





# Seacoast Utility Authority Interlocal Agreement



Palm Beach County  
Water Utilities  
Department  
Service Area (SA) and  
Major Facilities

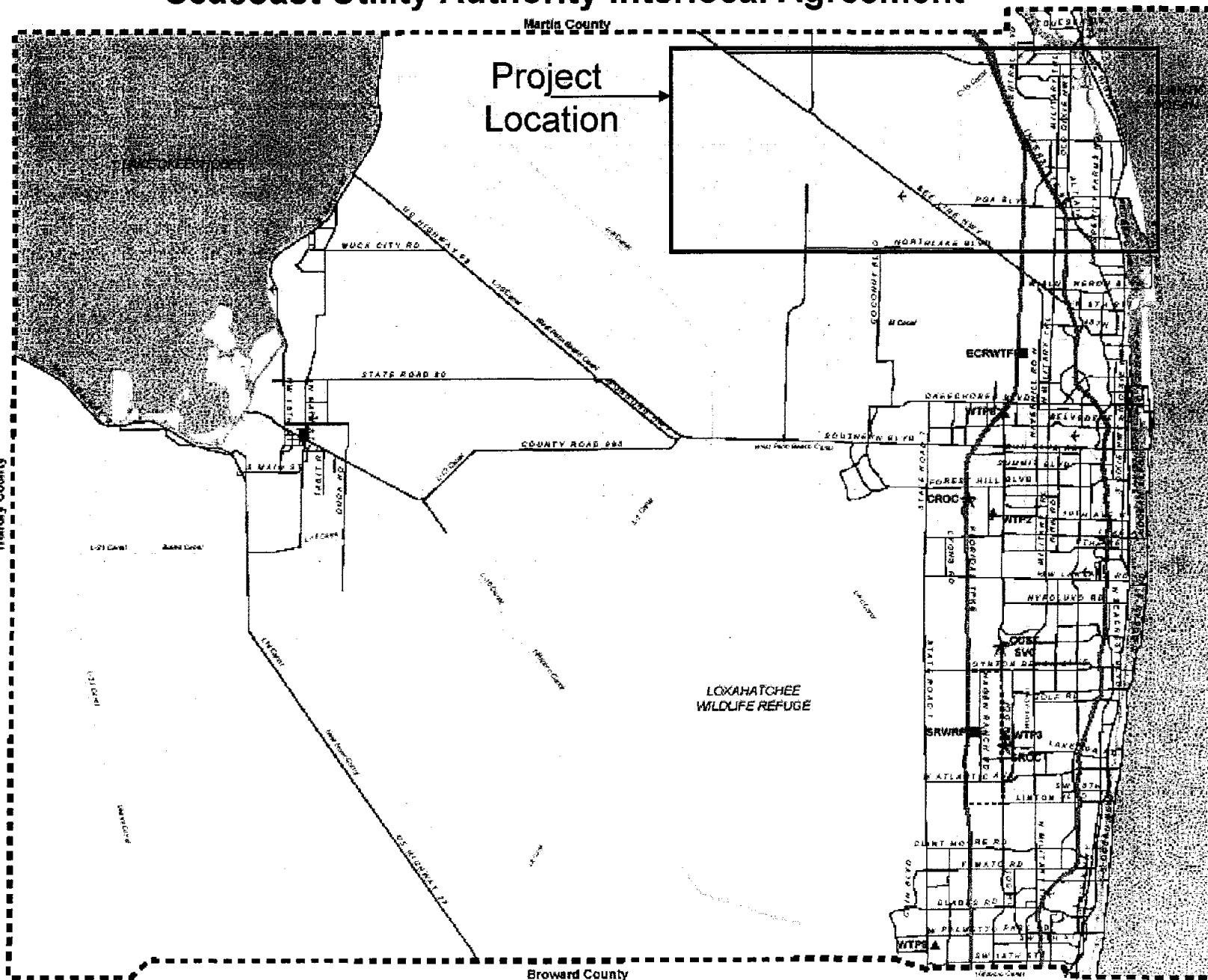
Attachment 1

## Legend

- P.B.C.W.U.D. SA
- - - MANDATORY RECLAIMED SA
- - - COUNTY LIMITS
- ★ Administration
- Water Reclamation Plant
- ▲ Water Treatment Plant
- Wetlands



NOT TO SCALE



**FIRST AMENDMENT TO INTERLOCAL AGREEMENT BETWEEN PALM BEACH COUNTY AND SEACOAST UTILITY AUTHORITY FOR THE PURCHASE AND SALE OF BULK POTABLE WATER AND WASTEWATER SERVICE**

**THIS FIRST AMENDMENT TO INTERLOCAL AGREEMENT** between **PALM BEACH COUNTY** and **SEACOAST UTILITY AUTHORITY** for the purchase and sale of bulk potable water and wastewater service is entered into this \_\_\_\_ day of \_\_\_\_\_, 2007 by and between **PALM BEACH COUNTY**, a political subdivision of the State of Florida (hereinafter "County") and **SEACOAST UTILITY AUTHORITY**, a separate legal public entity created pursuant to the provisions of Chapter 163, Florida Statutes (hereinafter "Authority").

**WITNESSETH**

**WHEREAS**, the County and the Authority are parties to agreement between them for the purchase and sale of bulk potable water and waste water services dated April 18, 2006 (County Resolution No. R-2006-0687) (the "Agreement") and

**WHEREAS**, the parties desire to amend certain provisions of the Agreement.

**NOW THEREFORE**, in consideration of the mutual covenants and conditions hereinafter set forth, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

1. Paragraph 2 of the Agreement is hereby amended to read, in its entirety:
  2. Term. Notwithstanding the Effective Date, the Initial Term of the Agreement shall commence on the Service Initiation Date and extend for a period of up to five (5) years. Should the Authority exercise the Long Term Option as discussed in Article 10 below, this Agreement shall extend for an additional term of twenty-five (25) years, for a total of up to thirty (30) years. Thereafter, this Agreement shall automatically renew for successive periods of 25 years, unless terminated pursuant to other provisions of this Agreement.
2. Paragraph 10 of the Agreement is hereby amended to read, in its entirety:
  10. Long Term Option At its sole option, the Authority shall notify the County, in writing anytime prior to six months of the end of the five-year Initial Term, of the Authority's intention to exercise the Long Term Option. Such notice shall contain the following items: (i) the permanent reservation of Potable Water system capacity expressed in gallons of potable water on an Average Daily Flow basis; (ii) the permanent reservation of Wastewater system capacity expressed in gallons of wastewater on an Average Daily Flow basis; (iii) the date upon which permanent County Potable Water capacity is requested, not later than five years

following the Service Initiation Date; (iv) the date upon which permanent County Wastewater capacity is requested, not later than five years following the Service Initiation Date, and (v) a timeline not to exceed three years in length as to when specific quantities of Potable Water capacity and Wastewater capacity, as defined by Average Daily Flow, will be permanently reserved by the Authority. The quantities of Potable Water and Wastewater service to be reserved by the Authority shall be in ten thousand gallon per day increments subject to the limitations below. The Authority may purchase increments of capacity at various times during the Initial Term, subject to the conditions and limitations below. As to those increments, the purchased capacity will be treated as Long Term Option capacity pursuant to this agreement..

Under the Long Term Option, the Average Daily Potable Water Flow rate to be reserved by the Authority shall be up to five million (5,000,000) gallons per day and the Average Daily Wastewater Flow rate to be reserved by the Authority shall be up to five million (5,000,000) gallons per day. During the Long Term Option, measured Potable Water on any single day shall not exceed 1.33 times the Potable Water capacity reserved by the Authority. During the Long Term Option, measured Wastewater on any single day shall not exceed 1.33 times the Wastewater capacity reserved by the Authority. If the Authority exceeds 1.33 times the reserved Potable Water Capacity on any given day as determined by an examination of metering records at the Points of Connection, the Authority shall pay 150 percent of the then current potable water Commodity Fee for all such excess use. If the Authority exceeds 1.33 times the reserved Wastewater Capacity on any given day as determined by an examination of metering records at the Points of Collection, the Authority shall pay 150 percent of the then current wastewater Commodity Fee for all such excess use. The County shall not be considered in default of Section 6 of this agreement regarding the maintenance of minimum system and static pressures on those days if the Authority exceeds 1.33 times the reserved Potable Water Capacity.

The Authority shall pay the County a bulk Potable Water Capacity Fee of \$2.84 per gallon of Potable Water System capacity and a bulk Wastewater Capacity Fee of \$2.33 per gallon of Wastewater System capacity. The Authority shall be required to pay all applicable Capacity Fees three months prior to commencement of the Long Term Option. However, if the Authority elects to purchase permanent capacity over a three year period in accordance with 10(v) defined above, it shall pay Capacity Fees at the beginning of each 12-month period in said schedule. The Authority shall also continue to pay Carrying Costs at the beginning of each 12-month period on any permanent capacity amounts defined in 10(i) and 10(ii) for which Capacity Fees have not yet been paid.

At any time during the three year period defined in 10(v) above, potable water and wastewater Capacity Fees may be increased by the County at its sole discretion in accordance with the general level of Potable Water and Wastewater connection fee increases affecting County retail customers, if any such increases

have been implemented during the Initial Term or subsequent 10(v) period. Notwithstanding the foregoing, Capacity Fees shall be held fixed at the amounts defined above for that portion of permanently reserved Potable Water and Wastewater capacity represented by the maximum Potable Water and Wastewater capacity on which the Authority paid Annual Carrying Costs during the Initial Term.

All other terms of this Agreement shall be applicable to both the Initial Term and the Long Term Option, and shall remain in full force and effect throughout the entire term of this Agreement.

3. Authority has reviewed the Agreement between Palm Beach County and Florida Power & Light Company for the Temporary Purchase of Bulk Water, dated June 19, 2007 (County Resolution No. R-2007-~~1028~~)("FPL Agreement.") Authority acknowledges that the Florida Power & Light Company, under the FPL Agreement, is not similarly situated to the Authority under this Agreement, and therefore, the rates and fees charged in the FPL Agreement have no effect on the rates and fees charged under this Agreement. Authority specifically acknowledges that it shall have no right to be charged the rates and fees set forth in the FPL Agreement at any time during the term of this Agreement.
4. All other provisions of the Agreement, dated April 18, 2006, are hereby confirmed and, except as provided herein, are not otherwise altered or amended and shall remain in full force and effect.

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**IN WITNESS WHEREOF**, County and Authority have executed or have caused this Agreement, with the named Exhibits attached, to be duly executed in several counterparts, each of which counterpart shall be considered an original executed copy of this Agreement.

**AS TO COUNTY:**

ATTEST:

Sharon R. Bock, Clerk and Comptroller

PALM BEACH COUNTY, FLORIDA  
BY ITS BOARD OF COUNTY  
COMMISSIONERS

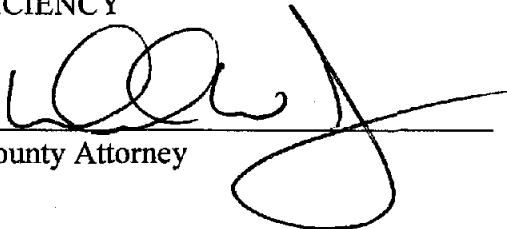
By: \_\_\_\_\_  
Clerk

By: \_\_\_\_\_  
Addie L. Greene, Chairperson

(SEAL)

APPROVED AS TO FORM AND TO  
SUFFICIENCY

APPROVED AS TO TERMS AND LEGAL  
CONDITIONS

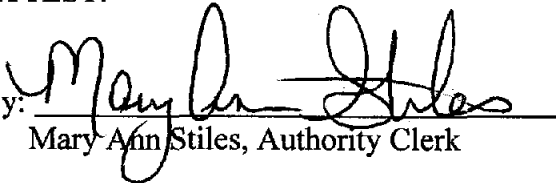
By:   
County Attorney

By: \_\_\_\_\_  
Department Director of Water Utilities

**AS TO AUTHORITY:**

ATTEST:

SEACOAST UTILITY AUTHORITY

By:   
Mary Ann Stiles, Authority Clerk

By:   
Ron Ferris, Chairman

APPROVED AS TO FORM AND TO LEGAL  
SUFFICIENCY

By:   
Authority Attorney