



City of Jacksonville Beach

Briefing Notice

11 North Third Street
Jacksonville Beach, Florida

City Council

Monday, December 8, 2025

5:30 PM

City Hall 1st Floor Conference Room

[IGNORE_INDENT]

City Manager Mike Staffopoulos will conduct a Council Briefing to update the City Council about ongoing items in the City. The Briefing will include, but not be limited to, the following topics:

[IGNORE_INDENT]

- A. CRA Structure
- B. CRA Code Enforcement
- C. FDOT Initiatives:
 - A1A Pedestrian Crossing
 - A1A Corridor
 - Roundabout
- D. Neptune Beach Franchise Agreement
- E. Sea Turtle Protection Communication
- F. Committee Assignment Report
- G. Miscellaneous City Manager's Items
- H. Future Briefing Topics

Council Members in attendance may include:

Mayor:	Christine Hoffman		
Council Members:	Sandy Golding	Bill Horn	Dan Janson
	Bruce Wouters	Greg Sutton	John Wagner

Please note: Council Members in attendance may vary according to their schedules.

No public comments are taken at the City Manager's Council Briefing.

If you are a person with a disability who needs an accommodation to participate in a meeting, you are entitled, at no cost to you, to the provision of certain assistance. Please contact the ADA Coordinator by phone 904-712-6297 or submit an [Accommodation Request](#) to the ADA Coordinator as far in advance of the meeting as possible; preferably 7 days but no less than 2 business days, before the meeting. If you are hearing or voice impaired, please call Florida Relay at 711 for assistance.

[IGNORE_INDENT]



CITY COUNCIL BRIEFING TOPIC	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Taylor Mobbs, CRA Coordinator
DATE:	December 8, 2025
SUBJECT:	CRA Structure

BACKGROUND

On March 7, 2025, the City Council held a retreat facilitated by the Florida Institute of Government (FIG). The purpose of the retreat was to identify Council overarching priorities for the next 2 to 4 years. The final product from the retreat is the Strategic Plan Priority Updates report, approved by Council and incorporated into the City's Strategic Operating Plan.

An additional priority identified by Council (outside the top six, but also a sub-part of *Develop an Action Plan for Revitalizing the Downtown Area*) is *Structural and Operational Review of the Community Redevelopment Agency (CRA)*. Prior to proceeding with substantive work associated with this additional priority, staff requires Council input for scope clarity.

1. Maintain the Existing Structure and Clarify and Reinforce the CRA Board's Role as an Advisory Body Under Council Direction.

The Council may choose to retain the current board format but take steps to clearly reinforce and communicate the true scope of the board's role. Under this model, the CRA would continue to meet and provide input, while clearly understanding the board's authority is strictly advisory in nature. They do not have independent decision-making authority, nor do they set policy or initiate large scale projects outside the direction and budget established and approved by the City Council.

The CRA board's function would be to respond to Council directives and strategic priorities, as defined in the annual budget and adopted district plans. Once that high-level direction is established, the board can assist with generating ideas, reviewing proposals, and offering recommendations. However, all planning and implementation must align with Council's vision and must flow through staff for execution.

To continue to operate under this model, Council may consider future board appointments that prioritize individuals who bring relevant, active experience and a forward-thinking mindset, and understand the limitations and scope of the role of a board member.

2. Transition to City Council Serving as the CRA Board.

The Council may choose to dissolve the appointed CRA board and transition to a structure where the City Council serves directly as the CRA board. This model follows s. 163.356(2), F.S., where the municipal governing body assumes full CRA responsibilities unless delegated elsewhere. Under this structure, the Council would be solely responsible for CRA planning, budgeting, project approvals, and compliance, with staff continuing to handle the day-to-day operations of the CRA. CRA business must be conducted in separate publicly noticed meetings, but these meetings could occur on the same days as the regularly scheduled City Council meetings. Dissolving the



board entirely also removes a structured channel for local stakeholder engagement by serving on the board.

FINANCIAL IMPACT

No financial impact.

COUNCIL DIRECTION REQUESTED

Staff requests input from Council on the current and future structure of the Community Redevelopment Agency.

ATTACHMENTS



CITY COUNCIL BRIEFING TOPIC	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Taylor Mobbs, CRA Coordinator
DATE:	December 8, 2025
SUBJECT:	CRA Code Enforcement

BACKGROUND

On March 7, 2025, the City Council held a retreat facilitated by the Florida Institute of Government (FIG). The purpose of the retreat was to identify Council overarching priorities for the next 2-4 years. The final product from the retreat is the Strategic Plan Priority Updates report, approved by Council and incorporated into the City's Strategic Operating Plan.

One of the priorities from that retreat is *Develop an Action Plan for Revitalizing the Downtown Area*. Within that priority is the step of considering increased code enforcement within the Community Redevelopment Agency (CRA) and exploring the creation of rules specific to downtown. Prior to proceeding with substantive work associated with this initiative, staff requires Council input for scope clarity.

Chapter 163, Part III, Florida Statutes, grants CRAs to undertake redevelopment activities consistent with their adopted redevelopment plans. While CRAs themselves do not possess direct code enforcement authority under Chapter 162, municipalities may adopt zoning overlays, design guidelines, and property maintenance standards that apply to a specific geographic area, including a CRA district.

Our intent is to explore whether the City Council would like to adopt more rigorous or enhanced code enforcement standards that would apply only within the CRA downtown district, or within the Central Business District of the CRA, consistent with the redevelopment plan goals. Under this approach:

- Staff would recommend the creation of enhanced standards of code enforcement and enhanced violations.
- The Council, acting through ordinance, would be the entity enacting and approving the stricter standards and violations.
- The enhanced standards would be geographically limited to the downtown district boundaries, similar to how overlay zones or design review districts operate under Florida law.

Considerations When Considering Elevated Code Enforcement:

1. CRAs cannot independently legislate or enforce the code.
2. A municipality may adopt ordinances establishing stricter requirements in defined areas, provided those ordinances serve a valid public purpose and are consistent with the goals of the redevelopment plan and strategic plan.

BRIEFING ITEM:	B.
BRIEFING DATE:	December 8, 2025



3. Under s. 163.370, F.S., and related provisions, CRA-funded activities must be above and beyond what the City provides on a general government basis, so the CRA should not merely duplicate citywide services, but provide an enhanced level of service directly tied to the elimination of slum and blight. Enhanced code enforcement within the district aligns with this statutory requirement.

Under s. 162.21, F.S., cities can adopt a civil citation system, which allows a code enforcement officer to issue a ticket on site with a preset fine (like a parking ticket). The violator can either pay the fine(s) or contest it in court. Making code enforcement in the CRA a much quicker process than Citywide.

FINANCIAL IMPACT

No financial impact at this time. Future financial impact(s) will be determined based on Council direction.

COUNCIL DIRECTION REQUESTED

Staff requests input on elevated CRA code enforcement.

ATTACHMENTS



CITY COUNCIL BRIEFING TOPIC	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Dennis Barron, Director of Public Works
DATE:	December 8, 2025
SUBJECT:	Florida Department of Transportation (FDOT) Initiatives

BACKGROUND

The purpose of this briefing item is to discuss various initiatives of the Florida Department of Transportation (FDOT), and determine if the City has a formal position on each. More specifically, the FDOT initiatives are:

1. Installing pedestrian crossings along A1A, from Atlantic Boulevard to the boundary with St. Johns County, with various crossings scheduled for Jacksonville Beach;
2. Conceptual design for multi-modal corridor improvements to A1A, from Atlantic Boulevard to the boundary with St. Johns County; and
3. Conceptual design for a roundabout at the intersection of the JTB off-ramp and Marsh Landing Boulevard.

Pedestrian Crossings

The FDOT has already started installing new pedestrian crossings along the A1A corridor within Neptune Beach and Jacksonville Beach. The crossings utilize the latest flashing beacon technology (red flashing and red solid lights), new pedestrian markings, and compliance with the Americans with Disabilities Act (ADA).

Over the past year, the City has learned from the FDOT that their next planned location for installation is the intersection of A1A and 3rd Avenue South. The City has expressed to the FDOT a higher value on 5th Avenue South due to its spacing between 2nd Avenue South and 9th Avenue South and it being an intersection identified within the Urban Trails Master Plan as a point of resident crossing for access to the beach and downtown.

Multi-Modal Corridor Improvements

The FDOT has developed a concept plan for multi-modal improvements to the A1A corridor, from Atlantic Boulevard to the boundary with St. Johns County. The improvements consist of widening sidewalks along the east and west sides of A1A to promote pedestrian and bicycle mobility north/south along the corridor. The improvements would eliminate most of the on-street parking along both sides of A1A except for select areas (see attached drawings).

Roundabout

The FDOT has developed a concept plan for a roundabout at the intersection of the JTB off-ramp and Marsh Landing Boulevard. This three-way intersection includes stop signs in the east/west directions, while southbound traffic has no restrictions. The transition to a roundabout would allow for improved traffic flow in all three directions at the intersection (see attached drawing).

FINANCIAL IMPACT

BRIEFING ITEM:	C.
BRIEFING DATE:	December 8, 2025



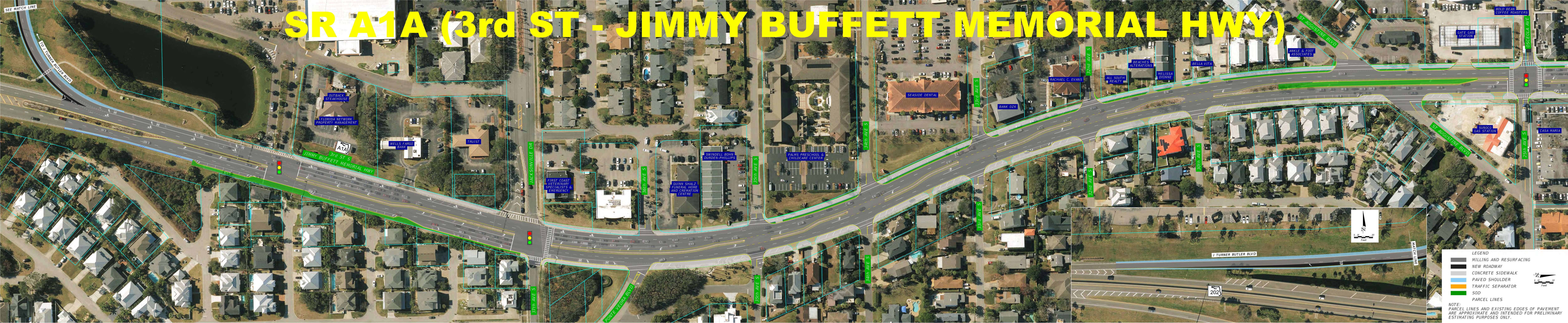
COUNCIL DIRECTION REQUESTED

1. Does the City Council concur with identifying 5th Avenue South as the top priority for the City? Does the City Council have a preference for priority pedestrian crossings on the A1A corridor within Jacksonville Beach?
2. Does the City Council support the conceptual multi-modal corridor improvements along the A1A corridor within Jacksonville Beach? If not, are there requested changes to the concept plan that should be relayed to the FDOT?
3. Does the City Council support the conceptual roundabout improvements at JTB and Marsh Landing Boulevard? If not, are there requested changes to the concept plan that should be relayed to the FDOT?

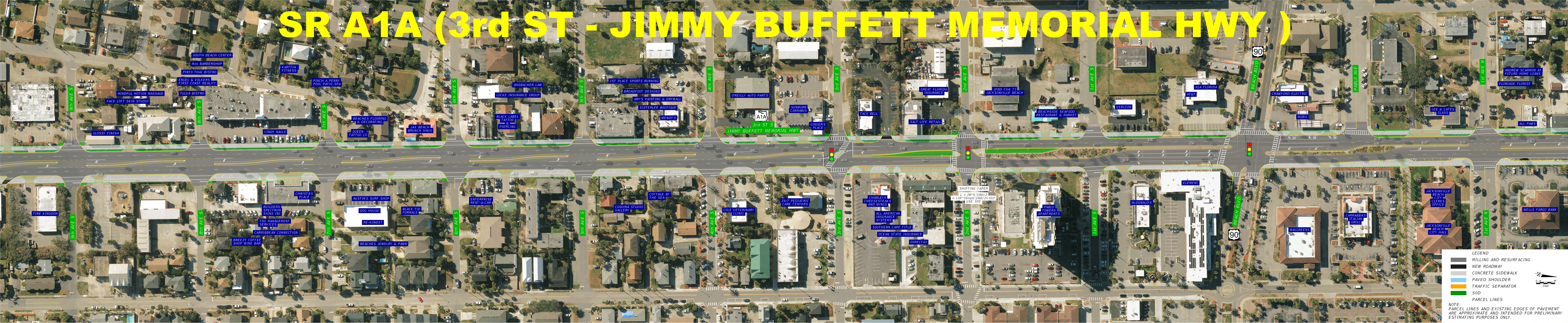
ATTACHMENTS

1. SR A1A (3rd St - Jimmy Buffett Memorial Hwy) Concept Plan
2. Marsh Landing Concept Plan
3. Marsh Landing Blvd and Marsh Landing Pkwy Intersection Crashes 2014- 2025
4. JTB Off Ramp and Marsh Landing Blvd Intersection Crashes 2014 - 2025

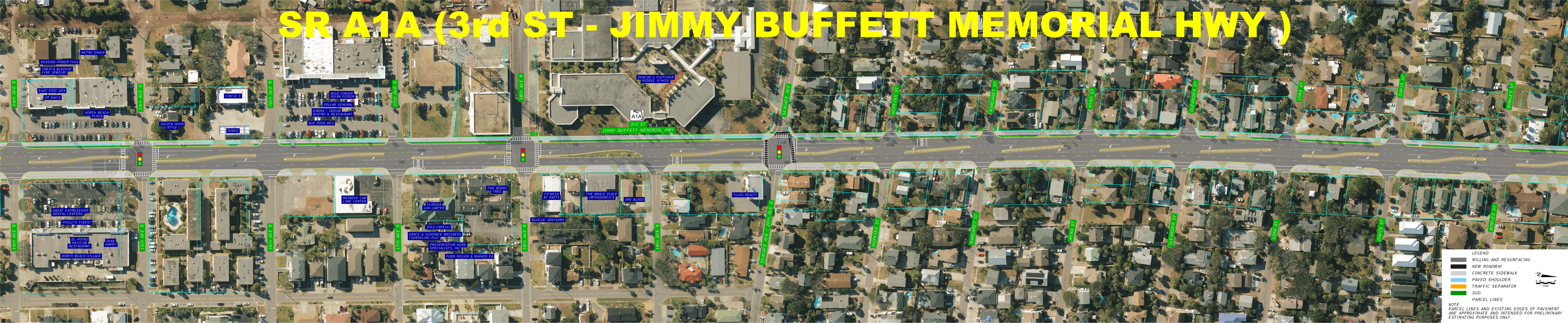
SR A1A (3rd ST - JIMMY BUFFETT MEMORIAL HWY)



SR A1A (3rd ST - JIMMY BUFFETT MEMORIAL HWY)



SR A1A (3rd ST - JIMMY BUFFETT MEMORIAL HWY)



MARSH LANDING PARKWAY AT MARSH LANDING BOULEVARD



J TURNER BUTLER BLVD
202

MARSH LANDING PKWY

MARSH LANDING BLVD

PALM WAY

STOP AT NOTHING, INC.

THIS IS COACH

LASER SKIN SOLUTIONS

OPTIMUM HEALTHCARE IT

HAMPTON INN

WHISKEY JAX

SEASIDE BALLROOM

JOS. A BANK

ROXY NAILS

NAVY FEDERAL

COST PLUS WORLD MARKET

- LEGEND
- ROADWAY WIDENING
- PAVEMENT MILLING
- CONCRETE TRUCK APRON
- BARRIER WALL
- (RETAINING SECTION)
- SOD
- PARCEL LINES

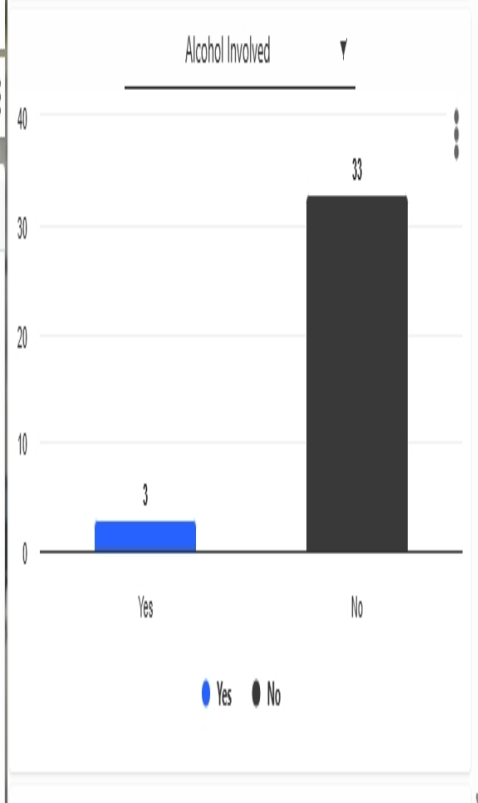
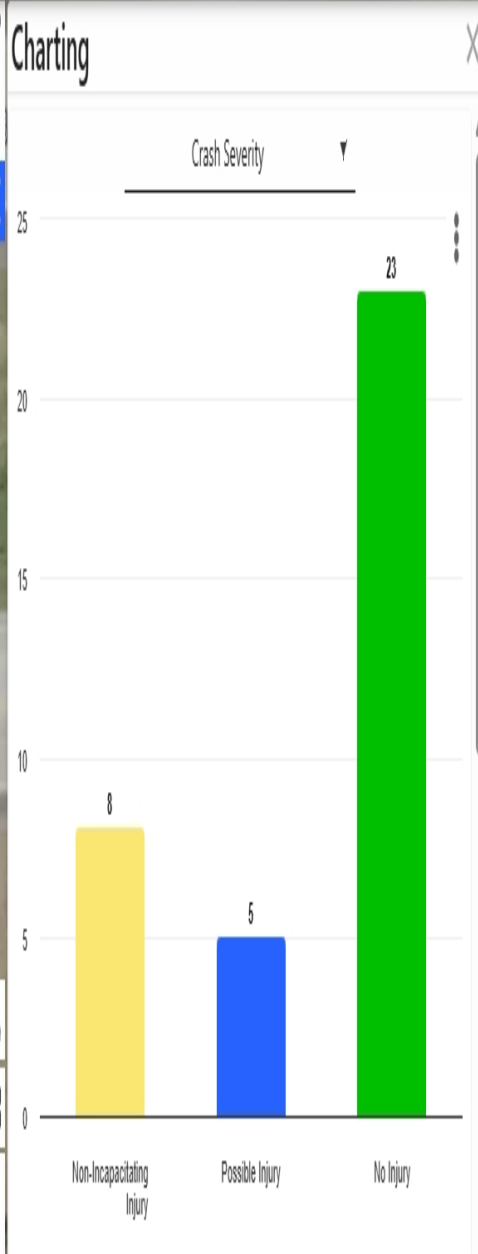
NOTE:
ALL PARCEL LINES AND EXISTING EDGES OF PAVEMENT ARE APPROXIMATE AND INTENDED FOR PRELIMINARY ESTIMATING PURPOSES ONLY.

Search Crashes

Crashes in Custom Area
From 9/22/2014 - 9/28/2025



Crash Citation



Injury Summary Common Attributes FDOT Attributes

	Total	Fatal Crashes	Serious Injury Cras...	Injury Crashes	Property Damage ...
Crashes	36	0	0	13	23
Fatal (within 30 days)	0	0	0	0	0
Incapacitating Injuries	0	0	0	0	0
Non-Incapacitating Injuries	10	0	0	10	0
Possible Injuries	9	0	0	9	0

Search Crashes

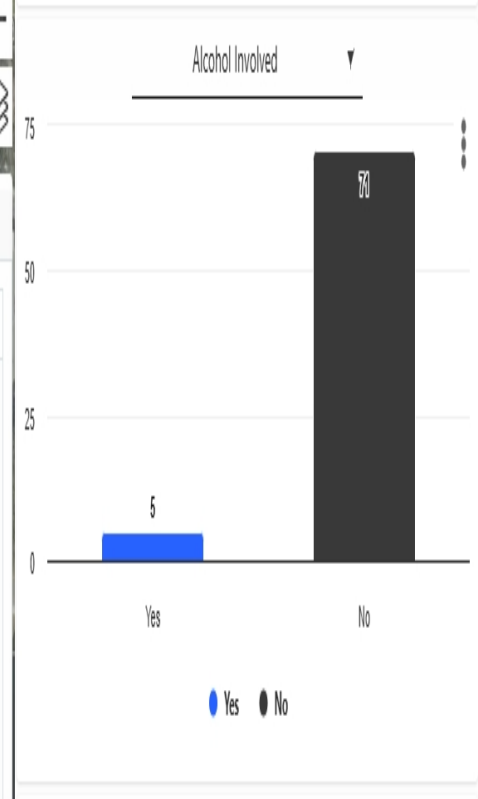
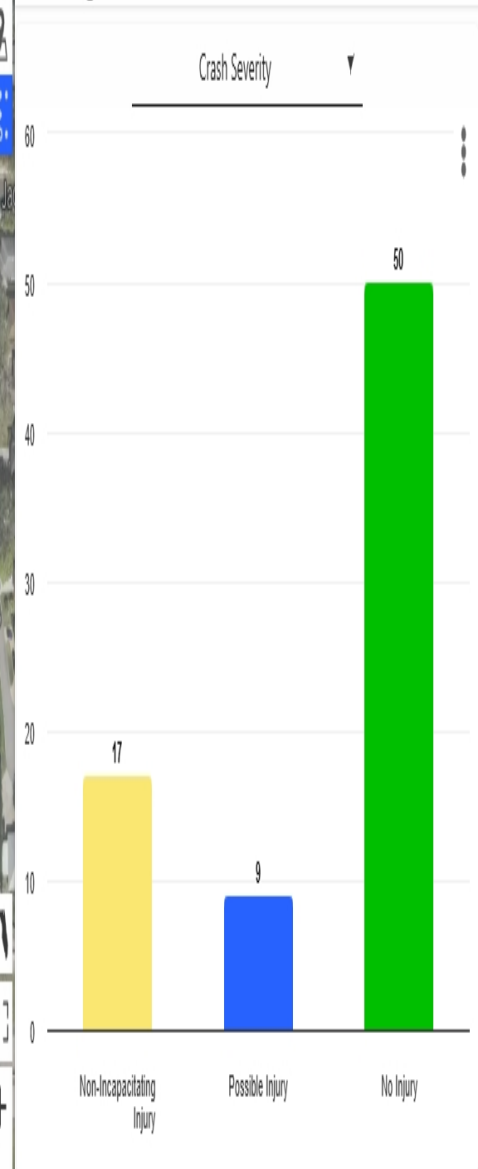


Crashes in Custom Area

From 9/22/2014 - 9/28/2025



Charting



Injury Summary

	Total	Fatal Crashes	Serious Injury Cras...	Injury Crashes	Property Damage ...
Crashes	76	0	0	26	50
Fatal (within 30 days)	0	0	0	0	0
Incapacitating Injuries	0	0	0	0	0
Non-Incapacitating Injuries	19	0	0	19	0
Possible Injuries	14	0	0	14	0





CITY COUNCIL BRIEFING TOPIC	
TO:	Mayor and Council
FROM:	Michael J. Staffopoulos, City Manager
DATE:	December 8, 2025
SUBJECT:	Proposed Franchise Agreement with the City of Neptune Beach

BACKGROUND

The City of Neptune Beach (Neptune Beach) and the City of Jacksonville Beach doing business as Beaches Energy Services (Beaches Energy) have negotiated a new franchise agreement that will supersede and replace the 2002 Electric Service Agreement. The new Franchise Agreement reflects updates to promote reliable electric service, coordinate future undergrounding of utilities, and clarify both Parties' rights and obligations. The following highlights the substantive changes, major carry-overs, and other notable elements for Council review.

Major Carry-Overs from the 2002 Electric Franchise Agreement:

1. Payment in Lieu of Taxes (PILOT) Rates (Section 7)

- The existing PILOT rate of \$0.00302 per kilowatt-hour for all metered electricity sold within Neptune Beach remains unchanged.
- Payments continue to be made monthly and in lieu of property, privilege, occupation, or franchise taxes.

2. Obligation to Provide Reliable Electric Service (Section 3)

- Beaches Energy continues to be responsible for furnishing reasonably uninterrupted electric service to all customers within Neptune Beach.
- Exceptions for outages caused by uncontrollable events (force majeure) remain consistent with prior agreement language.

3. Use of Public Rights-of-Way (Sections 1 and 4)

- Beaches Energy's right to construct, operate, maintain, and extend electric facilities in public rights-of-way continues.
- Standard relocation obligations for roadway projects, including FDOT or City projects, remain in place.

4. Audit Rights (Section 15)

- Neptune Beach retains the right to audit sales records and verify franchise fee payments, consistent with the prior agreement.

Substantive Changes and Updates:

1. Undergrounding of Utilities (Section 6)

- New language emphasizes cooperation between Neptune Beach and Beaches Energy for converting overhead facilities to underground, including other utilities (telecom, cable, broadband).
- Beaches Energy will provide both non-binding and binding cost estimates to facilitate planning.
- Neptune Beach may engage its own contractors for underground projects, subject to Grantee standards and final inspection.
- Costs for aesthetic-driven undergrounding are now explicitly the responsibility of Neptune Beach.
- The agreement codifies Beaches Energy’s right to determine the means and methods for underground conversion.

2. Franchise Term and Termination (Section 2)

- Franchise term extended to 30 years, with a year-to-year continuation thereafter, unless terminated in accordance with the agreement.
- Expanded language on default by either Party and dispute resolution provides clearer timelines and remedies.

3. Sale of Electric System / Public Meetings (Section 11)

- Prior approval process for a potential sale of Beaches Energy’s system now explicitly requires public meetings with Neptune Beach Council representatives present.

4. Change in Law / Competitive Service (Section 14)

- Includes explicit protections for Beaches Energy if competitive disadvantages arise from new legislation or regulations allowing other providers to serve Neptune Beach customers.

5. Streetlighting and LED Conversion (Section 9)

- Beaches Energy commits to the ongoing conversion of streetlighting and private lighting to LED technology consistent with commercially reasonable principles.

6. Joint Use of Poles and Conduits (Section 10)



- New language clarifies that joint use agreements for telephone, cable, broadband, and similar services shall not limit Neptune Beach's undergrounding plans.
- Beaches Energy agrees to encourage counterparties to remove above-ground facilities after undergrounding, but without guarantee.

7. Preliminary Dispute Resolution (Section 22)

- Introduces a structured, in-person meeting process between senior management of both parties before initiating litigation or arbitration.

8. Definitions and Assignment (Section 19)

- Clarified definitions and successor/assign rights ensure continuity and enforceability with any future assignment of interests.

The proposed Franchise Agreement largely maintains key economic terms and operational obligations from the 2002 Electric Agreement while introducing new provisions to facilitate undergrounding, enhance coordination, and clarify rights and responsibilities. The agreement balances Neptune Beach's interest in public safety, aesthetic improvements, and utility reliability with the operational and financial interests of Beaches Energy.

FINANCIAL IMPACT

There are no substantive fiscal impacts to Beaches Energy as a result of the proposed franchise Agreement.

COUNCIL DIRECTION REQUESTED

Does Council concur with the terms and conditions of the new franchise agreement?

ATTACHMENTS

1. Proposed Neptune Beach Franchise Agreement
2. 2002 Electric Service Agreement Neptune Beach

CITY OF NEPTUNE BEACH JOINT FINAL DRAFT – 10/7
ORDINANCE NO. _____

AN ORDINANCE GRANTING TO THE CITY OF JACKSONVILLE BEACH, FLORIDA, DOING BUSINESS AS BEACHES ENERGY SERVICES, ITS SUCCESSORS AND ASSIGNS, THE RIGHT AND FRANCHISE TO OPERATE AN ELECTRIC TRANSMISSION AND DISTRIBUTION SYSTEM IN THE CITY OF NEPTUNE BEACH AND TO CONSTRUCT, MAINTAIN, OPERATE AND EXTEND ELECTRIC TRANSMISSION AND DISTRIBUTION LINES IN THE PUBLIC RIGHTS-OF-WAY OF SAID CITY; PROVIDING THE TERMS AND CONDITIONS OF SUCH FRANCHISE; PROVIDING TERMS AND CONDITIONS FOR THE UNDERGROUNDING OF ELECTRIC FACILITIES WITHIN THE CITY OF NEPTUNE BEACH; PROVIDING FOR MONTHLY FRANCHISE FEE PAYMENTS TO THE CITY OF NEPTUNE BEACH; PROVIDING FOR EITHER PARTY'S RIGHT TO TERMINATE THE FRANCHISE AGREEMENT CREATED HEREBY UNDER SPECIFIED CIRCUMSTANCES; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS IN OTHER CITY ORDINANCES; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Neptune Beach (“Neptune Beach” or “Grantor”) finds it in the public interest to ensure that all areas within its corporate limits are adequately provided with high-quality and reliable electric service; and

WHEREAS, the City of Neptune Beach and the City of Jacksonville Beach, d/b/a Beaches Energy Services (“Beaches Energy” or “Grantee”) are parties to that certain ELECTRIC SERVICE AGREEMENT Between CITY OF JACKSONVILLE BEACH, FLORIDA and CITY OF NEPTUNE BEACH, FLORIDA, dated and effective as of October 1, 2002 (“2002 Electric Agreement”); and

WHEREAS, Neptune Beach has determined that the public health, safety, and welfare will be promoted and served by converting the existing overhead electric facilities within the corporate limits of Neptune Beach to underground facilities to the maximum extent feasible; and

WHEREAS, Neptune Beach and Beaches Energy (each a “Party” and collectively, the “Parties”) have negotiated this franchise agreement (“Franchise Agreement”) to supersede and replace the 2002 Electric Agreement and to confirm the Parties’ mutually agreed-upon rights and responsibilities applicable to Beaches Energy’s provision of electric service to retail customers within Neptune Beach; and

WHEREAS, the City of Neptune Beach finds it in the public interest to retain control over the use of public rights-of-way by providers of electricity and other utilities to protect the public health, safety, and welfare, to ensure against interference with the public convenience, to promote aesthetic considerations, to promote planned and efficient use of limited right-of-way space, and to protect the public investment in and use of right-of-way property; and

WHEREAS, the City of Neptune Beach finds that entering into the franchise agreement created hereby is the best means of assuring that the above-described interests of the City, its inhabitants, and its individual and corporate citizens are promoted and protected;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEPTUNE BEACH, FLORIDA:

Section 1. Grant of Electric Franchise. In consideration of the mutual benefits that will accrue to the City of Neptune Beach, a municipal corporation of the State of

Florida, sometimes referred to herein as the Grantor or as the “City,” and the inhabitants and citizens thereof, on the one hand, and to the City of Jacksonville Beach, doing business as Beaches Energy Services, a municipal corporation of the State of Florida, its successors and assigns, sometimes referred to herein as the Grantee or “Beaches Energy,” on the other hand, the City of Neptune Beach hereby gives and grants to the Grantee the nonexclusive right, authority, privilege, and franchise to construct, erect, suspend, install, extend, renew, repair, maintain, operate, and conduct in said City of Neptune Beach’s public rights-of-way a system of overhead and underground electric light and power transmission and distribution facilities, including, without limitation, conduits, poles, wires, transformers, transformation substations, meters, transmission and distribution lines, and all other facilities installed in conjunction with or ancillary to all of the Grantee's operations and such other utility or other facilities of Grantee to provide service of any kind or nature to Customers, as hereinafter defined, including, without limitation, broadband, communications, dark fiber, natural gas, but not then in direct competition with utility services offered by City of Neptune Beach (hereinafter called “Grantee’s Facilities” or “Facilities”), for the purpose of supplying electricity, other electricity-related services incidental thereto, and other utilities to the Grantor and its successors and assigns, to the inhabitants of the City and to business entities operating therein, and to persons and business entities beyond the corporate limits of the Grantor who purchase electric service from the Grantee. (Collectively, all such entities that purchase electric service or other utilities services from Grantee are sometimes referred to herein as “Customers.”) As used in the preceding sentence, the term “other electricity-related services” means Grantee’s facility-to-facility data capabilities over the lines to

identify faults, load information, and other data necessary or helpful to the Grantee's provision of electric service. As used herein, the terms "public rights-of-way" and "Grantor's public rights-of-way" shall mean property or any interest therein that is acquired for or devoted to a public road or alleyway, including but not limited to, roadways, highways, streets, or bridges for which the Grantor is the authority and to which the Grantor may lawfully grant access pursuant to applicable law, and includes the surface, the air space over the surface, and the area below the surface of such places. The rights and privileges granted hereby do not extend to any other public places, of any type whatsoever, that are administered by the Grantor but not located in any space within the specific definition of the Grantor's public rights-of-way set forth hereinabove, or to any similar places. The determination of whether a public place or public space is part of Grantor's public rights-of-way is within the sole and sound discretion of the Grantor and, except as to whatever statutory rights the Grantee may have to install its Facilities in certain road rights-of-way, which may be determined by a court of competent jurisdiction, as necessary, the Grantor's determination may not be challenged in any way in any venue.

This Ordinance and the mutual agreements created by this Ordinance and the Grantee's acceptance hereof are referred to herein as the "Franchise Agreement." As appropriate to the context, each of the Grantor and Grantee may be referred to herein individually as a "Party," and they may be referred to collectively as the "Parties" to this Franchise Agreement. The rights and privileges granted hereby are expressly subject to all of the provisions and limitations contained in this Franchise Agreement, including, expressly but without limitation, the Grantor's reserved Right to Purchase established

herein and all provisions relating to the Grantor's right and ability to exercise that Right to Purchase as provided in various sections of this Franchise Agreement.

Section 2. Term & Termination The franchise and related rights and privileges granted by this Ordinance shall exist and continue for a period of thirty (30) years from the Effective Date of this Franchise Agreement. In the event that the Franchise Agreement has not otherwise been terminated or replaced by a new franchise agreement before the thirtieth anniversary of its Effective Date, then the Franchise Agreement shall continue in effect on a year-to-year basis until terminated pursuant to the terms hereof.

Section 3. Obligation to Supply Electrical Energy; Reliability; Force Majeure. Beaches Energy shall, at its sole cost and expense, furnish and provide reasonably uninterrupted service sufficient to meet the requirements of its Customers in the City of Neptune Beach; provided, however, that Beaches Energy shall not be liable or responsible for interruption of service or voltage fluctuations that result from fire, strike, riot, vandalism, explosion, failure of defective equipment or materials, flood, windstorm including named tropical storm systems and tornadoes, lightning, accident, acts of God, acts of the public enemy, any act by the supplier of bulk electrical energy to Beaches Energy, or other acts beyond the control of Beaches Energy, but Beaches Energy shall be prompt and diligent in removing and overcoming the cause or causes of any such interruptions to the extent reasonably practicable. Nothing herein contained shall be construed as permitting Beaches Energy to refuse to deliver electrical energy to Customers in the City of Neptune Beach after the cause of any interruption has been removed.

Beaches Energy does not guarantee that the supply of electrical energy pursuant to this Franchise Agreement shall be free from interruption occasioned by any of the causes heretofore mentioned, and it is agreed that such interruptions shall not constitute a breach of this Franchise Agreement on the part of Beaches Energy. With respect to the distribution of electrical energy, Beaches Energy shall not discriminate among its Customers, including the City of Neptune Beach and Customers located therein and also including Customers located in other parts of Grantee's service area outside the city limits of the City of Jacksonville Beach, and all services rendered hereunder shall be on an equal basis.

Unless otherwise expressly agreed to in writing by the Parties, no termination of this Franchise Agreement shall relieve either the Grantee or any of its successors or assigns of the Grantee's obligation to provide reasonably reliable electric service at lawful rates.

Section 4. Installation, Operation and Maintenance of Facilities. The Facilities of the Grantee shall be installed, located or relocated, erected, maintained, and operated in accordance with all laws, rules, and regulations applicable to the Grantee and the operation of its electric system, including without limitation ordinances and rules and regulations duly adopted and in effect within the City of Neptune Beach, provided that such ordinances, rules, and regulations shall be non-discriminatory and shall not make any adverse distinction between Grantee and any other person in intent, effect, and application. To avoid conflicts with traffic, the location or relocation of the Grantee's Facilities shall be made in accordance with the Grantor's reasonable rules and regulations with reference to the placing and maintaining of the Grantee's Facilities in,

under, upon, along, over and across said public rights-of-way; provided, however, that such rules or regulations: (a) shall not prohibit nor limit the exercise of the Grantee's right to use said public rights-of-way for reasons other than unreasonable interference with vehicular (including bicycles) and pedestrian traffic, (b) shall not unreasonably interfere with the Grantee's ability to furnish reasonably sufficient, adequate and efficient electric service to all of its Customers, and (c) shall not require the relocation of any of the Grantee's Facilities installed before or after the Effective Date (as defined in Section 26 herein) of this Franchise Agreement in public rights-of-way unless or until widening or otherwise changing the configuration of the paved portion of any public right-of-way used by motor vehicles causes such installed Facilities to unreasonably interfere with motor vehicular traffic. Any relocation of Grantee's Facilities due to such widening or changes in the configuration of the paved portions of public rights-of-way by the Grantor, shall be accomplished at the sole expense of the Grantor. If such relocations of the Grantee's Facilities are due to widening or changes in the configurations of public rights-of-way that are owned by FDOT or the City of Jacksonville, such relocation shall be made by the Grantee at its sole cost and expense. The FDOT owns the median-placed street lights on State Highway A1A from Atlantic Boulevard to the southern corporate limits of the City of Neptune Beach. If a decision by the FDOT requires the relocation of part or all of the existing median-placed street lights, and if such relocation of street light facilities necessitates the relocation of any of Grantee's Facilities, Grantor and Grantee agree that such relocation of Grantee's Facilities shall be accomplished at the sole expense of FDOT. Grantor and Grantee further agree to coordinate and cooperate, to the maximum extent possible, to ensure that such relocation of Grantee's Facilities is accomplished at

the sole expense of FDOT. In the event that FDOT cannot be required to bear the expense of such relocation of Grantee's Facilities, then Grantor and Grantee will negotiate a mutually acceptable resolution of all issues relating to the relocation of the Grantee's Facilities. If the relocation of the median-placed street lights is the result of a request by the Grantor, then the relocation of Grantee's Facilities shall be accomplished at the sole expense of the Grantor. The Grantor hereby agrees that for all decisions it makes as to widening or changes in the configuration of the paved portions of public rights-of-way that may have an impact on the Grantee, the Grantor shall (x) use reasonable efforts to minimize impacts on the Grantee and (y) reasonably communicate with the Grantee in advance of its final decision so that the Grantee has the right to evaluate the proposed decision of the Grantor and provide feedback to the Grantor on such proposed decision. Such rules and regulations shall recognize that above-grade Facilities of the Grantee installed after the Effective Date hereof should be installed near the outer boundaries of the public rights-of-way to the extent possible, and such installation shall be consistent with the Florida Department of Transportation's Manual of Uniform Minimum Standards for Design, Construction and Maintenance for Streets and Highways.

The Grantee's rights to operate its Facilities are and shall remain subject to all applicable provisions of the Code of the City of Neptune Beach, all applicable and valid rules and regulations of the City of Neptune Beach, and all applicable laws, rules, and regulations of Duval County, the State of Florida, and the United States, as such laws, rules and regulations may be amended from time to time.

When any portion of a public right-of-way is excavated by the Grantee in the location or relocation of any of its Facilities, the portion of the public right-of-way so excavated shall within a reasonable time be replaced by the Grantee at its expense and in as good condition as it was at the time of such excavation. Nothing in this Franchise Agreement shall limit any entitlement or other right that the Grantee has to receive reimbursement of its costs from persons other than the Grantor.

Section 5. Indemnity. The Grantor shall in no way be liable or responsible for any accident or damage that may occur in the construction, location, relocation, operation, or maintenance by the Grantee of its Facilities hereunder due to Grantee's negligence or other misconduct, and the acceptance of this Franchise Agreement shall be deemed an agreement on the part of the Grantee to indemnify the Grantor and hold it harmless against any and all liability, loss, cost, damage or expense which may accrue to the Grantor by reason of the negligence, or other misconduct of the Grantee in the construction, location, relocation, operation, or maintenance of the Facilities of Grantee's electric system subject to this Franchise Agreement. Notwithstanding the foregoing in this Section 5, the Grantee's indemnification and hold harmless obligations to the Grantor shall be limited as the Grantee's liability is limited by section 728.28, Florida Statutes, and no part of this Franchise Agreement is intended to be a waiver of any rights of sovereign immunity that the Grantee may possess or assert under applicable law.

Section 6. Underground Electric Facilities. (a) To promote the public health, safety, and welfare of the inhabitants of the City of Neptune Beach and of all persons and entities who live, work, and conduct their business therein, and subject to the terms and conditions of this Franchise Agreement, Grantor plans to undertake the

conversion of all overhead utility facilities within the Grantor's corporate limits to underground facilities to the extent technically and economically feasible, and Grantee will communicate regularly, and otherwise as requested by Grantor, on the status of its related undergrounding plans. The utility facilities to be converted include the Grantee's electrical distribution facilities and all other overhead utility facilities, including telecommunications, cable television, broadband, internet, fiber, and similar facilities, that are presently installed using overhead facilities and equipment; provided, however, that Grantee takes no responsibility or liability for the overhead utilities facilities of any utility provider other than Grantee.

(b) In the public interest, and as consideration for this Franchise Agreement, Grantee agrees that it will cooperate in good faith with Grantor to facilitate Grantor's plan to complete its contemplated undergrounding project(s), subject to the terms and conditions of this Franchise Agreement, at the lowest reasonable cost to Grantor that is consistent with good engineering practice; good utility practice; all applicable codes and standards, including without limitation the National Electrical Safety Code; and basic principles of fair and equitable cost allocation and rate structure that recognize the costs and benefits, including avoided operating, maintenance, and storm restoration cost savings, that result from having electric distribution facilities placed underground. Grantee expressly agrees that it will provide Grantor with all reasonably necessary information, including sufficient advance notice of any planned upgrades or "hardening" projects that Grantee plans to implement on its distribution facilities in the City, so that the City can undertake efforts to minimize its costs for any part or phase of its undergrounding project(s). This covenant is specifically intended to

enable the City to avoid certain costs, including the costs for removal of existing facilities and compensation for the remaining net book value of existing facilities that would be increased if the Grantee were to replace existing facilities before the City is reasonably able to convert them to underground facilities.

(c) The Parties also agree to cooperate and coordinate with each other and with other providers of utility services in the City to facilitate the conversion of all utility-type facilities to underground facilities to be accomplished in an orderly and cost-effective manner.

(d) Grantee agrees to provide, upon request by the Grantor and at no cost to the Grantor, a non-binding or "ballpark" cost estimate of the cost and required contribution payment in aid of construction ("CIAC") for any underground project(s) proposed by the Grantor. Grantee further agrees to provide a "Binding Cost Estimate" for any underground construction or conversion project as requested by the Grantor at a reasonable charge sufficient to cover the costs for engineering and design of the proposed underground project; this charge shall be considered to be a deposit (the "engineering deposit") to cover the cost of engineering work necessary to accurately estimate the cost of a particular underground project, and shall be applied as a credit to the total cost of any project if the Grantor proceeds with such project. Any Binding Cost Estimate shall be good for a period of 180 days from the date on which it is delivered to the Grantor, and Grantee shall not increase the cost of the project by more than ten (10) percent from the amount of the Binding Cost Estimate.

(e) The Grantor shall have the right, or the Grantee may elect, to have the Grantor engage its own contractors to construct and install all or part of any proposed

underground distribution facilities, provided that: (i) all such work meets the construction standards and requirements of the Grantee, including Grantee's right to conduct a final inspection and approval of such work; (ii) that Grantor's contractors are approved contractors of Grantee; and (iii) Grantee and Grantor have reasonably coordinated and agreed upon the timing, schedule, and mitigation of impacts on Grantee and Grantee's system associated with such work.

(f) Grantor hereby affirms that it recognizes that, as the conversion of Grantee's overhead facilities to underground facilities is completed and each section or area of underground electrical facilities becomes operational, those facilities will be owned by the Grantee, and, as such, Grantor hereby acknowledges it has no right and shall not direct the Grantee's means and methods of undergrounding, including overhead conversion to underground facilities or installing new underground facilities. Both Grantor and Grantee further recognize and affirm that Grantor's decisions on undergrounding of existing overhead facilities are based on economics and reliability, not aesthetics. Notwithstanding any other provision or term of this Franchise Agreement, with respect to any and all undergrounding of Grantee's Facilities that are driven, prioritized, or requested by Grantor for or related to aesthetic concerns, Grantor shall be fully responsible and liable for all costs and expenses related to such undergrounding work

Section 7. Payment in Lieu of Taxes. The City of Jacksonville Beach, its successors and assigns, shall pay to the City of Neptune Beach and its successors and assigns an amount that will equal \$0.00302 per kilowatt-hour for all metered electrical energy sold during each calendar year of this agreement to all customers, including the

City of Neptune Beach, within the corporate limits of the City of Neptune Beach. The aforementioned payment to the City of Neptune Beach by the Beaches Energy shall be made monthly on or before the last day of the calendar month immediately following the calendar month during which the sales occurred. Payment to the City of Neptune Beach shall not include any payment for kilowatt-hours used by streetlights for which service is billed under Beaches Energy's flat-rate charges for such lighting service, and no payment shall be made on sales or revenues collected by Beaches Energy for other electric companies, late charges, connection or reconnection charges, electric service installation charges, appliance repair charges, service charges, nor on sales tax collected on behalf of the State of Florida. Such payment shall be accepted by the City of Neptune Beach in lieu of any property, privilege, occupation, franchise, or other tax against the electrical distribution system situated in the City of Neptune Beach or the right or privilege of carrying on and conducting the business of selling and delivering electrical energy as contemplated hereunder. The remittances to the City of Neptune Beach shall be accompanied by a statement showing the amount of gross metered kilowatt-hours sold by Beaches Energy in the City of Neptune Beach. Beaches Energy shall keep proper records of its gross sales and revenues derived from the provision of electric service within the corporate limits of the City of Neptune Beach and such records shall be kept open to inspection at all reasonable times by the duly authorized representative of the City of Neptune Beach. Said authorized representatives are hereby given the right of access to and full authority to inspect, examine, audit, and verify such records relating to the sale of electrical energy within the corporate limits of the City of Neptune Beach.

The Parties expressly agree that the above-stated payment provisions have been freely bargained for and represent fair and just compensation relative to the fair rental value of the rights-of-way and the other consideration given by the Grantor to the Grantee pursuant to this Franchise Agreement. In recognition of the foregoing agreement, each Party, intending to be legally bound, agrees not to contest or seek to limit or change the amount of such fee provided for herein in any legal, regulatory, or legislative proceedings of any type whatsoever; provided, however, that if at any time during the term of this Franchise Agreement Grantor notifies Beaches Energy that it desires to impose an additional franchise fee in support of Grantor's undergrounding project(s), which the Parties hereby acknowledge and agree that Beaches Energy will be entitled to pass along to Customers within the corporate boundaries of the City of Neptune Beach as a separate retail billing line item, the Parties will use good faith, reasonable efforts to negotiate amendments or supplements to this Franchise Agreement to provide therefor.

Section 8. Grantor's Obligations and Reserved Rights. As a further consideration, during the term of this Franchise Agreement or any extension thereof the Grantor agrees: (a) not to engage in the distribution and/or sale, in competition with the Grantee, of electric capacity and/or electric energy to any ultimate consumer of electric utility service (herein called a "retail customer") or to any electrical distribution system established solely to serve any retail customer formerly served by the Grantee, and (b) not to participate in any proceeding or contractual arrangement, the purpose or terms of which would be to obligate the Grantee to transmit and/or distribute, electric capacity and/or electric energy from any third party (or third parties) to any other retail customer's

facility or facilities, provided that the City of Neptune Beach shall not be considered a “third party” or an “other retail customer” for purposes of this provision.

Nothing specified herein shall prohibit the Grantor from engaging with other utilities or persons in wholesale transactions that are subject to the provisions of the Federal Power Act. The Grantor retains the right to generate and distribute electric power for its own use, subject to the requirements of Florida law, and the right to operate emergency generating facilities owned by the Grantor for purposes of serving critical facilities (e.g., nursing homes, hospitals, water and wastewater treatment plants, and similar facilities) during declared emergencies such as hurricanes or tropical storms.

Nothing herein shall prohibit the Grantor, if permitted by law, (i) from purchasing electric capacity and/or electric energy from any other person, or (ii) from seeking to have the Grantee transmit and/or distribute to any facility (or facilities) of the Grantor electric capacity and/or electric energy purchased by the Grantor from any other person; provided, however, that before the Grantor elects to purchase electric capacity and/or electric energy from any other person, the Grantor shall notify the Grantee. Such notice shall include a summary of the specific rates, terms and conditions that have been offered by the other person and identify the Grantor's facilities to be served under the offer. The Grantee shall thereafter have 90 days to evaluate the offer and, if the Grantee offers rates, terms and conditions which are equal to or better than those offered by the other person, the Grantor shall be obligated to continue to purchase from the Grantee electric capacity and/or electric energy to serve the previously-identified facilities of the Grantor for a term no shorter than that offered by the other person, provided that Grantee shall ensure by all means necessary that such purchases by the

Grantor shall be made at the rates offered by the Grantee for the term of such transaction, and provided further that, if for any reason the Grantee does not honor its obligation to serve the Grantor's facilities at the rates offered by the Grantee for the term of the transaction, such failure shall entitle Grantor to terminate the transaction and purchase electric capacity and/or electric energy from another provider. If the Grantee does not agree to rates, terms and conditions which equal or better the other person's offer, then the Grantor shall be permitted and entitled to enter into the proposed transaction with the other person, and all of the terms and conditions of this Franchise Agreement shall remain in effect. In the event of a dispute as to whether the Grantee has offered rates, terms, and conditions what are equal to or better than those offered by the other person, it is the intent of the Parties that the determination of such dispute shall be made on an objective basis to the maximum extent possible. If the Parties are unable to agree, then the Parties agree to submit the dispute to binding arbitration pursuant to the arbitration protocols of the American Arbitration Association; the Parties will each bear their own costs in any such arbitration proceedings.

The Grantor may also, if permitted by law and in compliance with any applicable provisions of Grantee's tariffs, (i) generate renewable electricity at any facility or property owned by the Grantor for storage or utilization at that facility, property, or other Grantor facilities, operations or equipment; (ii) use renewable energy sources to generate electricity for use in demonstration projects or at the Grantor's facilities; (iii) engage in net metering programs in accordance with any applicable Grantee tariffs; and (iv) sell electricity to the Grantee or other wholesale purchaser in compliance with applicable rules and regulations controlling such transactions.

Section 9. Streetlight Facilities Installation and Maintenance. The Grantee shall provide streetlighting service and private lighting service pursuant to its tariffs as approved by the City Council of Jacksonville Beach. The Grantee commits to work toward converting its existing streetlighting and private lighting luminaires to Light Emitting Diode (LED) technology as expeditiously as possible, consistent with commercially reasonable principles in the best interests of all of Grantee's customers.

Section 10. Joint Use of Poles, Conduits, and Similar Facilities. The Grantee shall have the right to enter into such contracts or agreements concerning the joint use of, or attachment to, its poles, conduits, or other facilities for the furnishing of telephone, telegraph, cable television, broadband, internet, and similar or other services as it may in its discretion desire. No such joint use or attachment agreements shall be construed or applied to limit or restrict the Grantor's plans to convert existing utility facilities from overhead to underground facilities and service, except that the Grantee hereby expressly disclaims any promise to the Grantor that undergrounding will eliminate all above ground facilities that are subject to joint use or other attachment agreements. The Grantee agrees to use its reasonable efforts to cause counterparties under its joint use or other attachment agreements to remove facilities from existing poles after undergrounding of the Grantee's Facilities, but nothing in this Section 10 or otherwise is a guarantee or promise that the Grantee will secure such counterparties' agreement and cooperation. Any and all income derived from said joint use or other attachment agreements shall accrue solely and exclusively to the Grantee; provided, however, nothing herein shall be construed to prevent either the

granting of a franchise for any such services by the City of Neptune Beach to any providers thereof or the retention of all income from such franchises by the Grantor.

Section 11. Public Meetings in Advance of Approval of a Sale, if any, of Beaches Energy's Electric System. Prior to the City Council of the City of Jacksonville Beach, Florida approving the sale of the Beaches Energy electric system, if such event ever were proposed or anticipated to occur, the City Council of Neptune Beach, Florida must be given the opportunity to hold a meeting to address such potential sale of the Beaches Energy electric system, with representatives of Beaches Energy Services present to present information and answer questions. In addition to the foregoing sentence, the City Council of the City of Jacksonville Beach, Florida shall also hold a meeting so that Neptune Beach can send representatives and ask questions of Grantee in a public meeting prior to the meeting at which a final decision to sell the Beaches Energy electric system will be decided.

Section 12. Default by Grantee. Failure on the part of the Grantee to comply in any material respect with any of the provisions of this Franchise Agreement shall be grounds for forfeiture of Grantee's rights and privileges hereunder, but no such forfeiture shall take effect if the reasonableness or propriety thereof is protested by the Grantee until there is final determination (after the expiration or exhaustion of all rights of appeal by either Party) by a court of competent jurisdiction that the Grantee has failed to comply in a material respect with any of the provisions, terms, or requirements of this Franchise Agreement, and the Grantee shall have six months after such final determination to cure the default before a forfeiture shall result. The Grantor, in its sole discretion, may grant additional time to the Grantee for compliance.

Section 13. Default by Grantor. Failure on the part of the Grantor to comply in substantial respect with any of the provisions of this Franchise Agreement, including but not limited to: (a) denying the Grantee use of public rights-of-way for reasons other than unreasonable interference with vehicular (including motor and bicycle) or pedestrian traffic; (b) imposing conditions for use of public rights-of-way contrary to Florida law or the terms and conditions of this Franchise Agreement; or (c) unreasonable delay in issuing the Grantee a use permit, if any, to construct its facilities in public rights-of-way, shall constitute breach of this Franchise Agreement and entitle the Grantee to withhold a portion of the payments provided for in Section 7 hereof, such portion being demonstrably commensurate with any cost or loss suffered by Grantee as a result of the Grantor's action, until such time as a use permit is issued or a court of competent jurisdiction has reached a final determination, after the expiration or exhaustion of all rights of appeal by either Party, in the matter. The Grantor recognizes and agrees that nothing in this Franchise Agreement constitutes or shall be deemed to constitute a waiver of the Grantee's delegated sovereign right of condemnation and that the Grantee, in its sole discretion, may exercise such right as may be provided by law. The Grantee recognizes and agrees that nothing in this Franchise Agreement constitutes or shall be deemed to constitute a waiver of the Grantor's delegated sovereign right of condemnation and that the Grantor, in its sole discretion, may exercise such right as may be provided by law, provided that the Grantor shall not exercise such right so as to violate the Grantor's covenant, set forth in Section 8 hereof, not to compete against the Grantee in the distribution and/or sale of electricity to ultimate consumers during the term of this Franchise Agreement.

Section 14. Change in Law. If as a direct or indirect consequence of any legislative, regulatory or other action by the United States of America or the State of Florida (or any department, agency, authority, instrumentality, or political subdivision of either of them having jurisdiction), any person is permitted to provide electric service within the incorporated areas of the Grantor to a Customer then being served by the Grantee, or to any new applicant for electric service within any part of the incorporated areas of the Grantor in which the Grantee may lawfully serve, and the Grantee determines that its obligations hereunder place it at a competitive disadvantage with respect to such other person, the Grantee may, at any time after the taking of such action, terminate this Franchise Agreement if such competitive disadvantage is not remedied to the reasonable satisfaction of the Grantee within the time period provided hereafter. The Grantee shall give the Grantor at least 90 days advance written notice of its intent to terminate. Such notice shall, without prejudice to any of the rights reserved for the Grantee herein, advise the Grantor of the obligations of the Grantee hereunder that cause the competitive disadvantage. The Grantee and the Grantor shall then have 90 days in which to negotiate an amendment to this Franchise Agreement that eliminates such competitive disadvantage, as determined in the reasonable discretion of the Grantee. If such competitive disadvantage is not so eliminated within said time period, the Grantee may terminate this Franchise Agreement by delivering written notice to the Grantor's Clerk and termination shall take effect on the date of delivery of such notice.

Section 15. Audit; Accuracy of Billing. (a) The Grantor may, upon reasonable notice and within 90 days after the end of each fiscal year of the Grantor, at the Grantor's expense, examine and audit the records of the Grantee relating directly to the calculation

of the Franchise Fee payments for the five years preceding the end of such fiscal year. Such examination shall be during normal business hours at the Grantee's office where such records are maintained, or as otherwise mutually agreed in writing by the Parties. Records not prepared by the Grantee in the ordinary course of business may be provided at the Grantor's expense and as the Grantor and the Grantee may agree in writing. Information identifying the Grantee's Customers by name or their electric consumption shall not be taken from the Grantee's premises. Such audit shall be impartial and all audit findings, whether they decrease or increase payment to the Grantor, shall be reported to the Grantee. The Grantor's right to examine the records of the Grantee in accordance with this Section shall not be conducted by any third party employed by the Grantor whose fee, in whole or part, for conducting such audit is contingent on findings of the audit. This provision shall survive termination of this Franchise Agreement.

(b) Grantor waives, settles and bars all claims relating in any way to the amounts paid by the Grantee under the terms embodied in the 2002 Electric Agreement, or amounts allegedly owed by Grantee to Grantor as of the effective date of this Ordinance, provided that Grantee pays all amounts due and owing to Grantor as of the effective date of this Ordinance, including all amounts due and owing pursuant to any audit then in process.

Section 16. Severability. The provisions of this Franchise Agreement are interdependent upon one another, and if any of the provisions of this Franchise Agreement are found or adjudged by a court of competent jurisdiction (after the expiration of all rights of appeal) to be invalid, illegal, void, or of no effect, such finding or adjudication shall not affect the validity of the remaining provisions for a period of ninety

(90) days, during which period the Parties will negotiate in good faith to amend this Franchise Agreement so as to restore to the maximum extent permissible, the original economic bargain embodied in this ordinance. If an agreement to amend the ordinance is not reached at the end of such ninety (90) day period, either party may provide notice to the other declaring this entire Franchise Agreement to be null and void and of no force or effect; provided, however, that in the event that this Franchise Agreement is terminated by either Party pursuant to this provision of this Franchise Agreement, the Grantee expressly recognizes and agrees that the Grantor's Right to Purchase pursuant to Section 2(b) shall survive any such termination and thereupon immediately vest in Grantor.

Section 17. Entire Agreement. This Franchise Agreement is intended to constitute the sole and entire agreement between the Grantor and Grantee with respect to the subject matter hereof and correctly sets forth the rights, duties, and obligations of each of the other as of its date. Any prior agreements, promises, negotiations, or representations with respect to the subject matter hereof not expressly set forth in this Franchise Agreement are of no force or effect, and this supersedes all prior drafts and verbal or written agreements, commitments, or understandings with respect to the subject matter hereof, which shall not be used to vary or contradict the expressed terms herein. Both Parties have been represented by counsel of their choosing with regard to this Franchise Agreement. The Parties agree expressly that the Franchise Fee provisions set forth herein were freely bargained for and represent fair consideration for the terms provided by the Grantor to Grantee under this Franchise Agreement and that each Party agrees not to contest the amount of the Franchise Fee provided herein,

excepting any changes resulting from the application of the Favored Nations provisions in Section 11 hereof.

Section 18. Certain Definitions. As used herein “person” means an individual, a partnership, a corporation, a business trust, a joint stock company, a trust, an incorporated association, a joint venture, a governmental authority, or any other entity of whatever nature.

Section 19. Successors and Assigns; Assignment. Whenever in this Franchise Agreement either the City of Neptune Beach or the City of Jacksonville Beach (or Beaches Energy Services) is named or referred to, it shall be deemed and understood to include the respective successor, successors, or assigns of either Party, and all rights, privileges and obligations herein conferred shall bind and inure to the benefit of such successor, successors, or assigns of the Grantor or of the Grantee. Any assignment by either Party shall be effective only upon the written consent of the non-assigning Party, which consent shall not be unreasonably withheld or delayed.

Section 20. Modification. It is further understood that no modification, amendment or alteration in the terms or conditions contained herein shall be effective unless contained in a written document executed with the same formality and of equal dignity herewith and approved by the Grantor’s City Council.

Section 21. Governing Laws; Compliance with Federal, State, and Local Laws. This Franchise Agreement shall be governed and construed by the applicable laws of the United States, State of Florida, and the Codes and Ordinances of the Grantor to the extent not preempted. The Parties agree to comply with and observe all applicable Federal, State, and valid and non-preempted local laws, rules, regulations, codes and

ordinances, as they may be amended from time to time.

Section 22. Preliminary Dispute Resolution. The Parties agree that it is in each of their respective best interests to avoid costly litigation or arbitration as a means of resolving disputes which may arise hereunder. Accordingly, the Parties agree that in the event of any dispute between the Parties, senior management of each Party will engage in an in-person meeting to attempt to resolve any dispute within thirty (30) days of notification of the dispute or as mutually agreed to by the Parties; the Parties further agree to continue discussions toward resolving the dispute for a reasonable time relative to the nature and complexity of the dispute. Such meeting and discussions shall be required prior filing an action in an appropriate court, unless either Party determines that it will be irreparably harmed as a result of such delay.

Section 23. Venue. In the event that any legal proceeding is brought to enforce the terms of this Franchise Agreement, it shall be brought exclusively in Duval County, Florida, or, if applicable, in the U.S. District Court for the Northern District of Florida.

Section 24. Notices. Except in exigent circumstances, and except as may otherwise be specifically provided for in this Franchise Agreement, all notices by either party shall be made by United States Certified Mail, return receipt requested, or via a nationally recognized overnight courier service. Any notice given by facsimile or email is deemed to be supplementary, and does not alone constitute notice hereunder, unless acknowledged as received by the other party. All notices shall be addressed as follows:

To the City:

City of Neptune Beach
City Hall
116 First Street
Neptune Beach, Florida 32266

To Grantee:

Beaches Energy Services
City Hall
11 North 3rd Street
Jacksonville Beach, Florida 32250

Attn: City Manager

Attn: Utilities Director/City Manager

Copy to:

Copy to:

City of Neptune Beach
City Hall
116 First Street
Neptune Beach, Florida 32266
Attn: City Attorney

Beaches Energy Services
City Hall
11 North 3rd Street
Jacksonville Beach, Florida 32250
Attn: City Attorney

Any changes to the above shall be in writing and provided to the other Party as soon as practicable.

Section 25. Repealer; Surrender of Existing Franchise. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict. As a further consideration for the granting of the franchise and associated rights and privileges granted hereby, the Grantee surrenders all franchises and associated rights and privileges heretofore granted by the City of Neptune Beach or the State of Florida for any of the purposes stated in Section 1 or any other sections of this Franchise Agreement and now enjoyed by Grantee in the City of Neptune Beach; provided, however, that such surrender shall not be effective unless and until: (a) this Ordinance shall be finally adopted by the City, (b) the Franchise Agreement created and established hereby shall be accepted by the Grantee, and (c) the Franchise Agreement and associated rights and privileges granted hereby shall be validly in force and effect pursuant to such adoption by the City and acceptance by the Grantee.

Section 26. Acceptance of Franchise Agreement; Effective Date. This Ordinance shall be effective to create the Grantee's right to accept the Franchise Agreement under the terms and conditions set forth herein as of the date of its adoption by the City. As a condition precedent to the full effectiveness of the Franchise

Agreement embodied in this Ordinance, the Grantee shall file its acceptance hereof with the Grantor's Clerk within 30 days of the Grantor's adoption of this Ordinance. The date upon which the Grantee files such acceptance shall be the "Effective Date" of the Franchise Agreement as between the City of Neptune Beach and the City of Jacksonville Beach, d/b/a Beaches Energy Services.

PASSED on first reading this _____ day of _____, 2025.

PASSED AND ADOPTED on second reading this _____ day of _____, 2025.

CITY OF NEPTUNE BEACH FLORIDA

By: _____

ATTEST:

By: _____ (SEAL)
Clerk of the City of Neptune Beach, Florida

APPROVED AS TO FORM AND LEGALITY

City Attorney, City of Neptune Beach, Florida

ELECTRIC SERVICE AGREEMENT
Between
CITY OF JACKSONVILLE BEACH, FLORIDA

and

CITY OF NEPTUNE BEACH, FLORIDA

THIS AGREEMENT, made and entered into this 1st day of October, 2002, by and between the City of Jacksonville Beach, a municipal corporation of the State of Florida, and the City of Neptune Beach, a municipal corporation of the State of Florida, pursuant to the resolutions of their respective councils adopted at public meetings held on October 7, 2002 and Sept. 23, 2002, respectively.

WITNESSETH:

That in consideration of the premises and of the mutual undertakings, covenants, promises and agreements of the respective parties hereto as hereinafter provided, and other valuable considerations moving to each of said parties, it is hereby mutually covenanted and agreed by and between the parties hereto, as follows:

SECTION 1. DATE AND TERM: This Agreement shall become effective on October 1, 2002, and shall continue in effect for a period of ten (10) years, and shall thereafter continue in effect on a year to year basis.

During the initial ten (10) years, this Agreement can not be terminated by either party except for failure to comply in a substantial respect with the provisions of this Agreement.

After the expiration of the initial ten (10) years, this Agreement may be terminated at the option of either party by giving written advance notice of not less than six (6) months prior to the end of any calendar year of its intention to terminate this Agreement at the end of said calendar year.

SECTION 2. RIGHT OF THE CITY OF JACKSONVILLE BEACH TO OPERATE ELECTRIC DISTRIBUTION SYSTEM: Subject to the terms and conditions hereinafter set forth, the City of Jacksonville Beach, and its successors and assigns, shall have and exercise the exclusive right, privilege and authority to construct, maintain and operate in, under, upon, over and across the present and future streets, alleys, bridges, easements and other public places of the City of Neptune Beach and its successors, in accordance with established practice with respect to electrical distribution system construction and maintenance, electric light and power facilities including conduits, poles, wires, cables, transformers and the like, for the purpose of supplying electricity to the City of Neptune Beach, its successors, the inhabitants thereof and persons and corporations within and without the limits thereof, and including the operation and maintenance of watt hour meters, the reading thereof and billing and collection for the electrical service rendered. The facilities shall be so located and so erected as to interfere as little as possible with traffic over said streets, alleys, bridges and public places, and with reasonable egress from and ingress to abutting property. When any portion of a street is excavated in the location or relocation of electric facilities, the portion of the street so excavated shall, within a reasonable time and as early as practicable after such excavation, be replaced by the City of Jacksonville Beach at its expense and in as good condition as it was at the time of such excavation.

SECTION 3. OBLIGATION OF THE CITY OF JACKSONVILLE BEACH TO SUPPLY ELECTRICAL ENERGY: The City of Jacksonville Beach shall, at its sole cost and expense, furnish and maintain an adequate modern electrical distribution system in the City of Neptune Beach, sufficient to meet the requirements of the users of electricity therein, and to maintain reasonably uninterrupted service sufficient to meet such requirements; provided, however, that the City of Jacksonville Beach shall not be liable or responsible for interruption of service or voltage fluctuation as the result of fire, strike, riot, vandalism, explosion, failure of defective equipment or materials, flood, windstorm, lightning, accident, acts of God, or the public enemy, any act by the supplier of bulk electrical energy to the City of Jacksonville Beach or other acts beyond the control of the

City of Jacksonville Beach, but the City of Jacksonville Beach shall be prompt and diligent in removing and overcoming the cause or causes of said interruption, but nothing herein contained shall be construed as permitting the City of Jacksonville Beach to refuse to deliver electrical energy after the cause of the interruption has been removed.

The City of Jacksonville Beach does not guarantee that the supply of electrical energy hereunder shall be free from interruption occasioned by any of the causes heretofore mentioned, and it is agreed that such interruption shall not constitute a breach of this contract on the part of the City of Jacksonville Beach. With respect to the distribution of electrical energy, the City of Jacksonville Beach shall not discriminate among its customers, including the City of Neptune Beach, and the services rendered hereunder shall be on an equal basis.

SECTION 4. ELECTRICAL ENERGY CONSUMED BY THE CITY OF NEPTUNE BEACH: All electrical energy consumed by facilities owned, leased, or operated by the City of Neptune Beach except unmetered street lights shall be measured by means of watt hour meters and billing for such electrical energy consumption shall be at the current municipal service rate established by ordinances of the City of Jacksonville Beach and charged to facilities of the City of Jacksonville Beach. Jacksonville Beach shall notify Neptune Beach of any change in the municipal rate at least thirty (30) days prior to the effective date of such change.

SECTION 5. STREET LIGHTS: All non-metered street lights now existing or installed in the future in the City of Neptune Beach shall be maintained, repaired, installed or re-installed or replaced by the City of Jacksonville Beach, including lamps, fixtures, arms, ballasts, photoelectric cells, switches, standards and other appurtenances necessary to the normal maintenance and operation of un-metered street lights, during the life of this agreement.

The City of Neptune Beach shall pay to the City of Jacksonville Beach a monthly flat-rate charge per unmetered street light in accordance with the then current published flat-rate street light charge of the City of Jacksonville Beach as now or hereafter in effect

for consumers within the corporate limits of the City of Jacksonville Beach. Such flat-rate monthly charge shall cover all installation and maintenance costs and the cost of electrical energy consumed by said unmetered street lights.

SECTION 6. RATES TO CONSUMERS: The City of Jacksonville Beach shall furnish electrical energy to all consumers within the corporate limits of the City of Neptune Beach in accordance with the published and established schedules of rates and regulations for the purchase of electrical energy, as now or hereafter in effect for consumers, within the corporate limits of the City of Jacksonville Beach. Consumers shall be subject to the rules and regulations of the City of Jacksonville Beach for the purchase of electrical energy, provided, however, that in the event any of such rules and regulations conflict with the terms of this agreement, then and in such event, the terms of this agreement shall control.

SECTION 7. LIABILITY: The City of Neptune Beach shall in no way be liable or responsible for any accident or damage that may occur in the construction, operation or maintenance by the City of Jacksonville Beach of its facilities hereunder and the City of Jacksonville Beach agrees to indemnify the City of Neptune Beach and hold it harmless against any and all liability, loss, cost, damage or expense which may accrue to the City of Neptune Beach by reason of neglect, default or misconduct of the City of Jacksonville Beach in the construction, operation or maintenance of its facility hereunder.

SECTION 8. JOINT POLE USE: The City of Jacksonville Beach shall have the right to enter into such contracts or agreements concerning the joint use of its poles, conduits or other facilities for the erection or furnishing of telephone, telegraph, and cable television service as it may in its discretion desire, so long as it will not unreasonably interfere with the discharge of the obligations of the City of Jacksonville Beach hereunder. Any and all income derived from said joint use of poles, conduits or other facilities shall accrue solely and exclusively to the City of Jacksonville Beach; provided, however, nothing herein shall be construed to either prevent the granting of a franchise for any or all such services by the City of Neptune Beach or the retention of all

income from such franchise; and, provided further, in the absence of the grant of any such franchise, no such use for such services shall be permitted by the City of Jacksonville Beach.

SECTION 9. PAYMENT IN LIEU OF TAXES: The City of Jacksonville Beach, its successors and assigns, shall pay to the City of Neptune Beach and its successors an amount that will equal \$0.00302 per kilowatt hour for all metered electrical energy sold during each calendar year of this agreement to all customers, including the City of Neptune Beach, within the corporate limits of the City of Neptune Beach. The aforementioned payment to the City of Neptune Beach by the City of Jacksonville Beach shall be made monthly on or before the last day of the calendar month immediately following the calendar month during which the sales occurred. Payment to the City of Neptune Beach shall not include the sales from flat-rate charges for street lights whether such revenues be collected from the City of Neptune Beach or the inhabitants thereof and no payment shall be made on sales or revenues collected by the City of Jacksonville Beach for other electric companies, late charges, connection or reconnection charges, electric service installation charges, appliance repair charges, service charges, nor on sales tax collected on behalf of the State of Florida. Such payment shall be accepted by the City of Neptune Beach in lieu of any property, privilege, occupation, franchise, or other tax against the electrical distribution system situated in the City of Neptune Beach or the right or privilege of carrying on and conducting the business of selling and delivering electrical energy as contemplated hereunder. The remittances to the City of Neptune Beach shall be accompanied by a statement showing the amount of gross metered kilowatt hours sold by the City of Jacksonville Beach in the City of Neptune Beach. The City of Jacksonville Beach shall keep proper records of its gross sales and revenues derived from the provisions of electrical service within the corporate limits of the City of Neptune Beach and such records shall be kept open to inspection at all reasonable times by the duly authorized representatives of the City of Neptune Beach. Said authorized representatives are hereby given the right of access to and full authority to inspect, examine, audit, and verify such records relating to the sale of electrical energy within the corporate limits of the City of Neptune Beach.

SECTION 10. FAILURE TO COMPLY: Failure on the part of the City of Jacksonville Beach to comply in any substantial respect with any of the provisions of this agreement, shall be grounds for cancellation of the agreement, but no such cancellation shall take effect if the reasonableness or propriety thereof is protested by the City of Jacksonville Beach, until a court of competent jurisdiction, with right of appeal in either party, shall have found that the City of Jacksonville Beach has failed to comply in a substantial respect with any of the provisions of this agreement, and the City of Jacksonville Beach shall have six (6) months after the final determination of the question, to make good the default before a cancellation shall result, with the right in the City of Neptune Beach at its discretion to grant such additional time to the City of Jacksonville Beach for compliance as necessities in the case require.

SECTION 11. In the event that during the life of this agreement the City of Jacksonville Beach shall negotiate a similar agreement with another municipality, then and in that event the City of Neptune Beach shall have the right and privilege to substitute any section, paragraph or provision of such agreement which may be considered more favorable than that contained herein. Any such substitution shall not be held to change, modify or affect the validity of any other section, paragraph or provision of this franchise.


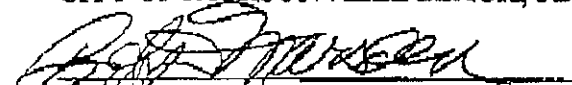
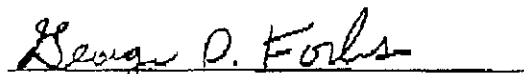
SECTION 12. RIGHT TO REMOVE: Upon the termination of this agreement upon notice, by forfeiture or otherwise, every right and privilege of the City of Jacksonville Beach to have, operate or maintain; or to furnish or distribute electrical energy in the City of Neptune Beach shall cease and desist, and the City of Jacksonville Beach shall have a period of twelve (12) months from the date of such termination within which to remove its equipment and property from the City of Neptune Beach; and the City of Neptune Beach hereby disclaims any right, title, claim, interest or estate in, of and to the physical equipment and properties constituting the electrical distributions system as now located in the City of Neptune Beach or as may be extended or replaced under the provisions of this agreement.

SECTION 13. SUPERSEDURE: This agreement supersedes, as of the effective date hereof, all previous contracts or representations, whether written or verbal, heretofore in effect by the City of Jacksonville Beach and the City of Neptune Beach with respect to matters herein contained, and constitutes the sole contract by the parties hereto concerning such matters.

IN WITNESS WHEREOF the City of Jacksonville Beach and the City of Neptune Beach have each caused these presents to be duly executed in their respective names, by their respective officers thereunto duly authorized, and their respective seals to be hereto affixed, the day and the year first above written.

ATTEST:

CITY OF JACKSONVILLE BEACH, FLORIDA

 Heidi Reagan, City Clerk Asst. Judy L. Bullock	 Bob D. Marsden, Mayor
	 George D. Forbes, City Manager

ATTEST:

CITY OF NEPTUNE BEACH, FLORIDA

 Lisa Volpe, City Clerk	 Richard Brown, Mayor
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CITY COUNCIL BRIEFING TOPIC	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Jacob Board, Communications Manager
DATE:	December 8, 2025
SUBJECT:	Sea Turtle Protection Communication

BACKGROUND

Sea turtle nesting season occurs annually from May 1 through October 31 along the Jacksonville Beach shoreline. Each year, loggerhead and green sea turtles nest on our beaches, and their protection requires a coordinated effort that includes public education, responsible lighting practices, safe beach behavior, and compliance with City Code. Jacksonville Beach has longstanding partnerships with Beaches Sea Turtle Patrol (BSTP), Beaches Energy, Beaches Go Green, and internal departments including Planning and Development, Code Enforcement, Parks and Recreation, and Public Works. These partners support conservation efforts through nest monitoring, environmental outreach, lighting compliance initiatives, and community education. For the 2026 season, staff proposes enhancing outreach through a unified, proactive communications strategy built around the widely recognized “Clean, Dark, and Flat” principles:

- Clean – Remove beach equipment, trash, and personal items nightly.
- Dark – Reduce or shield beachfront lighting and avoid flashlights and flash photography at night.
- Flat – Fill in holes and flatten sand structures to prevent hazards for nesting turtles and hatchlings.

Key components of the proposed communications plan include:

- Partnership with Beaches Energy as they again lead the regionally recognized #CleanDarkFlat campaign, ensuring consistent messaging across agencies.
- Continued collaboration with Beaches Go Green to financially support the printing and distribution of their annual "Protect Our Beaches" rack cards, which are placed in hotels and short-term rentals to reach visitors not connected to City channels.
- Pre-season awareness outreach beginning in April, including website updates, a News Flash, social media posts, and placement in the City’s e-newsletter.
- Monthly educational reels, in-season reminders, and recurring social media content running from May through October.
- A “business engagement kit” for local hotels, rentals, and beachfront businesses containing downloadable graphics, rack cards, and simple lighting reminders.
- Cross-platform content partnerships with BSTP and Beaches Energy to amplify educational messaging and share nest count updates.
- Integration with Planning and Development, and Code Enforcement to reinforce lighting compliance and nighttime beach obstruction rules in their existing outreach and permitting processes.



FINANCIAL IMPACT

COUNCIL DIRECTION REQUESTED

Staff requests input from Council on the proposed communications approach for the 2026 sea turtle nesting season, including continued partnership with Beaches Sea Turtle Patrol and Beaches Go Green, as well as ongoing support for the hotel rack card program and coordinated messaging aligned with Beaches Energy Services #CleanDarkFlat campaign.

ATTACHMENTS