FINAL
08/16/17

MEDIATED SETTLEMENT AGREEMENT

THIS MEDIATED SETTLEMENT AGREEMENT (the "Settlement Agreement") is entered into between Lake Point Phase I, LLC and Lake Point Phase II, LLC, Florida limited liability companies (collectively "Lake Point") and the South Florida Water Management District ("District") (collectively, the "Parties") with the Effective Date of the Settlement Agreement, as described herein.

WHEREAS, Lake Point filed a civil action against the District and the District has counterclaimed against Lake Point, which suit is styled *Lake Point Phase I LLC and Lake Point Phase II, LLC v. South Florida Water Management District, et al*, Case No. 2013-001321-CA (the "Lawsuit") and is now pending in the Nineteenth Judicial Circuit Court in and for Martin County, Florida; and

WHEREAS, the Lawsuit arose out of a dispute between the Parties concerning allegations of breach of the Acquisition and Development Agreement for Public Works Project, First Amendment to Acquisition and Development Agreement, and all exhibits thereto (the "Development Agreement"), and an Agreement Between the South Florida Water Management District and Martin County Regarding St. Lucie River Watershed Protection Program ("Interlocal Agreement");

WHEREAS, the Parties recognize that, due to the Lawsuit, the construction schedule for the Public Works Project as contemplated in the Development Agreement has become impracticable and infeasible; and

WHEREAS, the Parties desire to completely settle, release, and discharge all claims between themselves in the Lawsuit.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

I. Effective Date. This Settlement Agreement will become effective on the date that the Settlement Agreement is approved by the District's Governing Board by an affirmative vote at a duly noticed public meeting. The District's Governing Board may only approve the Settlement Agreement after such time that Lake Point has delivered a properly executed copy of the Settlement Agreement to the District. The date of approval by the District's Governing Board shall be known as the "Effective Date of the Settlement Agreement."

II. No Admission of Liability. It is expressly understood and agreed that this Settlement Agreement is a compromise of all disputed claims between the Parties related to the Development Agreement and the Interlocal Agreement expressly in consideration of the water-related damages arising from and related to matters alleged in the Third Amended Complaint, and that this Settlement Agreement shall not be construed as, or deemed to be evidence of, an admission or concession of any fault or liability or damage whatsoever on the part of any of the Parties hereto, and except as expressly stated herein, shall not operate to waive, release, or impair any rights or claims of Lake Point against any person or entity other than the District (including, without limitation, any other defendant in the Lawsuit). The Parties understand and agree that the execution of this Settlement Agreement, including the consideration provided herein, or obligations and benefits held by the Parties, will not constitute or be construed as an admission of any wrongdoing or liability whatsoever by any Party.

III. Modification of Development Agreement. This Settlement Agreement modifies the Development Agreement pursuant to Section 22.10 of the Development Agreement. The Parties agree to the following modifications of the Development Agreement, which shall become valid and binding as of the Effective Date of the Settlement Agreement:

a. Section 3.1.1. Section 3.1.1 is hereby deleted in its entirety and replaced as follows:

> 3.1.1. County Recreation Area. The County Recreation Area shall be donated and conveyed to the District (or, at the District's option, to the County and/or District) within ninety (90) days after release of the Unity of Title, the Major Development Approval, and any related or other encumbrances from Martin County (the "Encumbrances"). Lake Point shall not be obligated to donate and convey the County Recreation Area until the District obtains from the County the release of the Encumbrances. Lake Point shall have no obligation to obtain

the release of the Encumbrances, but shall cooperate with the District as necessary to obtain the release of the Encumbrances.

b. Section 3.1.2. Section 3.1.2 is hereby deleted in its entirety and replaced as follows:

3.1.2. Stormwater Treatment Cells. Subject to the District's due diligence inspection as set forth in Section 4.1.4 below, the Stormwater Treatment Cells shall be donated and conveyed solely to the District (and/or its designee) within ninety (90) days after Lake Point sends written notice to close to the District. Lake Point shall be obligated to donate and convey the Stormwater Treatment Cells prior to or at the expiration of the fifty (50) year Mining Reservation. Notwithstanding any other provision in the Agreement, Lake Point shall not be obligated for the design, earthwork, construction, permitting, planning, operation, management, repair, or replacement of the Stormwater Treatment Cells. All such work shall be undertaken by the District at its sole and complete discretion and at the District's expense. By accepting these obligations with regard to the Stormwater Treatment Cells, the District is not obligated to Lake Point with regard to permitting, design, construction, operation, or maintenance of the Stormwater Treatment Cells. If any third party seeks to judicially or administratively require Lake Point to perform any work with regard to the Stormwater Treatment Cells, Lake Point shall name the District as a party and the District shall in such a proceeding acknowledge and agree that it has the responsibility to perform such obligations at its sole and absolute discretion.

c. Section 3.1.3. Section 3.1.3 is hereby deleted in its entirety and replaced as follows:

3.1.3. Stormwater Management Lakes. Subject to the District's due diligence inspection as set forth in Section 4.1.4 below and confirmation that Lake Point is in compliance with all Mining Approvals and state and federal environmental laws, as applicable, the Stormwater Management Lakes shall be donated and conveyed solely to the District (and/or its designee) within ninety (90) days after Lake Point sends written notice to close to the District. Lake Point shall be obligated to donate and convey the Stormwater Management Lakes prior to or at the expiration of the fifty (50) year Mining Reservation.

Notwithstanding any other provision in the Agreement, Lake Point shall not be obligated for construction, design, permitting, planning, operation, management, or repair of lake berms or related earthwork beyond the actual excavation of the lakes. All such work shall be undertaken by the District at its sole and complete discretion and at the District's expense. By accepting these obligations with regard to the Stormwater Management Lakes, the District is not obligated to Lake Point with regard to construction design, permitting, planning, operation, management, or repair of the lake berms or related earthwork. If any third party seeks to judicially or administratively require Lake Point to perform any work with regard to the lake berms or related earthwork, Lake Point shall name the District as a party and the District in such a proceeding acknowledge and agrees that it has the responsibility to perform such obligations at its sole and absolute discretion.

d. Section 3.2. Section 3.2 remains unchanged except that the reference to "Twenty (20) years" in the first sentence shall instead refer to "Fifty (50) years."

e. Section 3.4(b). Section 3.4(b) remains unchanged except that the reference to a "Twenty (20) year reservation" in the first sentence shall instead refer to a "Fifty (50) year reservation."

f. Section 3.4(c). Section 3.4(c) remains unchanged except the reference to a "twenty (20) year reservation" in the first sentence shall instead refer to a "fifty (50) year reservation."

g. Section 3.4(e). Section 3.4(e) remains unchanged except that subsection 3.4(e)(i) is hereby deleted in its entirety.

h. Section 3.5. Section 3.5 is hereby deleted in its entirety.

i. Section 4.1.5.5. Section 4.1.5.5 is hereby deleted in its entirety.

j. Section 5. Section 5 is hereby deleted in its entirety.

k. Section 9.1. Section 9.1 shall remain in full force and effect, except that the following shall be added to the end of the section: "Notwithstanding any other provision in this Section, the District, at

its sole discretion, shall obtain all local, state, and federal approvals necessary for the Stormwater Treatment Cells and the lake berms and related earthwork of the Stormwater Management Lakes not otherwise already obtained by Lake Point. The District is not obligated to Lake Point to obtain any such approvals if the approvals are denied because of conditions of the Property or project design that are not the fault of the District or are beyond or inconsistent with the design or engineering specifications in the Development Agreement."

l. Section 9.2. Section 9.2 remains unchanged except that the following sentence is hereby added to the end of the section: "Notwithstanding any other provision in this section, the District, at its sole discretion, shall obtain all DEP Approvals necessary for the Stormwater Treatment Cells and the lake berms and related earthwork of the Stormwater Management Lakes not otherwise already obtained by Lake Point."

m. Section 13. Section 13 is hereby deleted in its entirety and replaced as follows:

Section 13. Terms of Agreement. This Agreement shall be in effect until fifty (50) years after the Effective Date of the Settlement Agreement, subject to extensions of time upon the same terms and conditions by mutual written agreement of the Parties. This Agreement shall terminate automatically unless the same is extended by mutual written agreement of the Parties prior to the expiration date of the term of this Agreement set forth above.

n. Section 18.7. Section 18.7 is hereby deleted in its entirety and replaced as follows:

Section 18.7. Design and Engineering Fees. The District is responsible for any and all engineering fees and other expenses associated with the design and engineering specifications of the Stormwater Treatment Cells and the lake berms and related earthwork of the Stormwater Management Lakes. Lake Point, however, shall perform its obligations under this Agreement at its expense without reimbursement from the District, unless otherwise specified.

o. Section 18.8. Section 18.8 is hereby deleted in its entirety and replaced as follows:

Section 18.8. Permit Fees. Lake Point shall be responsible for paying any permit fees concerning the Stormwater Treatment Lakes, except for fees or permitting associated with the construction, planning, operation, management, or repair of the lake berms or related earthwork beyond the actual excavation. The District shall be responsible for paying all permit fees or other fees (including impact fees, if any) associated with construction of the Stormwater Treatment Cells and all applicable permit applications that the District submits to regulatory agencies not associated with the Stormwater Management Lakes, except for fees or permitting associated with the construction of the lake berms or earthwork beyond the actual excavation, undertaken by Lake Point under this Agreement. The District is not obligated for paying any other permit fees for any activities undertaken by Lake Point allowed under this Agreement.

p. Section 18.11. Section 18.11 is hereby deleted in its entirety and replaced as follows:

Section 18.11. Construction Costs. Lake Point shall be responsible for paying all construction costs associated with the excavation and activities related to the excavation of the Stormwater Management Lakes in accordance with the Engineering Specifications, except for construction of lake berms or related earthwork beyond the actual excavation of the lakes. The District shall be responsible for all other costs associated with its separate activities to complete the construction of the Stormwater Treatment Cells and the Stormwater Management Lakes, including, without limitation, the costs of all rough and final grading, landscaping, fixtures, equipment, littoral and filter marsh plantings, and other improvements associated with the Public Works Project. For the avoidance of doubt, Lake Point shall have no obligations with regard to expenditure of costs for any part of the Stormwater Treatment Cells or the lake berms or related earthwork of the Stormwater Management Lakes.

q. Section 22.1. That portion of Section 22.1 identifying an address for notice purposes to Lake Point is hereby deleted and replaced as follows:

If to Lake Point:

Jamie Rusbridge
12012 Southshore Blvd., Ste. 107
Wellington, FL 33414
jrusbridge@lakepointrestoration.com

r. Section 22.16. Section 22.16 shall remain in full force and effect, except that the following shall be added to the end of the Section: "Nothing contained in this Section shall obligate Lake Point to obtain multiple policies for the types of insurance described herein."

s. Section 22.17. Section 22.17 shall remain in full force and effect except that the following shall be added to the end of the Section: "This Section shall not apply to any claims made by Martin County or by public interest parties."

IV. Additional Terms of Settlement Agreement.

a. The Parties waive any remaining Lake Point Conditions Precedent, including the time frames set out in Section 4.2 of the Development Agreement, and further specifically waive any obligation on the part of Lake Point to obtain any required regulatory approvals, including permits, for the Stormwater Treatment Cells or the lake berms or related earthwork for the Stormwater Management Lakes. The District assumes the responsibility and obligation for obtaining any required regulatory approvals, including permits, for the Stormwater Treatment Cells that are deemed to be required.

b. It shall be within the sole and absolute discretion of the District to determine the timing and sequencing of planning, design, operation, management, repair, replacement, permitting, and construction for the Stormwater Treatment Cells, provided however that no physical construction by the District shall occur on the Property until after such time as Lake Point actually transfers title of such Property to the District.

c. The Parties agree that Lake Point has obtained all necessary permits for its Mining Activities under the Development Agreement, including its current mining operations.

d. The Parties agree that Lake Point's excavation of the areas comprising the Stormwater Management Lakes constitutes the present construction of part of the Public Works Facility.

e. The Parties acknowledge and agree that the Public Works Project presently qualifies as an exempt public stormwater management project pursuant to Section 10.1.E.2.e of the Martin County Land Development Regulations, as set out in Section 9 of the Development Agreement and in Martin County Resolution Number 08-8.11 dated August 12, 2008.

f. The District agrees to seek the release of the Encumbrances from Martin County to allow Lake Point to donate property to the District. The Parties recognize that Martin County may not release the Encumbrances at no fault of the District. The District shall make a good faith effort to obtain the release of the Encumbrances, but is not obligated to Lake Point to actually obtain the release of the Encumbrances. Notwithstanding the foregoing, if the County refuses to vacate the Encumbrances and Lake Point petitions a court to compel the County to perform such action, Lake Point shall name the District as an indispensible party and the District agrees to support the petition in the litigation.

g. The District acknowledges that it has received notice of the following mortgage liens currently affecting the Lake Point property: (i) mortgage held by Florida Community New Markets Fund VII, LLC dated May 12, 2011 in the original principal amount of $15,200,000.00 recorded in the Official Records of Martin County at Book 2517, Pages 1696, 1701, and 1707; (ii) mortgage held by CTA CDE Sub 2, LLC dated December 21, 2010 in the original principal amount of $15,000,000.00 recorded in the Official Records of Martin County at Book 2493, Pages 1174, 1180, and 1185; and (iii) mortgages held by Impact V CDE 7, LLC dated September 29, 2010 in the original principal amount of $17,687,500.00 recorded in the Official Records of Martin County at Book 2478, Page 2330 and in the original principal amount of $7,312,500.00 recorded in the

Official Records of Martin County at Book 2478, Page 2261. As of the Effective Date of the Settlement Agreement, Lake Point and the District agree that there are no outstanding notice issues pursuant to Section 17.7 of the Development Agreement.

h. The District is aware of and hereby consents to the operating and development agreements entered into by and among Lake Point and its affiliated entitles for the mining operations being conducted by Lake Point and the District shall not unreasonably prevent or interfere with any future modifications of those agreements as Lake Point may deem necessary in its sole and absolute discretion so long as the modifications do not materially interfere with the purpose of this Agreement.

V. Martin County Interlocal Agreement.

a. The Parties acknowledge that the Interlocal Agreement, to which Lake Point has joined in certain provisions, remains in full force and effect.

b. The District hereby agrees that Lake Point can amend those portions of the Interlocal Agreement with Martin County to which it is a party, if necessary, and the District agrees not to object to any such amendment so long as there is no material adverse impact to the District resulting from such amendment. To the extent that the terms of the Development Agreement, as affected by the Settlement Agreement, differ in any material respect from the terms of the Interlocal Agreement, the Parties agree to hereafter from time to time cooperate to further modify the terms of the Interlocal Agreement and the Development Agreement so that the Parties receive the benefits expressly provided for by this Settlement Agreement. The Parties further recognize that modifications of the Interlocal Agreement require the cooperation and consent of Martin County. Unless contemplated by section XIV of this Settlement Agreement, no Party shall hold the other Party at fault in the event that Martin County fails to consent to such modifications.

c. At any time hereafter but prior to transfer of the Property, at Lake Point's option, the District hereby agrees to relinquish all or a portion of its rights to the Lake Point Property to the extent that Lake Point deems it necessary, in Lake Point's sole discretion, to retain all or any

portion of the Property to and only to effectuate a settlement with Martin County in this case, so long as, if applicable, the settlement resolves all claims against the District as well. In such event, the District shall have no further responsibility to Lake Point regarding that portion of the Lake Point Property. Nothing in the foregoing sentence shall relieve the District of the obligations contained in section VIII of the Settlement Agreement. Upon transfer of the Property to the District, the District agrees that it shall not sell or surplus the Property unless such sale or surplus is consistent with the purpose and mission of the District to protect the environment.

d. In the event that a settlement of the claims between Lake Point and Martin County in this Lawsuit necessitates further modifications to the Development Agreement, the District shall consent to such modifications and shall cooperate so long as the modifications do not frustrate or materially impair the Public Works Project.

VI. Lake Point Entitled to All Revenue of any Kind. The Parties agree that Lake Point is entitled to earn and collect all revenue of any kind from any lawful activities or use associated with the Lake Point Property, including without limitation, any revenues associated with mining, farming, lease or sale of water storage, water transfer, water transportation, water conveyance, water use or irrigations rights, or any other rights, benefits, or entitlements whatsoever associated with the Lake Point Property, until such time as the Lake Point Property, or portions of same, are donated and conveyed to the District. After the Property or any portion thereof is donated to the District, Lake Point may use and collect all revenue from that portion of the Property until the end of the Mining or Farming Reservation only for uses associated with: mining, farming, water storage, water transfer, water transportation, water conveyance, or water use or irrigation, unless another use is agreed to by the Parties, and so long as such uses do not materially impair the use of the Property by the District for the purpose provided in the Development Agreement. The District is not obligated to Lake Point to cooperate or assist in obtaining any permits, licenses, entitlements, payment of fees or other costs related in any way with the activities identified above.

VII. Exhibits to Development Agreement. To the extent there are obligations of Lake Point contained in the exhibits to the Development Agreement, including but not limited to those contained in Exhibit "B" (the Specifications for Surrender of Possession and Delivery of Stormwater Treatment Cells and Stormwater Treatment Lakes), and Exhibit "C" (the Terms and Conditions of Lake Point Reservation of

Occupancy, Possession and Use) (the "Exhibits"), Lake Point shall not have to undertake such obligations (for example, and without limitation: planning, design, operation, management, repair, replacement, permitting, and construction of the Stormwater Treatment Cells and the lake berms and related earthwork of the Stormwater Management Lakes) to the extent that they are inconsistent with the terms of this Settlement Agreement. The District's obligation to design the Stormwater Treatment Cells for purposes of obtaining government approvals, if any, to construct and operate the Stormwater Treatment Cells, shall be based principally upon the engineering specifications provided in the Exhibits.

VIII. District Purchase of Material from Lake Point.

The Parties agree to incorporate this section into the Development Agreement as an addendum.

a. The Parties agree that Lake Point shall be the exclusive provider of any specification of Rip Rap material ("Rip Rap" or "Rip Rap Material") to the District from Lake Point's Mining Activities for the next fifteen (15) years commencing on October 1, 2017 in the geographic area reflected on the map in the attached Exhibit "A."

b. The District promises, covenants, and guarantees that it will purchase a minimum of 50,000 tons of Rip Rap Material from Lake Point's Mining Activities annually during the fifteen (15) year period referenced in Section VIII.a above. Lake Point promises, covenants, and guarantees that it will sell a minimum of 50,000 tons of Rip Rap Material to the District from Lake Point's Mining Activities annually during the fifteen (15) year period referenced in Section VIII.a. above.

c. If the District does not purchase the minimum 50,000 tons of Rip Rap Material each year (calculated as each twelve-month period beginning October 1) from Lake Point, as described in Section VIII.b above, then the District shall pay Lake Point at the end of each twelve-month period, as liquidated damages, $20.00 per ton for each ton of Rip Rap Material not purchased. Lake Point will give the District a credit of $20.00 per ton against future purchases in excess of the subsequent year's minimum purchase requirements. The credit described in the preceding sentence shall only be valid for one (1) year following the year in which the purchase shortfall occurred, unless otherwise agreed to by the Parties.

d. For any twelve-month period, if the District purchases in excess of 65,000 tons of Rip Rap, the District will be entitled to a credit for such tonnage toward the minimum purchase requirements for the next one (1) year following the year in which the excess purchase occurred, unless otherwise agreed to by the Parties.

e. The District shall pay Lake Point the price of $28.00 per ton for Rip Rap (the "Base Price"). Beginning October 1, 2017, and on each subsequent month, the Base Price shall be adjusted by the Producer Price Index for sand, gravel, and crushed stone, not seasonally adjusted, as published by the U.S. Department of Labor, Bureau of Labor Statistics (the "PPI") (the "Base Adjusted Price").

f. The District shall notify Lake Point of any upcoming District project within thirty (30) days after the completion of the design phase of same so that Lake Point may properly supply the Rip Rap Material.

g. The District may issue a change order for any contract it has with Lake Point for any project subject to the terms of the applicable contract, but shall be obligated to pay a change fee of $12.00 per ton of Rip Rap not delivered, and shall be otherwise obligated to purchase the minimum tonnage of Rip Rap as provided in this Settlement Agreement.

h. Lake Point agrees to provide Rip Rap Material to the District that meets the specifications set forth in Exhibit "B." Prior to each contract for Rip Rap, the District and Lake Point shall agree in writing as to all technical and engineering specifications required by the District for the specific project, and Lake Point shall agree in writing that it can meet or exceed those specifications. After the Parties agree in writing that Lake Point can meet or exceed the specifications, if for any reason, after testing for compliance with the agreed upon specifications in Exhibit "B" (as modified herein), the District determines in good faith that the Rip Rap does not meet specifications, the District shall not be obligated to purchase the nonconforming Rip Rap. However, the District shall give Lake Point a reasonable opportunity to cure any failure to meet said technical and engineering specifications for Rip Rap. If Lake Point agrees in writing

as to all technical and engineering specifications required by the District for a specific project and cannot perform after an opportunity to cure, the District may purchase Rip Rap from other suppliers and may deduct such tonnage from the minimum annual purchase requirements under this Settlement Agreement. Testing for compliance with the agreed upon specifications will occur at the Lake Point Property as provided for in Exhibit "B." The District will have a designated production and storage area at the Lake Point Property, separate and apart from other customers and Lake Point production. Once any purchased Rip Rap leaves the Lake Point Property, Lake Point shall have no further obligation or liability with regard to its compliance with any technical or engineering specifications for such specified project.

i. If the District (1) demands Rip Rap specifications in excess of the specifications of Exhibit "B," and Lake Point refuses to agree in writing as to those additional specifications required by the District for the specific project; or (2) refuses to accept Rip Rap when (i) the Specific Gravity (standard surface dry basis) is greater than or equal to 2.35 as referenced in paragraph 2.01.B.1 or (ii) the stone wear, as referenced in paragraph 2.01.B.8 is less than or equal to 42.5 percent (%), the District may purchase such Rip Rap from other suppliers. In such event, the District may not deduct such tonnage from the minimum annual purchase requirements under this Settlement Agreement.

j. If Lake Point cannot sell Rip Rap for reasons unrelated to any technical or engineering specifications imposed by the District, and the District must purchase Rip Rap from other suppliers, the District may deduct such tonnage from the minimum annual purchase requirements under this Settlement Agreement. Finally, the District shall have no obligation to purchase Rip Rap from Lake Point if mining operations cease, except for Acts of God or war.

k. In the event this section of the Settlement Agreement is held to be unenforceable by a court of competent jurisdiction for any reason, and after the termination of any appeal or expiration of all appellate rights, the District shall pay to Lake Point the remaining amount due for the remaining life of this Settlement Agreement. For example, if this Settlement Agreement were deemed to be unenforceable by a court of

competent jurisdiction one year from the Effective Date of the Settlement Agreement, then the District would be obligated to pay Lake Point money totaling 750,000 tons of Rip Rap multiplied by the Base Adjusted Price. Said payment shall be due within thirty (30) days.

l. For the purposes of this section of the Settlement Agreement, purchase of Rip Rap occurs when and only if it crosses the scale on the Lake Point Property and a ticket is generated for such purchase. Once the Rip Rap has crossed the scale and a ticket is generated, Lake Point will invoice the District the following day, and the District will process and pay the invoice within thirty (30) days.

X. Releases.

a. In consideration of the above, Lake Point, on behalf of themselves, their successors, heirs, assigns, affiliates, subsidiaries, parents, and other related entities (all of the foregoing being individually and collectively referred to as "Lake Point Releasors"), jointly and severally do hereby and for anyone claiming by or through or under each of them, fully remise, release, acquit, and forever discharge the District, its affiliates, subsidiaries, agents, managers, directors, officers, employees, predecessors, successors, heirs, and assigns (all of the foregoing being individually and collectively referred to as "District Released Parties") jointly and severally, of and from any and all rights, claims, demands, damages, actions, and causes of action, of any nature whatsoever, whether arising at law or in equity, whether known or unknown, matured or immature, which the Lake Point Releasors may have had, may now have, or may hereinafter have against the said District Released Parties by reason of any matter, cause, happening or thing occurring prior to and including the Effective Date of the Settlement Agreement, including all mining and water-related claims for damages, but only to the extent that claims arise out of or are related in any way to the Development Agreement or Interlocal Agreement (the "Lake Point Release"). This Lake Point Release does not extend to any of terms of this Settlement Agreement, or to any continuing obligations of the District under the Development Agreement or Interlocal Agreement, as affected by this Settlement Agreement, nor shall this Lake Point Release be used as a defense to any claim for breach of this Settlement Agreement. Further, neither

this Settlement Agreement nor the Lake Point Release shall operate to waive, release or impair (i) any right or claims of Lake Point against any person or entity other than the District (including, without limitation, any other defendant in the Lawsuit), or (ii) any rights of Lake Point or its lenders under the mortgage financing and related documents previously executed by Lake Point, the District or others in connection with the mortgage financing presently encumbering the Lake Point Property.

b. In consideration of the above, the District, on behalf of itself, its successors, heirs, assigns, affiliates, subsidiaries, agents, managers, directors, officers, employees, and predecessors, (all of the foregoing being individually and collectively referred to as "District Releasors"), jointly and severally do hereby and for anyone claiming by or through or under each of them, fully remise, release, acquit and forever discharge Lake Point, and its affiliates, subsidiaries, agents, attorneys, managers, directors, officers, employees, predecessors, successors, heirs, and assigns (all of the foregoing being individually and collectively referred to as "Lake Point Released Parties") jointly and severally, of and from any and all rights, claims, demands, damages, actions, and causes of action, of any nature whatsoever, whether arising at law or in equity, whether known or unknown, matured or immature, that the District Releasors may have had, may now have, or may hereinafter have against the said Lake Point Released Parties by reason of any matter, cause, happening or thing occurring prior to and including the Effective Date of the Settlement Agreement but only to the extent that claims arise out of or are related in any way to the Development Agreement or Interlocal Agreement (the "District Release"). This District Release does not extend to any of terms of this Settlement Agreement, nor shall this District Release be used as a defense to any claim for breach of this Settlement Agreement. This District Release does not extend to any of terms of this Settlement Agreement, or to any continuing obligations of Lake Point under the Development Agreement or Interlocal Agreement, as affected by this Settlement Agreement, nor shall this District Release be used as a defense to any claim for breach of this Settlement Agreement.

XI. Attorney's Fees and Costs Associated With The Lawsuit. Lake Point and the District hereby agree that the each of the Parties shall bear its own fees and costs associated with the claims made in the Lawsuit.

XII. Dismissal of Claims in the Lawsuit. Within fifteen (15) days after execution of the Settlement Agreement and approval by the District's Governing Board, the Parties agree to dismiss their claims against each other in the Lawsuit by filing a joint stipulation of dismissal with prejudice of all claims and counterclaims against each other, with each party to bear its own fees and costs. Lake Point also agrees to forego any appeal of any and all claims as consideration and settlement herein, which rights have been expressly released as set out above. The foregoing dismissals shall not operate to dismiss, waive, release, or impair any rights or claims of Lake Point against any other person or entity other than the District (including, without limitation, any other defendant in the Lawsuit).

XIII. Easement. The Parties agree that upon written request by Lake Point on or before December 31, 2017, the District shall vacate the easement that presently exists over the one hundred fifty (150) acres in the area known as the upland preserve located on the Lake Point Property. The Parties agree that on or before December 31, 2018, Lake Point shall grant a conversation easement over the one hundred fifty (150) acres in the area known as the upland preserve located on the Lake Point Property., At its sole and absolute discretion, Lake Point shall have the right, but not the obligation, to grant a conservation easement over any other portion of the Lake Point Property in favor of the District or a not for profit entity, but only to the extent the conservation easement does not interfere with construction, permitting, operation, or maintenance of the Public Works Project. Lake Point shall provide the conservation easement to the District for review no sooner than forty-five (45) days before recording the conservation easement.

XIV. Miscellaneous.

a. Lender Consent. The District shall cooperate with Lake Point in giving and obtaining any necessary consents to or from Lake Point's lenders to effectuate this Settlement Agreement. This Settlement Agreement shall in no way be construed to bind, obligate, join, or attach the District to any lien or loan on the Lake Point Property or held against Lake Point. Pursuant to Section 17 of the Development Agreement, Lake Point shall convey the Property to the District free and clear of all liens, mortgages, loans, leases, or other claims on title and shall indemnify and hold harmless the District against any claims arising from or related to any liens against the Lake Point Property or Lake Point.

b. Amendment or Alteration. This Settlement Agreement may only be altered or amended, in whole or in part, at any time, through a written instrument setting forth such changes signed by the Parties hereto.

c. Interpretation of Conflicts. To the extent there is any conflict between this Settlement Agreement and the Development Agreement, this Settlement Agreement shall control. If there are any paragraphs, sections, or clauses in the Development Agreement that obligate Lake Point to perform certain acts regarding the Stormwater Treatment Cells, the Stormwater Management Lakes, the Reciprocal Drainage and Irrigation Easement, or the timing of transfers to the District that are not addressed herein, the Parties agree that Lake Point shall not have any obligation to perform such acts. Defined terms used in this Settlement Agreement and not otherwise defined herein, shall have the meanings ascribed in the Development Agreement.

d. Waiver. The Waiver by any party hereto of a breach of any provision of this Settlement Agreement shall not operate or be construed as a waiver of any subsequent breach by any of the Parties. No delay in asserting any right or remedy shall constitute waiver of any right or remedy.

e. Agreement and Counterparts. This Settlement Agreement shall be effectuated by the execution of duplicate originals totaling two (2) in number. Each party to the Settlement Agreement is to receive one fully executed original of the Settlement Agreement. However, each original Settlement Agreement shall operate and be of the same effect as if only one original Settlement Agreement existed. The absence of one of the duplicate original Settlement Agreements shall not in any way hamper or interfere with the enforceability of the other original Settlement Agreement.

f. Validity. The Parties agree that each of the covenants contained in this Settlement Agreement shall be construed as independent of any other covenant or provision of this Settlement Agreement. In the event that any provision of this Settlement Agreement shall be held to be invalid, the same shall not affect, in any respect, the validity of the remainder of this Settlement Agreement. The Parties represent and warrant that they have the full right, and legal capacity and authority to enter into this Settlement Agreement on behalf of themselves, their

affiliates, parents, subsidiaries, successors, and assigns, and to carry out the obligations noted herein, and that the person executing this Settlement Agreement on their behalf has full authority and capacity to execute this Settlement Agreement.

g. Integrated Agreement. This Settlement Agreement, and all agreements executed in accordance with the terms hereof, constitutes the entire understanding and agreement among the Parties hereto with respect to the subject matter hereof, and there are no agreements, understandings, restrictions, representations, or warranties among the Parties other than those set forth herein.

h. Event of Default. If either party fails or neglects to perform any of the terms, conditions, covenants, or provisions of this Settlement Agreement, the other party must provide notice and a thirty (30) day window in which to cure to the default prior to taking legal action to enforce the Settlement Agreement.

i. State Law Governing Contracts. This Settlement Agreement shall be governed by the laws of the State of Florida, without regard to the principles of conflicts of laws, and the Parties hereto consent and stipulate that jurisdiction and venue for any disposition hereunder shall be proper in Palm Beach County, Florida. This venue selection clause is not to be interpreted as a permissive clause; rather, it is to be interpreted by any court as a mandatory venue clause that cannot be waived by the Parties.

j. No Construction Against Drafting Party. The Parties to this Settlement Agreement expressly recognize that the Settlement Agreement results from a negotiation process in which each party was given the opportunity to consult with counsel and contribute to the drafting of this Settlement Agreement. Given this fact, no legal or other presumptions against the party drafting this Settlement Agreement concerning its construction, interpretation, or otherwise shall accrue to the benefit of any party to this Settlement Agreement and each party expressly waives the right to assert such a presumption in any proceedings or disputes connected with, arising out of, or involving this Settlement Agreement.

k. Section Headings. The section headings of this Settlement Agreement are inserted for convenience only and shall not constitute a part of this Settlement Agreement in construing or interpreting any provision.

l. Notices. Any notice or notices required or permitted by this Settlement Agreement or that shall be given by reason of this Settlement Agreement shall be in writing and shall be delivered to the last attorney of record for each of the Parties in the manner and at the address required for service of pleadings and papers, except that electronic mail notices shall be effective only if separately acknowledged by the person to whom the notice is given.

m. Good Faith and Fair Dealing. The Parties agree to cooperate and act in good faith to fulfill and complete the obligations contained in the Development Agreement and this Settlement Agreement.

n. Annual Meeting. The Parties agree that one principal from Lake Point and the Executive Director for the District shall meet once annually during the life of this Settlement Agreement in order to discuss the progress of the Public Works Project and any other issues necessary to fulfill the obligations of the respective parties.

o. Transfer and Assignment. The Parties agree that Lake Point may assign, sell, or transfer the rights to this Settlement Agreement consistent with Section 17.7 of the Development Agreement.

[Signatures begin on the following page]

IN WITNESS WHEREOF, the Parties have signed this Settlement Agreement by and through duly authorized signatories on the dates noted below their names.

LAKE POINT PHASE I, LLC

By: _____

Print: Francis Laird

Dated: August 23 2017

LAKE POINT PHASE II, LLC

By: _____

Print: Francis Laird

Dated: August 23 2017

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

By: _____

Print: BRIAN ACCARDO

Dated: AUGUST 23, 2017

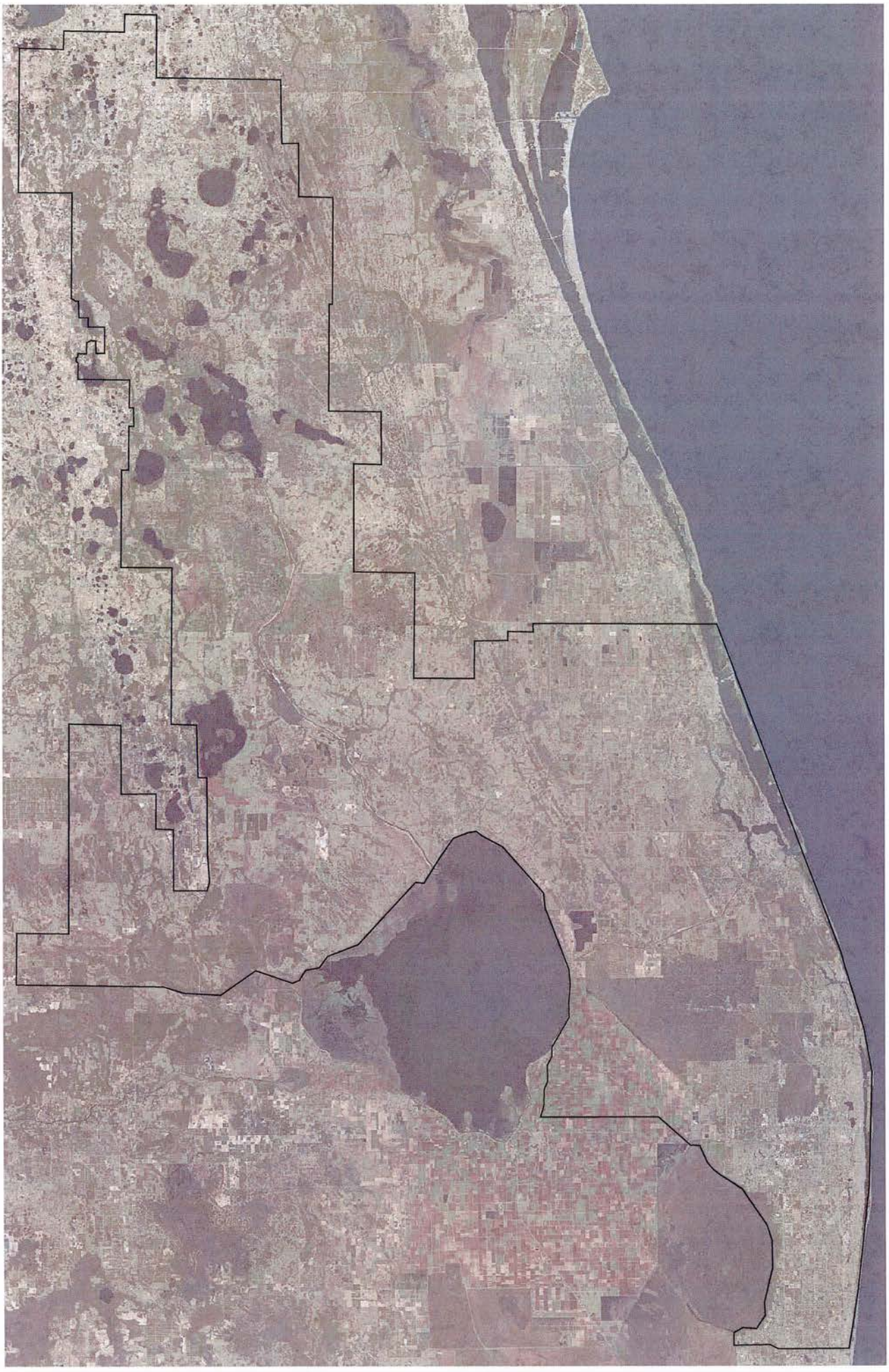


EXHIBIT A

RIPRAP SUPPLY

PART 1 - GENERAL

1.01 SCOPE:

A. Summary of Work: The SUPPLIER shall furnish all labor, equipment and materials necessary for the stone riprap, bedding stone as required by these Documents.

B. Related Work Specified Elsewhere:

1. **N/A**

1.02 APPLICABLE STANDARDS AND PUBLICATIONS:

A. Standards or Codes: The edition of the standards of the organizations listed below in effect at the time of the advertisement for bids form a part of this specification to the extent referenced. In the case of a conflict between the requirements of this SECTION and those of the listed document, the requirements of this SECTION shall prevail.

1. American Society for Testing and Materials (ASTM):
    a. C88 - Standard Test Method for Soundness of Aggregate by use of Sodium Sulfate or Magnesium Sulfate. [NTS: Salt Water Only]
    b. C127 - Standard Test Method for Density, Relative Density (Specific Gravity) and Absorption of Coarse Aggregate
    c. C295 - Standard Guide for Petrographic Examination of Aggregates for Concrete
    d. C535 - Standard Test Method for Resistance to Degradation of Large Size Coarse Aggregate by Abrasion and Impact in the Los Angeles Machine
    e. D3744 - Standard Test Method for Aggregate Durability Index
    f. D5240 – Standard Test Method for Evaluation of Durability of Rock for Erosion Control Using Sodium Sulfate or Magnesium Sulfate
    g. D5312 - Standard Test Method for Evaluation of Durability of Rock for Erosion Control Under Freezing and Thawing Conditions
    h. D5313 - Standard Test Method for Evaluation of Durability of Rock for Erosion Control Under Wetting and Drying Conditions
2. American Association of State Highway and Transportation Officials (AASHTO):
    a. T 85 - Standard Method of Test for Specific Gravity and Absorption of Coarse Aggregate
    b. T 210 – Standard Method of Test for Aggregate Durability Index
3. Florida Department of Transportation (FDOT):
    a. Standard Specifications for Road and Bridge Construction
        i. 514 – Standard Specification for Plastic Filter Fabric (Geotextile)
        ii. 901 – Standard Specifications for Coarse Aggregate
    b. Florida Methods:
        i. 3-C-535 - Resistance to Degradation of Large-Size Coarse Aggregates by Abrasion and Impact in the Los Angles Machine
        ii. 5-538 – Sampling and Testing Rip-Rap Material
4. U.S. Army Corps of Engineers (USACE)

EXHIBIT B

a. ERDC/GL TR-81-8 Evaluation of Quality and Performance of Stone as Riprap or Armor

b. EM 1110-2-1601, Engineering and Design: Hydraulic Design of Flood Control Channels

c. EM 1110-2-1100 Part VI, Coastal Engineering Manual: Design of Coastal Project Elements

d. EM 1110-2-2302, Engineering and Design: Construction with Large Stone

1.03 DEFINITIONS: (Not Used)

1.04 SUBMITTALS:

A. A qualified independent testing laboratory selected by DISTRICT and SUPPLIER shall furnish to the DISTRICT and SUPPLIER, concurrently, testing certificates prior to acceptance of the rock source to verify the conformity to the requirements of these Documents.

1.05 QUALIFICATIONS: (Not Used)

1.06 RESPONSIBILITIES: (Not Used)

1.07 CERTIFICATIONS:

A. Test Reports: Certified test reports prepared by a qualified independent testing laboratory selected by DISTRICT and SUPPLIER and compensated by SUPPLIER shall be provided for the tests required below. The table shown below also specifies the minimum number of tests to establish quality control.

Test Required	Number of Tests	Test Method	Test Frequency
Specific Gravity	2	ASTM C127	Every 2,500-ton stockpile or portion thereof
Absorption	2	ASTM C127, AASHTO T 85	Every 2,500-ton stockpile or portion thereof
Sodium Sulfate Soundness	2	ASTM C88, ASTM D5240	Every 2,500-ton stockpile or portion thereof
Durability Index	2	ASTM D3744, AASHTO T 210	Every 2,500-ton stockpile or portion thereof
L.A. Abrasion	2	FM 3-C 535	Every 2,500-ton stockpile or portion thereof
Gradation	1	FM 5-538	Every 2,500-ton stockpile or portion thereof
Freeze and Thawing	1	ASTM D5312	Every twelve months
Wetting and Drying	1	ASTM D5313	Every twelve months
Petrography	1	ASTM C295	Every twelve months

1.08 INSPECTION COORDINATION: The SUPPLIER shall provide access to the STOCKPILES for the DISTRICT as requested for inspection. The SUPPLIER shall provide the DISTRICT at least 48 hours advance notice of its intention to begin new STOCKPILE activities.

PART 2 - MATERIALS

2.01 RIPRAP: The SUPPLIER shall furnish stone for riprap that is sound, durable and angular in shape. No more than 10 percent of the stone for any gradation shall have an elongation (ratio of greatest dimension to least dimension) greater than 3:1, and no stone shall have an elongation greater than 4:1. The riprap material shall be provided by a Florida Department of Transportation (FDOT) certified pit conform to the following additional requirements. The SUPPLIER shall provide the DISTRICT all required test results for the limestone obtained onsite to verify if it meets the requirements.

A. Material shall be free from cracks, seams, moldic porosity after shells, non- mineralized or other defects that would tend to increase its deterioration from natural causes. Riprap shall consist of dense, natural rock fragments. Stones shall be resistant to weathering and to water action; free from overburden, spoil, shale and organic material; and shall meet the gradation requirements below. Shale and stones with shale seams and limestone with moldic pores after shells are not acceptable.

B. Stone for riprap shall have the following properties:

1. Bulk specific gravity (saturated surface-dry basis) not less than 2.38 when tested by ASTM C127 for gradations A, B, and C, and D.
2. Absorption of not more than 5.0% when tested by ASTM C127.
3. Soundness: Soundness of stone shall be determined in accordance with ASTM C88, modified as specified herein. Weight loss in five (5) cycles shall be not more than 10% when sodium sulfate is used or 15% when magnesium sulfate is used.
4. Stones shall consist of durable, sound, hard, angular rock meeting the following requirements for durability absorption ratio, soundness test, and abrasion test:

Durability Absorption Ratio	Acceptability
Greater than 23	Passes
10 to 23	Passes only if Durability Index is 52 or greater
Less than 10	Fails

$$\text{Durability Absorption Ratio} = \frac{\text{Durability Index (Coarse)}}{\%\ \text{absorption} + 1}$$

5. The durability index and percent absorption shall be determined by AASHTO T 210 and AASHTO T 85, respectively.
6. Stones shall have less than ten (10) percent loss of weight after five (5) cycles, when tested per ASTM C88.
7. Stones shall have a wear not greater than 40 percent, when tested per ASTM C535.
8. Stone gradation based on a representative sample of not less than 2.0 cubic yards. Each stone in the sample shall be individually weighed, and a cumulative plot of percent lighter (by weight) versus stone weight in pounds shall be submitted.

9. Freezing and Thawing and Wetting and Drying. Stone material shall be subjected to freezing and thawing and wetting and drying testing in accordance with ASTM D 5312 and ASTM D 5313 respectively. Photographs for freezing and thawing and wetting and drying testing shall be taken for each sample tested both before and after testing. Slabs cut for freeze and thawing testing shall have a surface area of 144 square inches on each sawed faced. Any changes observed in the testing specimen including, but not limited to, cracking, spalling, rock popping, or dissolving shall be recorded and photographed at the completion of next test cycle.]

10. Petrography. Stone material shall be subjected to comprehensive petrographic evaluation in accordance with ASTM C 295. Stone material shall be fresh (no signs of weathering), with interlocking crystalline structure, and free of material such as expansive clays or any detrimental or deleterious features discussed in subparagraph "Stone Material Quality". Crystalline structure refers to igneous, metamorphic, or sedimentary rock texture consisting of interlocking, crystalline grains. Matrices of any stone consisting of argillite, sericite, smectite, talc, chloritic, soft material, or highly weathered material shall be identified and noted. Examination shall include description of any seams, veins, shell fragments, visible pores or joints and an estimate of alteration, degree of weathering, and probable rock durability. The comprehensive petrographic examination shall also include description of dominant, accessory and alteration minerals. The petrographic examination shall be conducted by a State Licensed Professional Geologist specializing in the field of Mineralogy or Petrography. Photographs of stone material examined shall accompany the petrography testing results. Petrography may be completed at a laboratory other than an approved USACE validated commercial testing laboratory; however, certification proving that a State Licensed Professional Geologist specializing in the field of Mineralogy or Petrography will be completing this evaluation must be included in the Evaluation Testing of Stone Submittal for review and approval.

11. Stone Material Quality. All stone material shall be free of any detrimental geologic features such as, but not limited to, clay seams, shale seams, argillaceous material, any styolites, schistose seams, detrimental vugs zones or seams, zones of high foliation, and/or other adverse diagenetic features or seams. No schistose stone material or any highly foliated stone material will be acceptable. Sedimentary or metamorphic stone containing carbonaceous, coal, clay seams/lenses/joints or similar deleterious features will not be permitted or accepted. All stone material utilized shall be free of cracks, blast fractures, bedding seams, foliation seams, foliation joints, joints, any deleterious features such as splits, spalls, delaminations, disaggreations, dissolvement, shalely parting, or combination thereof of such features, and/or other defects that would tend to increase its deterioration from natural causes. An independent licensed Professional Geologist, licensed in any U.S. State, that issues a Professional Geologist License, shall determine if the aforementioned features are present within stone material from any of the proposed Stone Source(s). Discussion of Stone Material Quality and any detrimental or deleterious features present within any source shall be included in Evaluation Testing of Stone and the Stone Source Submittal for that Stone Source. Examples of deleterious and detrimental features in stone can be viewed in ERDC/GL TR-81-8. EM 1110-2-1601, EM 1110-2-1100 Part VI and EM 1110-2-2302 provide guidance on the stone properties, characteristics, and gradations specified herein.

12. Stone gradation based on a representative sample of not less than 2.0 cubic yards. Each stone in the sample shall be individually weighed, and a cumulative plot of percent lighter (by weight) versus stone weight in pounds shall be submitted.

C. The riprap shall be graded as follows:

Type A (6-inch Average Size)		
Sieve Size		Percent Passing by Weight
Maximum	Minimum	
12"	9"	100
8"	7"	50
6"	5"	15

Type B (12-inch Average Size)		
Sieve Size		Percent Passing by Weight
Maximum	Minimum	
21"	15"	100
14"	12"	50
11"	8"	15

Type C (18-inch Average Size)		
Sieve Size		Percent Passing by Weight
Maximum	Minimum	
30"	22"	100
20"	18"	50
16"	12"	15

Type D (24-inch Average Size)		
Sieve Size		Percent Passing by Weight
Maximum	Minimum	
42"	31"	100
28"	24"	50
22"	17"	15

D. Control of gradation shall be by visual inspection at the location of the stockpile during loading for delivery performed by the qualified independent testing laboratory. The SUPPLIER shall furnish a sample of the proposed gradation of at least 5 tons or 10 percent of the total riprap weight, whichever is less. If approved, the sample may be incorporated into the last delivery of furnished riprap from that stockpile so that it can be used as a frequent reference for judging the gradation of the remainder of riprap from that stockpile. Any difference of opinion between the DISTRICT and the SUPPLIER shall be resolved by dumping and checking the gradation of two (2) random truckloads of stones. Arranging for and the costs of mechanical equipment, a sorting site, and labor needed in checking gradation shall be the SUPPLIER's responsibility.

E. The acceptability of the stones will be determined by the DISTRICT prior to delivery. Any visual variability and deviation in the test results of the individual rocks is unacceptable.

2.02 GRANULAR BEDDING: The SUPPLIER shall furnish bedding material to be placed beneath the riprap materials or inside marine mattress as may be required by the project. Stone for use in granular bedding shall meet the requirements of Article 2.01. The material shall be composed of tough, durable particles, shall be reasonably free from thin, flat and elongated pieces, and shall contain neither organic matter nor soft, friable particles in quantities considered objectionable by the DISTRICT. Bedding stone shall be reasonably well graded in accordance with FDOT Section 901. The bedding stone for each type of riprap shall be as follows:

Type of Riprap	Bedding Stone
Type A	ASTM C33 Size No. 57
Type B	ASTM C33 Size No. 357
Type C	ASTM C33 Size No. 2
Type D	ASTM C33 Size No. 1

END OF SECTION

EXHIBIT B