

**PORT TAMPA BAY  
NOTICE OF PUBLIC HEARING**

Notice is hereby given of a public hearing to be held at 10:00 a.m., March 1, 2019 before the Tampa Port Authority, d/b/a Port Tampa Bay at its offices located at 1101 Channelside Drive, Tampa, Florida 33602, to hear public comments regarding the following:

**LEASE AMENDMENT WITH TRANSFLO TERMINAL SERVICES, INC.**

Additional information is available online at [www.tampaport.com](http://www.tampaport.com). All written comments and objections directed toward the foregoing matter should be filed with Port Tampa Bay, Real Estate Department, at 1101 Channelside Drive, Tampa, Florida 33602 by 12:00 noon on February 28, 2019. Oral comments and objections may be presented at the hearing.

In accordance with the federal Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities requiring reasonable accommodation to participate in this hearing should call (813) 905-5031 or fax (813) 905-5029 not later than 48 hours prior to the hearing.

ANY PERSON WHO DECIDES TO APPEAL ANY DECISION OF THE PORT TAMPA BAY WITH RESPECT TO ANY MATTER CONSIDERED AT THIS PUBLIC HEARING WILL NEED A RECORD OF THE PROCEEDINGS AND, FOR SUCH A PURPOSE, MAY NEED TO HIRE A COURT REPORTER TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

To be published Friday, February 8, 2019  
In the Tampa Bay Times

**BACKGROUND INFORMATION FOR PUBLIC HEARING  
MARCH 1, 2019 AT 10:00 A.M.**

**LEASE AMENDMENT WITH TRANSFLO TERMINAL SERVICES, INC.**

Transflo Terminal Services, Inc. (Transflo) is a subsidiary of CSX Corporation and operates a network of terminals which trans-load bulk commodities between railcars and trucks. In 2011, Port Tampa Bay (PTB), Transflo and CSX Transportation, Inc. negotiated terms and conditions for the design, construction and operation of an ethanol transfer facility at the south end of Hookers Point (Ethanol Rail Terminal) for the receipt of unit trains of ethanol; construction of a pipeline between the Ethanol Rail Terminal and the tanks owned by Kinder Morgan Liquids Terminals, LLC; and construction of a loop rail to connect the railroad lines on the east and west sides of Hookers Point. The Ethanol Rail Terminal was completed on or about November 1, 2012 and the subsequent operation of the terminal and related improvements have benefited nearly all consumers within the West Central Florida region who rely upon petroleum products through Port Tampa Bay.

On December 23, 2011, Transflo and PTB entered into a Facility Lease Agreement for the use of approximately 6.47 acres of land for the operation of an ethanol transfer facility. The Facility Lease Agreement requires Transflo to pay \$150 per tank rail car of ethanol unloaded at the premises, not to exceed \$10 million, to refund PTB for the cost of the improvements. After completion of the rail improvements, PTB determined that the rail along the Ethanol Terminal Facility needed to be modified to improve movement of traffic in the area and constructed additional tracks and fencing at a cost of \$930,000.00 (Rail and Fence Improvements) on an additional 2.08 acres of land. Transflo has exercised the first five (5) year Lease Extension Option and has negotiated with PTB staff to increase the Premises by adding approximately 2.08 acres and revise the throughput fee terms. PTB staff and Transflo Terminal Services, Inc. have agreed to the following terms for an amendment to the Facility Lease Agreement:

**Premises:** The Premises would be increased by adding approximately 2.08 acres increasing the total Premises to approximately 8.55 acres of land and will include the 2016 rail improvements as outlined on the enclosed sketch, attached hereto as Exhibit "A".

**Use:** The Premises would be used solely for moving ethanol from rail cars to storage tanks via pipelines, tanks, trucks or other containers or conveyances and for no other purpose without the Port's consent as set forth in the Lease Agreement.

**Term:** The first Lease Extension Option Period would be five (5) years commencing November 1, 2017 and ending October 31, 2022.

**Options:** Transflo's remaining two (2) Lease Extension Option periods of five (5) years each would be based on the same terms and conditions of the current Lease Agreement except as otherwise stated.

**Rent:** Rent for the first Lease Extension Option would be as follows:

<u>Lease Year</u>	<u>Rent</u>
Lease Year 6 (11/01/2017 - 10/31/18)	\$39,541.06/acre and paid on 8.55 acres.
Lease Year 7 (11/01/2018 - 10/31/19)	Rent will be the Rent for the previous year times the CPI Adjustment Factor.
Lease Year 8 (11/01/2019 - 10/31/20)	Rent will be the Rent for the previous year times the CPI Adjustment Factor.
Lease Year 9 (11/1/2020 - 10/31/21)	\$53,000 per acre paid on 8.55 acres.
Lease Year 10 (11/11/2021 - 10/31/22)	Rent will be the Rent for the previous year times the CPI Adjustment Factor.

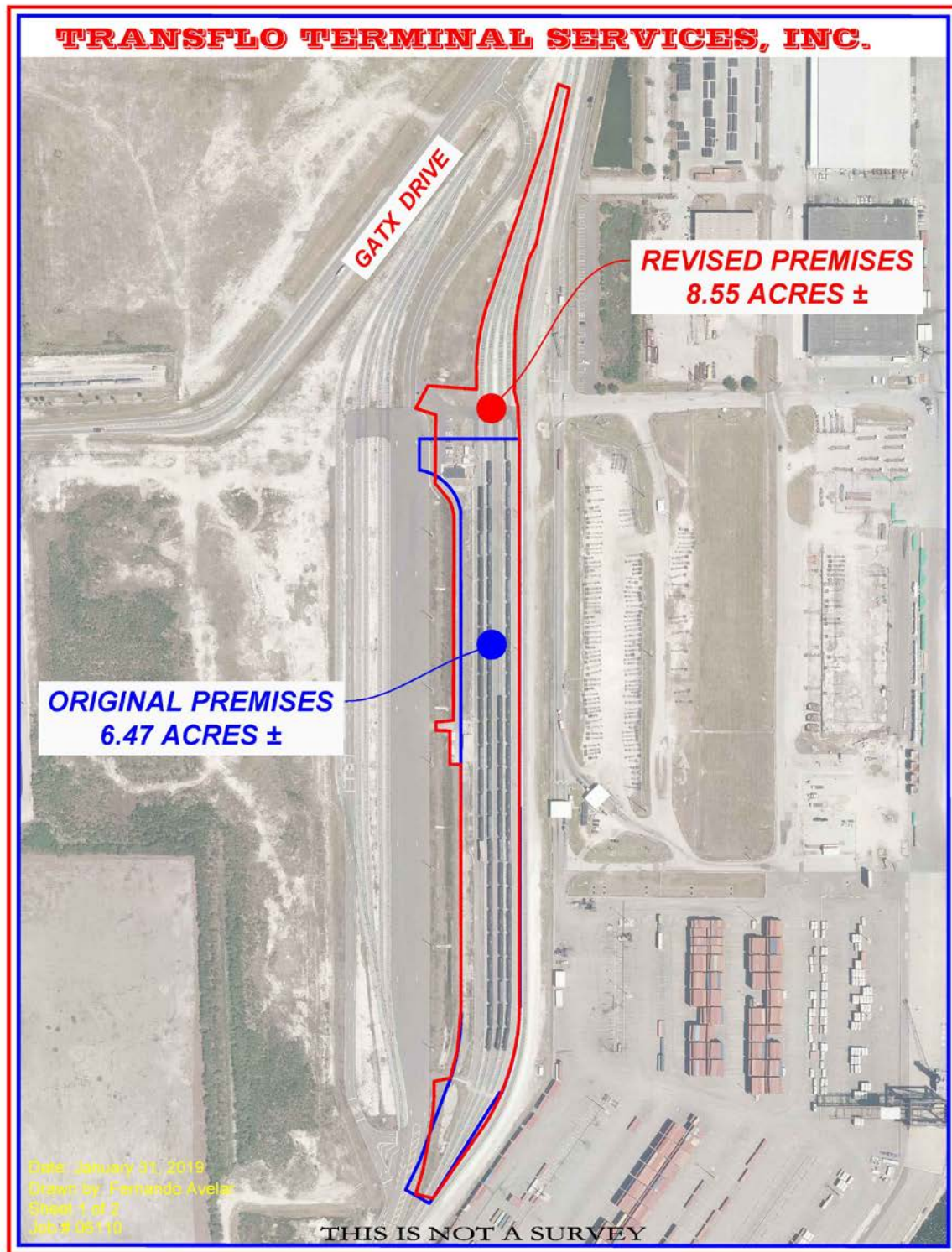
**Payable Ethanol Rail Car Refund:**

The Ethanol Rail Refund of \$150.00 for each rail car would be extended to include the 2016 Improvements of \$930,000.00 attached hereto as Exhibit "B". The Maximum Payable Ethanol Rail Car Refund would be adjusted to a cumulative total of \$10,930,000.00. The reimbursement terms will be modified as follows:

- A reduction from \$150 per car to \$75 per car for the period 1/1/2019 through 12/31/2020.
- For the period 1/1/2021 through 10/31/2022, the rate will revert to \$150 per car.

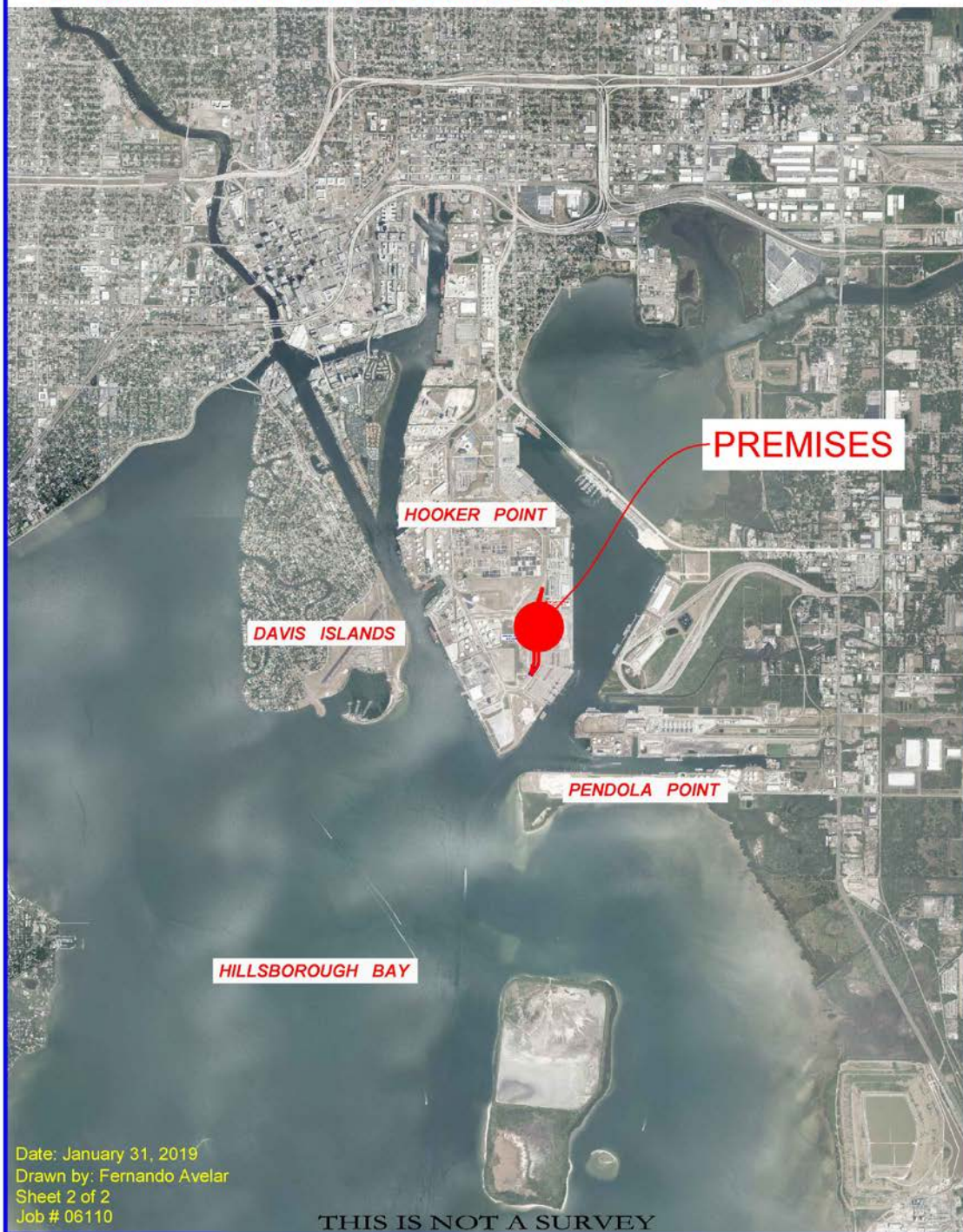
**Other:** All other terms and conditions of the Lease Agreement entered into on December 23, 2011 would remain in full force and effect.

Exhibit "A"





**TRANSFLO TERMINAL SERVICES, INC.**



Date: January 31, 2019  
Drawn by: Fernando Avelar  
Sheet 2 of 2  
Job # 06110

**THIS IS NOT A SURVEY**

## Exhibit "B"

### TRANSFLO FACILITY RELATED CONSTRUCTION COST

FENCING COSTS				
	QTY	UNIT	PRICE	TOTAL
CHAIN LINK FENCE	1822	LF	\$14.10	\$25,690.20
TERMINAL POSTS	14	EA	\$175.00	\$2,450.00
20' DOUBLE GATE	1	EA	\$3,649.00	\$3,649.00
24' DOUBLE GATE	1	EA	\$3,800.00	\$3,800.00
				<b>\$35,589.20</b>

RAIL COSTS				
	QTY	UNIT	PRICE	TOTAL
RAIL	3871.54	TF	\$109.88	\$425,404.82
SUB BALLAST	3871.54	TF	\$20.52	\$79,444.00
BALLAST	3871.54	TF	\$34.36	\$133,026.11
TURNOUT	4	EA	\$54,157.50	\$216,630.00
SURVEYING	3871.54	TF	\$1.50	\$5,807.31
AS-BUILTS	3871.54	TF	\$0.39	\$1,509.90
CROSSINGS	120	LF	\$278.26	\$33,391.20
				<b>\$895,213.34</b>

TOTAL OF FENCE & RAIL COST

**\$930,802.54**