500	142± - 0 - Average - $500	377± - 0 - Average - $500	3,018 +$700 Equal - 0 -	1,065 - 0 - Equal - 0 -
Zoning & Land Use Adjustment	Agriculture	Agriculture - 0 -	Agriculture - 0 -	Agriculture - 0 -	Agriculture - 0 -	Agriculture - 0 -	Agriculture - 0 -
Utilities	E, T *	E, T *	E, T * - 0 -	E, T * - 0 -	E, T, W * - 0 -	E, T, W * - 0 -	E, T * - 0 -
Improvements	None	None - 0 -	Improvements - $150	None - 0 -	Some Citrus - $500	Not Included - 0 -	None - 0 -
Adjusted Price		$2,495	$2,354	$2,280	$3,263	$2,080	$2.140

* Electricity, telephone, well

Conclusion of Value

We used six comparable sales to estimate the value of the subject property's conservation parcels. Three of the comparable sales were encumbered by conservation easements and three were sales of agriculture land. The sales were all located in rural areas and indicated, after adjustments, a very narrow range of values from $2,080 to $3,263 per acre with a mean of $2,435 per acre and the lower part of the range best supported. We applied a value of $2,300 per acre to the 551 acres as follows.

551 Acres X $2,300 per Acre = $1,267,300

Thus, considering the above, it is our opinion that the market value of the conservation parcels, as of February 15, 2019, is:

VALUE OF CONSERVATION PARCELS
$1,267,000

Section 6. The Income Approach

Methodology of the Income Approach

In the previous section we developed an opinion of the value for the subject property using the sales comparison approach. Unlike most property types with limitless sales, properties purchased for the purpose of storing water, treated or untreated, are very few and the purchasers are typically governmental agencies. Several comparables sales provided a good indication of value for the reservoir tract. To lend support to the sales comparison approach we developed an income approach understanding that reservoirs like the subject are not typical investment properties but are purchased solely to store water without consideration for its ability to generate an income stream.

Typically, value considers a property's income stream which is characterized by its quantity, quality, and desirability. The income capitalization approach is based on the principle of anticipation, which is the perception that value is created by the expectation of benefits to be derived in the future. The approach is developed by capitalizing the projected net income. Hence, analysis of a property in terms of its ability to provide a sufficient net annual return on investment capital is an important means of developing a value indication.

Two principle tasks are required to accurately develop a value estimate by this method. First, an accurate projection of income and expenses for the property must be developed. Second, an appropriate capitalization rate and/or discount rate must be determined. The capitalization rate should be sufficient to provide to the investor a return "on" capital that is commensurate with the risks inherent in the ownership of the property as compared with alternative investments. This rate should also include factors for a return "of" the capital, or yield, as well as any value changes. Yield and value change are implied, but not identified.

There are several techniques available to convert an income stream into value. The two most recognized methods are direct capitalization and a discounted cash flow analysis. Direct capitalization is used to convert a single year's net operating income (NOI) into an indication of value. Using direct capitalization implies current economic conditions and does not rely on future projections. If there are no inflationary increases, then the capitalization rate (R_O) is equal to the yield rate (Y_O). We will use direct in this analysis.

The property has been operated as a quarry and, over the years, has formed several lakes suitable for water storage. Stored water greatly reduces the use and dependence on municipally treated water and can be used for many purposes including farm use, landscape irrigation, potable or reclaimed water, and storm water management. Cities, counties, state and federal agencies are desirous to reduce water use and, therefore, to acquire properties suitable for storing water.

According to the hydrographic survey by AIM Engineering & Surveying, Inc., the subject's 531 acres of lakes average 14.22 feet in depth with a total volume of 7,550 acre-feet. Each acre-foot contains about 325,000 gallons of water. The subject property has no natural springs and depends on rain and water run-off for its recharge.

Water Storage Rates

The first step in this approach was to research leased water rates with emphasis on finding rates for stored run off and untreated water. To this end numerous cities, counties, and state agencies were contracted to find water storage rates but most were unresponsive to our request or could not provide relevant information. An overview of the available information on water rates follow.

Comparable 1
Cape Coral - Florida Governmental Utility Authority Agreement

This is a proposed 20-year agreement with the Florida Governmental Utility Authority (FGUA) whereby the City of Cape Coral will design, permit and construct a reclaimed water pipeline that will connect to the city's reclaimed water system south of Pine Island Road. The pipeline will cost about $1.5 million shared equally between the two parties. FGUA will deliver between 1.5 and 3.5 million gallons per day to Cape Coral at a cost of $0.279 per 1,000 gallons or about $90 per acre-foot.

Comparable 2
Fort Myers - Cape Coral Reuse Pipeline

Fort Myers disposes 10 million gallons of treated wastewater into the Caloosahatchee River daily that could be redirected to alleviate the water shortage in nearby canals during the dry season. A new pipeline along with renovations to a waste water treatment plant will be required. These capital expenditures are estimated at $13 million for the new pipeline and about $19 million for the upgrades and/or renovations to the waste water

treatment plant. Burton and Associates, consultants on treated water rates for both Cape Coral and the City of Fort Myers and acquired by Hawksley Consulting in 2016, estimated that the water will have a foot acre price of $50.00 to $60.00 per foot acre without consideration for the costs associated with building the pipeline and making plant improvements.

Comparable 3
Central Pasco County Beneficial Water Reuse Program

The 4G Ranch property in Pasco County has several areas that were quarry operations that are now used for water storage. Pasco County has a contract whereby the water on the property is redirected to provide groundwater recharge for the Cross Bar Ranch Well Field, which produces 15 to 20 million gallons per day of water that is then treated and delivered to 3.5 million people across the Tampa Bay Region. The water storage contract with the 4G Ranch is at a rate of $0.0495 per 1,000 gallons or $16 per acre-foot on a long-term contract.

Comparable 4
South Florida Water Management District (SFWMD)

In January 2016 SFWMD initiated a program named the Dispersed Water Management Program which oversees water storage in their coverage area and negotiates leases with private property owners to store run-off water for SFWMD. The program provides water retention in the South Florida area and encourages land owners with lakes to store water for a fee generally with ten year contracts. According to the agency director's office, there are 24 projects with private land owners in this program many of which are small with 1,000 to 2,000 acre-feet in size. According to the director of this program, the average rate per acre foot paid is $50.00 to $70.00 with the two most comparable projects being the Caulkins Water Farm Expansion and Spur Land & Cattle.

OVERVIEW OF COMPARABLE WATER LEASE RATES

Comparable Project	Water Rate
Cape Coral - FGUA	$90.00 per Acre-Foot
Fort Myers-Cape Coral	$50.00 - $60.00 per Acre-Foot
Central Pasco	$16 per Acre-Foot
SFWMD Contracts	$50.00 - $70.00 per Acre-Foot

Based on the above, we have concluded that the best supported rate per acre-foot for untreated run-off water storage is $60 per acre-foot. This rate is for storage of untreated water that will eventually be used for supplying canals during dry season or for flooding other wet lands. Applying this rate to the size of the subject's storage capacity of 7,550 acre-feet indicates the following income. No expenses are estimated for the lessor when leasing the water rights to another party.

Foot Acres		Rate per Foot-Acre		Yearly Income
7,550	X	$60	=	$453,000

Capitalization Rates

The next step in the income approach is to determine an appropriate capitalization rate for this property type. In analyzing the subject property by this approach we considered the following, which affects the selection of an appropriate capitalization rate.

- The concept of water storage is based on environmental benefits and not on income benefits
- The typical buyers for this property type are cities, counties, and state agencies who desire to store water for conservation purposes
- Reservoirs like the subject property are purchased for the buyer's own use and not for income generation
- The water stored is not offered for sale on the open market
- Most water storage rates are agreements between governmental agencies
- Due to fluctuating weather cycles, the amount of water stored and used in a reservoir recharged by water run-of can vary considerably from season to season or year to year
- A typical real estate investor would not purchase this property type

Information on capitalization rates for this specific property type is unavailable. We first researched the capitalization rates provided by Real Estate Research Corporation and Price Waterhouse Coopers, two companies that conduct investment surveys on a quarterly basis for well maintained investment grade properties, and Stratecon, Inc. RERC surveys eleven property types including offices, industrial, retail, apartments and hotels and subcategories for each. These capitalization rates ranged

from 4.8% to 7.8%. It is also noted in their survey that most capitalization rates have increased between 50 and 200 basis points between the first and second quarters of 2019. PwC surveys four general property types on a quarterly basis with capitalization rates ranging from 4% to 9% in the first quarter 2019. .

The most relevant information related to the water industry is published by Stratecon, Inc. of Claremont, California in their document called Water Strategist. In this publication they report information provided by Morgan Stanley, Paine Webber, Lehman Brothers, Goldman Sachs and Cognient Advisors. We used the March 31, 2019 report which published the following return on investments (ROI) or price earnings ratio, which are analogous to a capitalization rate on properties.

Power Producers	10.50%
Water Utilities	9.95%
Other Utilities	9.70%
Electric Utilities	10.65%

Considering the above and the added risk in investing in this property type, it is reasonable to assume that adding an additional 200 basis points to the rates reported by Stratecon, Inc. is appropriate.

Using a capitalization rate of 12% and a rental income of $453,000, the value of the subject property is calculated below.

Yearly Income		Capitalization Rate		Indicated Value
$453.000	÷	12%	=	$3,775,000

Conclusion of Value

Our opinion of value is based on the assumption that the 531 acres of lakes with a capacity of 7,550 acre-feet of water, which was established by AIM Consulting after conducting a hydrographic survey of the lake depths between June 14 and June 20, 2019, is more or less correct.

The value by this approach provides support for that indicated by the sales comparison approach. Based on our analysis, and the assumptions and conditions stated above, the value of the reservoir tract by the income approach is:

MARKET VALUE OF RESERVOIR TRACT
BY THE INCOME APPROACH
$3,775,000

Reconciliation

Two approaches were used to value the reservoir tract with a capacity of 7,550 acre-feet. The two approaches, which were developed independently of each other, provided similar indications of value. Our opinion of value is based on the extraordinary assumption that the engineer's estimate of a 7,550 acre-foot capacity for the 531 acre lake area is more or less correct. We have made the hypothetical condition that the property is permitted for use as a reservoir.

Value by Sales Comparison Approach	$3,020,000
Value by Income Approach	$3,775,000

Therefore, considering the above, it is our opinion that the indicated market value of the reservoir tract, as of February 15, 2019, is:

OPINION OF MARKET VALUE
OF THE RESERVOIR TRACT
$3,500,000

Section 7. Reconciliation and Conclusion of Value

Reconciliation of Value

The purpose of this appraisal report is to express an opinion of the market value for the subject property, a borrow pit with a proposed use as a reservoir for off-line water supply storage and associated conservation parcels. Two approaches were used to value the reservoir tract, the sales comparison approach and the income approach.

The sales comparison approach was developed to value the reservoir tract using several sales of former mining properties that were purchased for water storage. Three other sales of mining properties that were purchased for other uses were also analyzed. The sales, all but one of which were located in south Florida, provided a good indication of value for the reservoir tract.

Six sales were used to value the 551± acres of conservation parcels associated with the property. Three of the sales were conservation easements and three were sales of agricultural land from nearby counties. The sales provided a good indication of value for the conservation parcels.

The income approach was developed using direct capitalization. The market was researched for properties that were leased for water storage. Although few comparable properties were found, sufficient information was available to develop this approach to lend support to the value of the reservoir tract provided by the sales comparison approach.

Conclusion of Value

Two approaches were developed to provide an opinion of market value of $3,500,000 for the 652±-acre reservoir tract. To this was added the value of $1,267,000 for the 551± acres of conservation land.

We have made the extraordinary assumption that the estimate of the capacity for the lake area as a reservoir is more or less correct and the hypothetical condition that the property is permitted for use as a reservoir. Based on the above, it is our opinion that, as of February 15, 2019, the value conclusion is:

OPINION OF MARKET VALUE
$4,800,000

EXHIBIT SECTION

EXHIBIT A

PHOTOGRAPHS

VIEW OF LAKES LOOKING NORTH

VIEW OF LAKES AND HYDRAULIC BARRIER AREA

LAKES FORMED BY TWO MINING PHASES

VIEW OF LAKES WITH PIPE USED IN HYDROLOGY STUDY SHOWN IN FOREGROUND

ENTRANCE INTO SOUTHWEST AGGREGATES FROM US HIGHWAY 41

US HIGHWAY 41 FACING SOUTH

EXHIBIT B

CERTIFICATION

Certification

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- This appraisal assignment was not made, nor was the appraisal rendered on the basis of a requested minimum valuation, specific valuation, or an amount which would result in approval of a loan.
- The reported analyses, opinions, and conclusions are limited only by any reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- I have not previously appraised the property that is the subject of this report.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Practice and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- John A. Gillott, MAI, ASA, SRA inspected the property.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, John A. Gillott, MAI, ASA, SRA and Doretta Gillott, MAI, SRA have completed the continuing education program of the Appraisal Institute.
- No one provided significant real property appraisal assistance to the persons signing this certification.
- I certify that I am licensed in the State of Florida and the license is current and valid.

John A. Gillott, MAI, ASA, SRA
Cert. Gen. RZ 212

Doretta Gillott, MAI, SRA
Cert. Gen. RZ 1872

EXHIBIT D

QUALIFICATIONS OF APPRAISER

JOHN A. GILLOTT, MAI, ASA, SRA

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AREAS OF SPECIALIZATION

John A. Gillott, MAI, ASA, SRA, is a senior appraiser specializing in the valuation of investment grade real estate.

Mr. Gillott has been actively involved in the field of real estate appraising and counseling since 1976. He has completed appraisals of residential, commercial, industrial, and special purpose properties.

He has prepared narrative appraisal reports for merger/acquisitions, allocation of purchase price, financing, leasehold/leased fee analyses, useful life determinations, component depreciation, ad valorem tax, condemnation, sales/purchases, value in use, and liquidations and distressed properties. He has extensive project management experience with multi-location assignments.

Mr. Gillott is an Appraisal Institute approved instructor, a Certified General Appraiser in Florida and North Carolina and holds a Florida Real Estate Broker's license. He has also written a number of articles for publication.

Mr. Gillott has provided expert testimony to the Federal Asset Disposition Agency, Internal Revenue Service and the U.S. Bankruptcy Courts in Florida, Ohio, New York, Texas, Pennsylvania, Oklahoma and North Carolina. In addition, he has completed appraisal assignments for the Securities and Exchange Commission, Federal Housing Administration and Veterans Administration.

REAL ESTATE LICENSES/ REGISTRATIONS

State Certified General Real Estate Appraiser RZ 212 (Florida)
Certified General Appraiser No. 2046-10 (Wisconsin)
Licensed Florida Real Estate Broker 0159502

ACTIVE PROFESSIONAL DESIGNATIONS

MAI and SRA from the Appraisal Institute
ASA $_{(RP)}$ from the American Society of Appraisers

EDUCATION

B.S., Economics and Real Estate, Widener University, Chester, Pennsylvania

Appraisal Courses instructed (most courses taught prior to 1992 are not listed):
Real Estate Appraisal Principles, AI, 1992-2008
Real Estate Appraisal Procedures, AI, 1992-2007
Residential Case Studies, AI, 1990-2003
Residential Market Analysis and Highest & Best Use, AI, 2006-2007
Residential Site Analysis and Cost Approach, 2006-2008
Residential Sales Comparison and Income Approaches, 2006-2007
Capitalization Theory and Techniques, 1993-2008
General Applications, 1992, 1998
Foundation Approved USPAP Update-2003, AI, 2004
Standards of Professional Practice Part A, 1992-2001
Business Practices and Ethics, 1992, 1994, 1999, 2003
Advance Residential Form & Narrative Report Writing, 1994
Advanced Capitalization, AI, 1993, 1995, 1997, 1999, 2002, 2005, 2008, 2010
Advanced Sales Comparison and Cost Approaches, AI, 2000

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EXPERIENCE

Gillott Appraisal Services, Inc., Co-Owner, Palm Harbor, Florida 1976 to Present

PARTIAL LIST OF CLIENTS SERVED AND PROPERTIES APPRAISED

ALCOA
Air-1 FBO
American Airlines Reservation Center
American Rice
Amoco Oil Company
APAC (Old Castle)
Astrotech
ARCO Oil
Bank of America
Bank of Netherlands
Bank of Singapore
Berry Farms
Blackstone Group, New York City
Canadian Imperial Bank
Cemex
Chemical Bank of New York
Chevron USA
Ciba-Geigy Corporation
Citgo Oil
Delaware North Corporation
Dolphin Aviation
Eastern Airlines
El Paso Energy (Coastal Fuels)
Equitable Life Assurance Company
Federal Savings & Loan Insurance Corp.
Fireman's Fund
First Union (Wachovia)
General Growth Properties
Goodway Refining
Hartz Mountain
Hess Oil Company
Hillsborough County School Board
Horizon Real Estate
Hughes Aircraft
Internal Revenue Service
International Paper
Irving Trust
ITF Willow Run Land Trust
Kash 'n Karry
LaFarge North America
Koch Refining
Martin Chemical
Massachusetts Mutual Life Insurance
McKesson Robbins
Memorex Telex
Merrill Lynch Capital Group
Miller Brewing
Motiva (Texaco/Shell)
Nestle Bottling North America
Nightingale Aviation
OCBC Bank (China)
Pepsico
Petroleum Packers, Inc.
Prudential Real Estate
Rinker Materials
Sanwa Business Credit
Sarasota Memorial Hospital
Scott Wise Land Company
Securities and Exchange Commission
Seminole Electric
Shell Oil
Shurgard Storage
Signature Aviation
Sky Angel Uplink Facility
Southeast Airlines
SPACEHAB, INC.
Speedling Corporation
StarEnterprise (Texaco)
State of Florida
Texaco Refining
Trammel Crowe - Equity Partnership
Trammel Crowe - International
Vanalco Ingot & Smelter
Venice Minerals
WCI
Westfield Corporation
Westway Terminals
Youngquist Brothers

JOHN A. GILLOTT, MAI, ASA, SRA

Gillott Appraisal Services, Inc.

3136 Windmoor Drive North
Palm Harbor, Florida 34685-1741
(727) 787-2213 (O)

2095 Buffalo Creek Road
Lake Lure, North Carolina 28746
(828) 625-4370 (O)

(727) 415-9847 (Cell)
www.wedoappraisals.com
djgillott@aol.com or djgillott@wedoappraisals.com

SPECIAL PROJECTS

NCNB	Project manager for assignment involving 134 branch banks
Imperial Bank of Canada	Project manager for a leveraged buy-out of 200 Shoney's Restaurants
Memorex/Telex	Appraised computer plants across the United States
American Rice	The largest rice processing plant in the United States Freeport, Texas
Hartz Mountain	Project manager for appraisal of all real estate holdings
Trammell Crowe	Project manager for appraisal of all Class A office buildings held in the international and equity partnership portfolios
Bank of Singapore	Appraised a segment of office building portfolios in the United States
The Blackstone Group	Appraised Ibis Golf & Country Club, a 1,900-acre upscale residential development in West Palm Beach, Florida, for syndication and allocation of purchase price for the Internal Revenue Service
Prudential Business Campus	24 Multi-tenant office and flex buildings with total of 1,162,566 square feet Horsham, Pennsylvania; reconciled value $100-million
Sanwa Business Corp.	Super Shop locations in southeast U.S., textile plants in North Carolina, and Atlas Iron Processors' plants in Ohio and Florida
International Paper	Appraised and reviewed divestiture of $750 million in medium-density fiber board plants at 13 locations in southeast United States
Hess Oil Corporation	Appraised refinery's property in St. Croix, a 231-million barrel facility
Bank of China	2.1 million square foot high-tech green house space in two facilities for Speedling, Inc. and 375,000 square foot high-tech greenhouse facility for the Park Seed Company

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Vanalco Ingot & Smelter	Appraised $85,000,000 facility in Vancouver, Washington as vacant and as a smelter
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SPECIAL PROJECTS

Berry Farms	6-Million gallon orange juice concentrate cold storage facility in Hendry County, Florida
US Sugar Corporation	Appraised 187,000 acres of citrus and cane land, Southern Gardens citrus processing plant, Clewiston Sugar Mill and Refinery, and two railroads for $2.2-billion buyout by State of Florida in 2008
Corporate Eagle	Appraised $6.8-million private fixed-based operation located at St. Petersburg-Clearwater International (PIE) Airport in 2008 with terminal, two hangers, and maintenance building
General Growth Properties and Westfield Corporation	Lakeland Square Mall, Eagle Ridge Mall, Lake Wales, and Westfield Corporation Sarasota Square Mall
Pat Roberts	$5-million new-urbanism Opus Building, a two-unit residential condominium and retail property in Seaside, Florida
Nestles Waters N. America	612,000-square foot high-tech water bottling plant in Madison County, Florida
Sky Angel Uplink Facility	A satellite uplink facility in Cleveland, Tennessee with receiving and transmission dishes coupled with a data center
Goodway Refining	A light and specialty product refinery and tank farm
Utility Services	26 Community water and/or sewer systems located throughout the State of Mississippi
Kewaunee Nuclear Power Plant	588-Megawatt, single-reactor, nuclear power plant in Carlton, Wisconsin
Florida Organic Aquaculture	A new concept in growing shrimp including the research and development facility and an organic shrimp production complex with a nursery campus, 1.49-million square feet of production pods and a processing plant
ECO Metals	Mini-Steel mill with electric arc furnace and rolling mill and separate full-functioning DRI plant

DORETTA GILLOTT, MAI, SRA

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AREAS OF SPECIALIZATION

Appraiser since 1978 - Commercial, Residential, Industrial and Special Use Properties

MAI and SRA designations from the Appraisal Institute, which conducts a program of continuing education for its designated members. Doretta Gillott has completed the requirements under this program.

LICENSES AND REGISTRATIONS

State-Certified General Appraiser RZ 1872 (Florida)
Licensed Real Estate Broker, State of Florida BK 171045

PROFESSIONAL AFFILIATIONS

Member Probable Cause Panel, Florida Real Estate Appraisal Board (FREAB) 1995-2002, 2005

Education Chair/Co-Chair, Seminar Chair, Education Committee, West Coast Florida Chapter of the Appraisal Institute 1992-2005

Regional Representative, West Coast Chapter of the Appraisal Institute to Region X 1995-1999

National Board of Directors, Region X Member, Appraisal Institute 1993 - 1995

Residential Appraiser Board, Region X Member, Appraisal Institute 1991 - 1994, Vice Chair 1994

Florida Real Estate Appraisal Board (Subcommittee) appointment by Governor Bob Martinez, 1988 - 1992, Vice Chair 1990

Member of Curriculum Subcommittee, Appraisal Institute 1994 - 1997

Chairman, Unification Task Force for the Florida West Coast, Appraisal Institute 1992

Member of Examination Subcommittee, Appraisal Institute 1992 - 1993, Vice Chair 1993

Member of Examination Committee, Appraisal Foundation, Washington, D.C. 1991 - 1995

Member of the Examination Task Force, Appraiser Qualifications Board, Appraisal Foundation, Washington, D.C. 1989

Board of Directors, Gulf-Atlantic Chapter, Appraisal Institute 1991, Candidate Liaison

Society of Real Estate Appraisers (Appraisal Institute), West Coast Florida Chapter

President	1987-1988	Treasurer	1984-1985
Vice President	1986-1987	Director	1983-1984
Secretary	1985-1986	Past Member	Admissions, Professional Ethics and Legislative Committees

Qualified Expert Witness - Pinellas County

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EDUCATION

MAI, SRA Member of the Appraisal Institute

B.A., Chemistry and Biology, Magnum cum Laude, Spalding University, Louisville, Kentucky 1961

M.T. (ASCP) Medical Technology, Charity Hospital, New Orleans, Louisiana 1962

Approved Instructor for the Appraisal Institute Course 110

Appraisal Courses:
Course 101 - Introduction to Appraising Real Property, SREA
R-2 - Case Study in Residential Appraising, SREA
Residential Demonstration Report, SREA
Courses 1-2-3 Capitalization Theory, AIREA
2-3 - Standards of Professional Practice, AIREA
SPP - Standards of Professional Practice, AIREA
Course 1A1 - Real Estate Appraisal Principles, AIREA
Course 1B1 - Capitalization Theory and Techniques Part A, AI
Course 1B2 - Capitalization Theory and Techniques Part B, AI
Course 2-1 - Case Studies in Real Estate Valuation, AI
Course 2-2 - Report Writing and Valuation, AI
Commercial Demonstration Report, AI
Courses 410 and 420, Standards Parts A and B, AI
Course 430, Standards Part C, AI
Course 510 - Advanced Capitalization Theory, AI0
Residential Sales Comparison and Income Approaches, AI
Continuing Education Completed, Appraisal Institute (100 Hours per Five-Year Cycle)

EXPERIENCE

Gillott Appraisal Services, Inc., Co-owner, Palm Harbor, FL, 1978 - Present
Environmental Science & Engineering, Inc., Senior Appraiser, Tampa, FL, Spring 1992 - Fall 1993
AppraisalFirst, Inc., Commercial Division, Clearwater, FL, 1988 - 1992
Gillott and Associates, Inc., Co-Owner, St. Petersburg, FL, 1976 -1978

SPECIAL PROJECTS

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Partial List Mines and Quarries

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PARTIAL LIST OF CLIENTS

ALCOA
Air-1 FBO
APAC (Old Castle)
Astrotech
Bank of America
Bank of China
Berry Farms
The Blackstone Group
Cemex
Chevron USA
Ciba-Geigy Corporation
Citgo Oil
First Union/Wachovia/Wells Fargo
General Growth Properties
Goodway Refining
Hess Oil Company
Hughes Aircraft
International Paper
LaFarge North America
Martin Chemical
Motiva (Texaco/Shell)
Nestle Bottling N. America
Pepsico
Petroleum Packers, Inc.
Prudential Real Estate
Rinker Materials
Sanwa Business Credit
Sarasota Memorial Hospital
Scott Wise Land Company
Seminole Electric
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Sky Angel Uplink Facility
Southeast Airlines
Speedling Corporation
State of Florida
Vanalco Ingot & Smelter
Venice Minerals
Westfield Corporation
Westway Terminals
Youngquist Brothers

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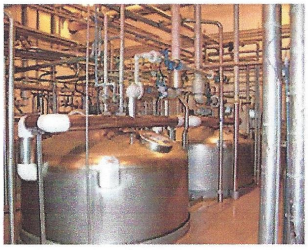
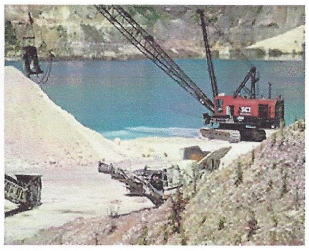




A WORD FROM THE OWNERS

Founded in 1978, Gillott Appraisal Services, Inc. provides valuation expertise in investment-grade real estate. We serve mining, petroleum, commercial, industrial and agriculture clients as well as private land owners and governmental agencies.

We use our 35 years in valuation and consultation and our professional designations to assist you.

For details of our services, visit the ***services*** section of our website. If you have questions or wish to contact us, please refer to the ***contact*** section of this website.

Thanks for visiting. We look forward to working with you.

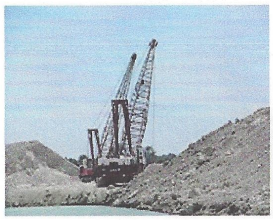
John A. Gillott, MAI, SRA
Cert. Gen. RZ 212

Doretta R. Gillott, MAI, SRA
Cert. Gen. RZ 1872

GILLOTT APPRAISAL SERVICES, INC.

www.wedoappraisals.com




Gillott Appraisal Services, Inc. can perform a wide variety of services, including valuation, review and consultation.

Valuations are prepared on the following basis: current, prospective or retrospective.

Mining and Minerals

- Mineral and mining interests, including undeveloped sites, mineral leases, landowners interest
- Going-concern value or value of the mining Interest
- Plant equipment, stationary and rolling stock
- Partial stock interests; majority/minority interests
- Review and critique mining appraisal reports prepared by others
- Reserve delineation and estimation
- Investment and acquisition
- Market and feasibility studies; mine planning

Petroleum

- Oil terminal properties, Including light products, middle distillate, heavy oils, asphalt
- Refineries, pipelines, underground oil and gas reserves, oil and gas wells
- Chemical terminals, including sulphuric acid, molten sulphur, anhydrous ammonia, caustic soda, etc.

Special Purpose

- Airports, fixed based operations, sporting venues, sea ports
- Heavy manufacturing, batch plants, block plants, textile plants, dye houses, fiberboard and drywall plants
- DRI developments, mitigation banks, Coastal & Island Properties
- Greenhouse operations, ebb and flow facilities
- Data centers, communication towers, power plants, public and private utilities
- Rocket and satellite assembly facilities, railroads
- Citrus processing, sugar refineries, bottling facilities, food processing, cold-storage tank farms

Equipment

- Heavy and light manufacturing, farm, mining, rolling stock

Agricultural

- Farming operations, bio-mass, bio-fuel
- Timberland, fresh-water springs

Litigation and Consulting Services

- Expert witness in federal courts, bankruptcy courts and IRS/SEC cases
- Preparation and testimony for attorneys and local, state and federal courts
- Buy-sell, debt-equity, lease-operate consultations

GILLOTT APPRAISAL SERVICES, INC.

www.wedoappraisals.com

Gillott Appraisal Services, Inc. started as a residential firm 35 years ago by John and Doretta Gillott, took the opportunity to expand the business, through experience and education, into a regional, national and international valuation and consulting firm. Both have served on national, regional and local boards and committees associated with the appraisal profession, including the first appraisal board of Florida and national committees related to the certification of appraisers in the US, and have been active in teaching appraisal theory in the US and abroad. Listed below is a partial list of clients and some of the special projects completed.

ALCOA
American Airlines
American Rice
Amoco Oil Company
APAC (Old Castle)
Astrotech
ARCO Oil
Bank of America
Bank of Netherlands
Bank of Singapore
Blackstone Group
BP
Canadian Imperial Bank
Cemex
Chemical Bank
Chevron USA
Ciba-Geigy Corporation
Citgo Oil
Coastal Oil
Delaware North
Eastern Airlines
El Paso Energy
FDIC
Fireman's Fund
General Growth
Hartz Mountain
Hess Oil Company
Hughes Aircraft
Internal Revenue Service
International Paper
Kash 'n Karry
Koch Refining
Martin Chemical
Mass. Mutual
McKesson Robbins
Memorex Telex
Merrill Lynch
Miller Brewing
Motiva (Texaco/Shell)
Nestlé North America
OCBC Bank (China)
Pepsico
Petroleum Packers, Inc.
Rinker Materials
Sarasota Memorial
SEC
Seminole Electric
Shell Oil
Shurgard Storage
Signature Aviation
Southeast Airlines
SPACEHAB, INC.
Speedling Corporation
StarEnterprise (Texaco)
State of Florida
Texaco Refining
Trammel Crowe
Valero
Vanalco Ingot & Smelter
Venice Minerals
WCI
Wells Fargo/Wachovia
Westfield Corporation
Westway Terminals
Youngquist Brothers

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Vanalco Ingot & Smelter	Appraised $85-million facility in Vancouver, Washington as a smelter and as vacant
Astroteck Space Operations	Nine-building commercial satellite-processing facility in Titusville, Florida (Cape Canaveral)
Mines and Quarries	Appraised over 60 mining properties, including coal, aggregates and gems in eastern US
Nestlés Waters N. America	$32-million, 404,000-square foot high speed bottling plant in Madison County, Florida
US Sugar Corporation	187,000 acres of citrus and cane land, Southern Gardens Citrus Processing Plant, Clewiston Sugar Mill and Refinery, and two railroads for $2.2-billion buyout by State of Florida

GILLOTT APPRAISAL SERVICES, INC.

www.wedoappraisals.com

John Gillott, MAI, SRA

John Gillott has been actively involved in the field of real estate appraising and counseling since 1976. He has completed appraisals of residential, commercial, industrial, and special purpose properties.

He has prepared narrative appraisal reports for merger/acquisitions, allocation of purchase price, financing, leasehold/leased fee analyses, useful life determinations, component depreciation, ad valorem tax, sales/purchases, value in use, and liquidations and distressed properties. He has extensive project management experience with multi-location assignments.

Mr. Gillott is an Appraisal Institute approved instructor, a Certified General Appraiser in Florida and North Carolina, and holds a Florida Real Estate Broker's license. He has also written a number of articles for publication.

Mr. Gillott has provided expert testimony to the Federal Asset Disposition Agency, Internal Revenue Service and the U.S. Bankruptcy Courts in Florida, Ohio, New York, Texas, Pennsylvania, Oklahoma, and North Carolina. In addition, he has completed appraisal assignments for the Securities and Exchange Commission, Federal Housing Administration and Veterans Administration.

Doretta Gillott, MAI, SRA

Doretta Gillott has been engaged in brokerage and appraising since the late 1970s. She served as President, Vice President, Secretary, Treasurer and Director of the West Coast Florida Chapter of the Appraisal Institute before being appointed by Governor Bob Martinez to the first Appraisal Board of Florida in 1988, the first state in the US to certify real estate appraisers, and was a member of the Probable Cause Panel for the Florida Real Estate Appraisal Board from 1995 to 2005.

She was a member of the Examination Committee of the Appraisal Foundation in Washington, D.C. and the Examination Task Force of the Appraiser Qualifications Board, Washington, as part of the process to certify appraisers nationwide. Ms. Gillott was elected as the Region X director for the National Board of Directors for the Appraisal Institute and was the appointed Region X member of the first Residential Appraiser Board for the Appraisal Institute in 1991 when it merged with the Society of Real Estate Appraisers. She also served on the National Curriculum Subcommittee of the Appraisal Institute and the West Coast Florida Chapter Regional Representative for Region X of the Appraisal Institute.

Ms. Gillott served as the Chair and/or Co-Chair of the Education Committee of the West Coast Florida Chapter of the Appraisal Institute for 13 years and was the chairman of the Unification Task Force for the Florida West Coast. She served on the Admissions, Professional Ethics, and Legislative Committees of the Society of Real Estate Appraisers and was the Candidate Liaison to the Board of Directors of the Gulf-Atlantic Chapter of the Appraisal Institute.

FLORIDA OFFICE

3136 Windmoor Drive North
Palm Harbor, Florida 34685
727.787.2213 Voice
727.787.3899 Fax

NORTH CAROLINA OFFICE

2095 Buffalo Creek Road
Lake Lure, North Carolina 28746
828.625.4370 Voice
828.625.5291 Fax

Mobile 727.415.9847

E-mail *djgillott@wedoappraisals.com*

Website *www.wedoappraisals.com*

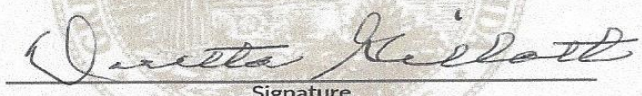
STATE OF FLORIDA DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

RZ212 ISSUED: 09/19/2018
CERTIFIED GENERAL APPRAISER
GILLOTT, JOHN A

Signature
LICENSED UNDER CHAPTER 475, FLORIDA STATUTES
EXPIRATION DATE: NOVEMBER 30, 2020

STATE OF FLORIDA DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

RZ1872 ISSUED: 09/19/2018
CERTIFIED GENERAL APPRAISER
GILLOTT, DORETTA



Signature
LICENSED UNDER CHAPTER 475, FLORIDA STATUTES
EXPIRATION DATE: NOVEMBER 30, 2020

EXHIBIT E

ASSUMPTIONS AND LIMITING CONDITIONS

Assumptions and Limiting Conditions

This appraisal report is made expressly subject to the following Assumptions and Limiting Conditions and any Special Limiting Conditions contained in the report which are incorporated herein by reference.

We provided an opinion of market value for the subject property, as a reservoir. We made the extraordinary assumption that the estimate of acre-feet capacity for the subject property, upon which our opinion of value is based, is more or less correct. We have made the hypothetical condition that the property is permitted for use as a reservoir.

We assume no responsibility for matters legal in character nor do we render any opinion as to the title, which is assumed to be good.

The sketches and exhibits in this report are included to assist the reader in visualizing the property. We have made no survey of the property and assume no responsibility in connection with such matters. This appraisal covers only the property described and is not to be construed as applicable to any other properties.

In the course of this appraisal assignment, we have relied on information provided by individuals, public records, and published materials. Although we believe the information utilized to be reliable,wel cannot assume responsibility for its accuracy.

The data gathered in the appraisal process (except data furnished by a client) and the appraisal report prepared pursuant to this agreement will remain the property of the appraiser. With respect to the data provided by client, the appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to him. The appraiser is, however, authorized by client to disclose all or any portion of the appraisal report and the related appraisal data to appropriate representatives of the State Appraisal Boards or the Appraisal Institute, if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of either now or hereinafter in effect. Other than for these purposes, the appraiser will not disclose to other third parties any confidential information contained herein without the consent of the client and his/her assigns.

We are not required to give testimony or to appear in court by reason of this appraisal with reference to the property in question, unless arrangements have previously been made.

The appraiser has inspected the subject property with the due diligence expected of a professional real estate appraiser. It is unknown if there is any ground contamination. The appraiser is not qualified to detect hazardous waste and/or toxic materials and a Phase I Environmental Audit is recommended. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment.

The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The appraiser has not been provided with any environmental studies on the property. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them.

The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.

It is assumed that all applicable zoning and use regulations and restrictions have been or will be complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.

It is assumed that the utilization of the land and the improvements is within the boundaries of the property described and that there are no encroachments or trespass unless noted within the report.

Surface rights were considered in this report. Any riparian and/or littoral rights are assumed to go with the property, unless deeds or easements to the contrary are specifically indicated herein.

It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been, or can be, obtained or renewed for any use on which the value estimate contained in this report is based.

This report covers only the property specifically described herein, and no figures provided, analyses thereof, or any unit values derived therefrom are to be construed or utilized as being applicable to any other properties, regardless of similarity to the subject property.

Acceptance of and/or use of this appraisal report constitutes acceptance of the foregoing General Underlying Assumptions and General Limiting Conditions. The appraiser's duties pursuant to the employment to make the appraisal, are complete upon delivery and acceptance of the appraisal report. However, any corrections or errors should be called to the attention of the appraisers within 20 days of the delivery of the report.

It is our understanding that the function of this report is <u>not</u> for use in conjunction with a syndication of the real property. This report cannot be used for said purposes and therefore any use of this report relating to syndication activities is strictly prohibited and unauthorized. If such an unauthorized use of this report takes place, it is understood and agreed that Gillott Appraisal Services, Inc. has no liability to the client and/or third parties.

The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of the property(ies) to determine whether or not it is in conformity with the various detailed requirements of the ADA, or if such requirements are applicable to this property type. It is possible that a compliance survey of the property(ies) together with a detailed analysis of the requirements of the ADA could reveal that the property(ies) is not in compliance with one or more of the requirements of the act. If the appraiser has direct evidence relating to this issue and the affect of noncompliance on the value of the property(ies) with the requirements of ADA, this issue was addressed in this report.

EXHIBIT F

ENGAGEMENT LETTER

djgillott@wedoappraisals.com

From: Victoria Bateman <vbateman@capecoral.net>
Sent: Saturday, February 16, 2019 10:27 AM
To: Doug B. Sayers
Cc: Dawn Andrews; Jeff Pearson; Jody Sorrels; djgillott@wedoappraisals.com; Dawn Andrews
Subject: RE: Reservoir meeting notes of 02/15/2019

Go ahead and approve.

Victoria L. Bateman, CPA, CGFM
Finance Director
City of Cape Coral
239-574-0491

From: Doug B. Sayers
Sent: Friday, February 15, 2019 5:19:07 PM
To: Victoria Bateman
Cc: Dawn Andrews; Jeff Pearson; Jody Sorrels; djgillott@wedoappraisals.com
Subject: Reservoir meeting notes of 02/15/2019

Hello Vicki,

Today's meeting with the appraiser for the reservoir was an informative meeting. Below are bullet points of the discussion. Jeff, Jody and John – if some details are omitted or need correcting, please feel free to respond to all within this email with your thoughts, recollections, comments – thank you.

Vicki - the fee for the report is and will take 60 days to complete.

Jody – you are to research and furnish John the drilling permit and associated permit information.

1. the established purpose of the purchase is for a retention area to be used to hold water in order to supplement the City of Cape Coral's irrigation system
2. discussion was held regarding the depth of the confining clay layer (should be just above the aquafer) vs the clayee layer (shallow in depth) – the report the City of Cape Coral received depicted a clayee layer of 20-25 feet – the clayee layer is used here as the defining zone which is depth the mining permit allows
3. discussion was held regarding the recharging of the reservoir – since there are no accountable natural springs, the reservoir is recharged by rain water – there is discussion to add additional recharging by piping in from the Cecil Webb (Bonn Farm) in the future – this is to be a joint effort to supply the City of Cape Coral with its' needs as well as suppling water to the Yucapan
4. the City has studies depicting draw down test to see if the neighboring residential wells were affected by the City's draw down test – they were not
5. the question was asked about the probability of a housing development or what can be built on the property after the mining is complete - I will reach out to Seaun Cullinan - Planning and Zoning Official for Charlotte County
6. the question was asked about the water and sewer accommodation if this land was developed into a housing community – the property owners will have to dig a well for water and a vacuum type system for sewer
7. I asked if he had the opportunity to read the owner's appraisal report – he did

EXHIBIT G

RELATED DOCUMENTS

Feasibility Study for Potential Off-Line Water Supply Storage

Final Technical Memorandum

SW Aggregates Mining Operation – site of potential off-line water supply storage reservoir

Submitted to :
City of Cape Coral
P.O. Box 150027
Cape Coral, FL 33915

Submitted by :
ADA Engineering, Inc.
8550 NW 33rd. Street Ste. 202
Doral, FL 33122

Submitted by
AECOM
4415 Metro Parkway
Suite 404
Fort Myers, FL 33916
May 2015

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1 Introduction

Currently, the City of Cape Coral is working with AECOM to develop basin-scale water budget modeling tools to assist in the improved management of the canal withdrawals. As an extension of the basin-scale water budget planning AECOM with the assistance of ADA Engineering Inc. was retained by the City of Cape Coral to perform an initial feasibility study for potential off-line water supply storage using an existing MIKE/SHE MIKE 11 integrated surface/groundwater model. Since the simulated water levels and flows in the Yucca Pens WMA were not providing sufficient estimates, a subsurface investigation was completed in the Yucca Pens WMA as a part of this study to update the hydrogeological parameters in the model and further calibrate the model to improve the overall performance of the modeling efforts. This Technical Memorandum (TM) describes an initial feasibility assessment of a potential off-line water supply storage reservoir in Charlotte County east of U.S. 41 located at the site of the Southwest Aggregates Mine.

The Charlotte Flatwoods Initiative is a multi-agency effort that is focused on improving the hydrology of the Cecil Webb and Yucca Pens Wildlife Management Areas (WMAs). Currently, FDEP and FDOT are in the process of acquiring a farm (referred herein as the Bond Farm) east of I-75 in the Gator Slough headwaters that will be used to improve hydrological conditions of Cecil Webb WMA. The property is located east of I-75 and west of Cecil Webb WMA. The land will be used for off-line storage of Cecil Webb WMA wet season runoff, with delayed flow deliveries west to Yucca Pens WMA with the objective of improving Yucca Pens wetland hydroperiods. Natural flow-ways west of I-75 towards Yucca Pens have been removed, and public/private partnerships are being pursued with landowners between I-75 and U.S. 41 to restore a flow-way from Cecil Webb to Yucca Pens. Additional partnerships are being pursued west of U.S. 41 to complete the route to Yucca Pens WMA. **Figure 1** presents the domain of the Charlotte Flatwoods model and illustrates proposed components of the Charlotte Flatwoods Initiative restoration plan.

One of the properties being evaluated for a potential flow-way easement is the Southwest Aggregates mine that is located east of U.S. 41 just south of Zemel Road. This property could also be used as an additional off-line water storage facility. Based on boring logs available from permitting files for the mining operation, there is a clay layer present underneath the site approximately 25 feet below ground surface, and the MIKE SHE/MIKE 11 model includes additional hydrogeological data identifying a surficial aquifer, a clay layer, and a sandstone aquifer (170 ft below ground surface).

If Cape Coral were to purchase this property, the stored water could be used to augment dry season flows from Gator Slough into Cape Coral. This TM describes the results of a modeling analysis to evaluate the potential use of the Southwest Aggregates property as an additional storage area for wet season flows. The storage scenario would include the following components:

1. Modification of existing property berms to store water on-site,
2. Clay-cut-off walls to reduce seepage to manageable levels,
3. A pump station to transfer water into the site,
4. A gated outflow structure
5. Alterations to the western U.S. 41 ditch to regulate flows from the reservoir south to Gator Slough at U.S. 41

The proposed condition simulation included the off-line storage facility east of I-75 (Bond Farm) as well as the Southwest Aggregates site. Operation rules for the inflow pump stations and outflow structures were defined to optimize the off-line storage facility east of I-75 (Bond Farm) for environmental flow releases and to optimize the Southwest Aggregates flow releases for use by Cape Coral.

This TM describes hydrogeologic data collected to improve the overall performance of the integrated surface/ground water model, a calibration update of the model, scenario analysis of the proposed off-line storage reservoir, a summary of the water supply potential of the reservoir, and a cost analysis of the reservoir.

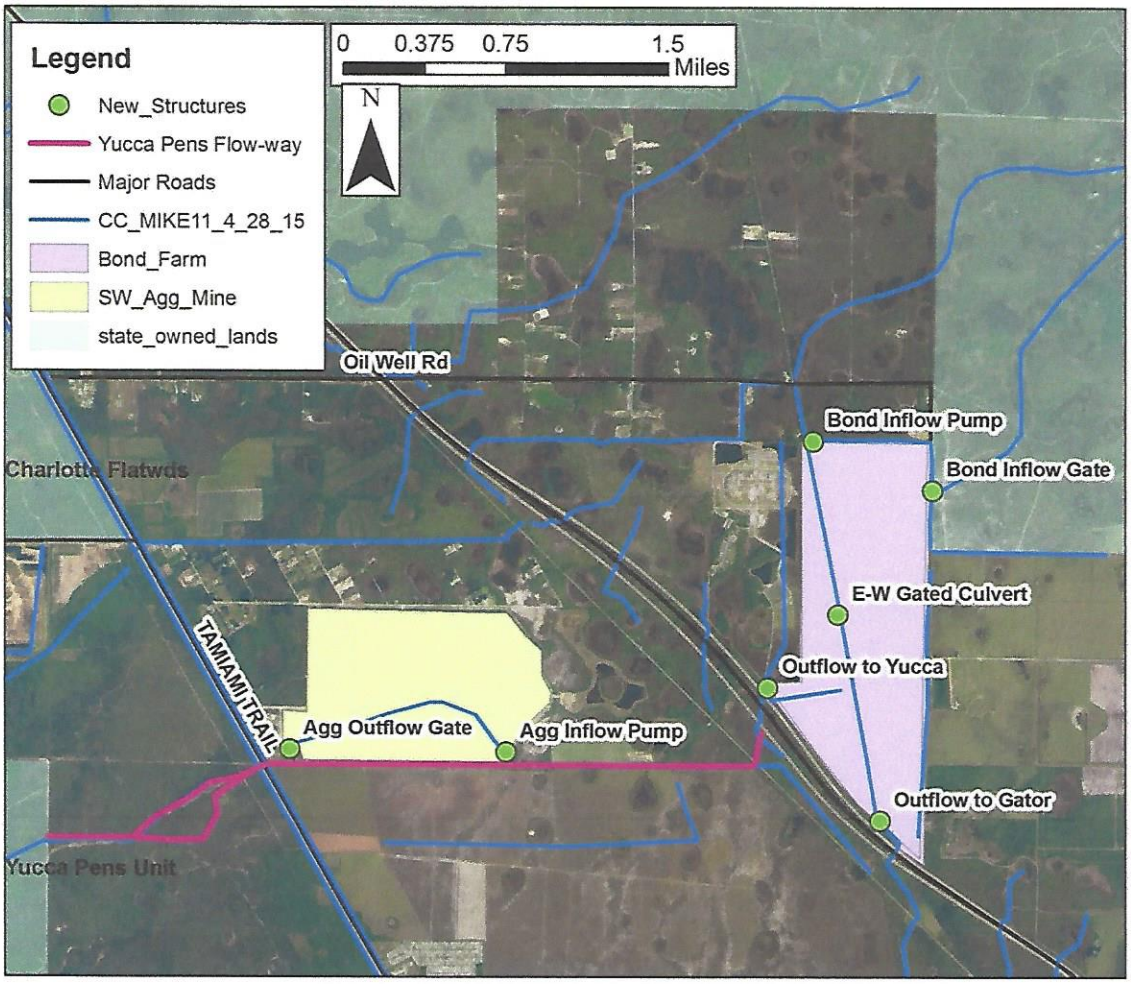


Figure 1 Location of Southwest Aggregates Reservoir and Related Charlotte Flatwoods Recommended Improvements

2 Aquifer Analysis in the Yucca Pens WMA

2.1 Purpose

There is a lack of subsurface data inside the Yucca Pens WMA (YPWMA) which is an influential portion of an existing regional hydrologic model built by ADA Engineering, Inc. This model will be used to develop scenarios with hydrological structural changes to help improve the restoration of natural hydro-periods between the CWWMA and the YPWMA. To improve calibration within the model in areas such as the YPWMA and the Cecil Webb WMA (CWWMA) and to improve the modeling performance of a potential offline storage area at the Southwest Aggregates mine site for the City of Cape Coral, a better understanding of the hydrogeology within the Yucca Pens WMA is needed.

Even though there is insufficient data inside the Yucca Pens, there have been studies in the area surrounding the Wildlife Management Area. Stratigraphic data has been taken from the sources and corresponding projects/database listed in **Table 1**. Refer to **Figure 2** for the locations of each source's borings.

Table 1: List of sources that provided stratigraphic information about the area that surrounds the YPWMA.

Source	Project/Database
Water Resource Solutions (WRS)	Lower West Coast Potentiometric Mapping Project
Universal Engineering Sciences (UES)	• Southwest Aggregates: Borrow Pit Expansion • Southwest Engineering and Design: Proposed Excavation (Landfill) • Florida Fish and Wildlife Conservation Commission: FWC Roadway Ditch Crossing
South Florida Water Management District (SFWMD)	DBHYDRO
ADA Engineering Inc (ADA)	New boring information obtained as a part of this study.

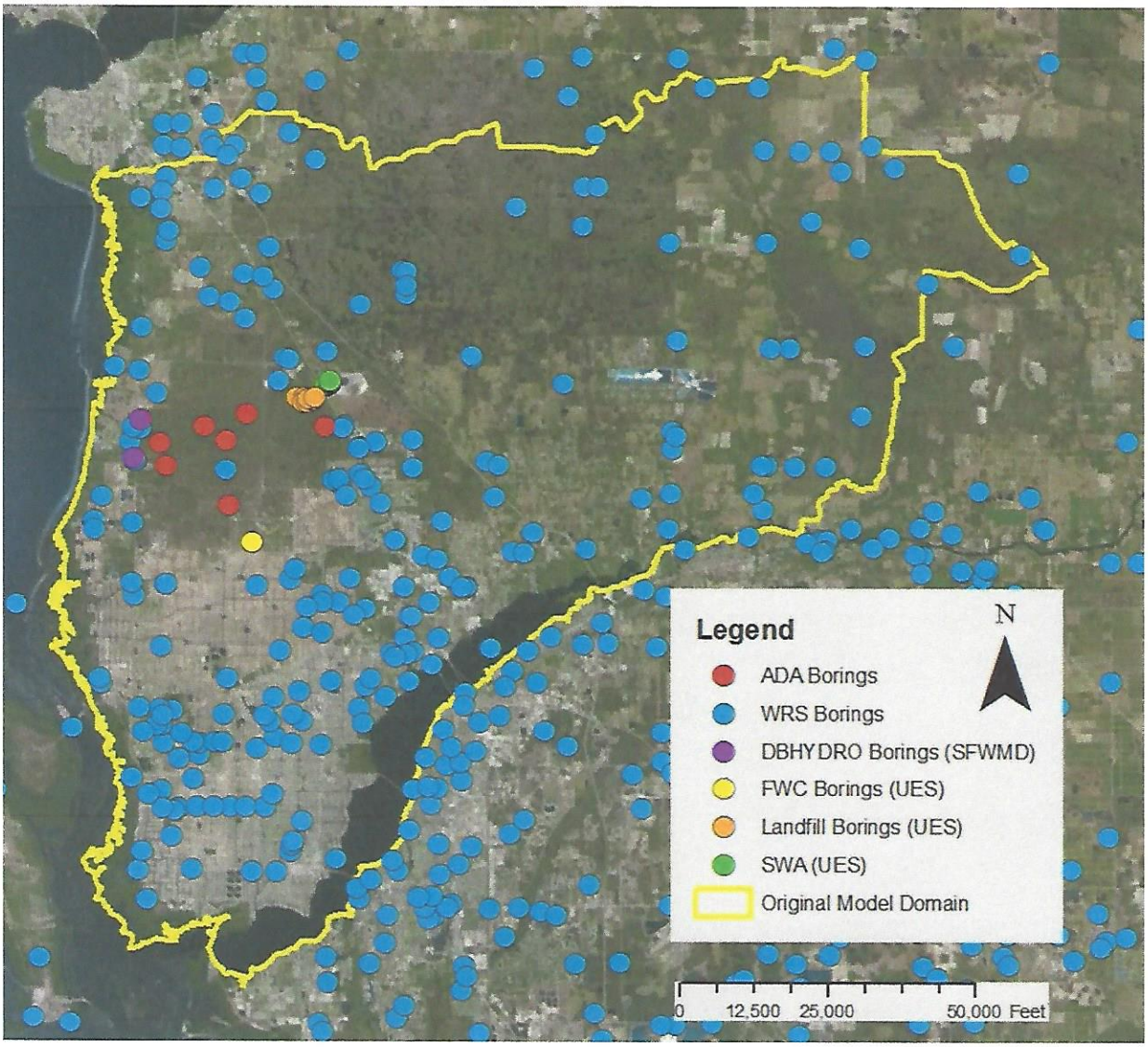


Figure 2: The locations of the borings from each source listed in Table 1.

A database designed by WRS provided information about the depth to different geological formations. This database was a compilation of borings from many different sources for a variety of purposes. This database was analyzed to provide a lithologic description of Florida south and west of Lake Okeechobee. This database was the foundation for a number of MIKE SHE/MIKE 11 modeling efforts for the Southwest Florida Feasibility Study (SWFFS), including the Freshwater C-43 Basin, the Tidal Caloosahatchee Basin, the Estero Basin, and the Big Cypress Basin; all of these models overlapped to some degree. In addition, a larger model with less detail was prepared for the entire area which was used to create a natural systems model of an area extending from Naples to Punta Gorda, and east to Lake Okeechobee. This model did not include the C-139 Basin or the Feeder Canal Basin.

The surficial aquifer was referred to as the Holocene/Pleistocene. The Lower Tamiami and Sandstone aquifers were also described, although each of these aquifers was absent in portions of the SWFFS domain. A confining layer (Bonita Springs Marl) was defined at the bottom of the Holocene/Pleistocene

layer, and this confining layer was absent in portions of the study area. The Upper Peace River Confining Unit was located at the bottom of the Sandstone aquifer. The lithology of these geologic units was defined using geologic mapping tools and varied both spatially and with depth. This database has been the foundation of each of the above-listed models. In each model, minor refinements were made to hydrogeologic parameters where more detailed localized information was available.

2.2 New Borings in Yucca Pens WMA

Seven borings were completed in Yucca Pens south of Zemel Road. **Figure 2** presents the locations of these borings in relationship to other borings. **Figure 3** provides a more detailed location map of the new borings. The borings were terminated at approximately 40 feet below ground surface unless a dense clay layer was found to be present at a shallower depth.

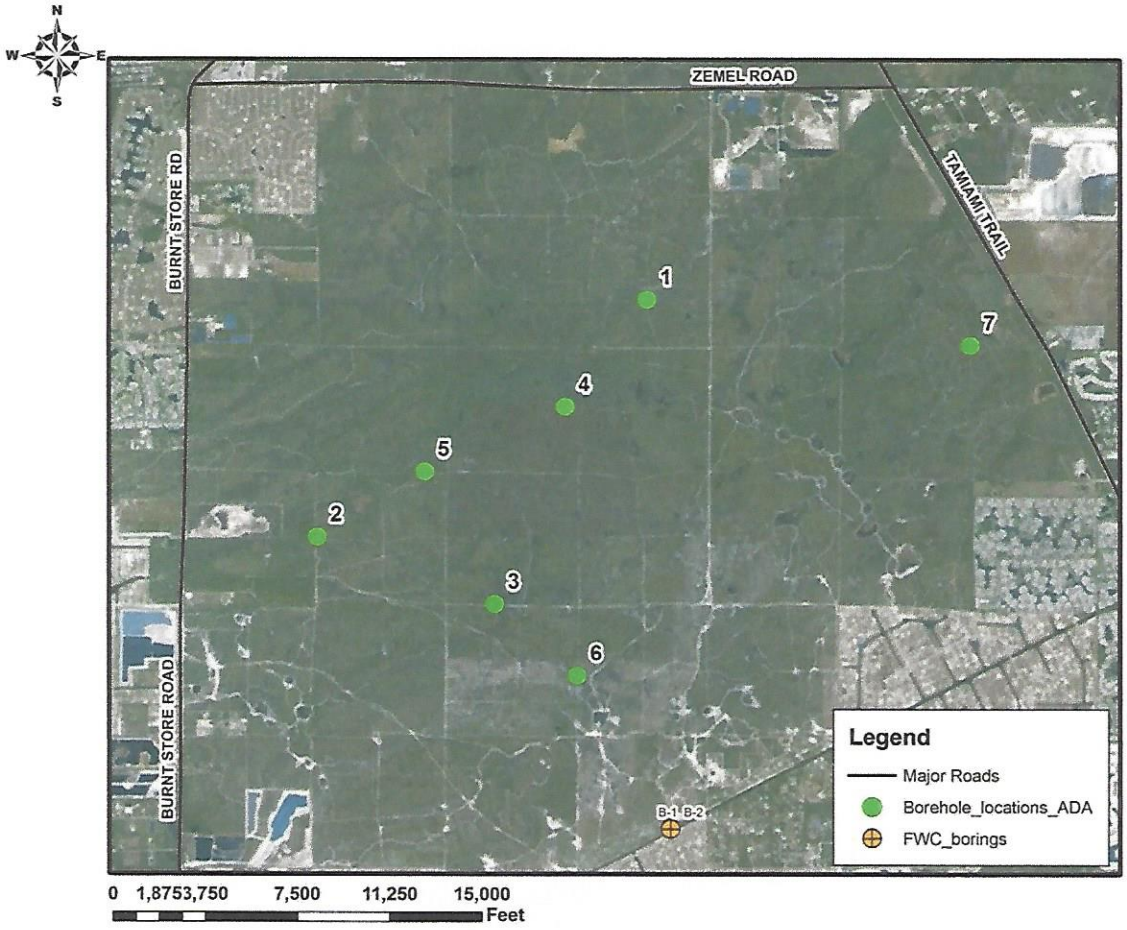


Figure 3 Location of New Borings

Boring results are presented below in **Figure 4** through **Figure 10** and actual boring logs are provided as an appendix of this TM. The vertical scale for these borings is ft-NAVD. The borings are generally consistent with the SWFFS hydrogeologic database, however all of the new borings indicate a shallow layer of sandy clay or clayey sand very close to the surface, which was generally not reported in the larger database. This shallow layer of confining material is consistent with empirical observations of

Yucca Pens hydrology reported by staff of the FWC Cecil Webb field office. The local FWC manager reports that Yucca Pens gets wet quickly after rains but then dries out quickly after the rainfall event.

The borings also indicate a limestone layer that is found less than 10 feet below ground surface (BGS) for borings 2, 3, 4, 6, and 7. Limestone is 13 feet BGS for borings 1 and 5. Boring 6, at the south end of Yucca Pens, is unique in not having a thin layer of confining material near the surface. Boring 4, located on the edge of the east-west cypress strand in Yucca Pens, has clay at the surface. This is consistent with the relatively wet conditions observed in the vicinity of that boring. Another interesting finding for boring 4 was a layer of coarse sand 23-28 feet BGS, just above the lower clay layer.

As a result of the new boring information, the hydrogeologic layering of the model was revised to account for the depth of the deeper clay layer, which was found 23 to 28 feet below ground surface and a surface-subsurface leakage coefficient was added to portions of Yucca Pens to account for the shallow layer of clay. Further discussion of the hydrogeologic updates to the model are presented in Section 3.2.1 of this TM.

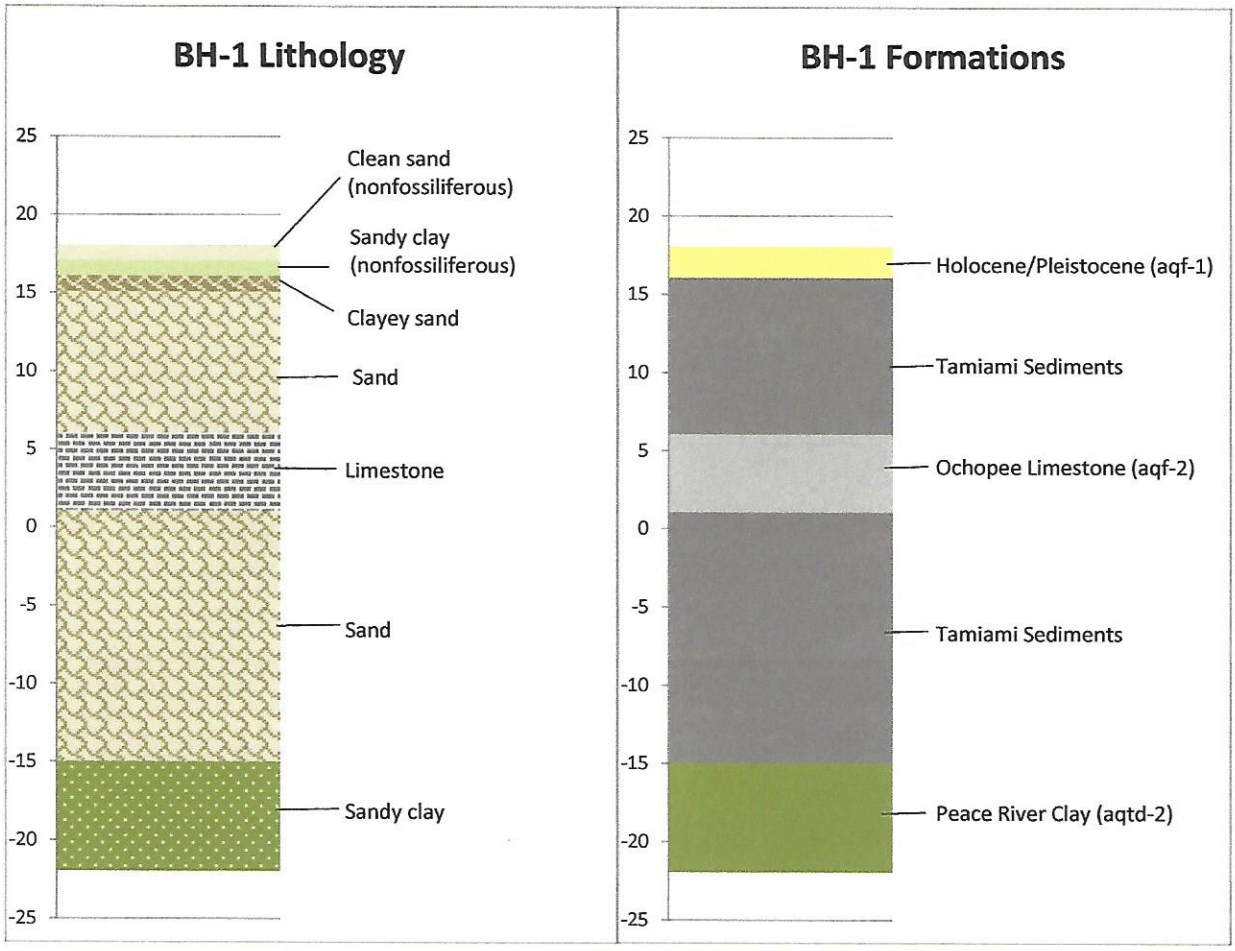


Figure 4. BH-1 Lithology and Formations

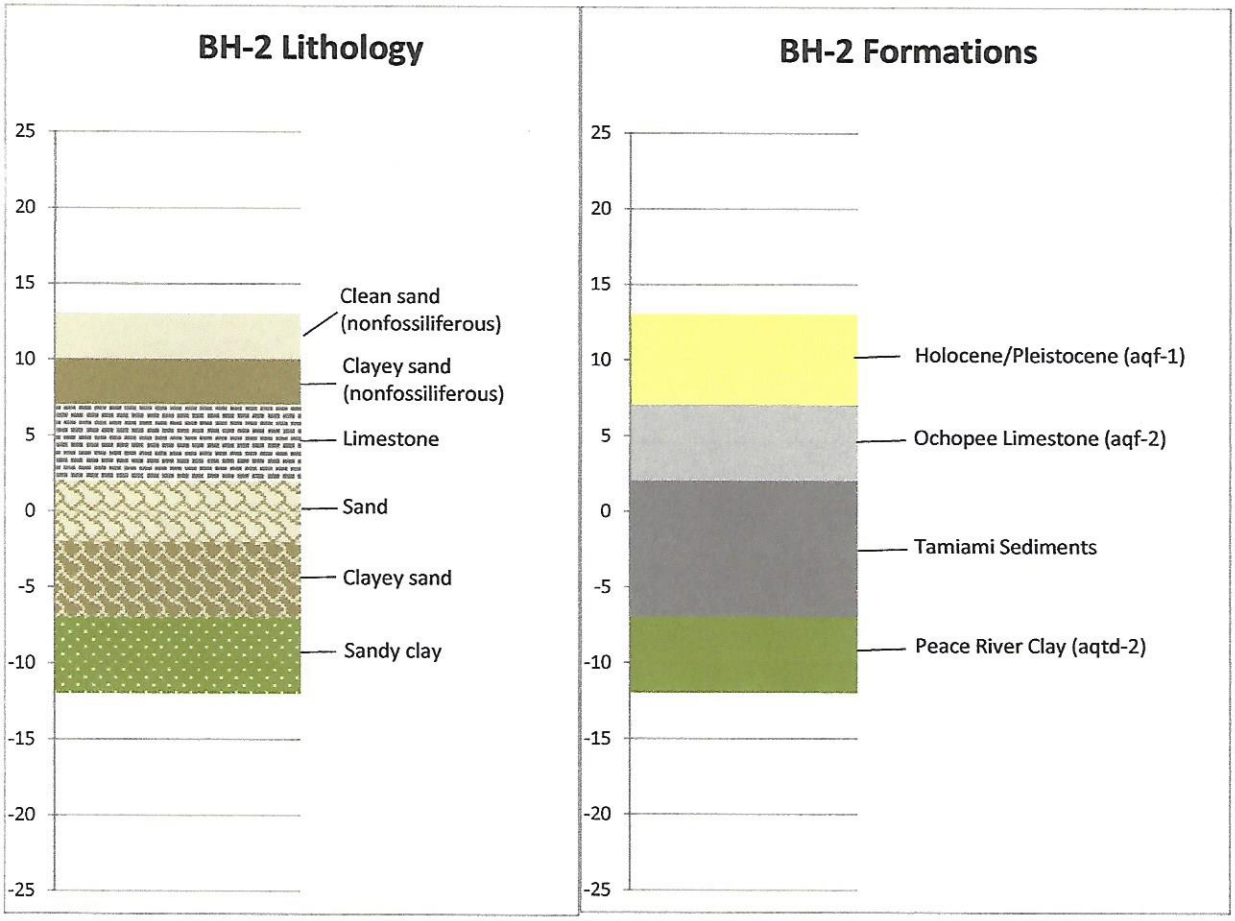


Figure 5. BH-2 Lithology and Formations

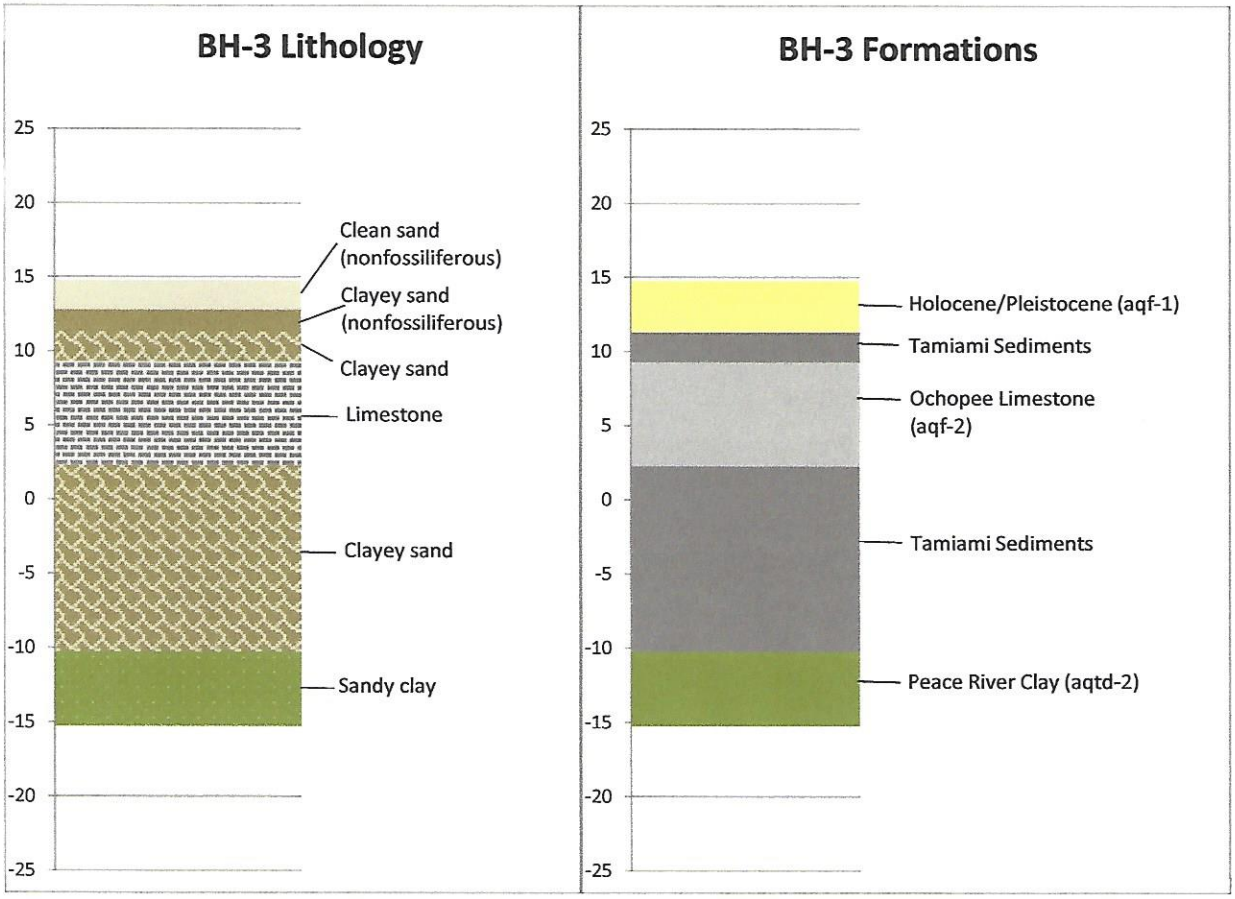


Figure 6. BH-3 Lithology and Formations

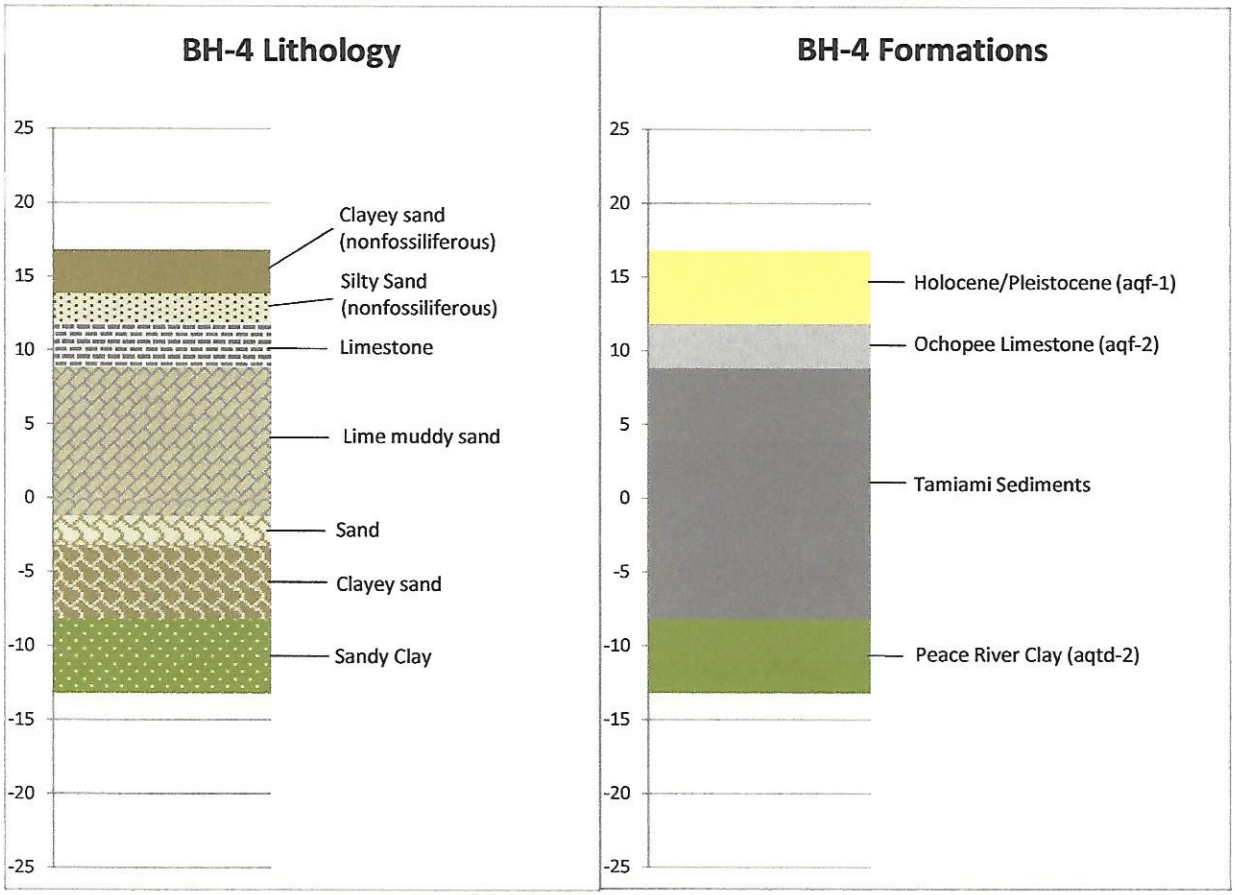


Figure 7. BH-4 Lithology and Formations

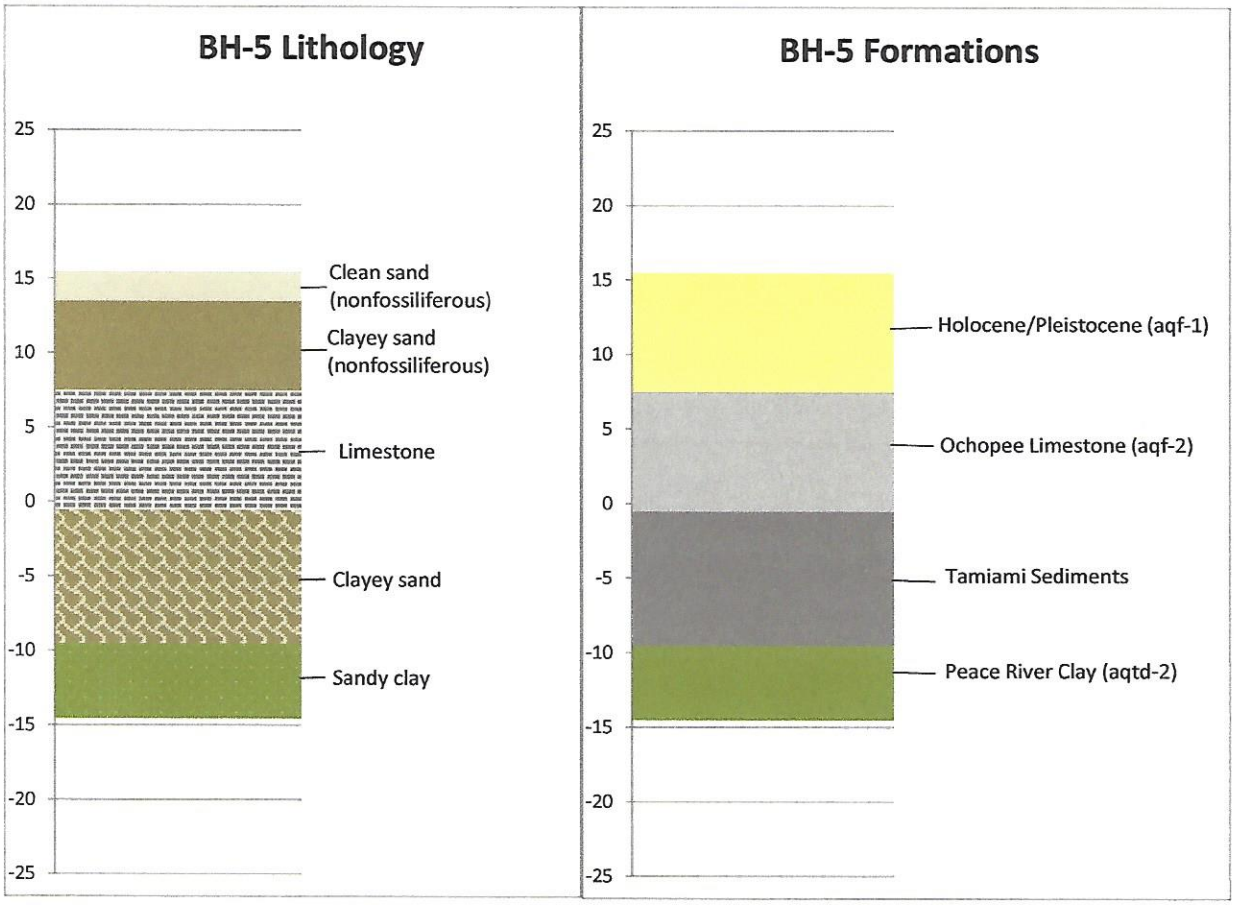


Figure 8. BH-5 Lithology and Formations

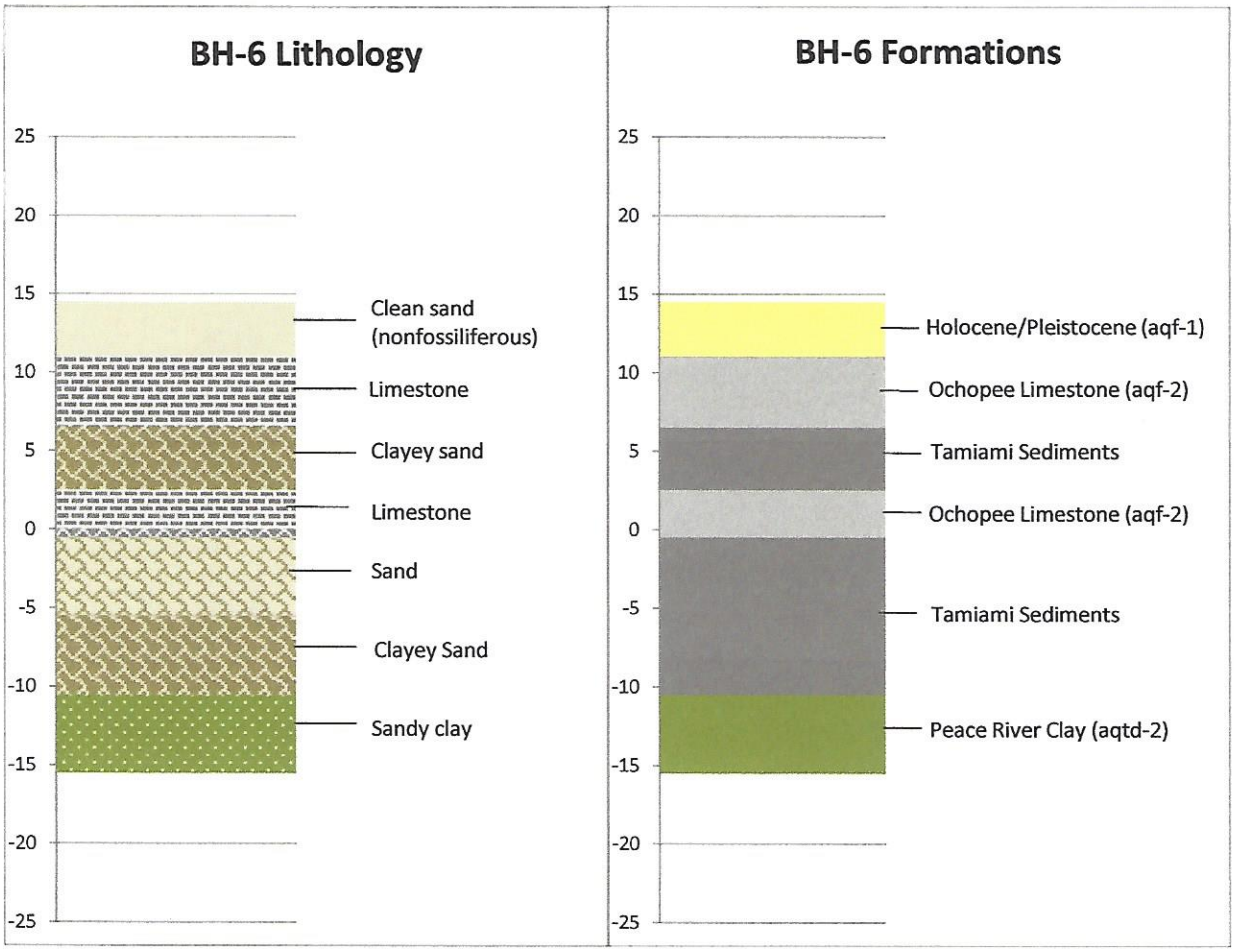


Figure 9. BH-6 Lithology and Formations

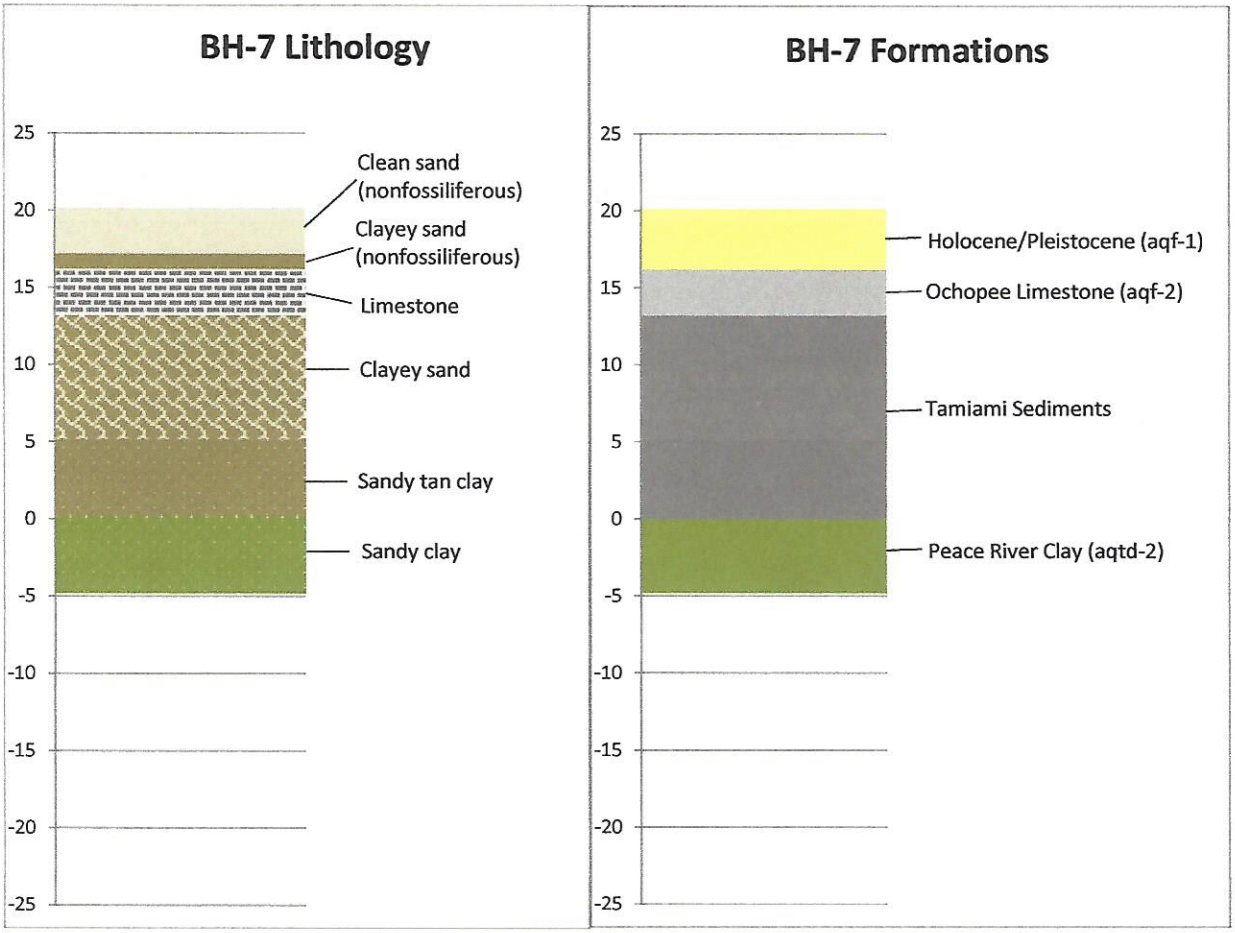


Figure 10. BH-7 Lithology and Formations

3 Alternative Water Supply Assessment

3.1 Data Collection

An existing MIKE SHE/MIKE 11 model has been developed for the Charlotte Flatwoods area that includes Cecil Webb Wildlife Management Area, the Yucca Pens Unit, land west of the Yucca Pens, North Fort Myers, and Cape Coral. Prior work conducted as part of the Charlotte Flatwoods Initiative and stormwater planning studies for the City of Cape Coral yielded a model that provided reasonable estimates of surface and groundwater levels in Cecil Webb WMA, North Fort Myers, and Cape Coral. Simulated water levels and flows were not deemed sufficient for the Yucca Pens area, and therefore a data collection task was included as a part of this study to include completion of seven new borings in Yucca Pens to provide additional hydrogeological data for updating and calibrating the model, as discussed in Section 2.

3.2 Calibration

3.2.1 Model Changes

This section provides an outline of the changes that were made to model files during calibration refinement of the Cape Coral MIKE SHE/MIKE 11 model.

MIKE 11 – Modified branches in Cecil Webb WMA to increase water levels in southwest Cecil Webb. Specifically:

- Short branches CW_SW and Ford_East_SP-9 were deleted and a longer branch called CW-1 was added that includes the details associated with the prior branches.
- Branch CW-2_SAL was replaced with a longer branch called CW-2.
- Branch CW_SAL_S was deleted and a longer branch called CW-3 was created that includes the details associated with CW_SAL_S. Branch CW-3 was connected to an existing branch under I-75 called BabcWMA_to_US41_Ditch.
- Branch CW_SAL was replaced with a longer branch called CW_4.

Overland Flow – Reduced vertical exchange in specified area was turned on in the main Overland Flow tab. A Surface – Subsurface Leakage Coefficient grid file was added, and this file is essentially the same as the Marsh land use grid cells. The distribution of the leakage coefficient is shown in **Figure 11**.

Saturated Zone – Hydrogeology was modified in the model area. In the Saturated Zone main tab, the Hydrogeologic - parameter distribution was changed from *Assign parameters via geologic layers* to *Assign parameters via geological units within layers*. The Geological Units that were specified are shown in **Table 2**.

The Lower Tamiami and Sandstone aquifers characteristics were defined by items 8 and 9 shown in **Table 2**, respectively. For Geological Lenses, the Bonita Springs Marl and Upper Peace River Confining Unit were defined by items 10 and 11 in **Table 2**, respectively. The map of the distribution of the geological units for the surficial aquifer (Holocene-Pliocene) is identified in the map shown in **Figure 12** below.

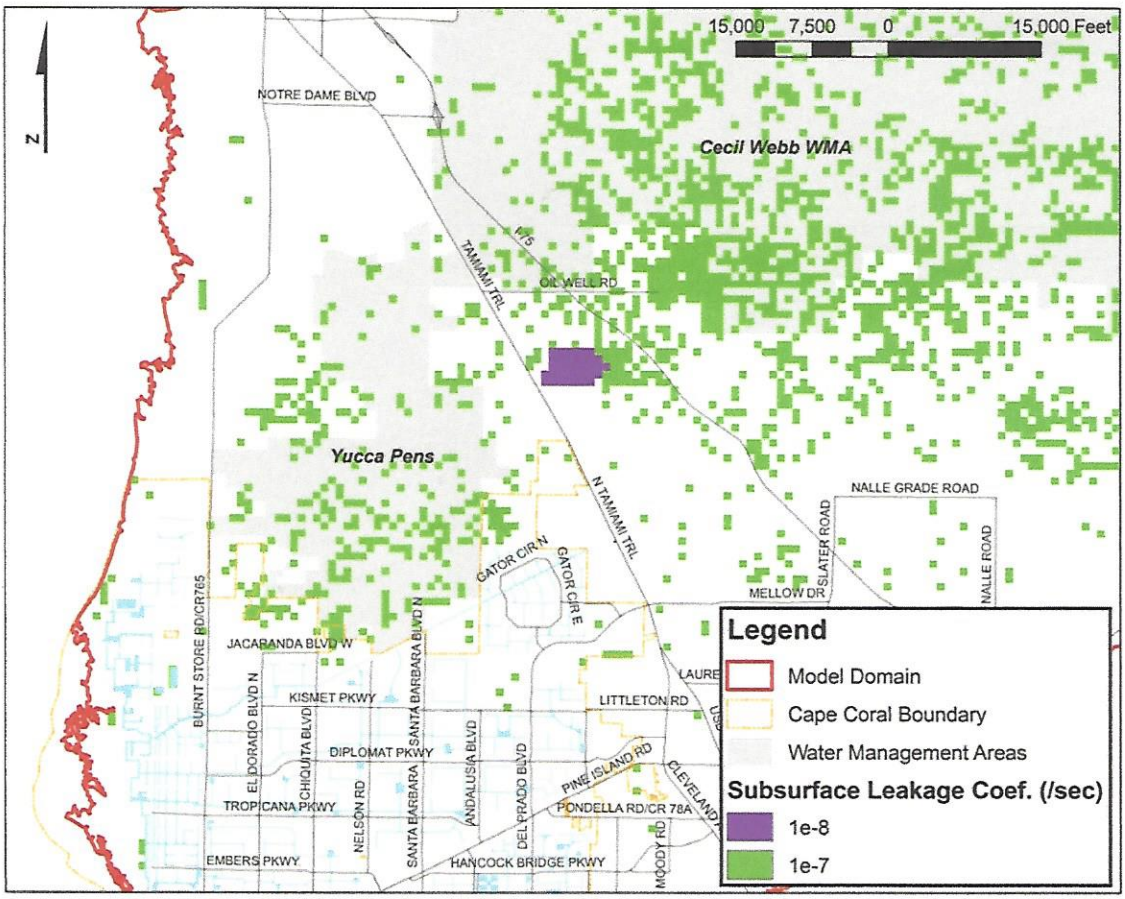


Figure 11. Subsurface Leakage Coefficient for the Yucca Pens and Cecil Webb WMA.

Table 2. Geological Units and their soil properties.

	Soil name	Soil code	Horizontal conductivity	Vertical conductivity	Specific yield	Specific storage
1	YP L1	1	20000	2000	0.2	9.99866e-006
2	Coast L1	2	100	10	0.2	9.99866e-006
3	Landfill	3	1	0.1	0.2	5.42544e-005
4	CC1	4	25	2.5	0.2	9.99866e-006
5	CC2	5	100	10	0.2	9.99866e-006
6	I75-US41	6	250	25	0.2	3.048e-005
7	CW	7	1000	100	0.2	9.99866e-006
8	L2	8	12	0.4	0.2	0.000411224
9	L3	9	33.0001	4	0.2	0.000109212
10	Lense1	10	3.80999	3.80999	0.2	1e-005
11	Lense2	11	0.049	0.049	0.2	1e-005

Note: Conductivity values are shown in ft/day

Note that many iterations of the values in the Geologic Units table were tested, and that further testing is warranted.

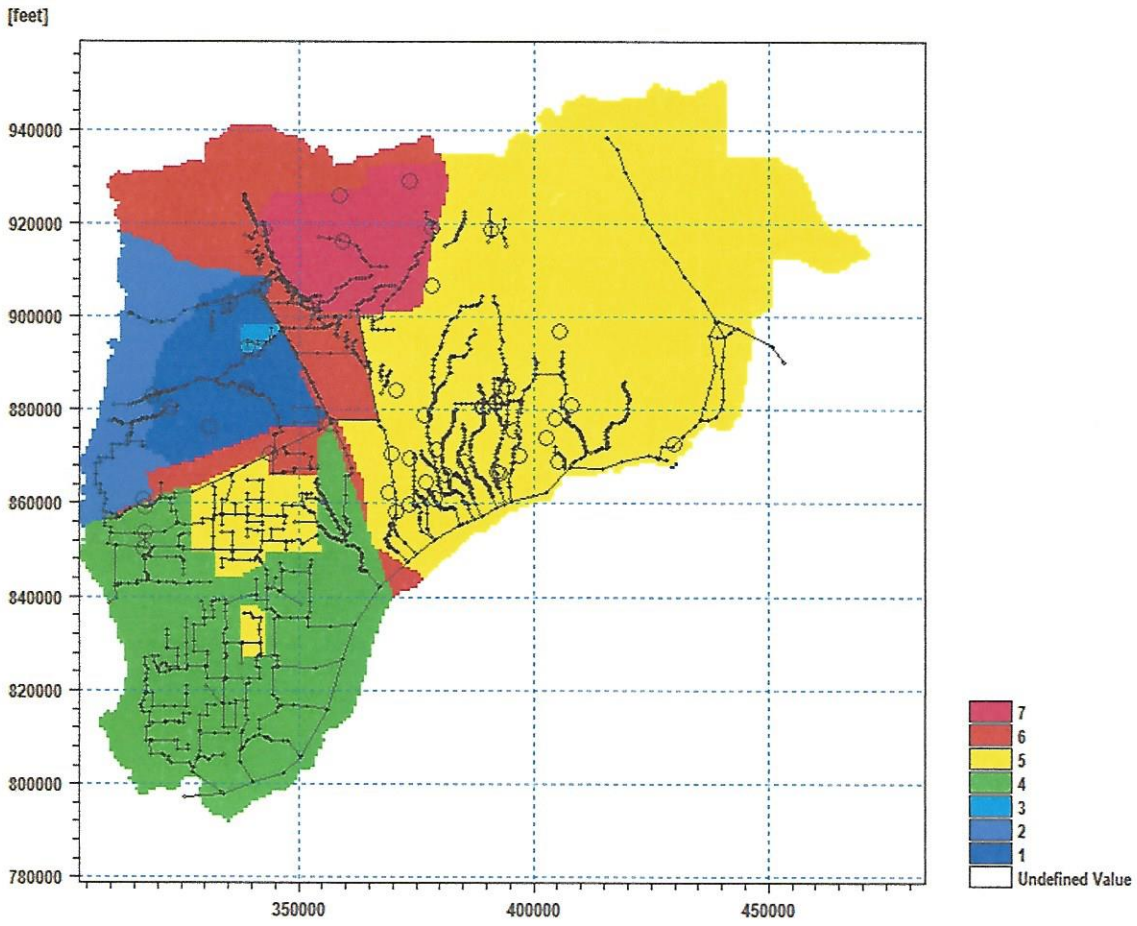


Figure 12. Map of the soil codes for the model.
Note: See Table 2 for the hydraulic parameters of each soil code

3.2.2 Model Calibration

The focus of calibration was to simulate water levels as close as possible to measured values in the southwest portion of Cecil Webb WMA. A secondary objective was to improve calibration in Yucca Pens. **Figure 13** shows the location of the calibration targets used to compare with simulated results. **Figure 14** through **Figure 21** show the plots of measured data and simulated results with time, and provide calibration statistics for each location. Because the Cecil Webb and Yucca Pens areas were the primary focus for calibration, only the plots of groundwater at those locations are provided.

Simulated stages are too low during the dry season in the northern portions of Cecil Webb WMA Station SP-8, SP-9, and SP-10 (**Figure 14– Figure 16)**. After completion of the calibration effort, it was discovered that there is a water control structure in northwest Cecil Webb WMA that is not represented in the model. Adding this structure may have a positive influence on calibration in north Cecil Webb. Calibration is very good at SR-6 and 17–GW4 (**Figure 17** and **Figure 18**), therefore the model can be utilized for simulating water levels and flows for the area contributing to the two reservoir sites (Bond Farm and Southwest Aggregates site). Calibration is also reasonable at stations SP-13, SP-15, and SP-17 (**Figures 19, 20** and **21**).

Simulated stages in SR-7 are still too high while simulated stages in SR-8 and SR-9 are too low. Additional effort is warranted in Yucca Pens once additional hydrogeologic information becomes available as a part of subsequent studies of the area.

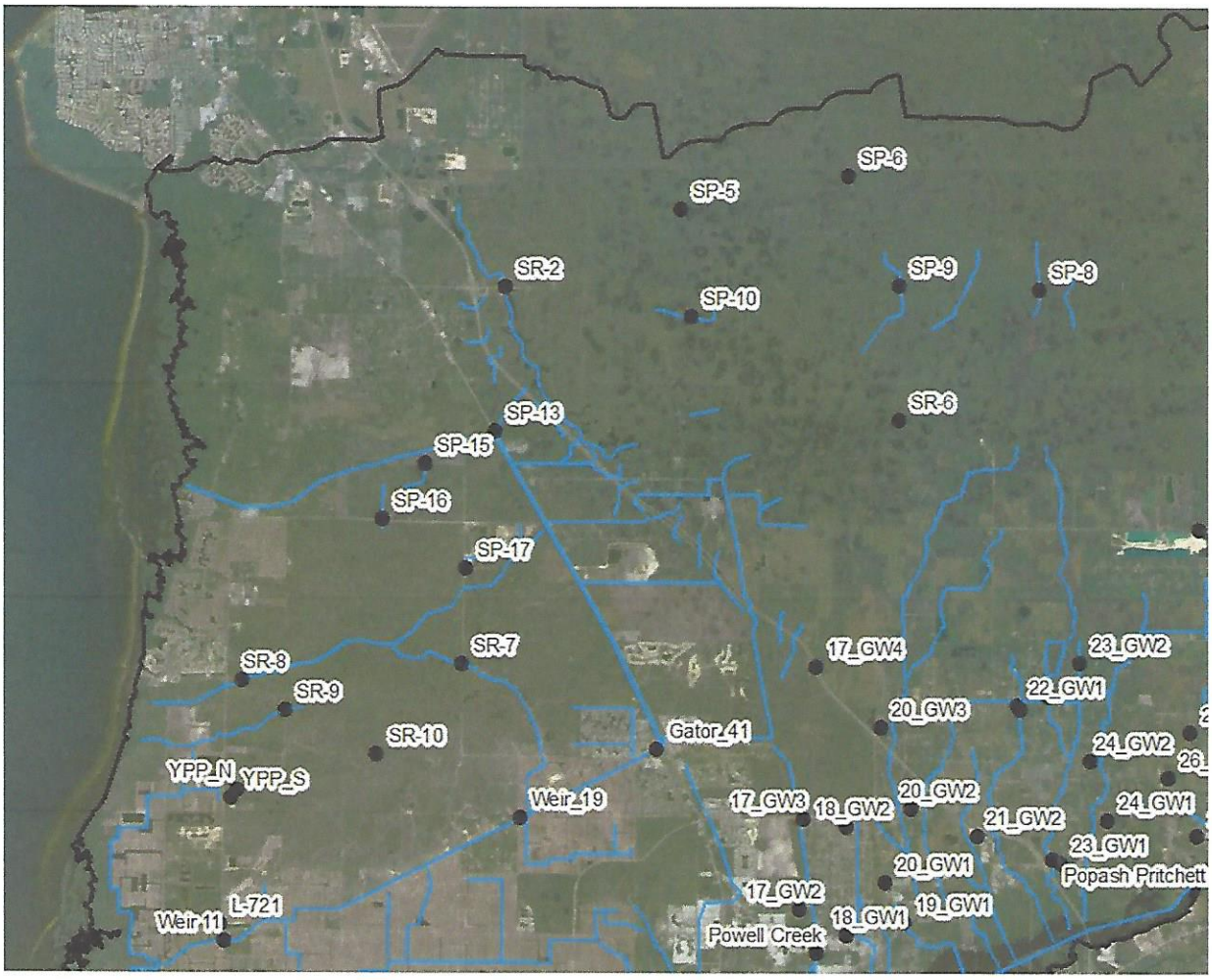


Figure 13. Location of measured data points used for model calibration.

Figure 22 illustrates simulated depths to the phreatic surface (depth from the land surface elevation to the top of the highest water elevation) for the areas north and east of the Bond property. Green and blue indicate areas of flooding, white indicates a water table that is at the ground surface elevation, and yellow to red indicated a water table that is below the ground surface for the selected simulation date (9/24/2012). Four locations were selected (locations shown on **Figure 22**) to illustrate the depth to phreatic surface from ground surface, and the hydrographs for each of these locations are shown in **Figure 23**. The simulated depths to phreatic surface in **Figure 23** show a seasonal pattern of up to 2 ft of flooding in the wet season. These results are generally reasonable based on first-hand experience and local knowledge of flooding in the area northeast of the Bond farm.

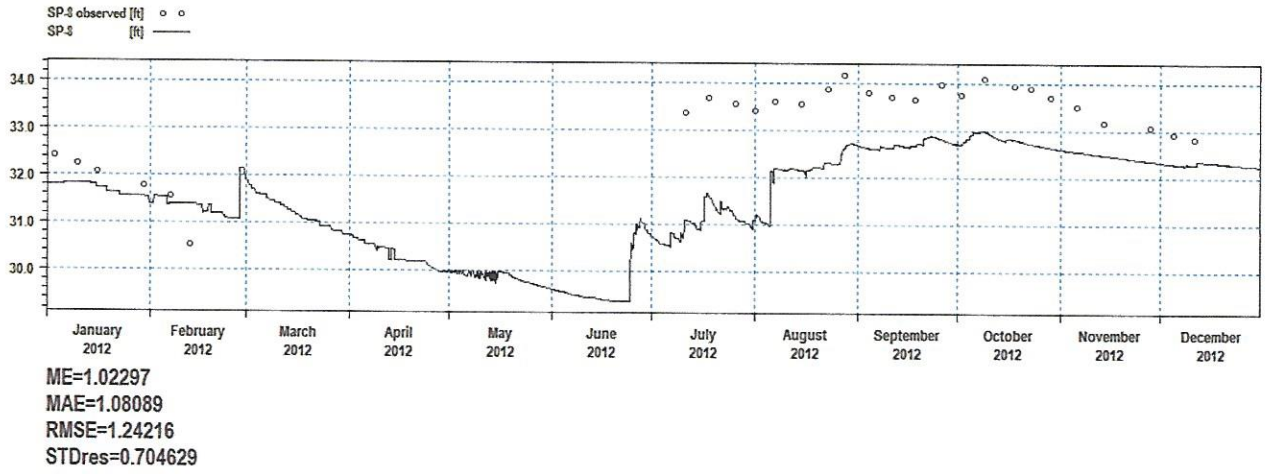


Figure 14. Plot of measured data (circles) and simulated results (line) at SP-8.

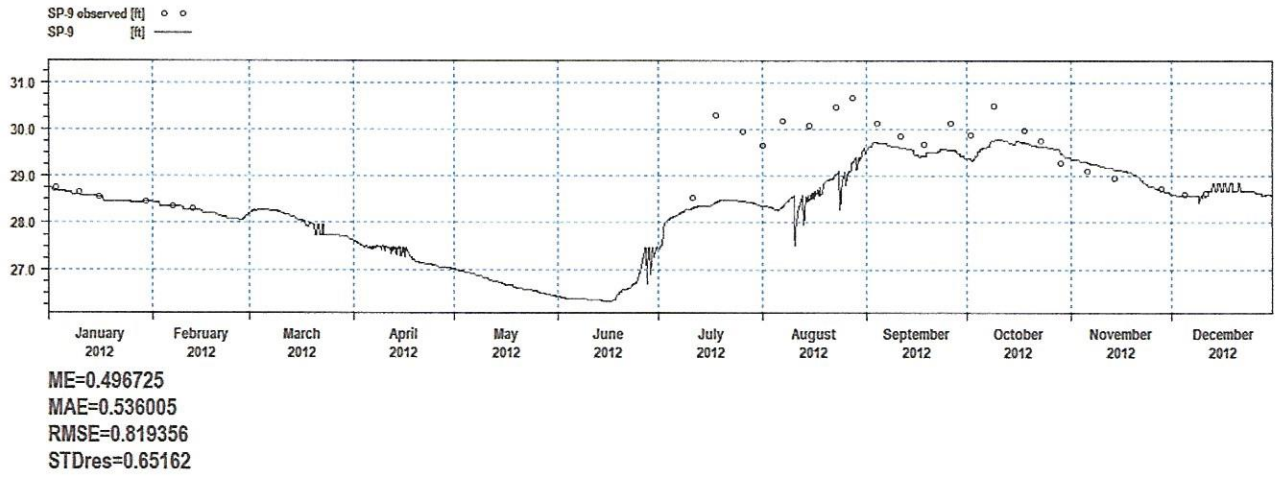


Figure 15. Plot of measured data (circles) and simulated results (line) at SP-9.

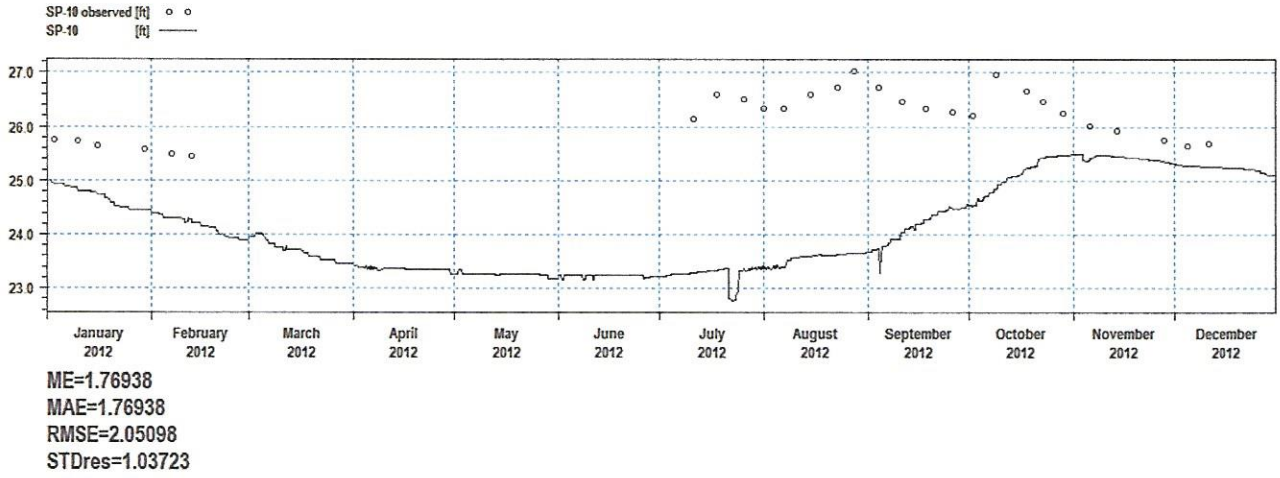


Figure 16, Plot of measured data (circles) and simulated results (line) at SP-10.

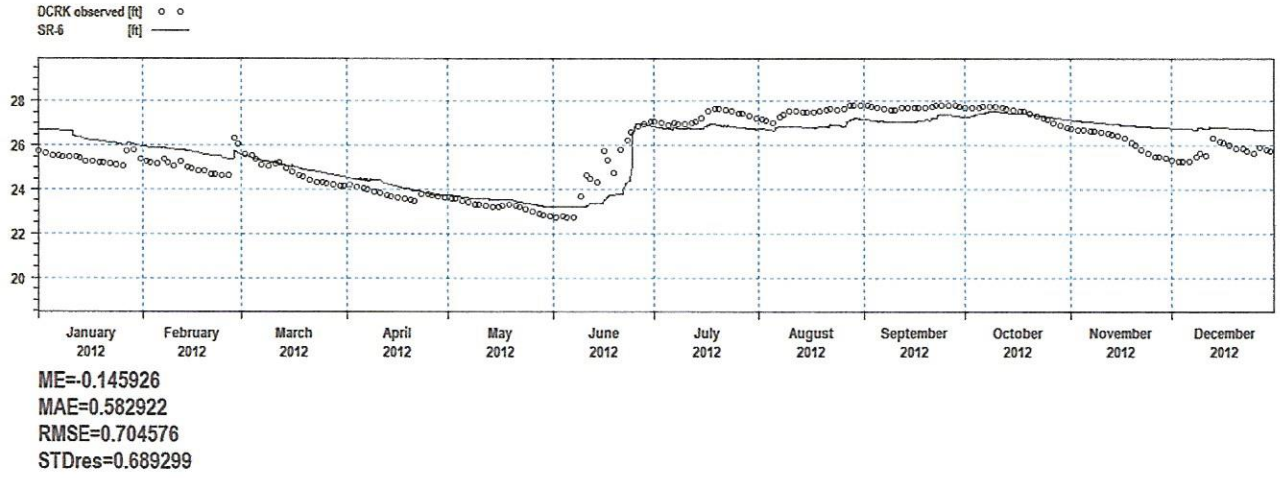


Figure 17. Plot of measured data (circles) and simulated results (line) at SR-6.

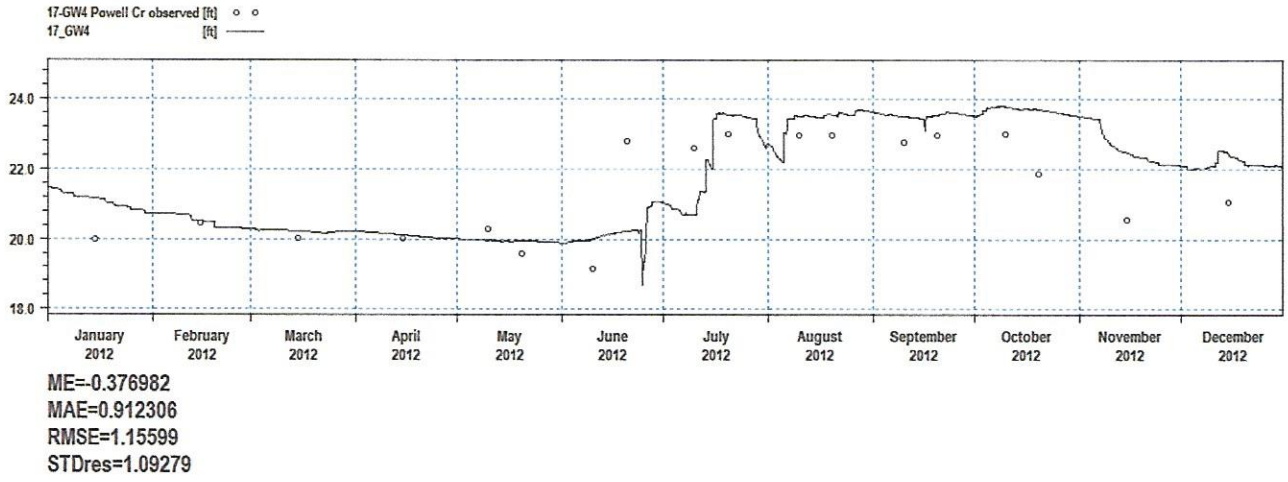


Figure 18. Plot of measured data (circles) and simulated results (line) at 17-GW4.

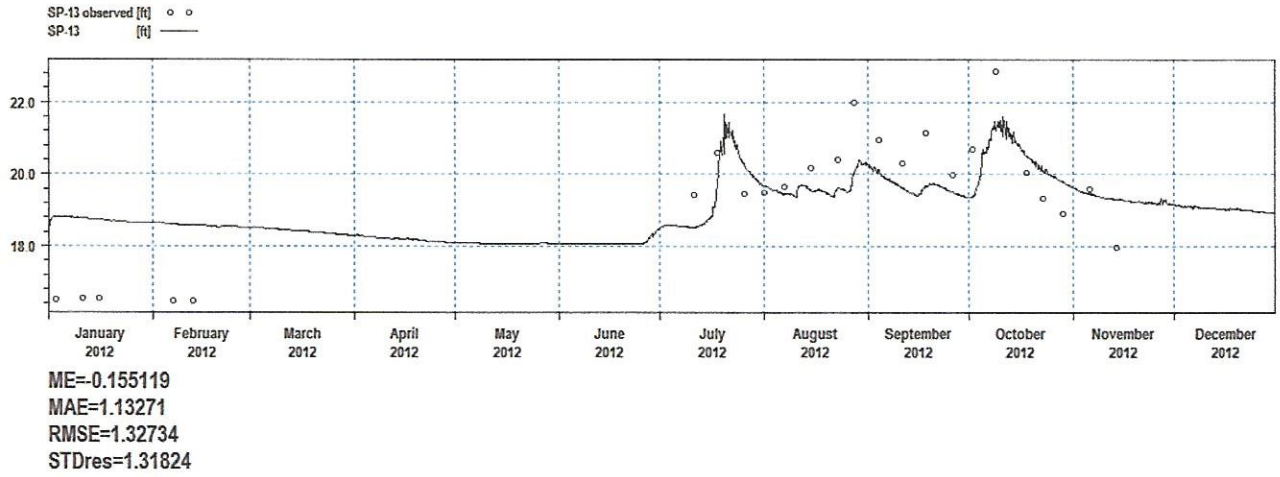


Figure 19. Plot of measured data (circles) and simulated results (line) at SP-13.

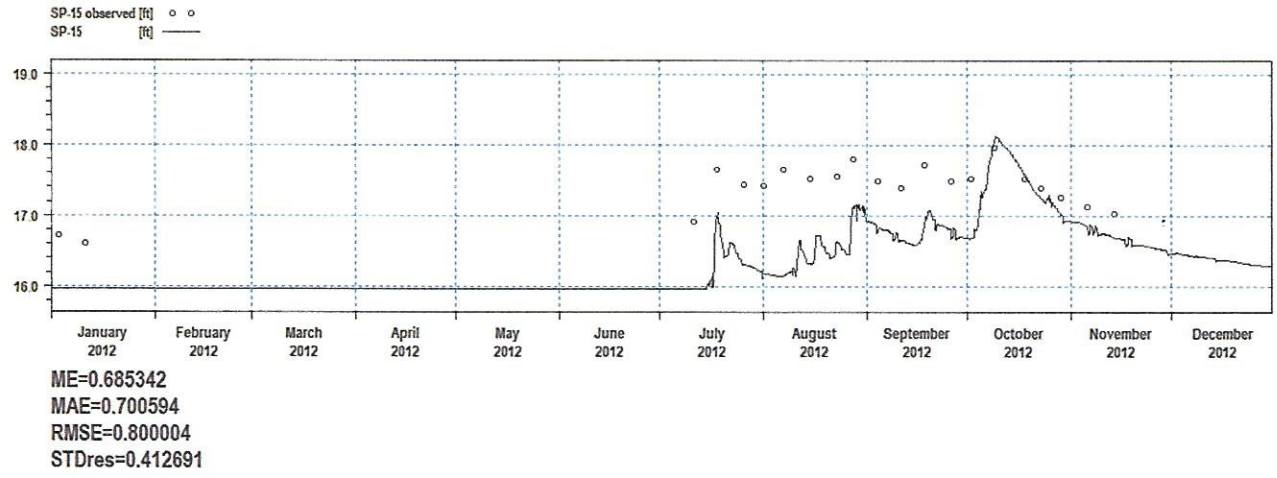


Figure 20. Plot of measured data (circles) and simulated results (line) at SP-15.

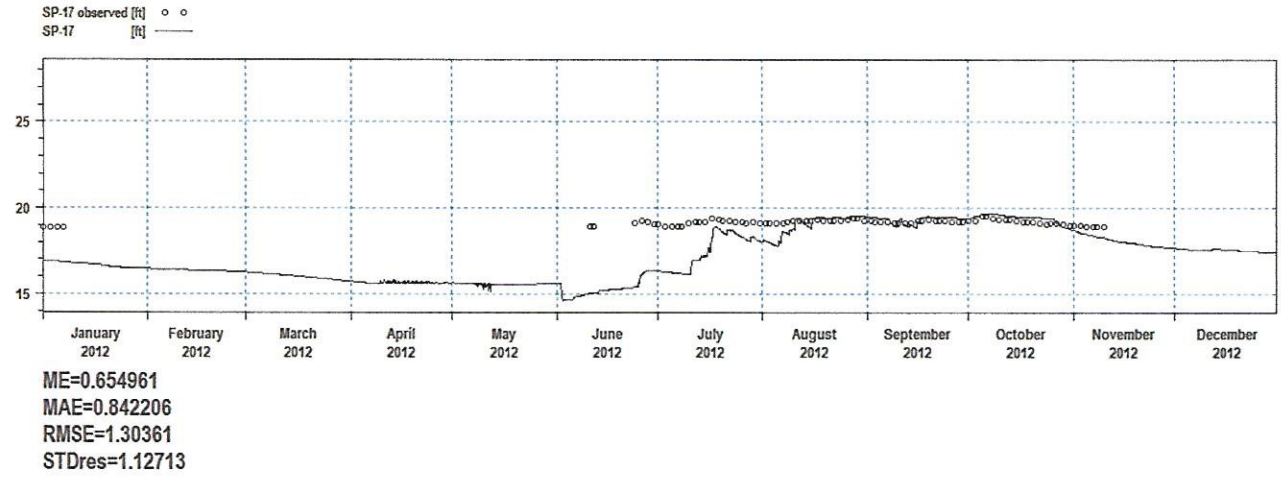


Figure 21. Plot of measured data (circles) and simulated results (line) at SP-17.

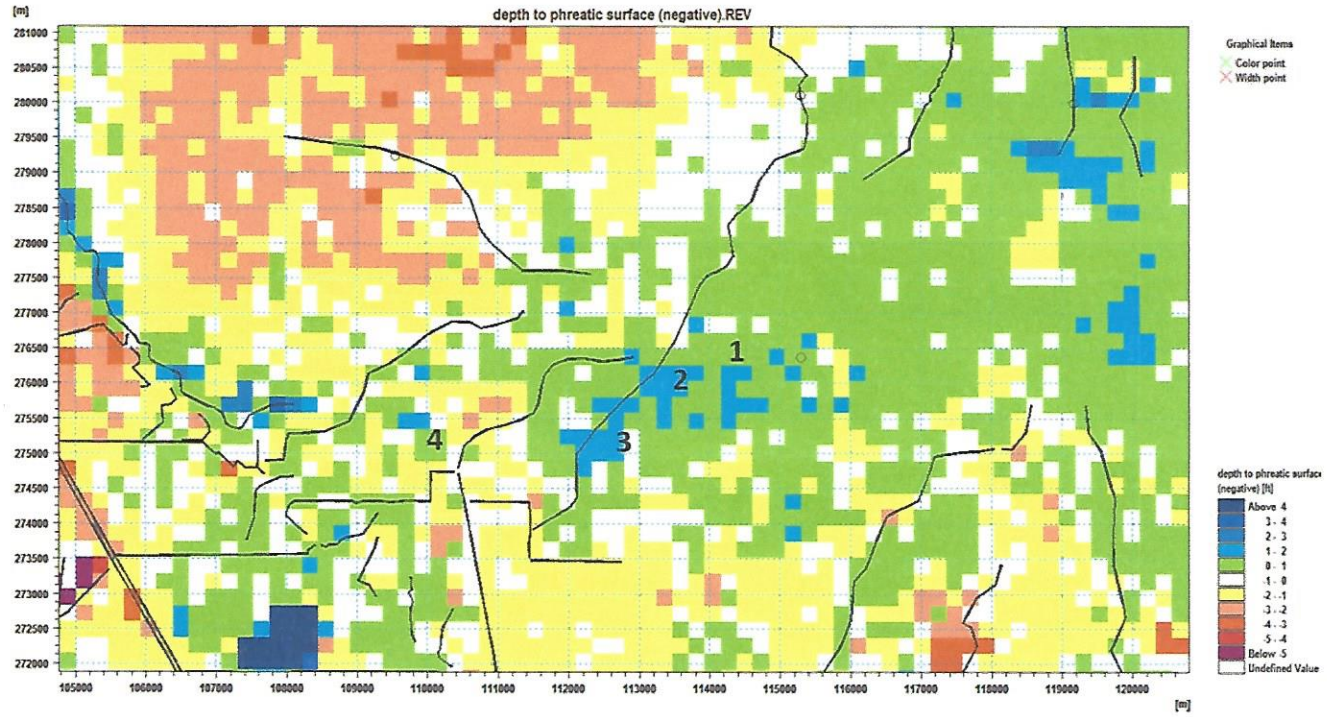


Figure 22. Simulated depth to phreatic surface, 9/26/2012

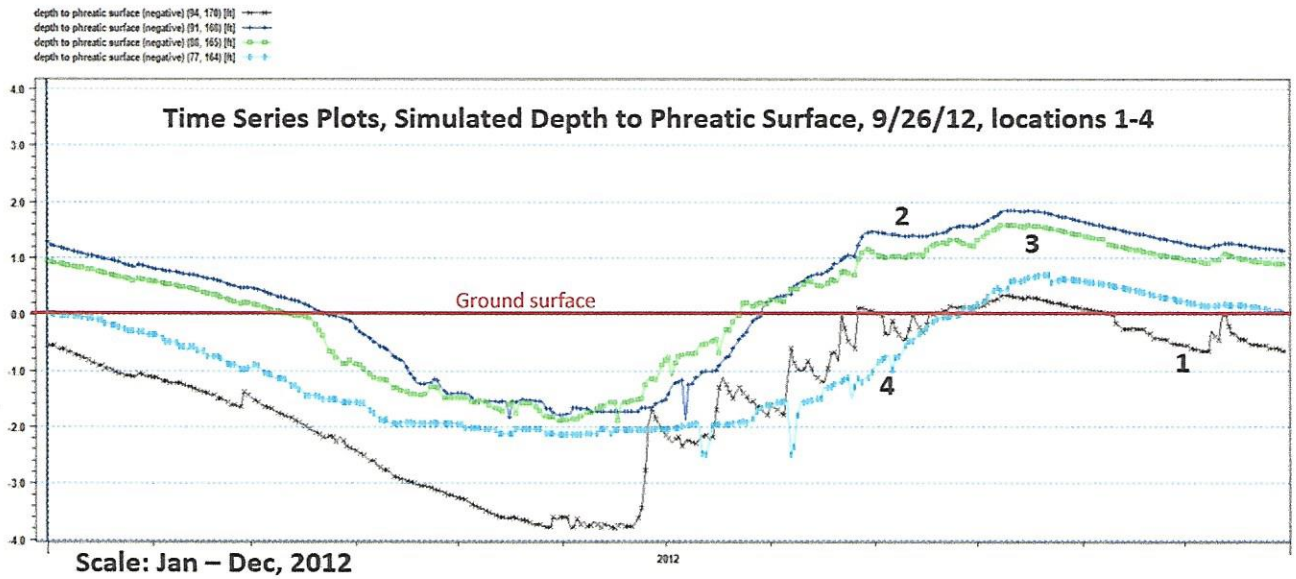


Figure 23. Time series of simulated depth to phreatic surface at locations 1 through 4, as shown in Figure 22.

3.3 Proposed Condition Model

The proposed condition model includes both the Bond Reservoir at full implementation, establishment of a flow-way from I-75 to Yucca Pens, and the Southwest Aggregates Reservoir. Planning work conducted for the Charlotte Flatwoods Initiative has already determined that runoff from the Cecil Webb WMA is sufficient to fill the Bond Reservoir, and that the Bond Reservoir fills before the end of the wet season. The purpose of this investigation is to determine if there is sufficient runoff to also fill a proposed reservoir on the Southwest Aggregates property. The changes to the model files are listed below:

- Enlarge channel from Cecil Webb WMA to Bond Reservoir. The bottom width = 26 ft, invert = 22 ft-NAVD, width at 25 ft-NAVD = 50 ft. The bottom width will be 52 ft, and the top width will be 80 ft. The flow capacity should be in the range of 50 cfs. The channel invert drops gradually to 20 ft-NAVD towards the Bond Reservoir inflow pump.
- Bond Reservoir will have a depth range from 24 to 28 ft-NAVD. Note that the simulations conducted as part of this assessment indicate that peak stages in the Bond Reservoir exceed 28 ft-NAVD. This water will likely be delivered south to Gator Slough, however the reservoir outflow to Gator Slough was not modified to provide this outflow.
- Bond inflow pump station peak capacity = 75 cfs. The pump operation is listed in **Table 3**.
- Bond outflow gate to Gator Slough will remain closed.
- Bond outflow gate to Yucca Pens flow-way will be open in dry season if reservoir WL > 24 ft-NAVD. The gate operation is listed in **Table 3**.
- There will be a by-pass gate from upstream end of Bond Reservoir to Yucca Pens flow-way. This by-pass channel is on the west side of the Bond Reservoir. This gate will consist of one 10-ft wide by 4 ft high gate with a sill level of 23 feet. The gate will be closed in the wet season. The gate will open in the dry season if the reservoir WL > 24.5 ft-NAVD.
- The by-pass channel has a bottom width of 50 ft, invert = 22.2 ft-NAVD, and a top width of 90 feet.
- Culverts under I-75 will remain as-is.
- The Yucca Pens Flow-way along the south end of Southwest Aggregates is enlarged. **Figure 24** provides a diagram of the proposed cross sections. Chainage 2451.8 is 2,100 feet upstream of the Southwest Aggregates inflow pump, and chainage 3098 is at the location of the pump intake.
- The Southwest Aggregates inflow pump station is closed if the Yucca Pens flow-way water level is less than 17.9 ft-NAVD, and the pump turns on if flow-way water levels exceed 18 ft-NAVD. The pump operation is described in **Table 3**.

Table 3. Operation Protocols for Bond Reservoir, ft-NAVD, cfs

Bond Reservoir Inflow Pump		Bond Reservoir Outflow Gate		SW Aggregates Inflow Pump	
HW Elevation	Pump Rate	HW Elevation	Outflow Rate	HW Elevation	Pump Rate
23	0	22	0	17.9	0
23.5	25	22.8	4	18	20
24	50	23	16	19.9	20
24.5	75			>20	40

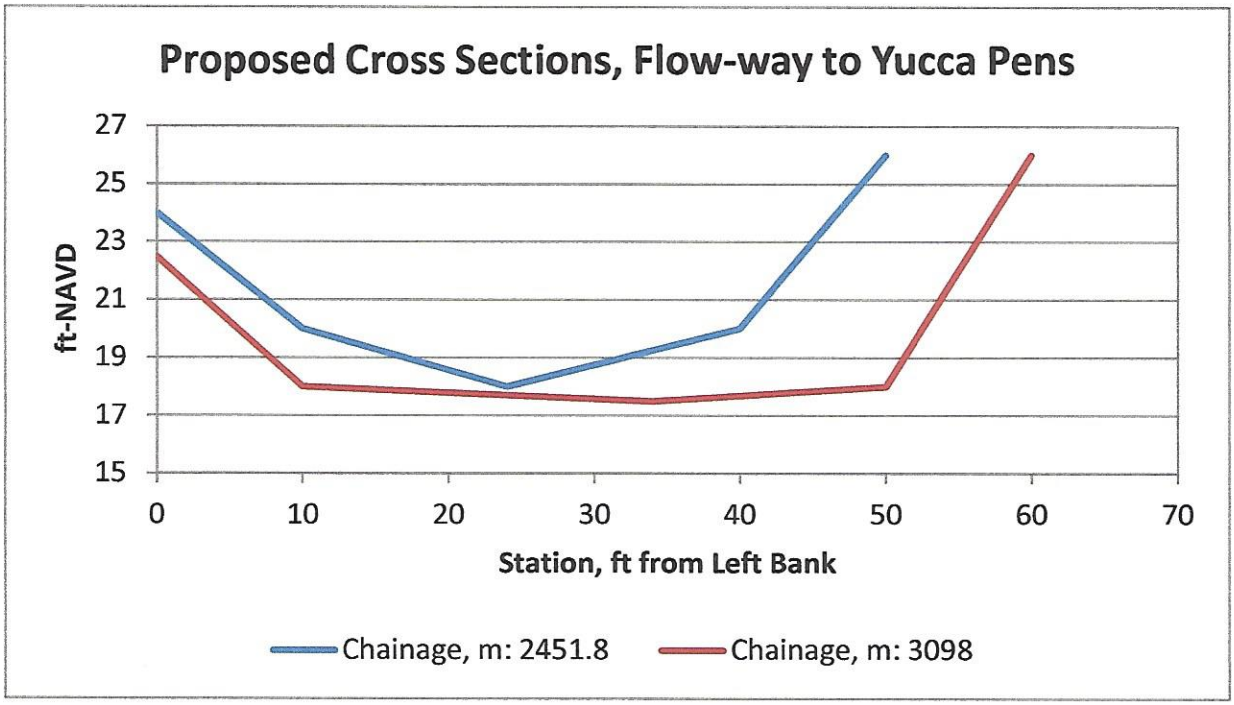


Figure 24: Yucca Pens Flow-way Proposed Cross Sections

3.4 Scenario Results

The scenario results for the Bond Reservoir are presented in **Figure 25.** The simulated inflow during the wet season is in the range of 10 – 35 cfs. The headwater elevation is in the range of 23 to 25 ft-NAVD. The peak stages are simulated to only reach a maximum of 28 ft-NAVD, however the simulation results indicate higher stages in 2012 and 2013 due to rainfall inputs to the reservoir after the inflow pump station is turned off. Refinements to gate operations could fix this, however since the Bond Reservoir is not the primary focus of this TM, those structure operation refinements were not made.

The simulated inflows and outflows for the Southwest Aggregates Reservoir are presented in **Table 4.** Inflows and outflows are similar, since rainfall and evaporation balance each other out. The average annual inflow for 2011-2013 is 4,200 acre-feet. The water stored in the Southwest Aggregates Reservoir is equal to a flow of 11.2 MGD over a period of 4 months. **Figure 26** presents simulated inflow and reservoir water levels and inflows for the proposed Southwest Aggregates reservoir. The reservoir stage

ranges from 18 to 29 ft-NAVD. As with the Bond Reservoir, stages exceeding 28 ft-NAVD are not intended and could be addressed with refined gate operation. **Figure 27** illustrates that there is no inflow when there is reservoir outflow and also illustrates the drop in reservoir water level during the outflow period. The peak stage in the Southwest Aggregates Reservoir is 28 ft-NAVD.

The Bond and Southwest Aggregates reservoirs both fill during the wet season. A portion of the inflow to the Southwest Aggregates is runoff from lands west of the Bond Reservoir, however, water flows around the Bond Reservoir after the Bond Reservoir has filled, which is a source of inflow to the SW Aggregates reservoir.

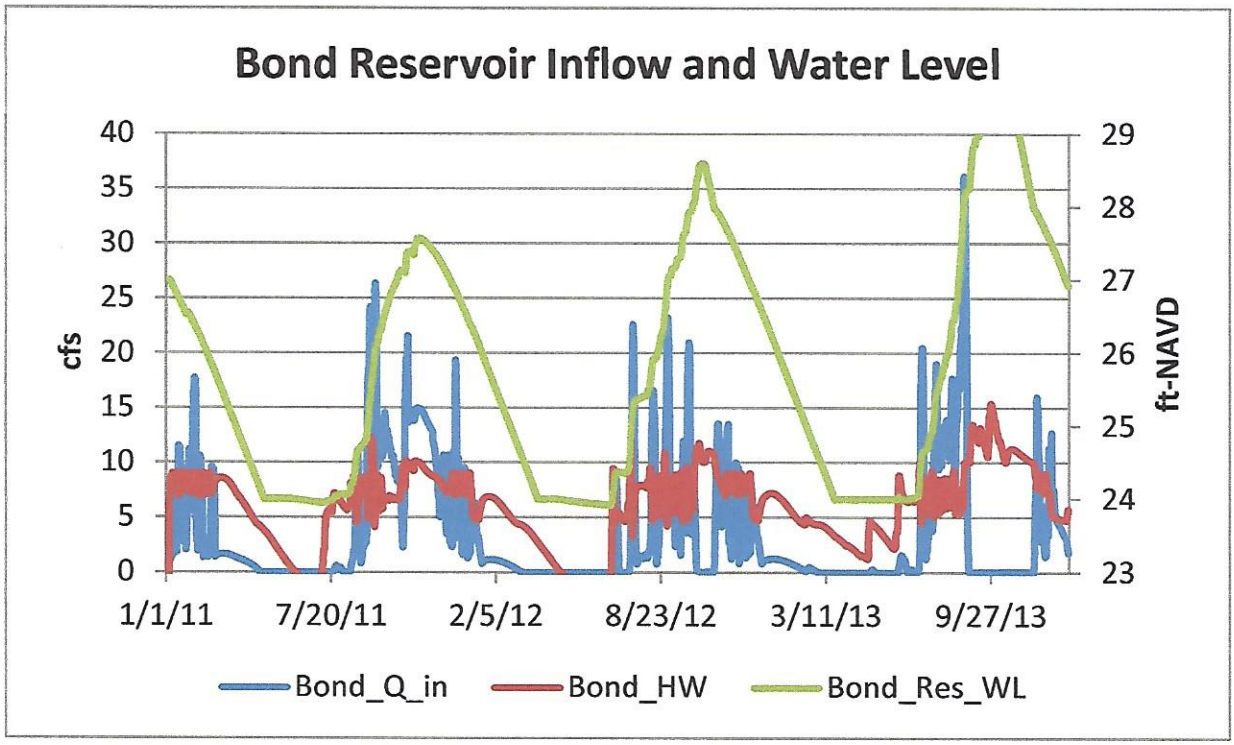


Figure 25. Bond Reservoir Inflow Rates and Water Levels

Table 4 Inflows and Outflows for the Southwest Aggregates Reservoir, Ac-ft/year

	2011-2012	2012-2013	2013 Wet	Avg
Inflow	3,683	4,554	4,372	4,203
Outflow	3,649	4,446		

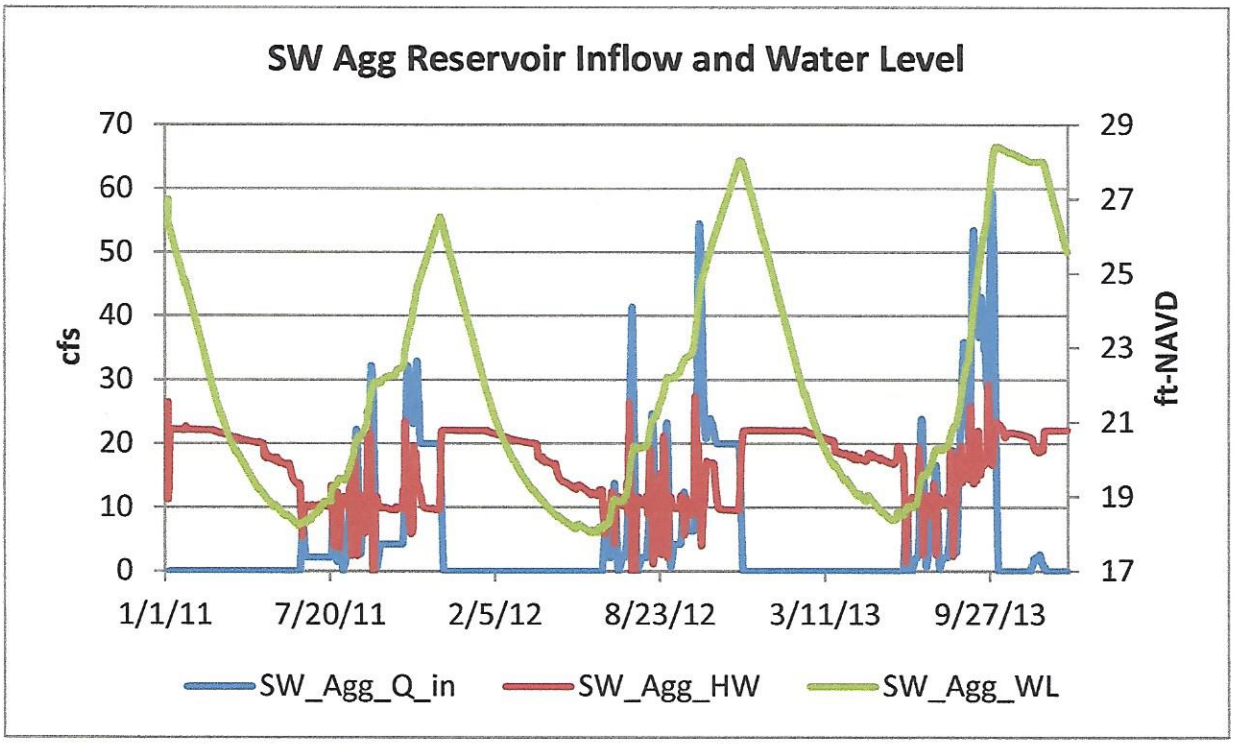


Figure 26. Southwest Aggregates Reservoir Inflow Rates and Water Levels

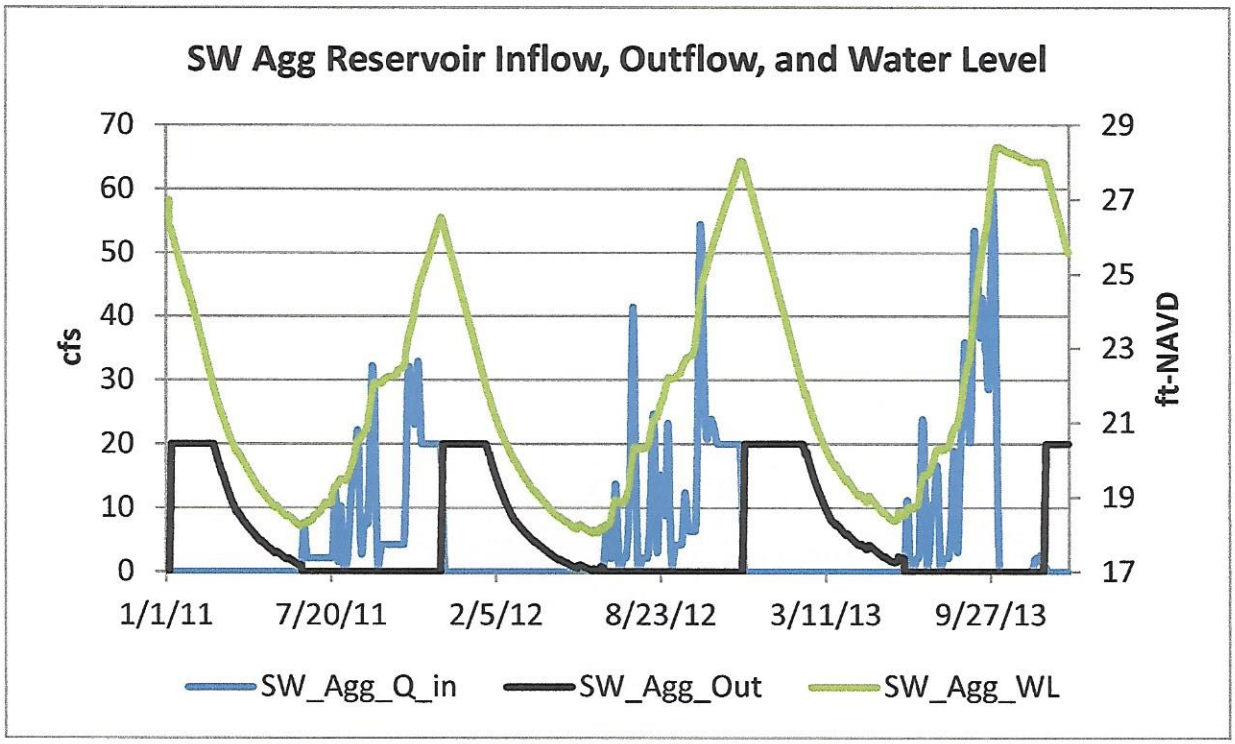


Figure 27. Inflows and Outflows from Southwest Aggregates Reservoir

4 Feasibility Assessment

4.1 Conceptual Level Estimate of Probable Costs

The proposed reservoir is located on a property that is currently being utilized as a mining pit. The mining pit will be mined to completion within five years. Because the remainder of the property at the completion of mining are wetlands, there is only a limited potential to develop the site for residential uses. The mine was constructed with a perimeter that could be developed as homes around a lake, however the feasibility of the site for urban development is limited due to the presence of a landfill across the road. Therefore, development of this site as a water supply reservoir becomes a viable alternative for landuse. Since the mine was excavated down to an elevation of approximately 5 ft-NAVD and the existing clay layer is approximately at elevation 0 ft-NAVD (25 feet below ground surface, see boring log in **Appendix A**), the site could have excellent retention capabilities if a 3-foot wide bentonite cut-off wall was constructed around the perimeter of the mining pit. The conceptual approach for the site is to have a 6-foot high berm surrounding the perimeter of the mining pit. Since land elevations in the area are in the range of 23 ft-NAVD, the crest elevation of the berm would be approximately 30 ft-NAVD. The peak water level in the reservoir would be 28 ft-NAVD, and the minimum operating level would be 17 feet. Canals along U.S. 41 south of the project site on the west side of the road have been surveyed at four locations and have invert elevations in the range of 18.8 ft-NAVD, and are dry during the dry season (see **Appendix A** for cross section). The U.S. 41 west ditch is believed to have sufficient conveyance to carry the Southwest Aggregates outflow, but the conveyance will have to be confirmed if the project moves beyond this conceptual level since there are only a few surveyed cross sections of the U.S 41 ditches. Minimum groundwater elevations measured by the landfill on the west side of the road are in the range of 18.5 ft-NAVD (see **Appendix A**). Based on this information, it can be assumed that dry season water table elevations are in the range of 18 feet-NAVD, therefore there would be a relatively low hydrostatic pressure on the berms when the reservoir level was at a minimum. **Figure 28** provides a conceptual section view of the proposed reservoir.

The site would be designed with a number of inflow and outflow pumps, with an overall capacity of 60 cfs (38.8 MGD) inflow and 30 cfs (19.4 MGD) outflow. At this point in time, it is assumed that there will be two (2) two-way electric pumps and one (1) one-way electric pump. All pumps would be 10,000 gpm (22.3 cfs). One inflow and outflow gate would be included to allow for gravity inflow or outflow. The dimensions of this gate have not been determined.

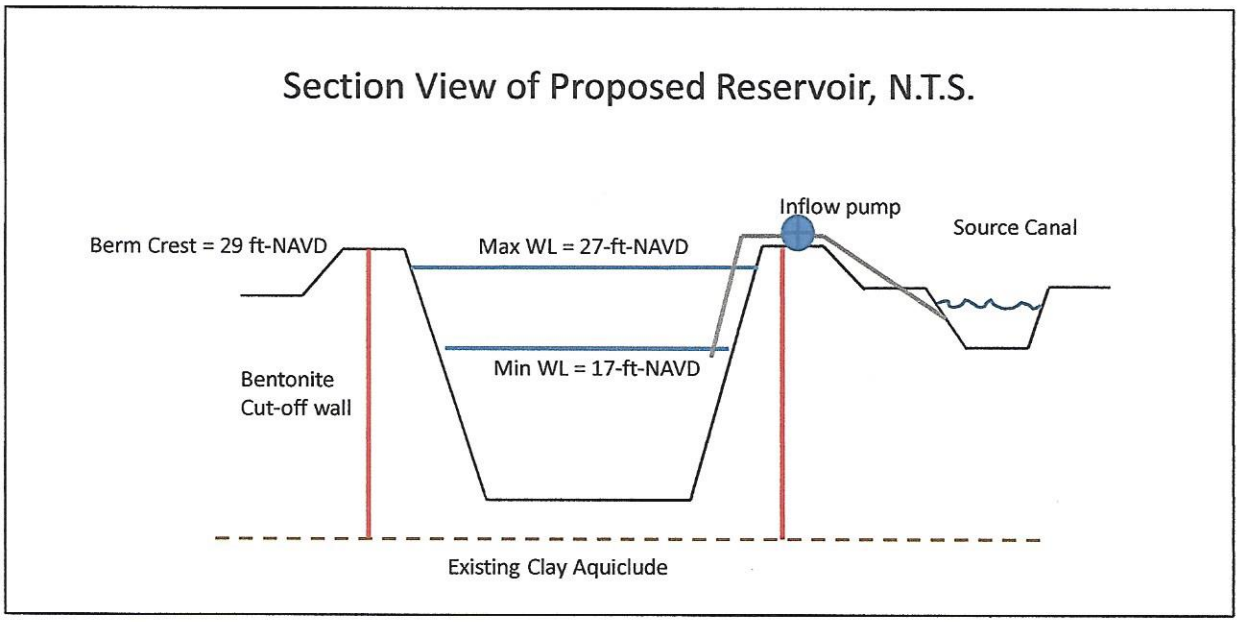


Figure 28. Conceptual Section View of Proposed Southwest Aggregates Reservoir

A summary of conceptual level costs associated with this reservoir construction are provided below in **Table 5**. These cost estimates are meant to provide guidance to the City for potential implementation costs. This summary is not meant to represent an opinion of probable construction cost since there are many unknowns related to actual site conditions and land acquisition costs.

The cost of the pumps is based on recent Dispersed Water Management projects that are being implemented by SFWMD (see **Appendix A** for cost summary of BOMA pump station), and the land purchase price was assumed based on discussions with local property owners and engineers. The cost of the clay cut-off wall shown in **Table 5** is the unit cost that was used for the proposed Berry Groves Reservoir. The actual cost of a clay-cut-off wall for this project may be less since the height of the levees will be lower than the proposed Berry Groves Reservoir. The cost of the gates shown in **Table 5** is based upon actual construction costs for gates in East County Water Control District in Lehigh Acres, FL. The cost estimate also includes clearing and grubbing the site perimeter where the berm would be constructed, berm construction, and operational controls. A contingency of 30% was applied, engineering, survey and geotechnical exploration costs were estimated to be 15%, and additional modeling and permitting were estimated to be 5%.

Since this analysis is at an early phase of investigation, there are many uncertainties regarding the cost of the proposed reservoir. The cost of purchasing the land is unknown and has not been confirmed by a detailed property appraisal process, and the willingness of the landowner to sell the land is unknown. Geotechnical studies to determine seepage rates from existing clay aquiclude have not been conducted, and the geotechnical engineering work related to the proposed clay cut-off wall has not been conducted. That work will lead to a better understanding of the depth ranges than can be maintained during operation, which, in turn, impacts the cost of levee construction. Accordingly, this conceptual level estimate of costs should not be considered to be sufficient for detailed planning. Additional engineering work will be necessary to refine the accuracy of this estimate.

Table 5. Summary of Potential Planning Level Costs for Reservoir Construction

Component	Unit	No. Units	Unit Cost	Cost
Purchase Property	Ac	1000	$4,000	$4,000,000
Clear and Grub Perimeter	Ac	22	$6,000	$133,471
Inflow/Outflow Pump - 10,000 gpm	Ea.	1	$100,000	$100,000
Inflow Pump, 20,000 gpm + back-up	Ea.	2	$150,000	$300,000
Berm Upgrades	CY	139,000	$5	$695,000
Clay Cut-off Wall, 25-ft deep, 3-ft wide	Miles	3.6	$800,000	$2,878,788
Gates along US 41	Ea.	3	$200,000	$600,000
Operational Controls	LS	1	$20,000	$20,000
Engineering, Survey, Geotechnical Exploration and Design	15%			$689,068
Additional Modeling and Permitting	5%			$229,689
Contingency (excluding land purchase)	30%			$1,584,857
				$11,500,000

Based upon the above summary of potential costs it is anticipated that conceptual level costs associated with the development of a water supply reservoir at the Southwest Aggregate Site would be approximately $11.5 million dollars.

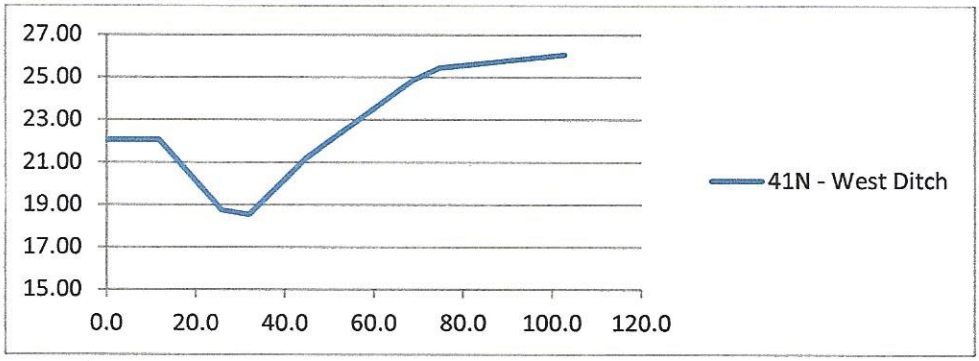
5 Conclusions

This task provided additional information on hydrogeology in the Yucca Pens WMA, and model calibration was improved so that the model could be used for scenario analysis of proposed off-line reservoirs east and west of I-75 in the Gator Slough headwaters area. The following conclusions summarize the findings of this task:

- Borings in Yucca Pens reveal a shallow layer of low permeability clayey sands or sandy clays at all seven borings. This low permeability layer contributes to the rapid rise and fall of water levels in the Yucca Pens Unit.
- Additional borings in the Yucca Pens would further assist in model development and calibration. Ground-penetrating radar may also be warranted for the Yucca Pens to identify zones of higher permeability aquifer materials.
- The MIKE SHE/MIKE 11 model calibration was enhanced in the southwest portion of the Cecil Webb WMA and the model does a reasonable job of simulating the hydroperiod of that area.
- Simulations of proposed off-line reservoirs on the Bond farm (now in public ownership) and the Southwest Aggregates property (still privately held and being mined) indicate that an average of 4,200 acre-feet of water can be stored each year in the Southwest Aggregates site. This estimate was generated from a 3-year continuous simulation of 2011 – 2013. Additional storage of water is possible on the site if greater depth ranges in the reservoir can be accomplished. It was assumed that the minimum stage will be 17 ft-NAVD, however the existing bottom depth of the mining pit is below 10 ft-NAVD. More detailed geotechnical analysis would be required to determine if the minimum operating level can be lower than 17 ft-NAVD.
- A summary of conceptual-level costs associated with the development of an off-line reservoir on the Southwest Aggregates property provides guidance to the City for potential implementation costs. An approximate cost of $11,500,000 can be expected for development of the site. Note that numerous factors can influence the cost of a reservoir, and that further engineering analysis is required to provide an opinion of probable construction cost that can be used for general budgeting purposes. Since this analysis is at an early phase of investigation, there are many uncertainties regarding the cost of the proposed reservoir. The cost of purchasing the land is unknown and has not been confirmed by a detailed property appraisal process, and the willingness of the landowner to sell the land is unknown. Geotechnical studies to determine seepage rates from existing clay aquiclude have not been conducted, and the geotechnical engineering work related to the proposed clay cut-off wall has not been conducted. That work will lead to a better understanding of the depth ranges than can be maintained during operation, which, in turn, impacts the cost of levee construction.

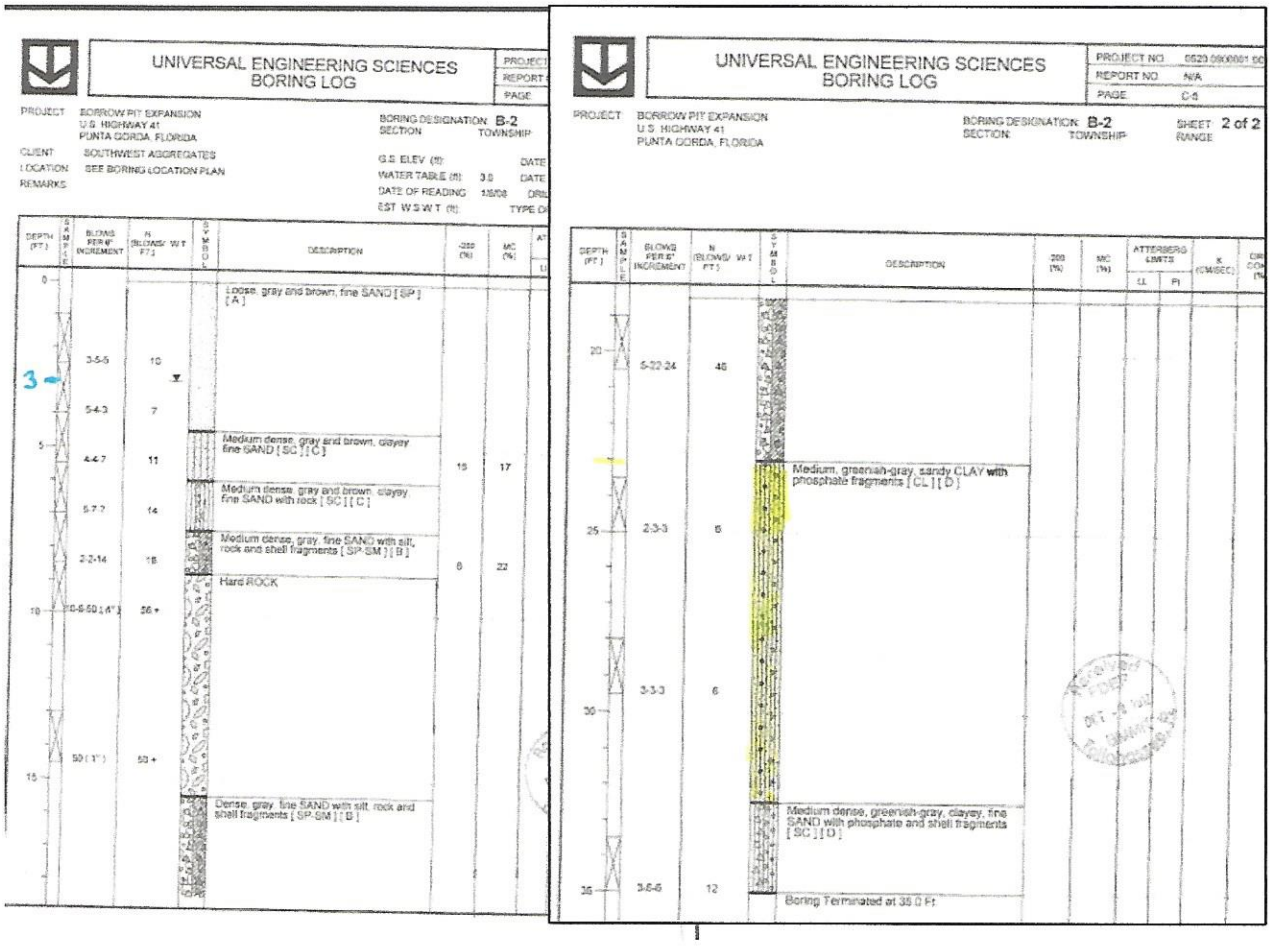
Appendix A.
Reference Information Supporting Conceptual Design Assumptions

Surveyed U.S. 41 West Ditch, 3,600 ft south of Zemel Road, elevations ft-NAVD



Source: Processed Cross Sections 05 22 2013.xlsx, surveyed for FDOT by The Wantman Group

Boring from October 3, 2012 Letter from Southwest Engineering & Design, Inc. to Alan Whitehouse, FDEP



File: Charlotte County Mine Feb. 6, 2009 geotechnical exploration report.pdf, folder: AECOM_Reservoir\Data_Collection\SW_Agg_permits

Groundwater Measurements, SLD Landfill.

Water Level Measurements, SLD Landfill, ft-NGVD

Date	MW-11	MW-12	MW-14	MW-15	MW-16
3/31/2011					
5/2/2012	19.6	19.4	18.5	19.7	18.3
11/1/2012	22.3	22.4	21.6	22.5	20.4
5/2/2013	21.8	21.9	21.5	21.4	21.1
11/25/2013	21.3	21.5	20.7	21.7	19.7
4/1/2014	21.7	21.5	21.5	21.6	20.7

Geosyntec Consultants Lab Report (2012-07).pdf
C:..FDOT\I-75_Tuckers_Grade\From Others\Southwest Engineering_Landfill_US_41

Geosyntec consultants

3937 Tampa Road, Suite 6
Oldsmar, Florida 34677
PH 813.558.0999
www.geosyntec.com

July 10, 2012

Mr. Charles Masella
Florida Department of Environmental Protection, South District
2295 Victoria Avenue, Suite 364
Fort Myers, Florida 33902-2549

Subject: 11th Semi-Annual Water Quality Monitoring Event
SLD Recycling & Disposal Facility, Charlotte County, Florida
FDEP Permit No. 246176-004-SO/24
WACS Facility ID No. 93708

File: Reported_GW_Elev_SLD_Landfill.xlsx,
folder: C:\...FDOT\I-75_Tuckers_Grade\From Others\Southwest Engineering_Landfill_US_41

Summary of Pump Station Costs, BOMA Dispersed Water Management Area, Glades County

Summary of BOMA Pump Station Construction Costs	
Two 20,000 gpm (75-hp) pumps:	$98,000
Electrical Line, 1x2 phase, 0.5 miles	$26,400
Electrical Line, 2x2 phase, 2 miles	$49,800
Convert existing diesel pump to electric	$11,000
	$185,200
Pump cost included piping to and from pump, float switches, panels, installation	
Cost did not include a housing	

Spreadsheet: Summary of BOMA Pump Station Cost.xls, folder: C:\...\Mid_Summer_Reservoir\AECOM_Reservoir\Cost Estimate
Source files: C:\...\FDOT\I-75_Tuckers_Grade\Conceptual Plan\BOMA_Pump_Station_Cost

Appendix B.
Yucca Pens Boring Logs and Interpretations

BH-1

Water Table
3.5 feet BLS

Formation	
Fm	Top (ft BLS)
Holocene	0
Tamiami	2
Peace River	30

Lithology		
	Top (ft BLS)	Bottom (ft BLS)
Limestone	12	17

Sample	Top of sample ft	Bottom of Sample ft	Description
NS	Surface	1	yellow sand, coarse
1	1	2	Sandy Clay, orange clay, fine grey sand, nonfossiliferous
2	2	3	Clayey sand, orange clay, fine grey sand, fossiliferous (small fragments)
3	3	5	Medium Grey sand, fossiliferous (whole small and medium mollusks, fragments)
4	8	10	fine grey sand, fossiliferous (whole small mollusks, fragments)
5	13	15	grey limestone, traces of orange clay, fossiliferous (fragments of mollusks),
6	18	20	grey medium sand, with traces of clay, organics (black), fossiliferous (very small fragments of shell), saturated
7	23	25	small sample of unknown minerals, but description is as Sample 6
8	28	30	grey medium sand, with traces of clay, organics (black), less fossiliferous than sample 6 (very small fragments of shell), saturated
9	33	35	Sandy clay, green clay, fine grey sand, organics (black), fossiliferous, stiff
10	38	40	Sandy clay, green clay, fine grey sand, organics (black), fossiliferous, stiff

BH-2

Water Table
2 feet BLS

Formation	
Fm	Top (ft BLS)
Holocene	0
Tamiami	6
Peace River	20

Lithology		
	Top (ft BLS)	Bottom (ft BLS)
Limestone	6	11

Sample	Top of sample ft	Bottom of Sample ft	Description
1	Surface	3	medium clean tan sand
2	3	5	medium dark brown clayey sand
3	8	10	grey limestone, fossiliferous, gets harder as gets deeper
4	13	15	grey medium sand, with traces of clay, organics (black), fossiliferous (very small fragments of shell), saturated
5	18	20	grey clayey sand, organics (black), fossiliferous (very small fragments of shell), semi saturated
6	23	25	Sandy clay, green clay, fine grey sand, organics (black), fossiliferous, stiff

BH-3			
Water Table			
3 feet BLS			
Formation			
Fm	Top (ft BLS)		
Holocene	0		
Tamiami	3.5		
Peace River	25		
Lithology			
	Top (ft BLS)	Bottom (ft BLS)	
Limestone	5.5	12.5	
Sample	Top of sample ft	Bottom of Sample ft	Description
1	Surface	2	clean tan sand
2	2	3.5	dark brown/orange clayey medium to fine grained sand
3	3.5	5.5	dark tan medium to fine sand, clayey, shelly, pieces of limestone
4	8	10	light grey, medium to fine sand, limestone, shelly
5	13	15	clayey grey medium to fine grain sand, shell fragments, black organics
6	18	20	clayey grey medium to fine grain sand, shell fragments, black organics, more clayey than sample 6, less shelly than sample 6 and 8
7	23	25	clayey grey medium to fine grain sand, shell fragments, black organics, more shelly than sample 5 and 6
8	28	30	saturated, green clay, with shell frags

BH-4			
Water Table			
3 feet BLS			
Formation			
Fm	Top (ft BLS)		
Holocene	0		
Tamiami	5		
Peace River	25		
Lithology			
	Top (ft BLS)	Bottom (ft BLS)	
Limestone	5	8	
Sample	Top of sample ft	Bottom of Sample ft	Description
1	Surface	3	clayey sand, orange and dark grey
2	3	5	silty sand
3	6	7	grey limestone, easily broken, fossiliferous (small shell fragments)
4	8	10	white lime mud with fine sand, easily broken when there are consolidated chunks, fossiliferous (small shell fragments)
5	13	15	grey/tan fine sand with trace of lime mud, easily broken when there are consolidated chunks, fossiliferous (small shell fragments)
6	18	20	grey medium to coarse sand, with traces of clay, organics (black), fossiliferous (very small fragments of shell), saturated
7	23	25	grey clayey medium to coarse sand, organics (black), fossiliferous (very small fragments of shell), semi saturated
8	28	30	Sandy clay, green clay, fine grey sand, organics (black), fossiliferous, stiff

BH-5

Water Table
3 feet BLS

Formation	
Fm	Top (ft BLS)
Holocene	0
Tamiami	8
Peace River	25

Lithology		
	Top (ft BLS)	Bottom (ft BLS)
Limestone	8	16

Sample	Top of sample ft	Bottom of Sample ft	Description
1	Surface	2	grey, tan medium to fine sand, larger organics (pieces of twigs, grass)
2	2	5	medium to fine sand, traces of orange brown clay
3	8	10	fine sand to silt, light grey, very shelly, some limestone (dark grey)
4	13	15	fine sand to silt, light grey, limestone (dark grey), some shelly pieces
5	18	20	grey medium to fine sand, with traces of clay, organics (black), fossiliferous (very small fragments of shell), not saturated
6	23	25	grey medium to fine sand, with traces of clay, organics (black), fossiliferous (very small fragments of shell), not saturated
7	28	30	stiff green clay, small sheell fragments

BH-6

Water Table
2 feet BLS

Formation	
Fm	Top (ft BLS)
Holocene	0
Tamiami	3.5
Peace River	25

Lithology		
	Top (ft BLS)	Bottom (ft BLS)
Limestone	3.5	8
Limestone	12	15

Sample	Top of sample ft	Bottom of Sample ft	Description
1	Surface	3.5	fine tan sand, traces of orange clay
2	3.5	5	grey limestone with traces of orange clay, very hard, fossiliferous (small shell fragments)
3	6	8	grey limestone, fossiliferous (small shell fragments), very hard
4	8	10	clayey very fine grey/tan sand, fossiliferous (whole shells and fragments of shells)
5	13	15	grey limestone, fossiliferous
6	18	20	grey medium sand, with traces of clay, organics (black), fossiliferous (very small fragments of shell)
7	23	25	grey clayey fine sand, saturated, organics (black), fossiliferous (very small fragments of shell)
8	28	30	Sandy clay, green clay, fine grey sand, organics (black), fossiliferous, stiff

BH-7			
Water Table 3 feet BLS			
Formation			
Fm	Top (ft BLS)		
Holocene	0		
Tamiami	4		
Peace River	20		
Lithology			
	Top (ft BLS)	Bottom (ft BLS)	
Limestone	4	7	
Sample	Top of sample ft	Bottom of Sample ft	Description
1	Surface	3	medium tan sand with dark grey silt (fines)
2	3	4	medium tan sand with dark brown fines (clay/silt)
3	4	4.5	limestone with traces of clay and small traces of marl
4	8	10	light grey clayey medium sand, saturated, organics (black), fossiliferous (very small fragments of shell)
5	13	15	grey tan clayey medium sand, saturated, organics (black), fossiliferous (very small fragments of shell)
6	18	20	fine grained sandy tan clay, saturated, organics (black, fine grained)
7	23	25	Stiff dark green clay with small shell fragments

BARBARA T. SCOTT, CLERK
CHARLOTTE COUNTY
OR BOOK 1798 PAGE 0346
RECORDED 06/05/00 @ 06:45 AM
FILE NUMBER 732663
RECORDING FEE 33.00

THIS INSTRUMENT PREPARED BY
Robert H. Berntsson, Esq.
Batsel, McKinley, Ittersagen
Gunderson & Berntsson, P.A.
18401 Murdock Circle
Port Charlotte, Florida 34224

#34 ★

CONSERVATION EASEMENT DEED

STATE OF FLORIDA
COUNTY OF CHARLOTTE

KNOW ALL PERSONS BY THESE PRESENTS that in consideration for the issuance of Florida Department of Environmental Protection Permit number 014-7954-001, (hereinafter the "Permit") issued pursuant to the requirements of Section 373, Part IV, Florida Statutes, and Section 62-343, Florida Administrative Code, to Charlotte County Mining and Materials, Inc., and the mutual promises contained herein; the Neslund Family Limited Partnership II, 16070 Tamiami Trail South, Punta Gorda, Florida 33955, (Grantor) has granted to the State of Florida Department of Environmental Protection, 2600 Blair Stone Road, Tallahassee, Florida (Grantee), a Conservation Easement in accordance with Section 704.06, Florida Statutes, in and over the real property in Charlotte County, Florida, as set forth in the legal description attached hereto as **Exhibit "A"**.

As used herein, the term Grantor shall include any successor or assignee of the Grantor, and the term Grantee shall include any successor or assignee of the Grantee.

It is the purpose and intent of this Conservation Easement to assure that the subject lands (with the exception of included wetlands which are to be enhanced or created as specified in the aforementioned Permit) will be retained and maintained predominately in the natural vegetative and hydrologic condition existing at the time of execution of this Conservation Easement. The included wetlands which are to be enhanced or created shall be maintained during the term of the Permit in the enhanced or created conditions required by the aforementioned Permit.

Except for such specific activities as authorized pursuant to the Permit, including but not limited to creation, enhancement and maintenance of wetlands as specified mitigation in said Permit, the following activities are prohibited on the property subject to this Conservation Easement.

1. Construction or placing of buildings, roads, signs, billboards, or other advertising, utilities, or other structures on or above the ground; except that the existing roadway as depicted on **Exhibit "B"** may be maintained.

2. Dumping or placing of soil or other substances or material as landfill, or dumping or placing of trash, waste, or unsightly or offensive materials.

3. Removal or destruction of trees, shrubs, or other vegetation; with exception of nuisance and exotic plant species as may be required by Grantee in the Permit;

4. Excavation, dredging, or removal of loam, peat, gravel, soil, rock, or other material substance in such manner as to affect the surface; except as required by the Permit;

5. Surface use except for purposes that permit the land or water area to remain predominantly in its natural condition;

6. Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife habitat preservation;

7. Acts or uses detrimental to such aforementioned retention and maintenance of land or water areas; and

8. Acts or uses detrimental to the preservation of any features or aspects of the property having historical, archaeological or cultural significance.

It is understood that the granting of this Conservation Easement entitles the Grantee or its authorized representatives to enter the above-described land in a reasonable manner and at reasonable times to assure compliance.

The Grantor on behalf of itself and its successors or assigns hereby agrees to bear all costs and liability relating to the operation and maintenance of the lands subject to this Conservation Easement in the natural vegetative and hydrologic condition existing at the time of execution of this Conservation Easement during the life of the Permit, including the maintenance of enhanced or created wetlands in the vegetative and hydrologic condition required by the aforementioned Permit, and Grantor does hereby indemnify and hold harmless the Grantee from same. The Conservation Easement hereby granted shall run with the land and shall be binding upon the Grantor and its successors and assigns, and shall inure to the benefit of the Grantee and its successors and assigns.

The terms and conditions of this Conservation Easement may be enforced by the Grantee by injunctive relief and other appropriate available remedies, and Grantor consents that venue for such enforcement actions shall lie exclusively in the circuit court of the Second Judicial Circuit, in Leon County, Florida. In any enforcement action in which the grantee prevail, grantee shall be entitled to recover reasonable attorney's fees and costs in the trial and appellate courts, and in addition, during the life of the Permit, the cost of restoring the land to the natural vegetative and hydrologic condition existing at the time of execution of this Conservation Easement or to the vegetative and hydrologic condition required by the aforementioned Permit. These remedies are in addition to any other remedy, fine, or penalty, which may be applicable under Chapters 373 and 403, Florida Statutes.

Any forbearance on behalf of the Grantee to exercise its rights in the event of the failure of Grantor to comply with the provisions of this Conservation Easement shall not be deemed or construed to be a waiver of the Grantee's rights hereunder in the event of any subsequent failure of the Grantor to comply.

IN WITNESS WHEREOF, Grantor has hereunto set Grantor's hand and seal on the 5th day of April, 2000.

Signed, sealed, and
delivered in our presence:

NESLUND FAMILY LIMITED
PARTNERSHIP II
By Southern Engineering, Inc.,
General Partner

Peter V. D. Witt
Peter V. D. Witt, Witness

By: James E. Fier
James E. Fier
As its: Vice President

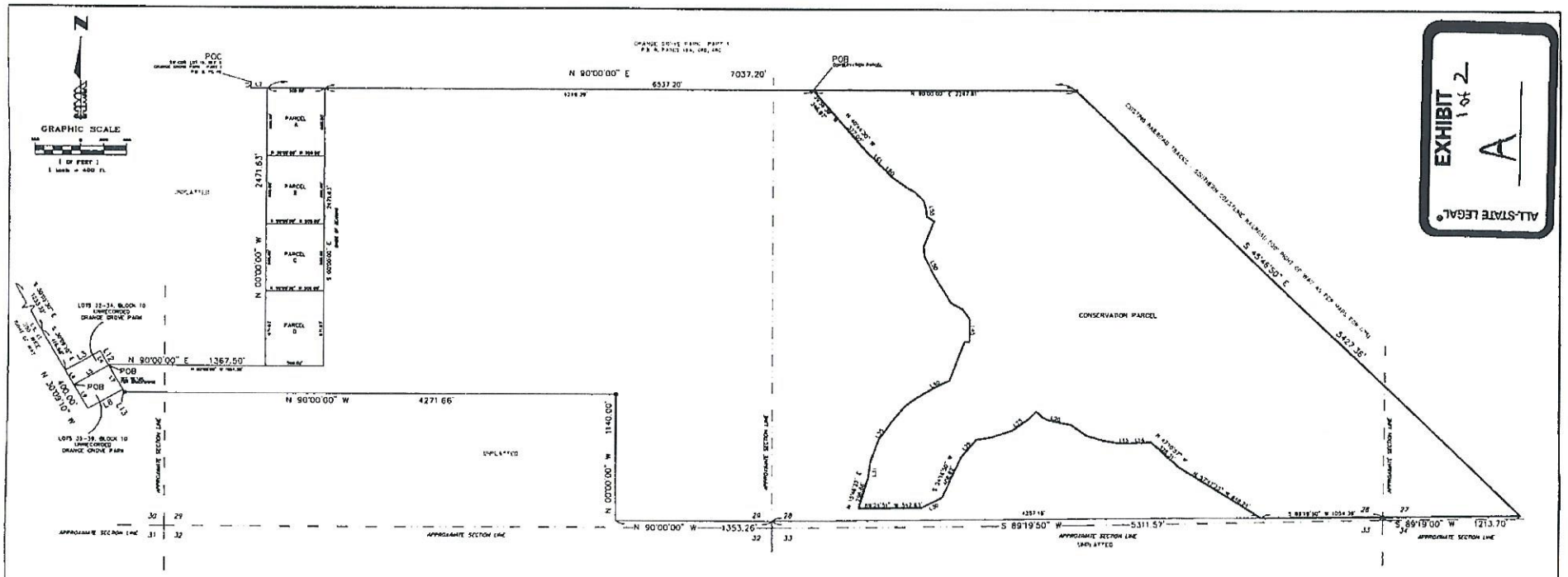
Connie A. Jensen
CONNIE A. JENSEN, Witness

STATE OF MINNESOTA
COUNTY OF HENNEPIN

The foregoing instrument was acknowledged before this 5TH day of APRIL, 2000 by James E. Fier, Vice President of Southern Engineering, Inc., as General Partner of the Neslund Family Limited Partnership II, who is personally known to me or who has produced _____ as identification and who did / did not take an oath.

Connie A. Jensen
Notary Signature

CONNIE A JENSEN
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2005



LINE TABLE		
LINE	DIRECTION	DISTANCE
L1	S 00°00'00" E	50.00'
L2	N 90°00'00" E	140.00'
L3	N 59°57'30" E	349.19'
L4	S 30°02'30" E	150.00'
L5	S 59°57'30" W	348.90'
L6	N 30°09'10" W	150.00'
L7	S 30°02'30" E	250.00'
L8	S 59°57'30" W	348.42'
L9	N 30°09'10" W	250.00'
L10	N 30°02'30" W	10.33'
L11	N 30°02'30" W	278.46'
L12	S 30°02'30" E	139.67'
L13	N 30°02'30" W	28.46'
L14	S 87°28'31" W	190.41'
L15	S 88°55'27" W	89.23'

LINE TABLE		
LINE	DIRECTION	DISTANCE
L16	N 79°34'27" W	146.50'
L17	N 73°39'49" W	148.15'
L18	N 55°05'35" W	166.30'
L19	N 78°09'08" W	79.86'
L20	N 77°47'24" W	117.88'
L21	N 64°34'35" W	53.50'
L22	N 47°32'35" W	83.07'
L23	S 41°18'07" W	52.98'
L24	S 48°31'23" W	54.99'
L25	S 53°48'38" W	161.58'
L26	S 71°28'43" W	75.00'
L27	S 71°16'17" W	121.17'
L28	S 81°15'00" W	128.75'
L29	S 40°34'22" W	202.68'
L30	S 62°19'03" W	200.34'

LINE TABLE		
LINE	DIRECTION	DISTANCE
L31	N 07°11'20" E	94.90'
L32	N 11°41'01" E	65.64'
L33	N 20°45'39" E	79.27'
L34	N 18°17'30" E	112.17'
L35	N 37°03'40" E	99.08'
L36	N 33°39'10" E	89.80'
L37	N 39°27'49" E	195.69'
L38	N 53°46'15" E	92.02'
L39	N 57°25'22" E	170.07'
L40	N 61°23'34" E	118.83'
L41	N 67°36'52" E	63.48'
L42	N 20°03'34" E	169.02'
L43	N 20°59'26" E	202.49'
L44	S 89°16'10" E	43.19'
L45	N 00°09'53" W	208.84'

LINE TABLE		
LINE	DIRECTION	DISTANCE
L46	N 35°58'02" W	105.49'
L47	N 60°25'09" W	116.73'
L48	N 29°48'07" W	120.39'
L49	N 31°35'08" W	139.97'
L50	N 26°49'16" W	206.21'
L51	N 04°36'05" W	93.23'
L52	N 20°21'31" E	120.31'
L53	N 21°58'06" E	126.50'
L54	N 57°31'54" W	74.96'
L55	N 05°03'40" W	63.89'
L56	N 16°20'36" W	76.67'
L57	N 45°43'25" W	113.76'
L58	N 62°16'17" W	73.84'
L59	N 54°25'20" W	166.19'
L60	N 43°06'22" W	91.24'
L61	N 45°23'47" W	212.86'

LEGEND

POC POINT OF COMMENCEMENT
POB POINT OF BEGINNING

* NOT A SURVEY *

SHEET 1 OF 2

FIELD BOOK 747 PG 11 - 20

LETTER	REVISIONS	DATE
A		
B		
C		

CHARLEE MINE

NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.

PARTY CHIEF: KAZ	DATE: 2/00	
DRAWN BY: BCH	DATE: 4/00	
CHECKED BY: TMH	DATE: 4/00	
VERTICAL SCALE: N/A	HORIZONTAL SCALE: 1"=400'	

HOLE, MONTES & ASSOCIATES
ENGINEERS-PLANNERS-SURVEYORS
NAPLES-FORT MYERS-BONITA SPRINGS
10550 ABERNATHY STREET-BONITA SPRINGS, FLORIDA 34135 (941) 992-0705

SKETCH AND LEGAL DESCRIPTION

CHARLOTTE COUNTY FLORIDA

DRAWING NO.	A-1211-1
PROJECT NO.	98.013
REFERENCE NO.	WETGNO88Y11

EXHIBIT 2 of 4

ALL-STATE LEGAL®

LEGAL DESCRIPTION

A PARCEL OF LAND LOCATED IN A PORTION OF SECTIONS 27 & 28, TOWNSHIP 42 SOUTH, RANGE 24 EAST, CHARLOTTE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF LOT 16, BLOCK 4, ORANGE GROVE PARK PART ONE, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 6 PAGE 46A OF THE PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA; THENCE RUN SOUTH, FOR A DISTANCE OF 50.00 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF ORANGE BLOSSOM BOULEVARD NORTH A 50.00 FOOT RIGHT-OF-WAY AS SHOWN ON ORANGE GROVE PARK PART ONE, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 6 PAGE 46A OF THE PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA; THENCE RUN EAST, ALONG SAID SOUTH RIGHT-OF-WAY LINE, FOR A DISTANCE OF 4,889.39 FEET, TO THE POINT OF BEGINNING OF THE PARCEL OF LAND HEREIN DESCRIBED; THENCE CONTINUE EAST, ALONG SAID SOUTH RIGHT-OF-WAY LINE, FOR A DISTANCE OF 2,287.81 FEET; THENCE RUN S.45°46'50"E., FOR A DISTANCE OF 5,427.36 FEET; THENCE RUN S.89°19'00"W., FOR A DISTANCE OF 1,213.70 FEET; THENCE RUN S.89°19'50"W., 1,054.39 FEET; THENCE RUN N.57°47'23"W., FOR A DISTANCE OF 848.24 FEET; THENCE RUN N.47°10'57"W., FOR A DISTANCE OF 328.31 FEET; THENCE RUN S.87°28'31"W., FOR A DISTANCE OF 190.41 FEET; THENCE RUN S.88°55'27"W., FOR A DISTANCE OF 89.23 FEET; THENCE RUN N.79°34'27"W., FOR A DISTANCE OF 146.50 FEET; THENCE RUN N.73°39'49"W., FOR A DISTANCE OF 148.15 FEET; THENCE RUN N.55°05'35"W., FOR A DISTANCE OF 166.30 FEET; THENCE RUN N.78°09'08"W., FOR A DISTANCE OF 79.86 FEET; THENCE RUN N.77°47'24"W., FOR A DISTANCE OF 117.88 FEET; THENCE RUN N.64°34'35"W., FOR A DISTANCE OF 53.50 FEET; THENCE RUN N.47°32'35"W., FOR A DISTANCE OF 83.07 FEET; THENCE RUN S.41°18'07"W., FOR A DISTANCE OF 52.98 FEET; THENCE RUN S.48°31'23"W., FOR A DISTANCE OF 54.99 FEET; THENCE RUN S.53°48'38"W., FOR A DISTANCE OF 161.58 FEET; THENCE RUN S.71°28'43"W., FOR A DISTANCE OF 75.00 FEET; THENCE RUN S.71°16'17"W., FOR A DISTANCE OF 121.17 FEET; THENCE RUN S.81°15'00"W., FOR A DISTANCE OF 128.75 FEET; THENCE RUN S.40°34'22"W., FOR A DISTANCE OF 202.68 FEET; THENCE RUN S.24°16'50"W., FOR A DISTANCE OF 408.62 FEET; THENCE RUN S.62°19'03"W., FOR A DISTANCE OF 200.34 FEET; THENCE RUN S.89°24'51"W., FOR A DISTANCE OF 542.63 FEET; THENCE RUN N.15°46'22"E., FOR A DISTANCE OF 296.66 FEET; THENCE RUN N.07°11'20"E., FOR A DISTANCE OF 94.90 FEET; THENCE RUN N.11°41'01"E., FOR A DISTANCE OF 65.64 FEET; THENCE RUN N.20°45'39"E., FOR A DISTANCE OF 79.27 FEET; THENCE RUN N.18°17'30"E., FOR A DISTANCE OF 112.17 FEET; THENCE RUN N.37°03'40"E., FOR A DISTANCE OF 99.08 FEET; THENCE RUN N.33°39'10"E., FOR A DISTANCE OF 89.80 FEET; THENCE RUN N.39°27'49"E., FOR A DISTANCE OF 195.69 FEET; THENCE RUN N.53°46'15"E., FOR A DISTANCE OF 92.02 FEET; THENCE RUN N.57°25'22"E., FOR A DISTANCE OF 170.07 FEET; THENCE RUN N.61°23'34"E., FOR A DISTANCE OF 118.83 FEET; THENCE RUN N.67°36'52"E., FOR A DISTANCE OF 63.48 FEET; THENCE RUN N.20°03'34"E., FOR A DISTANCE OF 169.02 FEET; THENCE RUN N.20°59'26"E., FOR A DISTANCE OF 202.49 FEET; THENCE RUN S.89°16'10"E., FOR A DISTANCE OF 43.19 FEET; THENCE RUN N.00°09'53"W., FOR A DISTANCE OF 208.84 FEET; THENCE RUN N.35°58'02"W., FOR A DISTANCE OF 105.49 FEET; THENCE RUN N.60°25'09"W., FOR A DISTANCE OF 116.73 FEET; THENCE RUN N.29°48'07"W., FOR A DISTANCE OF 120.39 FEET; THENCE RUN N.31°35'08"W., FOR A DISTANCE OF 139.97 FEET; THENCE RUN N.26°49'16"W., FOR A DISTANCE OF 206.21 FEET; THENCE RUN N.04°36'05"W., FOR A DISTANCE OF 93.23 FEET; THENCE RUN N.20°21'31"E., FOR A DISTANCE OF 120.31 FEET; THENCE RUN N.21°58'06"E., FOR A DISTANCE OF 126.50 FEET; THENCE RUN N.57°31'54"W., FOR A DISTANCE OF 74.96 FEET; THENCE RUN N.05°03'40"W., FOR A DISTANCE OF 63.89 FEET; THENCE RUN N.16°20'36"W., FOR A DISTANCE OF 76.67 FEET; THENCE RUN N.45°43'25"W., FOR A DISTANCE OF 113.76 FEET; THENCE RUN N.62°16'17"W., FOR A DISTANCE OF 73.84 FEET; THENCE RUN N.54°25'20"W., FOR A DISTANCE OF 166.19 FEET; THENCE RUN N.43°06'22"W., FOR A DISTANCE OF 91.24 FEET; THENCE RUN N.45°23'47"W., FOR A DISTANCE OF 212.86 FEET; THENCE RUN N.40°44'30"W., FOR A DISTANCE OF 377.02 FEET; THENCE RUN N.39°56'39"W., FOR A DISTANCE OF 346.87 FEET, TO THE POINT OF BEGINNING; CONTAINING 262.960 ACRES, MORE OR LESS.

THIS PROPERTY SUBJECT TO EASEMENTS, RESERVATIONS OR RESTRICTIONS OF RECORD.

BEARINGS SHOWN HEREON REFER TO THE EAST LINE OF PARCELS A, B, C AND D AS BEING S.00°00'00"E.

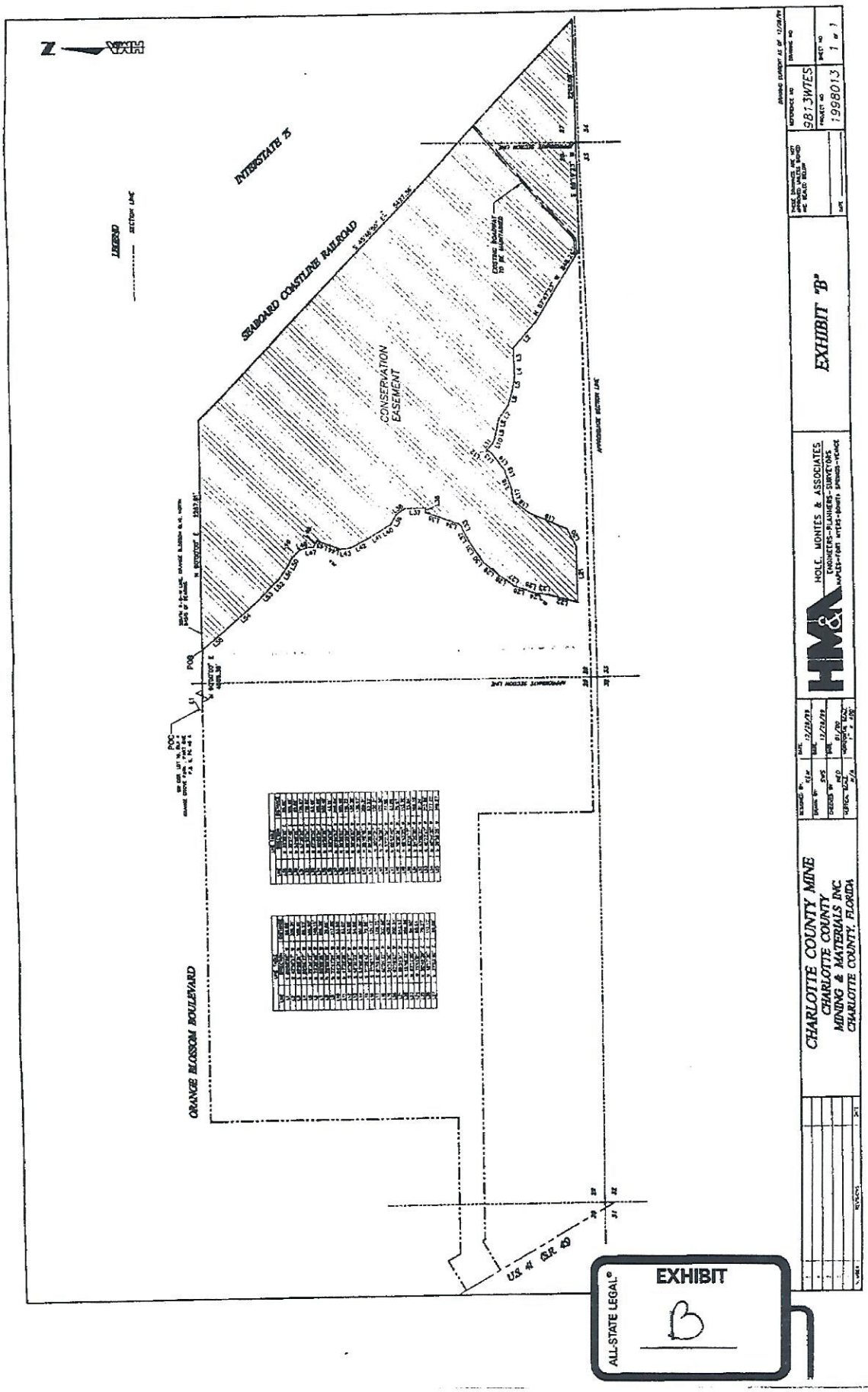
HOLE, MONTES AND ASSOCIATES, INC.
CERTIFICATE OF AUTHORIZATION LB #1772

BY Thomas M. Murphy
THOMAS M. MURPHY
P.S.M. #5628
STATE OF FLORIDA

* NOT A SURVEY *

SHEET 2 OF 2

FIELD BOOK 747 PG 11-20		CHARLEE MINE	NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER	PARTY CHIEF: KAZ	DATE: 2/00	HOLE, MONTES & ASSOCIATES ENGINEERS-PLANNERS-SURVEYORS NAPLES-FORT MYERS-BONITA SPRINGS 10550 ABERNATHY STREET-BONITA SPRINGS, FLORIDA 34135 (941) 992-0795	SKETCH AND LEGAL DESCRIPTION CHARLOTTE COUNTY FLORIDA	DRAWING NO. A-1211-1 PROJECT NO. 98.013 REFERENCE NO. WETBND88Y11
LETTER	REVISIONS	DATE		DRAWN BY: BEH	DATE: 4/00			
				CHECKED BY: TMM	DATE: 4/00			
				VERTICAL SCALE: N/A	HORIZONTAL SCALE: 1"=400'			



OR BOOK 1798 PAGE 0352

BARBARA T. SCOTT, CLERK
CHARLOTTE COUNTY
OR BOOK 1798 PAGE 0353
RECORDED 06/05/00 @ 06:45 AM
FILE NUMBER 732664
RECORDING FEE 10.50

THIS INSTRUMENT PREPARED BY
Michael R. McKinley, Esquire
Batsel, McKinley, Ittersagen,
Gunderson & Berntsson, P.A.
18401 Murdock Circle
Port Charlotte, Florida 33948

AGREEMENT TO SUBORDINATE MORTGAGE TO CONSERVATION EASEMENT

THIS AGREEMENT is made and entered into this 23 day of ~~April~~ May, 2000 between NORTHERN TRUST BANK OF FLORIDA, N.A., whose address is 8060 College Parkway Southwest, Fort Myers, Florida, 33919 (hereinafter "Mortgagee") and NESLUND FAMILY LIMITED PARTNERSHIP II, a Minnesota limited partnership, whose address is 15210 Wayzata Boulevard, Wayzata, Minnesota, 55391(hereinafter "Mortgagor").

RECITALS

1. Mortgagor, by instrument dated May 1, 1996 and recorded in Official Records Book 1462, at Page 130, and amended in Official Records Book 1462, at Page 130, Official Records Book 1757, at Page 1911, Official Records Book 1462, at Page 155, Official Records Book 1757, at Page 1913, Official Records Book 1757, at Page 1914, all of the Public Records of Charlotte County, Florida, for the consideration therein mentioned, and to secure the payment of the money therein specified, did mortgage to Mortgagee certain lands and tenements of which the Property herein described is a part.

2. Mortgagor, by instrument dated APRIL 5TH 2000, and recorded in Official Records Book 1798, at Page 0346, of the Public Records of Charlotte County, Florida, did grant to the State of Florida, Department of Environmental Protection, a Conservation Easement over a portion of the land subject to the above described mortgage.

3. Mortgagee, at the request of Mortgagor, and in consideration of the sum of ten dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, agrees that the above described mortgage shall be subject to and inferior to the rights of the State of Florida, Department of Environmental Protection, as the holder of the above described Conservation Easement.

IMAGED GK

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

Signed, sealed and delivered
in the presence of:

Witness
Printed Name: Carol Deno

Witness
Printed Name: Karla Davis

NORTHERN TRUST BANK OF FLORIDA, N.A., a national banking corporation,

By:
Printed name: Robert M. Arnall
As its: Vice President

STATE OF FLORIDA
COUNTY OF LEE

SWORN TO AND SUBSCRIBED before me this 23rd day of ~~April~~ May, 2000 by Robert M. Arnall, as Vice President of Northern Trust Bank of Florida, N.A., on behalf of the bank, who is personally known to me or who produced as identification.

OFFICIAL NOTARY SEAL
CAROL DENO
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. CC613345
MY COMMISSION EXP. JAN. 24,2001

NOTARY PUBLIC

Witness
Printed Name: JAMES E. FIER

Witness
Printed Name: Peter V. D. Nitt

NESLUND FAMILY LIMITED PARTNERSHIP II, a Minnesota limited partnership,

By:
Printed Name: RICHARD NESLUND
As its general partner

STATE OF MINNESOTA
COUNTY OF HENNEPIN

SWORN TO AND SUBSCRIBED before me this 30TH day of ~~April~~ MAY, 2000 by RICHARD NESLUND as general partner of Neslund Family Limited Partnership II, a Minnesota limited partnership, on behalf of the partnership, who is personally known to me or who produced _____ as identification.

(Notary Seal)
CONNIE A JENSEN
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2005

NOTARY PUBLIC
My Commission expires 1-31-05