DEPARTMENT OF JUSTICE
OFFICE OF THE
ATTORNEY GENERAL
2015 MAR -3 PM 4: 02

MAJOR COASTAL ZONE MANAGEMENT PERMIT NO. CZT-03-14(FL)

1. **AUTHORITY** This permit is issued by the St. Thomas Committee of the Virgin Islands Coastal Zone Management (CZM) Commission and is administered and monitored by the Department of Planning and Natural Resources (the "Department") on behalf of the Coastal Zone Management Commission pursuant to Virgin Islands Code, Title 12, Sections 904, and any other provisions of THE CZM Act. As herein, **"Permittor"** is the **ST. THOMAS COMMITTEE OF THE VIRGIN ISLANDS COASTAL ZONE MANAGEMENT COMMISSION** and **"Permittee" is GOTTLIEB'S QUICKWAY SERVICE CENTER, INC.**

2. **SCOPE** This permit allows for the continued use and occupancy of the filled land located at Plot No.3 Crown Bay Fill, St. Thomas, U.S.V.I. through a new 20-year lease agreement from the Department of Planning and Natural Resources. This permit also allows for the installation of three (3) new Underground Storage Tanks (USTs), to condemn three (3) existing USTs and the removal of localized pockets of contaminated soil.

3. **TERM** This permit is effective upon its signing by the Chairman of the St. Thomas Committee of the Virgin Islands CZM Commission, approval by the Governor of the Virgin Islands, and approval by the Legislature of the Virgin Islands. As used herein, the "Effective Date" or "the date hereof" means the date of such approval. This permit will expire 20 years after the effective date. The Permittee shall have the option to renew the permit within ninety (90) days before the permit expires and the terms are subject to negotiations. This Permit shall be renewed only if the requirements of Title 12 of the Virgin Islands Code, Section 911, are met.

4. **DOCUMENTS INCORPORATED BY REFERENCE**

Exhibit A: CZM Permit Application dated November 4, 2013.
Exhibit B: Site Plan and Drawings dated June 3, 2014.
Exhibit C: Environmental Assessment Report dated November 4, 2013.
Exhibit D: Lease Agreement between Gottlieb's Quickway Service Center, Inc. and DPNR.

5. **GENERAL CONDITIONS**

A. Liability The Permittee agrees to assume full and complete responsibility for all liability to any person or persons, including employees, as a result of its control of the area described in Paragraph 2 of this permit, and all improvements thereon (which area and improvements are hereinafter referred to as "the premises"), and to hold the Permittor free and harmless for civil or other liabilities of any kind during the time the Permittee is in

control of the premises pursuant to this permit.

B. Personal Property and Damage All personal property of any kind or description whatsoever located on the premises shall be there at the Permittee's sole risk.

C. Assignment or Transfer This permit may not be transferred or assigned except as provided in Section 910-15 of the Virgin Islands Rules and regulations.

D. Permit to be Displayed A placard evidencing the permit shall be posted in a conspicuous place at the project site during the entire work period.

E. Reliance on Information and Data The Permittee affirms that the information and data which it provided in connection with its permit application are true and accurate, and acknowledges that if subsequent to the effective date of this permit such information and data prove to be false or inaccurate, the permit may be modified, suspended or revoked in whole or in part, and that the Commissioner or the Committee may, in addition, institute appropriate legal action.

F. Development to be Commenced Any and all development approved by this Coastal Zone Permit shall begin within twelve (12) months from the date this permit becomes effective and shall be continuous until completion. Failure to perform at least fifty (50%) percent of the work within such period and continuously construct thereafter until the completion of construction shall cause the permit to terminate automatically and render it null and void, unless the Permittee requests an extension in writing and demonstrates to the satisfaction of the Committee that good cause exists for granting such extension.

G. Notification of Completion Upon completion of any activity authorized or required by this CZM Permit, the Permittee shall promptly so notify the Director of the Division of CZM and where the services of a professional engineer were required in undertaking the activity, a certification of compliance provided by the project engineer that the plans and specifications of the project and all applicable Virgin Islands Code requirements have been met, shall be filed with said Director.

H. Inspection The Commission, its Committee, the Commissioner or their authorized agents or representatives shall have the power to enter at reasonable times during project working hours upon any lands or waters in the coastal zone for which this Coastal Zone Permit has been issued. The Permittee shall permit such entry for the purpose of inspection and ascertaining compliance with the terms and conditions of said Coastal Zone Permit. The Permittee shall provide access to such records as the

Commission, its Committee, or the Commissioner in the performance of it or his duties under the CZM Act may require the Permittee to maintain. Such records may be examined and copies shall be submitted to the Commission, its Committee or the Commissioner upon request.

I. Conditions of Premises The Development authorized by this permit shall be maintained in a safe condition and in accordance with the description, plans, or drawings approved by the Commissioner or by the Committee, and all applicable Virgin Islands Laws.

J. Public Access to Shoreline The development shall be operated so as to assure optimum public access to the shoreline.

K. Restoration of Area The Permittee, upon renovation or expiration of the permit, shall upon order of the Committee, or the Commissioner, and in their sole discretion, remove all structures authorized by the permit and restore the area to its original condition, and/or modify such structures or site, and/or comply with any directive of the Committee, or the Commissioner in satisfying the original permit conditions in such time and manner as the Committee, or the Commissioner may direct.

L. Notices All notices sent or required to be sent hereunder must be by certified mail, return receipt requested. If addressed to the Permittor, same shall be sent to the Commissioner of the Department of Planning and Natural Resources, Cyril E. King Airport, Terminal Building, Second Floor, St. Thomas, Virgin Islands 00802, or to such other place as the Permittor may hereinafter designate. If addressed to the Permittee, same shall be sent to Mr. Mark A. Gottlieb, 2-3 Estate Contant, St. Thomas, VI 00802, or to such place as the Permittee may hereinafter designate by certified mail, return receipt requested.

M. Non Waiver One or more waivers by the Permittor of any covenant or condition of this permit shall not be construed as a waiver of a further breach of the covenant or condition. The consent or approval of the Permittor to or of any acts by either the Permittee requiring the Permittor's consent or approval shall not be construed as approval of any subsequent similar act by the Permittee.

N. Revocation It is specifically understood that all the foregoing covenants and agreements, as well as other terms and special conditions hereby agreed to by the Permittee, are to be well and faithfully kept by Permittee and that any failure by the Permittee to keep same will result in revocation of this permit.

O. Other Approval If the development covered under this permit requires separate and distinct approval from the United States Government or the

Government of the Virgin Islands, or any agency, department, commission or bureau thereof, then no development or occupancy is allowed under this permit until such permits or approvals have been obtained.

P. Abandonment If the Permittee abandon, deserts or vacates the premises or discontinues its operation at the premises for a period totaling six (6) consecutive months, the permit will terminate automatically and be rendered null or void.

Q. Signatures on the Permit Document The Permittee shall sign and return the permit document to the Department within sixty (60) days of receipt thereof. Failure to return the signed permit within the time period specified herein will be considered a rejection of the terms and conditions of the permit and will render the offer of the permit null and void, unless the Permittee requests a written extension and the Department grants the written extension.

R. Damage and Repair of Premises Described in Paragraph 2 In the event of damage to or destruction of the premises, described in paragraph 2 hereof, repair work may be done only after a request to do so has been submitted in writing to the Department and written permission has been granted by the Department.

6. SPECIAL CONDITIONS

1. *The Permittee shall notify the Division of Coastal Zone Management (CZM) two (2) working days prior to the commencement of development.*
2. *All applicable Territorial and federal permits or other necessary approvals must be obtained and copies submitted to the Division of CZM prior to commencement of any development activities, including approvals from the Division of Environmental Protection for the installation of the new USTs and the remediation of the packets of the contaminated soil.*
3. *The Permittee must install all applicable sediment and erosion control measures in accordance with the Revised Environmental Handbook of 2002 prior to any development activities.*
4. *The Permittee is responsible for clearing the storm water inlet both before the commencement and after the conclusion of development activities. The Permittee must contact the Department of Public works to arrange such activities and provide proof of correspondence to CZM.*
5. *The Permittee must install proper inlet protection devices as described in the Revised Environmental Handbook of 2002 to reduce the potential for sediments to enter into the drainage inlet.*

7. **FEES** The rental fees for the use and occupancy of the submerged and/or filled submerged lands as described in "SCOPE" are assessed pursuant to 12 VIC §911(f) and have been negotiated with the Permittee pursuant to 12 VIRR §910-5(e). The initial payment under this permit is due upon receipt of the effective permit, and subsequent payments are due on the anniversary of the effective date. Payments are to be made to the Department of Planning and Natural Resources.

A. The Lessee shall pay an annual rent of **Thirty-Two Thousand Seven Hundred Thirty Dollars and Twelve Cents ($32,730.12),** payable in equal monthly installments of **$2,727.51**, for the use and occupancy of the filled submerged lands area occupied under this permit.

B. From the commencement of the sixth (6th) year of the permit term, the rental fee shall be adjusted in accordance with the increase of the Consumer Price Index as established by the U.S. Department of Labor, Bureau of Labor Statistics for "All Items" All Urban Consumers (1984-100%)" (CPI) as follows, provided, however, no adjustments in rental for any year shall be increased more than fifteen percent (15%) over any preceding year period:

i. The CPI as of the first (1st) month of the fifth (5th year) and as of the first (1st) month of the sixth (6th) year of the lease and each subsequent year of the CPI Period shall be the "base price index" and CPI as of the sixth (6th) year of the Lease term and the commencement of each subsequent year of the CPI Period shall be the "current price index."

ii. The current price index shall be divided by the base price index and the quotient thereof shall be multiplied by the sum of the annual rent of the prior five (5) year period.

iii. The resulting product shall be the annual base rental for the current five (5) year period.

iv. At the commencement of the eleventh (11th) year of the Lease term and every year thereafter of the CPI Period, the base rental shall be adjusted in the same manner, using the index for the month preceding the beginning of each year of the CPI Period for the current price index.

In no event shall any rent determined in the above manner be reduced below an annual rent of $32,730.12.

IN TESTIMONY WHEREOF, the parties herein have hereunto set their hands and seals on the days and years appearing herein below.

ST. THOMAS COMMITTEE OF THE VIRGIN ISLANDS CZM COMMISSION
Permittor

Austin M. Monsanto
Chairman

02/18/15
Date

GOTTLIEB'S QUICKWAY SERVICE CENTER, INC.
Permittee

Mark A. Gottlieb
President

2-6-2015
Date

APPROVED
Governor of the Virgin Islands

Kenneth E Mapp
Governor

5/19/15
Date

APPROVED
Legislature of the Virgin Islands

Neville James
President, Virgin Islands 31st Legislature

Date

I, Mark A.Gottlieb, President of Gottlieb's Quickway Service Center, Inc., do hereby certify that as President of Gottlieb's Quickway Service Center, Inc., I am duly authorized and empowered to sign this Permit on behalf of, Gottlieb's Quickway Service Center, Inc.

Mark A. Gottlieb
President

2/6/2015
Date

SWORN AND SUBSCRIBED before me

this 6th day of February 2015

Notary Public

NOTARY PUBLIC
Name: LaVerne Slack
My Commission Exp. August 26, 2015
NP Commission # NP-077-11
St. Thomas/St. John District