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WILLIAM J. ROBERTS
OF COUNSEL

November 15, 1999

VIA OVERNIGHT DELIVERY

Mr. Walter Gossett
County Coordinator
Nassau County
3163 Bailey Road
Fernandina Beach, Florida 32035

Re: Nassau County Work Plan 2000-01, 2000-02, and 2000-03

Dear Mr. Gossett:

Nabors, Giblin & Nickerson, P.A. (NG&N) is pleased to present the enclosed proposed work plans to Nassau County to assist in the development of specific home rule revenue solutions for various capital and service programs. These work plans are a result of our discussions with County staff and various developers within Nassau County. The enclosed proposed work plans are the following:

- **Work Plan 2000-01** The utilization of non ad-valorem assessment revenue to fund Fire-Rescue in Nassau County — *approved - 12-20-99*
- **Work Plan 2000-02** Development of an Assessment Program for Wastewater Improvements in the Lighthouse Pointe Subdivision *approved - 1-10-00*
- **Work Plan 2000-03** Development of an Assessment Program for Road Paving in the Pirate's Wood Subdivision *approved - 1-10-00*

The enclosed proposed work plans are a collective effort of NG&N and Government Services Group, Inc. (GSG) in addressing the issues identified above in the proposed work plans and are based on our experience in providing similar solutions to cities and counties across the State of Florida. A part of that experience has been that the County

November 15, 1999

Mr. Walter Gossett

Page 2

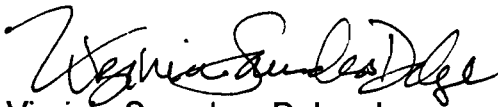
Commission may elect to pursue only one of these work plans at this time and revisit the other programs at a later date.

Please note that the enclosed proposed work plans were prepared as specific work orders pursuant to the provisions of our retainer agreement with the County, dated August 26, 1996.

Each work plan has been structured on a lump sum compensation basis, as described in detail in the individual work plans. Additionally, each proposed work plan contemplates a subcontract relationship with GSG, and describes in detail the deliverables and service to be performed by each firm. Work Order 2000-01 - Fire-Rescue Assessment Program contemplates a project initiation date by the end of November, 1999. This project initiation date is critical if we are to meet an April 2000 timeframe for workshops with the community regarding the possible consolidation of a countywide fire-rescue assessment program.

We are excited about the possibility of working with Nassau County on these important projects. Please call me after you have had a chance to review the proposed work plans, so we can proceed as soon as a possible. If you or any other officials have any questions, please feel free to call me.

Very truly yours,



Virginia Saunders Delegal

cc: Michael S. Mullin, Nassau County Attorney
Robert L. Nabors
Robert E. Sheets, GSG

*Nabors, Giblin & Nickerson, P.A.
315 South Calhoun Street, Suite 800
Tallahassee, Florida 32301*

Submitted by:

November 1999

**Work Order 2000-01
for
Nassau County**

Work Order 2000-01
Utilization of Non Ad-Valorem Assessment
Revenue to Fund Fire-Rescue Services in Nassau County

This correspondence is written to present a proposal for Nabors, Giblin & Nickerson, P.A. (NG&N) and Government Services Group, Inc. (GSG) to provide specialized assistance to Nassau County and its staff in the development and implementation of an assessment program for fire-rescue services within the unincorporated area of the County and if required specified incorporated areas.

Based on our understanding of the County's needs, there is a potential that fire-rescue service delivery within the County may be combined in some way and you wish to determine if fire-rescue assessments are an appropriate source for funding fire-rescue service delivery under various service delivery alternatives. Once that determination has been made, the County has options regarding the imposition and collection of the fire-rescue assessments on a countywide or district basis.

The hours and fees presented in this proposal only include the first phase of this multi-phased project.

The phases of the project are as follows:

- Phase I: Development of Proforma Rates
- Phase II: Implementation
- Phase III: Annual Maintenance

At the conclusion of Phase I, the County will be provided an Assessment Report that provides a description of the apportionment methodology, the proposed assessment rates, a legal sufficiency review, a work plan to accomplish the County's decisions and an implementation schedule.

GSG will be responsible for the development and implementation of the apportionment methodology and will act as Project Manager for the two firms. GSG is an affiliated company, created and partially owned by NG&N. NG&N will review the assessment apportionment methodology and deliverables relative to the legal sufficiency tests required in Florida for a valid special assessment or fee and advise the County concerning compliance with the legal requirements of the tax bill or traditional bill method of collection.

GSG and NG&N have been involved with the successful development and implementation of the majority of the fire-rescue assessment programs implemented within the State of Florida in the last three years. To date, we have developed 20 successful fire-rescue assessment programs for various cities and counties. Because of the litigious environment governments are forced to operate in today, it is imperative that utilization of non-ad valorem assessments for the funding of services such as fire-rescue be done in such a manner as to withstand all challenges, both political and legal. The combined strength of both firms has been utilized to implement projects from the smallest communities in the State to the largest.

Attached as Appendix A is a work plan which articulates the scope of services required to assist the County in developing and implementing a fire-rescue assessment program which specifically addresses the County's needs. The work plan outlined in Appendix A includes those tasks necessary to create a fire-rescue assessment program for collection on the tax bill.

We have attached in Appendix B an hours and fees matrix for Phase I of the scope of services to assist the County in understanding the magnitude of the work effort required to develop and implement the proposed assessment program on a task-by-task basis. Upon completion of Phase I, we will provide an hours and fees matrix for the subsequent phases of the project based on direction received during Phase I.

Appendix C is a list of the project deliverables and a delivery schedule, as well as a payment schedule for Phase I. Upon notice to proceed, we will immediately develop, and update periodically, a detailed critical events schedule and a schedule for project deliverables tailored to the specific circumstances unique to the County.

The objective of this alternative funding mechanism (non-ad valorem assessments) is to put in place a recurring annual assessment program that will be collected on the tax bill and serve the County for years to come. To accomplish the objectives of Phase I of this scope of services, we would focus on the following essential tasks:

- Provide advice regarding the County's options for consolidating fire-rescue services, if required;
- Assist the County in the determination of assessment revenue requirements and identification of all other non-assessment revenues within the fire-rescue assessment program;
- Provide both legal and consulting services relative to developing a legally defensible method of apportionment conducive to use with the County's ad valorem tax roll data base;
- Calculate a proforma schedule of rates based on the apportionment methodology and proposed revenue requirements of the Fiscal Year 2000-01 assessment program; and
- Prepare an assessment report that provides (a) the assessment costs calculations, (b) a description of the apportionment methodology, (c) a legal sufficiency review, and (d) an implementation schedule.

SPECIAL NOTE:

The work plan reflects all of the tasks necessary to develop and implement fire-rescue assessments. However, the work plan does not contemplate a detailed analysis of fire-rescue service delivery options, except to review decisions made by the County regarding consolidation of services. Should the County desire more detailed analysis regarding the service delivery, we could revise the work plan and adjust the fee structure accordingly.

The attached scope of services assumes that the County will be responsible for providing the necessary budget background information and developing the revenue requirements. The County will also provide the data required to develop an assessment methodology, will provide necessary staff support to conduct any field research of the data contained on the ad valorem tax roll, and will provide swift policy direction regarding various components of the methodology and GSG will share their experience and expertise, provide advice, research, and opinions to you and other officials regarding the proposed methodology and proposed rate structures, and will provide advice and assistance in the development of the assessment roll required to implement and collect the assessments using the tax bill or traditional bill collection method.

For services provided by NG&N and GSG, we will work under a lump sum professional fee arrangement described in the attached scope of services on a percent-completed basis. A lump sum method of compensation eliminates any uncertainty in the total fee.

The professional fees to assist the County in developing and implementing the contemplated fire-rescue assessment program do not include litigation defense services. However, we do all of our work in developing and implementing assessment programs with an eye on potential legal challenges in an attempt to maximize both the efficiency and the effectiveness of any defense. In the event there is a challenge, we would be available, on an hourly basis, to assist the County in its defense.

Finally, our objective is to assist the County as it puts in place a program that will serve as a revenue source for years to come. NG&N and GSG have the capacity to provide these services in subsequent years on a turnkey basis or will work with you and your staff so that our presence diminishes entirely. At the end of our work effort under this proposal, we will develop a transcript of all pertinent documents together with a memorandum outlining the scope of services required to annually implement the program thereafter so that the County's administrative and elected officials can make an informed decision on how to maintain this recurring annual revenue source in both short and long terms.

**PHASE I
SCOPE OF SERVICES:
DEVELOP PROFORMA
RATES**

Phase I of the Scope of Services includes those tasks that are necessary for the development of proforma fire-rescue assessment rates using the ad valorem tax roll.

Task 1: Evaluate fire-rescue service delivery data.

Evaluate existing legal documents, fire call data, agreements, reports, and other data pertaining to the provision of fire-rescue services in the County. Obtain one or two years of fire-rescue incidents reported by the County Fire Department using the NFIRS reporting system. Correlate the fixed property uses on NFIRS to comparable property uses on the tax roll.

Task 2: Review fire-rescue service delivery options.

Review efforts related to proposed consolidation of fire-rescue services and respective service levels. Research and evaluate outstanding issues and assist the County in identifying policy decisions necessary to develop and put in place an assessment program for Fiscal Year 2000-01.

Task 3: Determine fire-rescue service costs.

By using data provided by the County, determine the full cost of the fire-rescue service delivery using the most current financial information including direct and indirect costs and identify service delivery issues, which may affect the apportionment methodology. Identify alternative sources of revenue to fund the service delivery costs and determine the net service delivery revenue requirements.

Task 4: Develop apportionment methodology.

Develop method of apportionment, classification of properties and the use of the data on the ad valorem roll during the process of creating the special assessment roll. Review the assessment methodology for legal sufficiency and compatibility with the tax bill method of collection. Ensure that the data approach used is the data needed for the tax bill collection method in recurring years.

Task 5: Determine fire-rescue service revenue requirements.

By using data provided by the County, determine the total fire-rescue assessment revenue requirements so that the County addresses the costs necessary to recover: (a) the net fire-rescue service revenue requirements, (b) the cost of implementing the annual recurring assessment programs and (c) the costs of collecting the assessments.

Task 6: Develop a preliminary fire-rescue assessment rate calculation database.

Create a proforma fire-rescue assessment rate calculation database by utilizing the County's most recent ad valorem tax roll. Test the sufficiency of the roll by developing reports to access property use information.

Task 7: Apply apportionment methodology.

Apply apportionment methodology to assessment billing database to test the data validity and legal sufficiency. Revise the apportionment methodology, as necessary.

Task 8: Calculate proforma rates (by District or Countywide).

Calculate a proforma schedule of rates based on the apportionment methodology and proposed revenue requirements of the Fiscal Year 2000-01 assessment program.

Task 9: Prepare and submit a draft report.

Prepare and submit a draft report to County staff that includes (a) the assessment costs calculations, (b) a description of the apportionment methodology, (c) a legal sufficiency review, and (d) an implementation schedule to provide staff an opportunity to discuss individual recommendations in detail prior to report finalization.

Task 10. Prepare and present the final report.

Based on the discussions and comments from staff, the draft report will be modified and submitted in final form. A final presentation of the report will be made to County elected and appointed officials at a series of workshops.

Task 11. Phase I close out.

Provide an implementation plan and schedule for Phase II which includes revisions to the Phase II scope of services and fee schedule based on policy direction from the County.

**PHASE II
SCOPE OF SERVICES:
IMPLEMENTATION**

PHASE II of the Scope of Services includes those tasks that are necessary for the implementation of the fire-rescue assessment for Fiscal Year 2000-01.

Task 1: Prepare Preliminary Assessment Roll.

Based on policy direction from the County and the assessment rate calculation database created in Phase I, prepare a preliminary assessment roll utilizing the County's updated tax roll information for use in the billing process.

Task 2: Draft necessary ordinances.

Draft the required home-rule service assessment ordinances that provide the County with the flexibility to impose and collect the fire-rescue assessments using the tax bill or traditional collection method.

Task 3: Draft implementing resolutions.

Draft implementing resolutions that conform to the service assessment ordinances to impose the fire-rescue assessments (a) to implement the County's policy decisions and proposed methodology and (b) to adopt an approach conducive to the use of the tax bill or traditional method of collection.

Task 4: Assist in rate adoption processes.

Advise and assist with the legal requirements for the adoption of the final assessment rate resolution and certification of the assessment roll in accordance with Section 197.3632, Florida Statutes, including: (a) the development of the first class notice and its distribution, (b) the published notice for the public hearing, (c) the development of a public information document, and (d) attendance at any required public hearing.

Task 5: Certify final assessment roll to Nassau County Tax Collector.

Using the preliminary assessment roll and updating any changes or modifications, prepare a file on compatible electronic medium that is capable of being merged with the ad valorem tax roll files. Develop test files and conduct test merger procedures to minimize errors.

Task 6: Develop scope of services for Phase III regarding the ongoing annual maintenance of the assessment program.

Provide the tasks and level of work effort to develop/update the Fiscal Year 2000-01 fire-rescue assessment roll for use in the recurring annual assessment program.

Fees and Costs

For services provided by NG&N and GSG, the lump sum professional services fee for the proposed scope of services for Phase I will be \$69,410. Delivery of the Final Assessment Report completes Phase I of the project. At this point, the County can make an informed decision regarding implementation of the proposed program. The lump sum professional fees will be due and payable pursuant to the schedule attached as Appendix C under a percent-complete basis.

Other Services

Recognizing that NG&N and GSG are organizations that are dedicated to providing special assistance to local governments and developing innovative and efficient solutions to public sector issues, the firms shall, on an hourly or negotiated fee basis, also be available to provide additional services to the County on finance, revenue, or other local governmental matters. Such services may be provided under a written change order, extension to this scope of service, or by separate agreement mutually acceptable to the parties.

APPENDIX B - HOURS AND FEES

Tasks	Total Hours	Total Fees
Task 1 - Evaluate Fire Service Delivery Data		
NG&N	24	\$3,000
GSG	8	\$1,200
Task Total	32	\$4,200
Task 2 - Evaluate Billing and Collection Data		
NG&N	24	\$3,000
GSG	0	\$0
Task Total	24	\$3,000
Task 3 - Review Fire Service Delivery Options		
GSG	60	\$7,500
NG&N	0	\$0
Task Total	60	\$7,500
Task 4 - Determine Fire Service Costs (All Districts)		
GSG	60	\$7,500
NG&N	0	\$0
Task Total	60	\$7,500
Task 5 - Develop Apportionment Methodology		
GSG	40	\$5,000
NG&N	40	\$6,000
Task Total	80	\$11,000
Task 6 - Determine Revenue Requirements		
GSG	20	\$2,500
NG&N	0	\$0
Task Total	20	\$2,500
Task 7 - Create Assessment Database(s)		
GSG	80	\$10,000
NG&N	0	\$0
Task Total	80	\$10,000
Task 8 - Apply Apportionment Methodology		
GSG	40	\$5,000
NG&N	8	\$1,200
Task Total	48	\$6,200

Task 9 – Calculate Proforma Assessment Rates		
GSG	24	\$3,000
NG&N	4	\$600
Task Total	28	\$3,600
Task 10 – Prepare and Submit Draft Report		
GSG	24	\$3,000
NG&N	8	\$1,200
Task Total	32	\$4,200
Task 11 – Prepare and Submit Final Report		
GSG	24	\$3,000
NG&N	8	\$1,200
Task Total	32	\$4,200
Task 12 – Phase I Closeout		
GSG	8	\$1,000
NG&N	8	\$1,200
Task Total	16	\$2,200
NG&N TOTAL	428	\$53,500
GSG TOTAL	88	\$10,200
TOTAL PROFESSIONAL HOURS AND FEES – PHASE I	516	\$66,700
PLUS EXPENSES		\$6,670
TOTAL LUMP SUM FEE		\$73,370

Endnotes:

(1) Tasks outline are not necessarily chronological and represent a continuing refinement and reiterative analysis

(2) Lump sum professional fees are based upon the following standard, hourly rates:
NG&N - \$150, GSG - \$125

(3) Expenses have been estimated at 12% of professional fees.

(4) Estimated expenses do not include programmatic costs of implementation such as publication costs, printing, stuffing and mailing of notices or County or City staffing costs related to field work which will be experienced by the County and City but recoverable in the assessment budget.

Work Order 2000-02
for
Nassau County

November 1999

Submitted by:

Nabors, Giblin & Nickerson, P.A.
315 South Calhoun Street, Suite 800
Tallahassee, Florida 32301

**Work Order 2000-02
Proposal to Develop an Assessment Program for
Wastewater Improvements in the Lighthouse Pointe Subdivision**

Background

Work Order 2000-02 articulates the tasks necessary to utilize non ad-valorem assessments to fund the extension of wastewater improvements to Lighthouse Pointe Subdivision. This work plan is predicated on the assumption that the County will own the lines extending from United Water to the Lighthouse Pointe Subdivision. If the County does not own the infrastructure connecting Lighthouse Pointe Subdivision, then it may be unable to utilize the non ad-valorem assessment method to fund this extension.

By the County's owning the facilities providing services to Lighthouse Pointe Subdivision, the County would be required to enter into a bulk service agreement for the treatment of wastewater. In addition, the County would have to develop additional agreements with Florida Water for the maintenance of the line and the billing and collection of the Lighthouse Pointe Subdivision customers for sanitary sewer services. Also, a retail utility rate analysis would be required before the final formulation of utility rates for sewage treatment could be determined.

This work plan only articulates those tasks, hours and fees necessary to develop the assessment program for the funding of the capital improvement. The County would pursue these additional work orders under the agreement currently in place between Nassau County and Nabors, Giblin & Nickerson.

Task 1. Evaluate proposed improvements. Determine and obtain the necessary data to develop apportionment methodology.

Evaluate the proposed capital improvements and determine the data and information necessary to develop an assessment methodology approach. Such data may include the GIS database, tax roll information, utility system data and existing and future land-use data.

Task 2. Locate the proposed improvements and determine the benefited properties.

Using the databases, determine the preliminary location of the proposed improvements to serve as basis for identifying geographic areas benefited by the improvements.

Task 3. Develop a preliminary apportionment methodology.

Using the data and criteria established by County staff and officials, NG&N and GSG will develop a preliminary apportionment methodology based on the proposed projects,

their location and properties benefited by the projects. This methodology may require the development of capacity figures for each potential parcel. If detailed data is not available, NG&N and GSG will use current land-use information.

Task 4. Create a preliminary database.

Using the most current ad valorem tax roll and utility billing data, create a preliminary database. Augment the database with other pertinent data determined to support the apportionment methodology.

Task 5. Determine the assessment revenue requirements.

Review the funding requirements of the proposed improvements, including debt service requirements. Based on these funding requirements, determine the total assessment revenue requirements for the proposed projects including program implementation costs and annual costs.

Task 6. Apply apportionment methodology to preliminary database.

Apply the preliminary apportionment methodology to the preliminary database to test the data validity and sufficiency. Modify the database and/or revise the apportionment methodology as necessary.

Task 7. Calculate a proforma schedule of rates.

Calculate a proforma schedule of rates based on the apportionment methodology and revenue requirements for the assessment program. Provide alternative revenue scenarios if required.

Task 8: Draft a procedural ordinance.

NG&N will provide the County with a procedural ordinance with the flexibility to impose and collect these capital assessments using the tax bill or traditional collection methods.

Task 9. Draft initial assessment resolution.

Draft the initial assessment resolution to conform to the procedural ordinance to implement the County's policy decision regarding the proposed methodology.

Task 10. Prepare final assessment resolution.

Prepare the final assessment resolution that conforms to the procedural ordinance to impose capital assessments and adopt final assessment rates.

Task 11. Prepare final assessment roll.

GSG will prepare the final assessment roll that will implement the assessment program and will interface with the Nassau County Tax Collector.

Task 12. Advise and assist with implementation requirements.

Advise and assist with the legal requirements for adoption of the final rates and certification of the assessment roll in accordance with the Uniform Method including: a) the development of the first class notice and its distribution, b) the published notice of the public hearing, c) the development of a public information sheet, d) attendance at the public hearing, and e) the certification of the assessment roll to the Nassau County Tax Collector.

Task 13. Develop a plan to provide ongoing annual maintenance of the assessment program.

Provide the County with a plan for ongoing assessment administration services to maintain the assessment program and database foundations, including electronic capability to access the annual assessment roll, annual updates of the databases (e.g., update assessment roll to reflect updates to ad valorem tax roll), assistance in monitoring the apportionment methodology and annual implementation services to ensure adherence to statutory timeframes. If requested, the plan will outline the process for the County to maintain the assessment database.

Fees and Costs

For services provided by NG&N and GSG, the lump sum professional services fee for the proposed scope of services will be \$37,900. A lump sum method of compensation eliminates any uncertainty in the total fee. The hours and fees matrix on the following pages describes the level of work effort for each task.

In addition to the on-site visits by GSG to conduct interviews and data collection, the lump sum fee for professional services includes an aggregate of four total on-site visits to the County by GSG and/or NG&N staff, including at least two meetings with County elected officials to (1) present the Initial Assessment Resolution(s) and (2) assist in the final rate adoption process. Meetings in excess of those contemplated may be arranged at our standard hourly rates.

NOTE: This scope of services assumes the County will own the utility line serving the Lighthouse Pointe Subdivision. Also, no hours have been included to develop a bulk service agreement between Nassau County and United Water. A revised scope of services would be required for the development of such agreement. This project will afford the County the opportunity to begin the analysis regarding its role in the provision of water and sewer services. Also, the

decisions regarding the financing of this extension will impact the financial burden placed on the developer.

Property Owner Notification Costs

The lump sum fee does not include the costs of producing and mailing of the statutorily required first class notices, which will depend on the number of assessable parcels of property within the project area. Mailing and production costs average approximately 80 cents per parcel, and will be due and payable at the time of adoption of the initial assessment resolution.

Litigation Services

The amount of time devoted to the development and implementation of any assessment program is not reflective of the size of the community or the amount of the revenue to be generated. Rather, each assessment program requires a fixed amount of development time because of the specific nuances of the local government's budget, proposed improvements and parcel composition. The lump sum fee to assist the County in developing and implementing the contemplated assessment program does not include litigation defense services. However, we do all of our work in developing and implementing assessment programs with an eye on potential legal challenges in an attempt to maximize both the efficiency and effectiveness of any defense. In the event there is a challenge, we will be available on an hourly basis to assist the County in its defense.

Additional Services

In recognition that NG&N and GSG are organizations that are dedicated to providing special assistance to local governments in developing innovative and efficient solutions to public sector issues, the firms shall, on an hourly or negotiated fee basis, also be available to provide additional services to the County on finance, revenue or other local governmental matters. Such services may be provided under a written change order, extension to this scope of services, or by separate agreement mutually acceptable to the parties.

Work Order 2000-03
for
Nassau County

November 1999

Submitted by:

Nabors, Giblin & Nickerson, P.A.
315 South Calhoun Street, Suite 800
Tallahassee, Florida 32301

**Work Order 2000-03
Proposal to Develop an Assessment Program for
Road Paving in the Pirate's Wood Subdivision**

Task 1. Evaluate proposed road paving project. Determine and obtain the necessary data to develop apportionment methodology. Locate the proposed improvements and determine the benefited properties.

Evaluate the proposed road paving project and determine and obtain the data and information necessary to develop an assessment methodology approach. Such data may include the GIS database, tax roll information, existing and future land-use data. Using the databases, determine the preliminary location of the proposed improvements to serve as basis for identifying geographic areas benefited by the improvements.

Task 2. Develop a preliminary apportionment methodology.

Using the data and criteria established by County staff and officials, NG&N and GSG will develop a preliminary apportionment methodology based on the proposed projects, their location and properties benefited by the projects.

Task 3. Create a preliminary database.

Using the most current ad valorem tax roll, create a preliminary database. Augment the database with other pertinent data determined to support the apportionment methodology.

Task 4. Determine the assessment revenue requirements.

Review the funding requirements of the proposed improvements, including debt service requirements. Based on these funding requirements, determine the total assessment revenue requirements for the proposed projects including program implementation costs and annual costs.

Task 5. Apply apportionment methodology to preliminary database.

Apply the preliminary apportionment methodology to the preliminary database to test the data validity and sufficiency. Modify the database and/or revise the apportionment methodology as necessary.

Task 6. Calculate a proforma schedule of rates.

Calculate a proforma schedule of rates based on the apportionment methodology and revenue requirements for the assessment program. Provide alternative revenue scenarios if required.

Task 7: Draft a procedural ordinance.

NG&N will provide the County with a procedural ordinance with the flexibility to impose and collect these capital assessments using the tax bill or traditional collection methods.

Task 8. Draft initial assessment resolution.

Draft the initial assessment resolution to conform to the procedural ordinance to implement the County's policy decision regarding the proposed methodology.

Task 9. Prepare final assessment resolution.

Prepare the final assessment resolution that conforms to the procedural ordinance to impose capital assessments and adopt final assessment rates.

Task 10. Prepare final assessment roll.

GSG will prepare the final assessment roll that will implement the assessment program and will interface with the Nassau County Tax Collector.

Task 11. Advise and assist with implementation requirements.

Advise and assist with the legal requirements for adoption of the final rates and certification of the assessment roll in accordance with the Uniform Method including: a) the development of the first class notice and its distribution, b) publication of the public hearing, c) development of a public information sheet, d) attendance at the public hearing, and e) the certification of the assessment roll to the Nassau County Tax Collector.

Task 12. Develop a plan to provide ongoing annual maintenance of the assessment program.

Provide the County with a plan for ongoing assessment administration services to maintain the assessment program and database foundations, including electronic capability to access the annual assessment roll, annual updates of the databases (e.g., update assessment roll to reflect updates to ad valorem tax roll), assistance in monitoring the apportionment methodology and annual implementation services to ensure adherence to statutory timeframes. If requested, the plan will outline the process for the County to maintain the assessment database.

Fees and Costs

For services provided by NG&N and GSG, the lump sum professional services fee for the proposed scope of services will be \$27,115. A lump sum method of compensation eliminates any uncertainty in the total fee. The hours and fees matrix on the following pages describes the level of work effort for each task.

In addition to the on-site visits by GSG to conduct interviews and data collection, the lump sum fee for professional services includes an aggregate of four total on-site visits to the County by GSG and/or NG&N staff, including at least two meetings with County elected officials to (1) present the Initial Assessment Resolution(s) and (2) assist in the final rate adoption process. Meetings in excess of those contemplated may be arranged at our standard hourly rates.

Property Owner Notification Costs

The lump sum fee does not include the costs of producing and mailing the statutorily required first class notices. Those costs will vary, depending on the number of assessable parcels of property within the project area. Mailing and production costs average approximately 80 cents per parcel, and will be due and payable at the time of adoption of the initial assessment resolution.

Litigation Services

The amount of time devoted to the development and implementation of any assessment program is not reflective of the size of the community or the amount of the revenue to be generated. Rather, each assessment program requires a fixed amount of development time because of the specific nuances of the local government's budget, proposed improvements and parcel composition. The lump sum fee to assist the County in developing and implementing the contemplated assessment program does not include litigation defense services. However, we do all of our work in developing and implementing assessment programs with an eye on potential legal challenges in an attempt to maximize both the efficiency and effectiveness of any defense. In the event there is a challenge, we will be available on an hourly basis to assist the County in its defense.

Additional Services

In recognition that NG&N and GSG are organizations dedicated to providing special assistance to local governments in developing innovative and efficient solutions to public sector issues, the firms shall, on an hourly or negotiated fee basis, also be available to provide additional services to the County on finance, revenue or other local governmental matters. Such services may be provided under a written change order, extension to this scope of services, or by separate agreement mutually acceptable to the parties.

RETAINER AGREEMENT

This Retainer Agreement is entered into this 26th day of August, 1996, between the Board of County Commissioners of Nassau County, Florida (the "County") and the law firm of Nabors, Giblin & Nickerson, P.A. ("NG&N") to provide for the service by NG&N as special counsel to the County.

WHEREAS, NG&N possesses unique experience and expertise in Florida state and local finance and tax and local government law;

WHEREAS, NG&N is willing to commit to be available to provide legal services and related assistance to the County on such issues as requested; and

WHEREAS, the availability of such special counsel services to the County on an as needed basis will serve as a resource to and enhance the existing capabilities of the County Attorney and the County Coordinator.

In recognition of such acknowledgments, the parties hereto agree as follows:

SECTION 1. Scope of Services: General. NG&N agrees to serve as special counsel to the County and to be available to provide legal services and other assistance to the County Coordinator and County Attorney on Florida finance and tax issues and other issues and matters of local government law. Such legal services shall generally include the following:

- (a) general advice and research;
- (b) rendering of formal written opinions;

(c) drafting of ordinances, resolutions, legislation and other agreements and documents;

(d) assistance in the defense or prosecution of litigation;

(e) advice and research on the feasibility and legal sufficiency of potential debt financing concepts and structure;

(f) advice and research on the feasibility and legal sufficiency of statutory and home rule alternative revenue resources, including, but not limited to, special assessments, impact fees, user fees and stormwater utility fees or special assessments;

(g) advice on intergovernmental issues, including annexation matters;

(h) governance alternatives for the delivery of County services or the providing of alternative revenue initiatives; and

(i) advice and research on public utility operation, concurrent extension strategies, and other utility issues, including, but not limited to, infrastructure development and extension approaches, utility valuation methods, and regulation or acquisition strategies.

SECTION 2. Service as Bond Counsel. NG&N also agrees to be available at the request of the County to serve as Bond Counsel to the County on any bond financing. In such capacity as Bond Counsel, NG&N shall perform the following tasks:

(a) consultation with County officials and staff concerning all legal questions relating to the incurment of debt;

(b) attendance, upon request, at any meeting of the County Commission or any meeting of staff on issues relating to the issuance of bonds or the incurment of debt;

(c) preparation of all resolutions and other instruments authorizing and securing bonds required in connection with their issuance;

(d) assistance to the County and its financial advisors and investment bankers in formulating financing plans and drafting disclosure documents for public offering of bonds and notes;

(e) analysis and resolutions of tax problems associated with financing plans, including preparation of ruling requests and contacts with the U.S. Treasury;

(f) preparation of pleadings and other documentation required in connection with the validation of bonds; and, if requested, conduct validation hearing on the bonds and represent the County in any bond validation appeal; and

(g) preparation and review of all documentation required for bond sales and closings, including customary resolutions and certificates, and delivery of a customary bond counsel approving opinion on the bonds at closing.

The fee for service as Bond Counsel would be agreed to between NG&N and the County Attorney prior to the engagement of NG&N as Bond Counsel for each financing. Such fee would be payable from bond proceeds and contingent upon the bond closing occurring. In the event NG&N has provided legal services for a contemplated financing that does not close for any reason, NG&N would not receive the agreed upon fee for service as Bond Counsel but would be reimbursed for costs incurred as provided in Section 4 of this Agreement.

SECTION 3. Compensation. Except as otherwise provided in this Agreement or by subsequent agreement with the County Attorney or County Coordinator, NG&N shall be compensated for professional services at the following hourly rates:

(a) Firm principals at a rate of \$150 per hour;

(b) Firm associates at the rate of \$125 per hour;

(c) Firm financial or systems professionals at the rate of \$90 per hour; and

(d) Legal clerks at the rate of \$50 per hour.

No professional fees shall be charged for time spent in travel from an NG&N office to Nassau County.

In the event a request for services as described in Section 1 is anticipated to exceed ten hours of attorney time, NG&N shall immediately notify the County Attorney in writing of such possibility which written notification, if possible, shall contain an estimate of the number of hours to be incurred in honoring such request.

SECTION 4. Reimbursement of Costs. In addition to the professional fees or other compensation provided in this Agreement, NG&N shall be reimbursed for actual costs incurred on long distance telephone charges, travel expenses, and overnight delivery charges. Photo copies shall be billed at 25¢ per page. Any travel expenses shall be reimbursed in accordance with section 112.061, Florida Statutes.

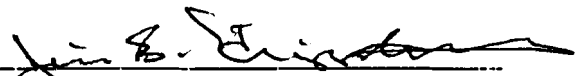
SECTION 5. Billing. Unless a separate billing arrangement is agreed to between NG&N and the County Attorney or the County Coordinator, NG&N shall provide an itemized statement of professional services rendered and costs incurred on a monthly basis for fees and costs incurred the previous month.

SECTION 6. Conflicts. It is recognized by the parties that NG&N is dedicated to providing legal services and consulting services solely to local government clients and certain state


agencies. NG&N represents private sector clients only in the event a local government client requests such representation in implementation of a public/private venture or partnership. As a consequence, no conflict is contemplated by the providing of the described special counsel services to the County. In the event a conflict arises between governmental clients of NG&N on an identified issue, NG&N shall immediately advise the County of such conflict, resign from such conflicting representation and assist the conflicting governmental client in obtaining other counsel.

SECTION 7. Termination. NG&N shall serve as special counsel at the pleasure of the County. NG&N shall have the right to terminate this Agreement upon giving notice in writing to the County sixty (60) days prior to the date of the intended termination.

BOARD OF COUNTY COMMISSIONERS
OF NASSAU COUNTY, FLORIDA

By: 
James B. Higginbotham,
Chairman

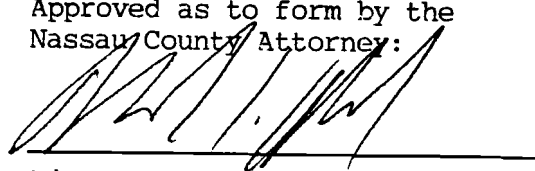
Attest:


T.J. "Jerry" Greeson
Clerk of Court

NABORS, GIBLIN & NICKERSON, P.A.

By: 
Mark G. Lawson

Approved as to form by the
Nassau County Attorney:


Michael S. Mullin

and Partners for Phase II of the contract for the design of the Courthouse Annex and bring back a recommendation to the Board.

It was moved by Commissioner Marshall, seconded by Commissioner Vanzant and unanimously carried to have the County Attorney, Clerk of Courts, County Coordinator and Director of Public Works negotiate fees with Clemons, Rutherford and Associates and Peter R. Brown Construction, Inc. for construction management and architectural services for the jail facility and bring back a recommendation to the Board.

It was moved by Commissioner Marshall, seconded by Commissioner Vanzant and unanimously carried to contract with Nabors, Giblin and Nickerson, P.A., and Government Services Group to prepare support documents for establishing of Municipal Service Benefit Units for utilization of non-ad-valorem assessment revenues to fund Fire and/or Rescue, work plan 2000-01.

The Board requested a representative of the Pirates Wood Homeowners Association be present to have a clear understanding of the costs associated with an MSBU for development of assessment program for road paving in Pirates Wood subdivision. The Board also requested Mr. Holloway be present to have a clear understanding of the

Meeting on January 24, 2000, to contain items 1 through 3 as previously listed.

The Board recessed at 10:03 A.M. and reconvened at 10:15 A.M.

Hilliard Volunteer Fire Department - Mr. Mullin advised that there would be a service agreement with the Town of Hilliard that would indicate the services to be provided in the unincorporated area of Hilliard. A meeting was established with Chairman Deonas, Mr. Mullin, Mr. Oxley, Mr. Gossett, and Chris McConnell at 3:00 P.M. on Friday, January 14, 2000 in the conference room at the Temporary Courthouse Facility to discuss the service agreement.

The Board departed from the order of the day to consider the establishment of a Municipal Service Benefit Unit (MSBU) for Pirates Woods and Lighthouse Pointe. Mr. Tom Branan, 3852 Pirates Way, Yulee, addressed the Board representing the Pirates Woods Association to request an MSBU for the paving of the roads in the development. Upon the request of the County Coordinator, it was moved by Commissioner Howard and seconded by Commissioner Cooper to adopt Work Plan 2000-03 "Development of an Assessment Program for Road Paving in the Pirate's Wood Subdivision" as presented by Nabors, Giblin Nickerson, P.A.

Commissioner Howard amended his motion to include adoption contingent upon the bridge loan in the amount of \$27,115 being obtained. Commissioner Cooper seconded the motion as amended. The motion as amended carried unanimously.

Lighthouse Pointe Subdivision - Mr. Strickland Holloway of the Lighthouse Pointe Subdivision addressed the Board regarding an MSBU for that subdivision. It was moved by Commissioner Cooper, seconded by Commissioner Vanzant, and unanimously carried to adopt Work Plan 2000-02 contingent upon the Clerk and Mitch Owens of William R. Hough & Company finalizing the bridge loan of \$37,900 identified in the work order for the up-front work. It was clarified that the Association and Mr. Holloway would be responsible for the bridge loans if the MSBU were to be denied.

Building Maintenance Department - Upon the request and recommendation of the Building Maintenance Supervisor, it was moved by Commissioner Marshall, seconded by Commissioner Vanzant, and unanimously carried to approve the purchase of FIBAR System 300 playground surfacing for the Bryceville, Callahan, and Yulee ballparks in the amount of \$12,509.00, with funds to be expended from the ADA fund to make those ballparks ADA accessible.