

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

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Meeting Date:	January 12, 2010	Consent <input checked="" type="checkbox"/> [X]	Regular <input type="checkbox"/> []
		Public Hearing <input type="checkbox"/> []	
Submitted By:	Water Utilities Department		
Submitted For:	Water Utilities Department		

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I. EXECUTIVE BRIEF


Motion and Title: Staff recommends motion to approve: an Interlocal Agreement with the Seacoast Utility Authority (Authority) for the temporary provision of potable water and wastewater service to the North County Airport (NCA).


Summary: This agreement permits the Water Utilities Department (WUD) to provide potable water and wastewater service to the NCA, which is located in the Authority's service area. WUD currently operates and maintains the on-site water plant, wastewater plant, and sewage lift stations under an operating agreement with the Department of Airports (DOA) at a cost of approximately \$135,000 per year. However, the NCA's facilities will soon require significant capital improvements which can be avoided by obtaining potable water and wastewater service directly from WUD's nearby lines. DOA has agreed to pay the cost of the line extensions (approximately \$1,231,000), which will be partially funded through a federal grant. Under the agreement with the Authority, WUD will collect connection fees (\$160,296.30) from DOA at the Authority's rates and hold the fees until such time as the Authority may reclaim its service rights to the area. Interest on the connection fees will be retained by WUD. DOA will pay WUD's normal monthly charges for base facility fees and commodity fees. District 1 (MJ)

Background and Justification: WUD has operated and maintained the NCA's on-site potable water and wastewater facilities for a number of years and is currently providing direct water and wastewater service through existing lines to the nearby Beeline Community Development District. The extension of the lines to the NCA is more cost-effective than expending funds for extensive capital improvements. It will also allow for additional tenants and future development at the NCA site.

Attachments:

- 1. Location Map
- 2. Two (2) Original Agreements

Recommended By:  1/7/10
Department Director Date

Approved By:  1/11/2010
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2010	2011	2012	2013	2014
Capital Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
External Revenues	<u>0</u>	<u>(\$27,517)</u>	<u>(\$28,393)</u>	<u>(\$29,304)</u>	<u>(\$30,252)</u>
Operating Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
In-Kind Match County	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET FISCAL IMPACT	<u>0</u>	<u>(\$27,517)</u>	<u>(\$28,393)</u>	<u>(\$29,304)</u>	<u>(\$30,252)</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Budget Account No.: Fund 4000 Dept 720 Unit Various Object Various

Is Item Included in Current Budget? Yes No **X**

B. Recommended Sources of Funds/Summary of Fiscal Impact:

WUD will collect its normal monthly base facility and commodity fees for the services provided to the North County Airport. Estimated revenue assumes 4% annual indexing for WUD fees, and 3.5% annual interest on the connection fees.

C. Department Fiscal Review: *Dehya M West*

III. REVIEW COMMENTS


A. OFMB Fiscal and/or Contract Development and Control Comments:

Legal sufficiency;

Irwin L. Jacobowitz / E.J. 1/8/10
Contract Development and Control

This Contract complies with our contract review requirements.

B. Legal sufficiency:

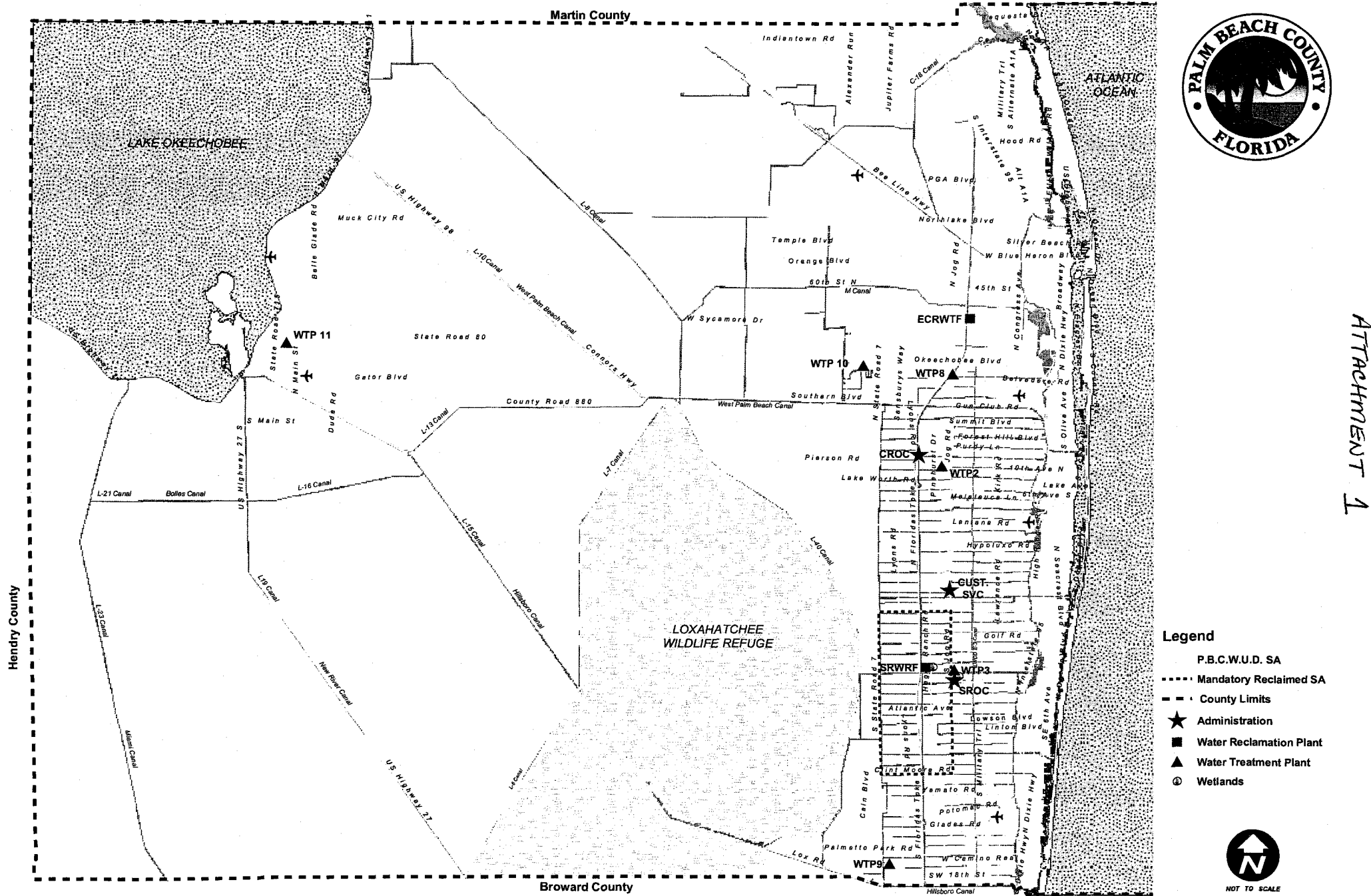
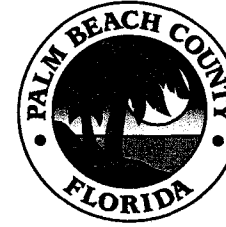
 1/11/10
Assistant County Attorney

C. Other Department Review:

Department Director

This summary is not to be used as a basis for payment.

PALM BEACH COUNTY, FLORIDA
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**
- ④ Wetlands**



NOT TO SCALE

**INTERLOCAL AGREEMENT BETWEEN PALM BEACH COUNTY AND SEACOAST
UTILITY AUTHORITY FOR THE TEMPORARY PROVISION OF POTABLE WATER
AND WASTEWATER SERVICE TO THE NORTH COUNTY AIRPORT SITE**

THIS AGREEMENT made and entered into this _____ day of _____, 2009, by and between **PALM BEACH COUNTY**, a political subdivision of the State of Florida (hereinafter "County"), and the **SEACOAST UTILITY AUTHORITY**, a separate legal public entity created pursuant to the provisions of Chapter 163, Florida Statutes (hereinafter "Authority").

WITNESSETH:

WHEREAS, County and Authority entered into a service area boundary agreement titled "Interlocal Agreement between Palm Beach County and the Seacoast Utility Authority" dated September 13, 2005, ("Service Boundary Agreement"); and

WHEREAS, Authority has received limited requests for water and wastewater service in its western service area lying north and south of Beeline Highway, said lands lying and being outside of the water and wastewater service area of the County; and

WHEREAS, County and Authority both acknowledge said lands to be within the service area of Authority; and

WHEREAS, Authority has not yet extended water and wastewater mains to all of its western service area; and

WHEREAS, County has extended water and wastewater mains adjacent to the Authority's western service area to serve the Beeline Community Development District; and

WHEREAS, the North County Airport, which lies within the Authority's service area, has requested municipal water and wastewater service to be extended to them and connected to their existing water and wastewater system; and

WHEREAS, Authority is willing to allow County, through its Palm Beach County Water Utilities Department ("PBCWUD") to provide, on a temporary basis, water and wastewater service to the North County Airport site ("Property"), which is more particularly described in **Exhibit "A"**, which is attached hereto and incorporated herein;

NOW THEREFORE, in consideration of the mutual covenants and promises as hereinafter set forth, County and Authority agree as follows:

1. The foregoing statements are true and correct.

2. Authority hereby grants County the temporary right to provide water and wastewater service to the Property, subject to the terms and provisions of this Agreement. Authority's grant of service rights to County as set forth herein shall become effective on the date that County commences water or wastewater service to the Property in accordance with all regulatory permits, requirements and releases and the terms of this Agreement ("Service Initiation Date").
3. County may fund, construct, or cause to be constructed certain water and/or wastewater transmission system improvements required to serve the Property ("Required Utility Improvements"). The Required Utility Improvements shall be constructed in accordance with County construction standards, provided that all pipelines four-inches or greater in nominal diameter shall be constructed of dimension ratio (DR) 18 PVC or class 51 ductile iron pipe. Subject to the terms and conditions of this Agreement, County shall own, operate and maintain the Required Utility Improvements. Notwithstanding anything to the contrary herein, in the event of any termination of the service rights provided herein, County shall, to the extent acceptable to the Authority, grant ownership to the Authority of any Required Utility Improvements within the Authority's service area as established by and through the Service Boundary Agreement (the "Authority's Service Area"), together with such easements or licenses as the Authority may reasonably require to own, operate and maintain the Required Utility Improvements within the Authority's Service Area. The transfer of the Required Utility Improvements and associated easements or licenses shall be on a as-is, where-is basis. County shall not be required to warrant any transferred Required Utility Improvements, nor to insure any associated easements or licenses. County shall be under no obligation to acquire any additional easements or licenses following the transfer of the Required Utility Improvements. Upon the Authority's acceptance of ownership of Required Utility Improvements, the Authority shall assume the obligation to operate and maintain the Required Utility Improvements to which it elects to accept title. No Required Utility Improvements shall be constructed or released for service without the Authority's written approval which shall not be unreasonably withheld or delayed.
4. The Palm Beach County Department of Airports ("PBCDA") is and shall be the only water and wastewater customer within the Property, except for North County Airport tenants, who are not expected to enter into agreements that would require the payment of "connection charges" or "capacity reservation fees". So long as the County provides service to the Property other than through a bulk service arrangement whereby it sells water and sewer service to the Authority in order for the Authority to serve the Property, individual customers within the Property, including PBCDA, shall thereafter pay the rates, fees and charges as those prevailing for the County's other similarly situated customers
5. Except as specifically set forth herein, this Agreement shall not be construed to grant to any of the parties hereto the right or obligation to provide water or wastewater outside the respective service area boundaries set forth in the Service Boundary Agreement between the parties.
6. Authority may terminate this Agreement and reclaim its service rights to the Property at any time, with 180 days prior written notice. This Agreement shall be for a term of one (1) year from the Service Initiation Date and shall be extended automatically by

succeeding terms of one (1) year on each yearly anniversary of the Service Initiation Date unless such 180 days' notice is provided.

7. In reclaiming its service rights to the Property, Authority may, at its sole discretion and cost, install a master meter and purchase bulk water and sewer service from PBC for the benefit of any customers lying within the Property. Master metering facilities constructed to effect this option shall be in accordance with County construction standards and shall be deeded by bill of sale to County, and shall be constructed at a mutually agreed location. County shall bill Authority for continuing water and/or wastewater service in accordance with the terms and conditions provided in the agreement titled "Interlocal Agreement Between Palm Beach County and Seacoast Utility Authority for the Purchase and Sale of Bulk Potable Water and Wastewater Services" dated April 18, 2006, as amended from time to time ("Bulk Service Agreement"), and County shall thereafter cease billing individual customers receiving service through the master meter. Individual customers within the Property, including PBCDA, shall thereafter pay the rates, fees and charges (but not connection charges except as otherwise set forth in this Agreement) as those prevailing for the Authority's other customers. County shall own, operate and maintain all Required Utility Improvements upstream of the master meter. The Authority, subject to the terms of this Agreement, shall own, operate and maintain all Required Utility Improvements downstream of the master meter, except for any Required Utility Improvements or other utility facilities located on the Property as shown on Exhibit "A", which shall continue to be owned, operated and maintained by the County. The Authority's election of this option will not foreclose the Authority's ability to undertake service to the Property through means other than bulk service from County. The terms of the Bulk Service Agreement shall also apply to all aspects of water and sewer services provided by the County to the Authority under this paragraph.
8. County acknowledges that the Authority's connection fees for water and wastewater service to the Property total \$160,296.30 as shown on **Exhibit "B"** ("Airport Connection Charges"). These fees shall be paid by PBCDA to PBCWUD. The County shall pay the Airport Connection Charges to the Authority on the first to occur of either of the following conditions:
 - a. The Authority reclaims its service rights to the Property by terminating this Agreement and providing service to the Property using its own facilities; or
 - b. The Authority reclaims its service rights to the Property and provides service to the Property through purchasing such services in bulk, from the County pursuant to paragraph 7, above.

In the event that the use of the Property is increased, altered or amended from that shown on **Exhibit "B"**, the Authority reserves the right to collect or compel payment of corresponding connection fees according to Authority policy. 9.

9. Nothing in this Agreement shall be construed to prevent interruption of service to the Property in accordance with the County's service agreements, County policies, Authority's service agreements, Authority policies, or local and state law.

10. This Agreement is only intended for the benefit of the parties hereto, their respective successors and permitted assigns. No person or entity other than the parties hereto, their respective successors and permitted assigns shall have any enforceable right to benefit from or have the right to enforce any term or provision of this Agreement.
11. Whenever any notice, demand, consent, delivery or request is required or permitted hereunder, it shall be in writing and shall be deemed to have properly given or served (a) when delivered in fact to the proper party, or (b) when deposited in the United States mail, with adequate postage prepaid and sent by registered or certified mail with return receipt requested, or (c) delivered to Federal Express or other comparable overnight courier, or (d) sent by facsimile transmission with a copy mailed by U.S. first class mail, postage prepaid to the addresses set forth below or at such other addresses as are specified by written notice so given in accordance herewith. All notices and requests required or authorized hereunder shall be delivered as aforesaid to the respective parties hereto as follows:

TO COUNTY: Palm Beach County
 8100 Forest Hill Blvd.
 West Palm Beach, Fl 33413
 Attn: Department Director
 Fax No.: (561) 493-6008

WITH COPY TO: Palm Beach County Attorney
 301 N. Olive Ave., 6th Floor
 West Palm Beach, Fl 33401
 Attn: County Attorney
 Fax No.: (561) 355-4398

TO AUTHORITY: Seacoast Utility Authority
 4200 Hood Road
 Palm Beach Gardens, Fl 33410
 Attn: Executive Director
 Fax No.: (561) 624-2839

12. This document shall be recorded in the Public Records of Palm Beach County, Florida.

THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, County and Authority have executed or have caused this Agreement 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

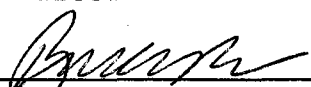
By: _____
Deputy Clerk

By: _____
Burt Aaronson, Chair

APPROVED AS TO FORM AND TO
LEGAL SUFFICIENCY

APPROVED AS TO TERMS AND
CONDITIONS

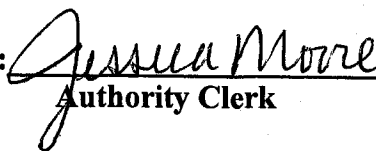
By:  _____
County Attorney

By:  _____
Director of Water Utilities

AS TO AUTHORITY:

ATTEST:

SEACOAST UTILITY AUTHORITY

By:  _____
Authority Clerk

By:  _____

EXHIBIT A
DESCRIPTION OF PROPERTY

All that portion of the Northwest One-Quarter (NW ¼) of Section 1, Township 42 South, Range 41 East, lying Southwesterly of the Southwesterly right-of-way line of the Seaboard Airline Railroad:

TOGETHER WITH all that portion of the Southwest One-Quarter (SW ¼) of Section 1 Township 42 South, Range 41 East, lying Southwesterly of the Southwesterly right-of-way line of the Seaboard Airline Railroad:

TOGETHER WITH all that portion of the Southeast One-Quarter (SE ¼) of Section 1 Township 42 South, Range 41 East, lying Southwesterly of the Southwesterly right-of-way line of the Seaboard Airline Railroad:

TOGETHER WITH all that portion of Section 2, Township 42 South, Range 41 East, lying Southwesterly of the Southwesterly right-of-way line of the Seaboard Airline Railroad:

TOGETHER WITH a parcel of land in the Northeast One-Quarter (NE ¼) of Section 11, Township 42 South, Range 41 East being more particularly described as follows:

Commence at the Northeast corner of said Section 11;

THENCE on an assumed bearing of West along the North Line of said Section 11 a distance of 500 feet to the POINT OF BEGINNING;

THENCE continue West along said North line a distance of 1909.19 feet;

THENCE S 45.00'00" E a distance of 1350 feet;

THENCE N 45.00'00" E a distance of 1350 feet to the POINT OF BEGINNING;

Said land situate within Palm Beach County, Florida, containing 743.95 acres (32,404,407 Sq. Ft.) more or less.

EXHIBIT "B"
AUTHORITY CONNECTION CHARGES

Existing Hangars:

$356,064 \text{ sq. ft.} \times .04 = 14,242.56 \text{ gpd} \div 275 = 51.791 \text{ ERCs} \times \$2,700.00 = \$139,835.70.$

Existing Terminal:

$5,000 \text{ sq. ft.} \times .1 = 500 \text{ gpd} \div 275 = 1.818 \text{ ERCS} \times \$2,700.00 = \$ 4,908.60.$

Proposed Hangars:

$39,600 \text{ sq. ft.} \times .04 = 1,584 \text{ gpd} \div 275 = 5.760 \text{ ERCs} \times \$2,700.00 = \$ 15,552.00.$

The above information is calculated based on the information provided on August 25, 2009.