

EXHIBIT A

State of Alabama

Gulf of Mexico Energy Security Act of 2006

Disbursement Justification

Background:

The Gulf of Mexico Energy Security Act (GOMESA) was enacted by Congress in 2006 and significantly enhances outer Continental Shelf (OCS) oil and gas leasing activities and revenue sharing in the Gulf of Mexico. Among other things, GOMESA provides for enhanced sharing of leasing revenues with Gulf producing states and the Land & Water Conservation Fund for Coastal Restoration projects. The GOMESA authorizes uses of the proceeds for the following purposes:

- a. **Projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses;**
- b. **Mitigation of damage to fish, wildlife, or natural resources;**
- c. Implementation of a federally-approved marine, coastal, or comprehensive conservation management plan;
- d. Mitigation of the impact of outer Continental Shelf activities through the funding of onshore infrastructure projects;
- e. Planning assistance and the administrative costs.

Project Description:

Waterways and Shoreline Enhancement Program

The City of Orange Beach, Alabama is a coastal community on the northern shore of the Gulf of Mexico known for its beach tourism, recreational fishing industry, and is host to over 3 million visitors annually. In Orange Beach, Perdido Pass is a popular, dynamic inlet to the Gulf that lies at the lower end of the Perdido Bay watershed, draining approximately 1,140 square miles of land area across Alabama and Florida. In the last eleven years, Orange Beach has been impacted by eight named tropical storm events, one unnamed Presidentially-declared flood disaster and the Deepwater Horizon Spill in 2010. These elements along with the ever-growing number of pollutants in the Gulf foster an environment favorable to the accumulation of marine debris, waterborne trash, and shoreline pollution.

The City of Orange Beach began a pilot program in 2014 to address marine debris and waterborne trash titled the “Waterways and Shoreline Enhancement Program” (WSEP). The program was designed to mitigate marine debris and waterborne trash on a daily basis among the over 46 miles of shoreline. The WSEP has been deemed a small success in the first three years of the program and has even received minor funding from the Guy Harvey Ocean Futures Foundation. In 2018 alone, nearly 70,000 pounds of debris and water-borne trash were removed from local waters as well as 759 bags of trash collected from

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remote shorelines and islands. Additionally, the City of Orange Beach implemented the Leave Only Footprints (LOF) Program in 2015 which consisted of increased regulation of rental vendor equipment on the beach and a requirement to remove all personal property overnight, so beaches can be cleaned. This has created a much safer and hospitable nesting environment for our threatened and endangered marine turtle species. Beach Ambassadors patrol daily educating beachgoers about the program and its benefits while removing the trash and marine debris from the shoreline. Operation Clean Sweep, a component of LOF, involves the removal of abandoned items each night that might otherwise end up in the Gulf and/or local waters. In 2018 the LOF program resulted in 7.4 tons of trash, 22.4 tons of metal, and 3.8 tons of recyclables removed by staff from our beaches. The LOF Program has received three noteworthy awards: The Alabama Tourism Department Partnership Award, the Alabama PALS Governor's Award, and the Dauphin Island Sea Lab Foundation Gulf Coast Marine Environmental Manager Leadership Award.

Despite its success, budget constraints have limited the WSEP program from reaching its full potential. With additional funding to supplement the nearly one-million-dollar annual investment already committed by the City of Orange Beach, we will expand and enhance the program. This will allow the seasonal waterways component to operate year-round and increase its capacity as well as provide for more efficient handling of material collected from all sources to ensure we keep it out of local landfills once collected.

The City's project is essentially three-fold, the expansion and enhancement of the waterway's cleanup; the implementation of new recycling components to keep collected items out of landfills; and launching a large educational campaign to educate the nearly 6.5 million visitors we see annually. The waterway expansion consists of the purchase of an additional vessel with personnel to double the coverage and capacity day-to-day. This project will provide funding for 2 full-time employees and 1 part-time employee. The City also plans to equip the larger vessel with the ability to remove larger marine debris via an on-board davit (small crane) lift. For the recycling portion we intend to purchase the equipment needed to convert the collected items into marketable form and quantities. An example of this would be sorting/baling the polyethylene terephthalate (PET) and high-density polyethylene (HDPE) plastics and storing them until truckload quantities are reached at which time vendors would be willing to accept and transport the items for recycling into finished products. Recycling equipment will also be purchased to convert certain collected items into a usable product on site such as crushed glass or shredded textiles. Currently, collected materials are stored in bulk on an open yard. This project will fund the construction of a small storage building which will accommodate storage of reduced materials and house the proposed recycling equipment. This building will be located at the Beach Barn and Leave Only Footprints yard and pole barn site, as there is room to expand but it will require additional site prep and improved surfaces. The final element consists of a regional media campaign that will include billboard advertisements in order to educate our target audience about the reality of many discarded items and how to prevent them from ending up on our beaches or waterways. In the future we hope to expand to include physical barriers such as storm drain filters and trash capture devices.

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Project Duration:

This project is expected to last 60 months.

Start Date: October 1, 2019

End Date: September 30, 2024

Project Costs: The disbursements will be made as two (2) installments. The first (1) installment will be disbursed upon execution of the Agreement and upon receipt of an invoice for Allowable Costs. The second (2) installment will be disbursed following receipt of satisfactory verification that all previously disbursed funds were used for Allowable Costs.

Category	Estimated Cost
First Installment	\$657,250
Second Installment	\$657,250
TOTAL	\$1,314,500

Nexus to Authorized Use:

This project meets the criteria set forth in authorized use (a) Projects and activities for the purpose of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses and (b) Mitigation of damage to fish, wildlife, or natural resources.

Submitted and Approved By: Nicole Woerner
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City of Orange Beach