Agenda Item #___

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

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Meeting Date:	July 19, 2011	Consent [] Public Hearing []	Regular [X]
Submitted By:	Water Utilities Department		
Submitted For:	Water Utilities Department		

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to: A) approve an Interlocal Agreement with the Village of Palm Springs for the purchase and sale of bulk wastewater transmission, treatment and disposal service ("Bulk Agreement"); B) approve an Interlocal Agreement with the Village of Palm Springs for utility system transfer ("Transfer Agreement"); and C) authorize the Chair of the Board of County Commissioners to execute any and all documents to effectuate the utility systems transfers contemplated in the Transfer Agreement.

Summary: In order to ensure the most efficient delivery of water and wastewater service, the County has encouraged the use of cooperative agreements with other utility systems. This Bulk Agreement provides for the Village of Palms Springs (Village) to purchase up to 1.4 million gallons per day of wastewater service from the County. This Agreement replaces bulk wastewater agreements from 1986 (R86-362) and 1990 (R90-1087D) and simplifies the rate calculations set forth in the earlier agreements, as well as removes the requirement for the Village to require the collection of County connection fees in certain locations. The amount of reserved wastewater capacity is the same as set forth in the earlier agreements. The Village will pay a commodity fee of \$1.74 per 1,000 gallons of wastewater delivered to the points of connection, with said commodity fee being recalculated yearly based on a number of factors. The term of the Bulk Agreement is 30 years and may be extended for up to ten (10) additional years. The cost of connecting the County's system with the Village's system is to be borne by the respective utility on each side of interconnects, with the cost of interconnects being shared equally by the Village and the County. The Transfer Agreement transfers certain portions of the County's and Village's respective Utility Service Areas and associated assets in order to achieve a more efficient overall provision of service to customers of both systems. Village agrees that current County customers within the area being transferred to the Village shall initially be charged County rates, which will be increased on October 1st of each year by an by an agreedupon index, until such time that the property annexes, or for ten (10) years, whichever occurs earlier. The Village is required to remit to the County \$185,831.76 for the difference in value in transfer area and as an agreed settlement amount of unpaid past connection charges and unpaid commodity charges under previous agreements. In addition, an accrued municipal service tax calculated from the date the Village provided notice to the County to begin collection, will be paid to the Village by the County, or utilized as a credit upon other payments owed by the Village to the County. District 3 (MJ)

Background and Justification: The Village and County are currently parties to 1997 (R97-1130D) and 2003 (R2003-0286) Utility Service Area Agreements, which define the boundaries or the respective service areas. The County has wastewater capacity available, and this new Agreement will benefit existing and future Village and County utility customers by ensuring the most efficient delivery of wastewater service.

Attachments:

- 1. Location Map
- 2. Two (2) Original Bulk Agreements
- 3. Two (2) Original Service Area Transfer Agreements

Recommended By:

29/11 mar 1 **Department Director** Date

Approved By:

Assistant County Administrator

Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2010	2011	2012	2013	2014
Capital Expenditures External Revenues Capital Reimbursement	(<u>\$185,832)</u> <u>0</u>	<u>0</u> 0	<u>0</u> 0 0	<u>0</u> 0	
Operating Revenues	0	<u>0</u>	0	<u>0</u>	0
NET FISCAL IMPACT	(\$185,832),	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Budget Account No.:	Fund <u>4011</u> Dept	<u>721</u> Unit	<u>4211</u> Rvrsc	<u>6691</u>	

Is Item Included in Current Budget?

Yes X No

Reporting Category N/A

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

The Village is required to remit to the County \$185,831.76 for the difference in value in transfer area and an agreed settlement amount of unpaid past connection charges and unpaid commodity charges

C. Department Fiscal Review:

Debra movest

III. REVIEW COMMENTS

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

Β.

Legal Sufficiency:

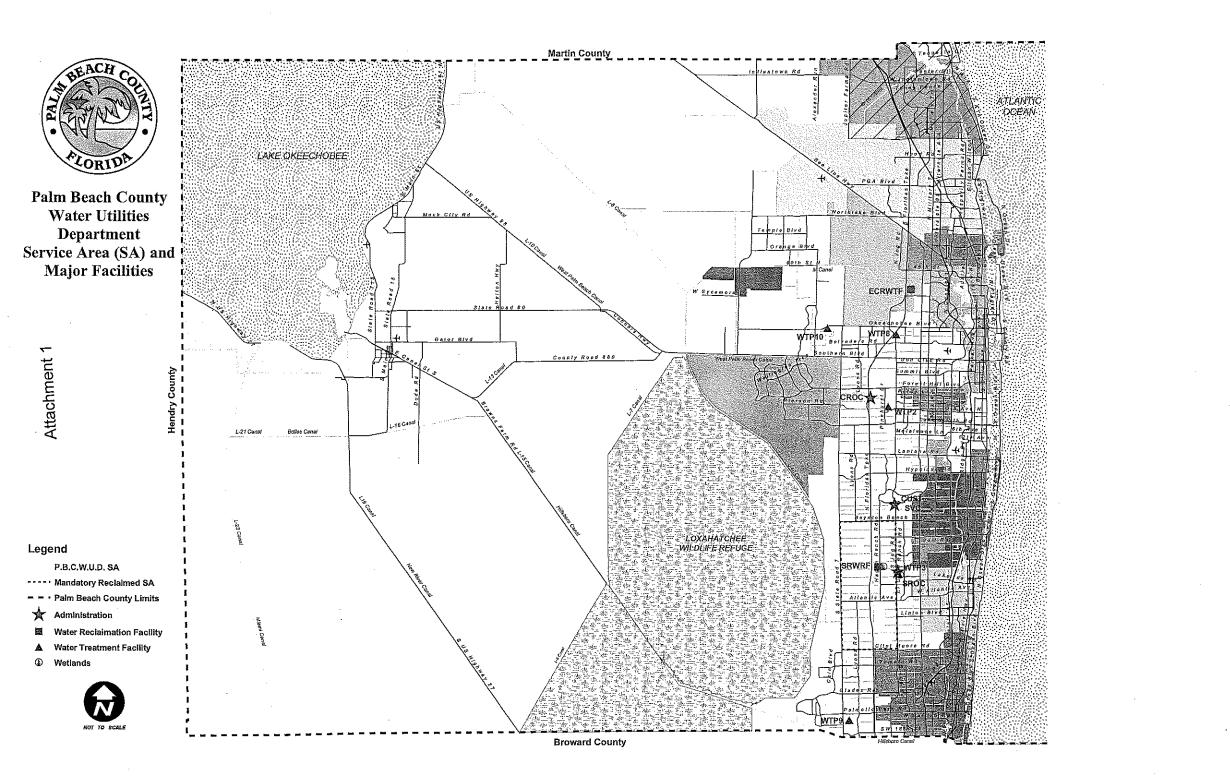
Assistant County Attorney

C. Other Department Review:

Contract Deve opment and reenh Ũ

Department Director

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



INTERLOCAL AGREEMENT BETWEEN PALM BEACH COUNTY AND THE VILLAGE OF PALM SPRINGS FOR THE PURCHASE AND SALE OF BULK WASTEWATER TRANSMISSION, TREATMENT, AND DISPOSAL SERVICE/EMERGENCY POTABLE WATER INTERCONNECTS

THIS AGREEMENT made and entered into this ______ day of ______, 2011, by and between **PALM BEACH COUNTY**, a political subdivision of the State of Florida (hereinafter "County"), and the **VILLAGE OF PALM SPRINGS**, **FLORIDA**, a municipality organized under the laws of the State of Florida (hereinafter "Village").

WITNESSETH

WHEREAS, Section 163.01, Florida Statutes, known as the "Florida Interlocal Cooperation Act of 1969" authorizes local governments to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities that will harmonize geographic, economic, population and other factors influencing the needs and development of local communities; and

WHEREAS, the County and the Village are currently parties to two interlocal agreements dated March 11, 1986 (County Resolution R86-362) and July 10, 1990 (County Resolution R90-1087D)(the "Prior Agreements") whereby the County provides bulk Wastewater transmission, treatment, and disposal service to a portion of the Village; and

WHEREAS, the County and Village wish to replace the Prior Agreements with this Agreement; and

WHEREAS, the County wishes to sell, and the Village wishes to purchase, bulk Wastewater transmission, treatment, and disposal services pursuant to the terms and conditions of this Agreement; and

WHEREAS, to encourage and facilitate cost savings for Wastewater customers of the County and the Village, the parties desire to enter into this Agreement.

NOW, THEREFORE, for and in consideration of these premises, the mutual undertakings and agreements herein contained and assumed, the County and the Village hereby covenant and agree as follows:

1. The foregoing statements are true and correct.

2. <u>Term.</u> The term of this Agreement shall commence upon execution by both parties and shall continue in full force and effect for a period of thirty (30) years and may be extended for up to ten (10) additional years upon approval by both parties.

3. <u>Effective Date.</u> This Agreement shall become effective upon approval by both parties. The Effective Date of this Agreement shall be the date the Agreement is approved by the Palm Beach

County Board of County Commissioners.

4. <u>Definitions</u>. The following definitions and references are given for the purpose of interpreting the terms as used in this Agreement and apply unless the context indicates a different meaning:

(a) "Additional Points of Connection" means the proposed locations of additional metered interconnections between the County's Wastewater System and the Village's Wastewater System. The Additional Points of Connection are depicted in Exhibit "A-1" through "A-2", which are attached hereto and incorporated herein.

(b) "Capital Support Rate" – means a rate per 1,000 gallons of Wastewater to be paid by the Village to the County for the Village's share of ECR capital carrying costs (including depreciation, renewal and replacement, and debt service) and for the recovery of County depreciation and debt service costs on existing wastewater lines and pumping stations. The Capital Support Rate includes the Fixed Capital Support Rate and the Variable Capital Support Rate.

(c) "Commodity Fee" means a composite rate per 1,000 gallons of Wastewater to be paid on a monthly basis by the Village to the County for Wastewater passing through the Points of Connection. The Commodity Fee shall be calculated by adding the Capital Support Rate to the O&M Rate.

(d) "County's Wastewater System" – means the system owned and/or operated by the County for the collection and transmission of Wastewater for treatment at the ECR, said system being located on the County's side of the Points of Connection and including all Wastewater meters and related appurtenances located at the Points of Connection.

(e) "County O&M Rate" means the portion of the O&M Rate which represents the Village's share of the County's variable wastewater transmission, treatment, and disposal costs. The County O&M Rate shall only be adjusted through indexing as set forth in Section 8.

(f) "ECR" – means the East Central Regional Wastewater Treatment Facility, which is jointly owned by five local governments, including the County, and operated by the City of West Palm Beach, and which provides Wastewater treatment for the County's Northern Sub-service Area.

(g) "ECR O&M Rate" means the portion of the O&M Rate which represents the Village's share of the operation and maintenance costs of the ECR allocated on a budgetary basis by the ECR to the County. The ECR O&M Rate shall be variable for the term of this Agreement in accordance with Section 9.

(h) "Existing PW Interconnect" has the meaning set forth in Section 16.

(i) "Existing Point of Connection - East" means one of the existing metered interconnections between the County's Wastewater System and the Village's Wastewater System, which is depicted in **Exhibit "B**", which is attached hereto and incorporated herein.

(j) "Existing Point of Connection - North" means one of the existing metered interconnections between the County's Wastewater System and the Village's Wastewater System, which is depicted in **Exhibit "C**", which is attached hereto and incorporated herein.

(k) "Fixed Capital Support Rate" means the portion of the Capital Support Rate that is fixed for the term of this Agreement and represents the recovery of County depreciation and debt service costs on existing wastewater lines and pumping stations. The Fixed Capital Support Rate shall be \$0.085 per 1,000 gallons of wastewater delivered through the Points of Connection.

(l) "New PW Interconnects" has the meaning set forth in Section 16.

(m) "Northern Sub-service Area" means the portion of the County's service area where Wastewater is collected and transmitted to the ECR for treatment and disposal.

(n) "O&M Rate" - a rate per 1,000 gallons of Wastewater to be paid by Village to County to pay the Village's share of the County's variable wastewater transmission, treatment, and disposal costs. The O&M Rate includes the County O&M Rate and the ECR O&M Rate.

(o) "Points of Connection" means the metered interconnections utilized to convey Wastewater from the Village to the County under this Agreement, which may include the Existing Point of Connection - North, the Existing Point of Connection – East, and the Additional Points of Connection. The County's Wastewater System shall include the master meters and related appurtenances located at the Points of Connection, including the concrete meter pit and hatches; the isolation valve; and the bypass and connecting pipe between the meter and force main, with said master meters being utilized to measure the flow of Wastewater from the Village to the County.

(p) "Prior Agreements" has the meaning set forth in the Whereas Clauses.

(q) "PW Interconnects" has the meaning set forth in Section 16.

(r) "Service Initiation Date" means the Effective Date of this Agreement.

(s) "UPAP" means the Uniform Policies and Procedures Manual of the Palm Beach County Water Utilities Department as may be amended from time to time.

(t) "Variable Capital Support Rate" - the portion of the Capital Support Rate that is variable for the term of this Agreement and represents the recovery of the Village's share of the annual Renewal and Replacement (R&R), debt service, and other capital costs allocated on a budgetary basis by the ECR to the County. It also may include the Village's portion of any debt service on any bonds that the County or ECR may issue to pay for ECR capital improvements.

(u) "Village's Wastewater System" means the system owned and/or operated by the Village for the collection and transmission of Wastewater within the Village's Wastewater Service Area, said system being located on the Village's side of the Points of Connection.

(v) "Wastewater" means liquid and water-carried industrial, domestic, medical, food, superfluous solid, gaseous material, holding tank or other wastes from dwelling units, commercial establishments and manufacturing units, whether treated or untreated.

5. <u>Scope of Agreement</u>. The County agrees to furnish, and the Village agrees to purchase, Wastewater transmission, treatment, and disposal service in accordance with the terms and conditions of this Agreement.

6. <u>Termination of Existing Agreements.</u> The County and the Village agree that the interlocal agreements dated March 11, 1986 (County Resolution R86-362) and July 10, 1990 (County Resolution R90-1087D) are hereby terminated as of the Effective Date of this Agreement.

7. <u>Capacity Reservation</u>. The County shall provide the Village with Wastewater transmission, treatment, and disposal services at the varying flow rates required by the Village, not to exceed 1.4 million gallons per day (MGD). The County may accept additional wastewater beyond the amount reserved, but is under no obligation to do so. No fee for the reservation of capacity in the County's Wastewater System shall be required.

Commodity Fee - The initial monthly Commodity Fee shall be \$1.74 per thousand gallons of 8. bulk Wastewater delivered to the County by the Village at the Points of Connection. This fee shall include an initial O&M Rate (made up of the County O&M Rate and the ECR O&M Rate) of \$1.45 per 1,000 gallons, and an initial Capital Support Rate (made up of the Fixed Capital Support Rate and the Variable Capital Support Rate) of \$0.29 per 1,000 gallons. The initial composition of the Commodity Fee is detailed in Exhibit "D", which is attached hereto and incorporated herein. Beginning on October 1, 2011, and for each year thereafter, the County O&M Rate shall be adjusted by an amount equal to the three-fourths (3/4) of the change in the prior year's (measured July to July) Consumer Price Index, all Urban Consumers, Water and Sewerage Maintenance, published by the U.S. Department of Labor, Bureau of Labor Statistics ("CPI") or some other mutually agreed-upon index if the CPI is discontinued. The ECR O&M Rate and the Variable Capital Support Rate shall not be subject to annual indexing set forth in this Section 8, but shall be subject to the annual adjustment set forth in Section 9. The Fixed Capital Support Rate shall not be subject to the indexing set forth in this Section 8 nor the annual adjustment set forth in Section 9

9. <u>Future ECR Capital and O&M Costs.</u> Future capital investments at ECR shall be reflected in an adjusted Variable Capital Support Rate allocated between the Village and the County and any other bulk Wastewater customers in the ECR Northern Sub-service Area in accordance with the Variable Capital Support Rate calculation shown in **Exhibit "E"**. Future operations and maintenance costs at ECR shall be reflected in an adjusted ECR O&M Rate allocated between the Village and the County and any other bulk Wastewater customers in the ECR Northern Sub-service Area in accordance with the ECR O&M Rate calculation shown in **Exhibit "F"**. All rate recalculations will be effective on October 1 of each future year and be rounded to the nearest 1/10 of one cent.

10. <u>Additional Points of Connection</u>. The Village and County shall each be responsible for any costs related to the extension of their respective Wastewater facilities up to the Additional Points of Connection. The parties shall equally share in the costs of design and construction of the metering

facilities and appurtenant facilities located at the Additional Points of Connection, and said metering facilities and shall be owned, operated, and maintained by the County. County shall be responsible for the design and construction of the Additional Points of Connection, and shall invoice Village for its one-half (1/2) of the design and construction costs following completion of construction. The parties agree to cooperate in obtaining any necessary easements, licenses, or other required approvals in order to construct the facilities necessary for the Additional Points of Connection, including the extension of their respective Wastewater facilities up to the Additional Points of Connection.

11. Payment of Bills. The County will bill the Full Cost Recovery Fee on a monthly basis. The Village agrees to pay the Full Cost Recovery Fee for all Wastewater delivered to the County and make payments to the County within thirty (30) days from the date the bill is rendered by the County. A past due notice will be mailed by the County to the Village after thirty (30) days. If payment has not been received after sixty (60) days from the date of the original bill, service may be disconnected and a one percent (1%) per month interest charge will be assessed on the outstanding balance. If Village is in dispute of an invoice, the Village shall notify the County in writing of its disagreement with such invoice within fifteen (15) calendar days of receipt of said invoice, but Village shall still be required to submit funds for such disputed invoice to the County in accordance with this Section, and will be subject to any applicable penalties for non-payment. Following said notice, the Director of the County's Water Utilities Department, or designee, and the Village Manager, or designee, shall work to resolve any billing dispute. Upon resolution of the invoice dispute, the Village shall be reimbursed (or credited, as directed by the Village) for any funds paid to the County in excess of the final decision in such dispute. Should the parties fail to reach a mutually acceptable resolution, either party may seek any available legal remedy in relation to the disputed invoice.

12. <u>County to Maintain Master Meters</u>. The County agrees to have an annual inspection and report prepared regarding the condition and accuracy of the master Wastewater meters. A copy of the annual report on meter inspection shall be furnished to the Village. The Village shall have the right to make its own meter inspection, or to have an independent company inspect the metering equipment at any time; provided, however, no such inspection shall be made unless the Village shall first give County written notice of the date and time of its intent to have the inspection made, nor shall any such inspection be made prior to twenty-four (24) hours, excluding Saturdays, Sundays, and holidays, subsequent to the receipt of said notice by County. All costs and expenses of the Village's interim inspection shall be borne by the Village. If the meter is found not to be in good working order, the County shall reimburse the Village the cost incurred as a result of the interim inspection. Normal maintenance of the meter shall be performed by the County.

13. <u>Time Period Limitation In Case of Master Meter Inaccuracy</u>. Both parties agree that, should a master meter be found to be inaccurate beyond applicable industry standards, the meter will be assumed to have been inaccurate since the time of the event failure or since the last meter inspection or for a period of three months, whichever time should be less, and that the following month's billing will be adjusted to show a credit or additional charge to the Village for that period, based upon the method established in Section 14 herein.

14. Presumed Flowage and Required Payment In Case of Master Meter Inaccuracy. Both parties

agree, that if at any time a master meter shall be inaccurate with respect to the quantity of Wastewater flowage as provided in Section 12 above, the Village will pay to the County a daily amount equal to the average Wastewater flowage of the ninety (90) day period prior to the date the meter became inaccurate multiplied by the rate in effect.

15. <u>Security.</u> The parties shall be responsible jointly and severally for security of the Points of Connection, including provision of access locking features so that each party can have keyed access to the vaults. The Points of Connection will be controlled by valves which can be operated by authorized representatives of either the County or the Village. Only authorized employees of either the County or the Village will operate the valves controlling the Points of Connection. The County and the Village shall provide prior notice to each other prior to operating the valves at the Points of Connection.

16. <u>Emergency Potable Water Interconnects.</u> County and Village recognize that the use of emergency potable water interconnects is beneficial to their respective customers. The parties therefore agree that the existing potable water interconnect ("Existing PW Interconnect") which is identified on **Exhibit "G"** and attached hereto and incorporated herein, and the new potable water interconnects ("New PW Interconnects") which are identified on **Exhibits "H-1", "H-2", and H-3**", all of which are attached hereto and incorporated herein, shall be administered in accordance with this Section (the Existing PW Interconnects are hereafter collectively referred to as the "PW Interconnects"). The PW Interconnects shall be utilized only in the case of an emergency and shall not be a substitute for the sale of bulk potable water. Upon the agreement of the parties, any of the PW Interconnects may be converted to a bulk potable water interconnect, subject to all applicable fees.

16.1 County shall be responsible for the design and construction of the New PW Interconnects, including the extension of any lines on either the Village's or the County's side of the New PW Interconnects. Following completion of design and construction of the New PW Interconnects, County shall invoice Village for one-half (1/2) of the costs of the design and construction of the New PW Interconnects, and 100% of the costs of the design and construction of the extension of lines on the Village's side of the New PW Interconnects, and the Village shall reimburse the County in accordance with Section 11 herein. County shall also be responsible for the redesign and reconstruction of the Existing PW Interconnect, in order to modify the Existing PW Interconnect from a unidirectional meter to a bidirectional meter. Following completion of redesign and reconstruction of the Existing PW Interconnect, County shall invoice Village for onehalf (1/2) of the costs of the design and construction of the Existing PW Interconnect, and the Village shall reimburse the County in accordance with Section 11 herein. Subject to the completion of, and full reimbursement for, the New PW Interconnects and required modifications to the Existing PW Interconnect, ownership of the PW Interconnects, including the meter with vault, check valves with vault, all piping and appurtenances between the vaults therein, shall be joint between the County and Village, except that, the water main between the Existing PW Interconnect and the Point of Service, as shown on Exhibit "G", shall remain the property of, and responsibility of, the Village. Village shall not connect any customers to this water main without the prior consent of the County. County and Village shall be responsible for security of the PW Interconnects, including provision of dual access locking features of the hatch covers of the vault, so that each party can have individual keyed access to the vault. Both parties shall be equally responsible for

operating, maintaining, repairing and replacing, as needed (including all costs related thereto), all structural aspects of the vault, including hatch covers and concrete facilities and contents of the vault. Each party shall own their respective facilities up to the PW Interconnects (except that water main located between the Existing PW Interconnect and the Point of Service described above) and shall be responsible for operation, maintenance, repair and replacement as necessary. The parties agree to cooperate in obtaining any necessary easements, licenses, or other required approvals in order to construct the New PW Interconnects or modify the Existing PW Interconnect. Village acknowledges that County cannot perform any of the required construction on the Village's side of the PW Interconnects without easements, licenses, or other required approvals procured by the Village, and County shall not be in default of any provisions of this Agreement based on Village's failure to acquire said easements, licenses, or other required approvals.

16.2 The Director of Palm Beach County Water Utilities Department, or designee, is authorized to act on behalf of the County and the Village Manager, or designee, is authorized to act on behalf of the Village. In case of an emergency, the requesting party's representative shall provide written or verbal notice to the supplying party's representative setting forth the emergency and the estimated flowage and time of use. If said communication is made verbally, same shall be immediately followed by a written communication. Notwithstanding the provisions of Section 16.2.6, turning off the valves shall be handled by the same procedure. No supply of potable water shall be provided except in the case of an emergency and upon the following terms and conditions to be determined by the supplying party:

16.2.1 There must be a sufficient surplus of potable water available to meet all the anticipated needs of the supplying party.

16.2.2 The supplying party may reasonably limit the amount of potable water to be supplied.

16.2.3 The supplying party determines that the provision of potable water to the receiving party will not impose a danger to the health, safety or welfare of its citizens.

16.2.4 The supplying party may reasonably limit the hours or days of supply.

16.2.5 The supplying party may require the receiving party to impose use restrictions on its customers prescribed by the supplying party.

16.2.6 With prior written notice to the receiving party the supplying party may place a reasonable termination date for the emergency supply period.

16.3 Charges for metered potable water use through the PW Interconnects shall be at the prevailing commodity rate in effect for non-residential customers at the time of furnishing potable water, with no capacity or fixed charges. Either rate is subject to change based on legal authority of the appropriate governing body. When potable water is utilized, the meter or meters shall be read concurrently by the County and Village on approximately the first of each month. Payment by the user to the supplier for potable water shall be in accordance with Section 11 herein.

16.4 County and Village expressly acknowledge the right of either party to refuse to provide emergency potable water service, if the party refusing determines that the provision of such service would not be in its best interest or would constitute a danger to the health, safety, welfare of its citizens. In the event of such a refusal, the requesting party agrees to waive any and all claims of loss or damage against the refusing party.

17. <u>Termination</u>. The parties hereto expressly covenant and agree that in the event either party is in default of its obligations herein, the party not in default shall provide to the party in default ninety (90) days written notice to cure said default before exercising any of its rights as provided for in this Agreement. Failure to cure said default within ninety (90) days following notice may be grounds for termination of this Agreement. Termination of this Agreement by either party shall require thirty (30) days prior written notice to the other party prior to the termination date. The parties may mutually agree to extend the time for cure and/or termination.

18. <u>No Transfer of Powers</u>. Nothing contained in this Agreement shall be construed to constitute a transfer of powers in any way whatsoever. This Agreement is solely an Agreement to provide services as authorized in Florida Statutes, Chapter 163. The governing bodies for the County and the Village shall each maintain all legislative authority with regard to their respective political subdivision. All of the privileges and immunities from liability, exemption from laws, ordinances, and rules, and pensions and relief, disability, workers compensation and other benefits which apply to the activity of officers, agents or employees of any public agents or employees of any public agency when performing their respective functions within the territorial limits for their respective agencies shall apply to the same degree and extent to the performance of such functions and duties of such officers, agents, or employees extra-territorially under the provisions of this Agreement.

19. <u>Indemnification</u>. The County and the Village acknowledge the waiver of sovereign immunity for liability in tort contained in Florida Statutes 768.28, the State of Florida's partial waiver of sovereign immunity, and acknowledge that such statute permits actions at law to recover damages in tort for money damages up to the limits set forth in such statute for death, personal injury or damage to property caused by the negligent or wrongful acts or omissions of an employee acting within the scope of the employee's office or employment. The County and the Village agree to be responsible for all such claims and damages, to the extent and limits provided in Florida Statutes Section 768.28, arising from the actions of their respective employees. The parties acknowledge that the foregoing shall not constitute an agreement by either party to indemnify the other, nor a waiver of sovereign immunity, nor a waiver of any defense the parties may have under such statute, nor as consent to be sued by third parties.

20. Force Majeure. In the event that the performance of this Agreement by either party to this Agreement is prevented or interrupted in consequence of any cause beyond the control of either party, including, but not limited to, Acts of God or of the public enemy, war, national emergency, allocation of or other governmental restrictions upon the use or availability of labor or materials, rationing, civil insurrection, riot, disorder or demonstration, terrorism, strike, embargo, flood, tidal wave, fire, explosion, bomb detonation, nuclear fallout, windstorm, hurricane, earthquake, or other casualty or disaster or catastrophe or wastewater plant failures and sewer main breaks, neither party shall be liable for such non-performance.

21. <u>Remedies.</u> This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement will be held in Palm Beach County. No remedy herein conferred is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder now or hereafter.

22. <u>Successors and Assigns.</u> The County and the Village each binds itself and its partners, successors, executors, administrators and assigns to the other party and to the partners, successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement. Neither the County nor the Village shall assign, sublet, convey, or transfer its interest in this Agreement without prior written consent of the other.

23. <u>Waiver</u>. The failure of either party to insist on the strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that said party may have for any subsequent breach, default, or non-performance, and said party's right to insist on strict performance of this Agreement shall not be affected by any previous waiver of course or dealing.

24. <u>Severability</u>. If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable by any court of competent jurisdiction, then the remainder of this Agreement, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

25. <u>Notice.</u> All notices provided for herein shall be in writing and transmitted by mail or by courier, and, if to the Village, shall be mailed or delivered to the Village at:

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Village of Palm Springs Attention: Village Manager 226 Cypress Lane Palm Springs, FL 33461-1699

and if to County, shall be mailed or delivered at:

Palm Beach County Water Utilities Department 8100 Forest Hill Boulevard P.O. Box 16097 West Palm Beach, FL 33416-6097. Attn: Department Director

with a copy not to constitute notice to:

County Attorney 301 North Olive Ave. Suite 601 West Palm Beach, FL 33401 26. <u>Filing</u>. This Agreement shall be filed with the Clerk of the Circuit Court for Palm Beach County.

27. <u>Amendment and Modification</u>. This Agreement may only be amended, modified, changed, supplemented or discharged by an instrument in writing signed by the parties hereto.

28. <u>Entirety of Agreement</u>. The County and the Village agree that this Agreement and any Exhibits hereto set forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties.

29. <u>Palm Beach County Office of the Inspector General.</u> Pursuant to Ordinance No. 2009-049, as amended, Palm Beach County has established the Office of the Inspector General, which is authorized and empowered to review past, present and proposed County contracts, transactions, accounts and records. All parties doing business with the County shall fully cooperate with the Inspector General. The Inspector General has the power to subpoena witnesses, administer oaths, require the production of records, and to audit, investigate, monitor, and inspect the activities of the Licensee, its officers, agents, employees, and lobbyists in order to ensure compliance with the agreement specifications and to detect waste, corruption and fraud.

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IN WITNESS WHEREOF, County and Village 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.

By:

ATTEST: SHARON R. BOCK CLERK AND COMPTROLLER

PALM BEACH COUNTY, BY ITS BOARD OF COUNTY COMMISSIONERS

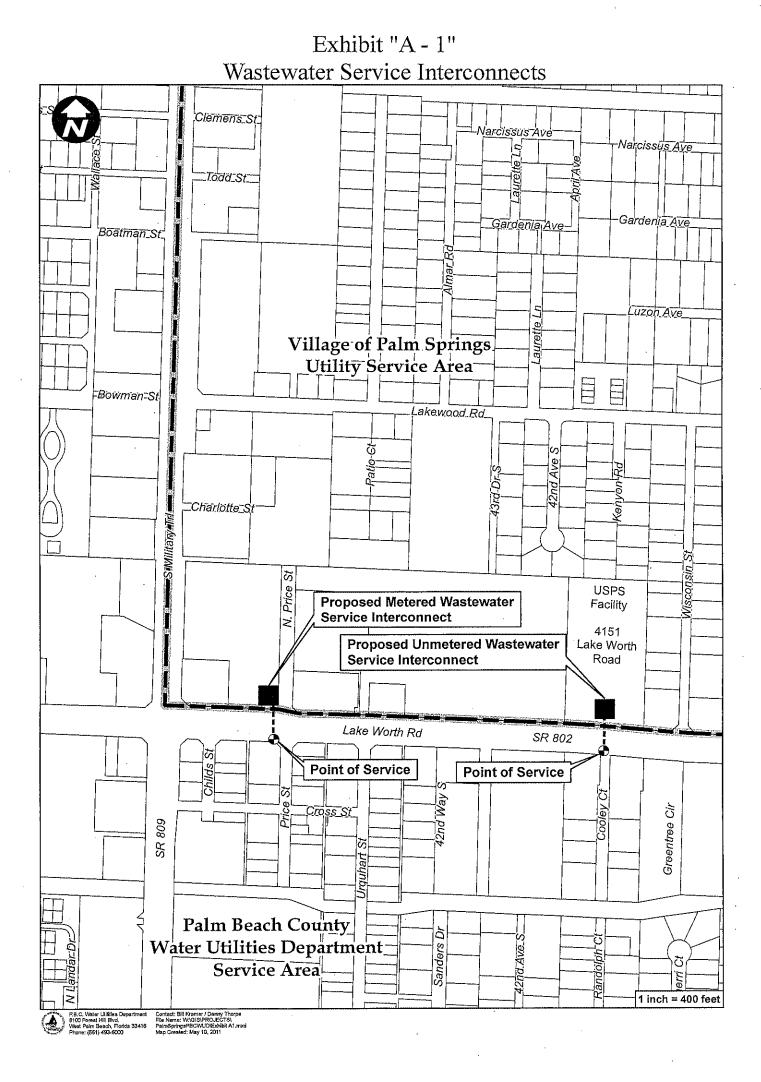
By:____

Deputy Clerk

Karen T. Marcus, Chair

(SEAL)

APPROVED AS TO FORM AND TO APPROVED AS TO TERMS AND CONDITIONS LEGAL SUFFIC **JENC** By: By: County Attorney Director of Water Utilities VILLAGE OF PALM SPRINGS, FLORIDA **ATTEST:** BY ITS VILLAGE COUNCIL By: By: PAL Mayor Clerk APPROVED AS TO FORM AND TO LEGAL SUFFICIENCY EA 1957 By: Village Attorney



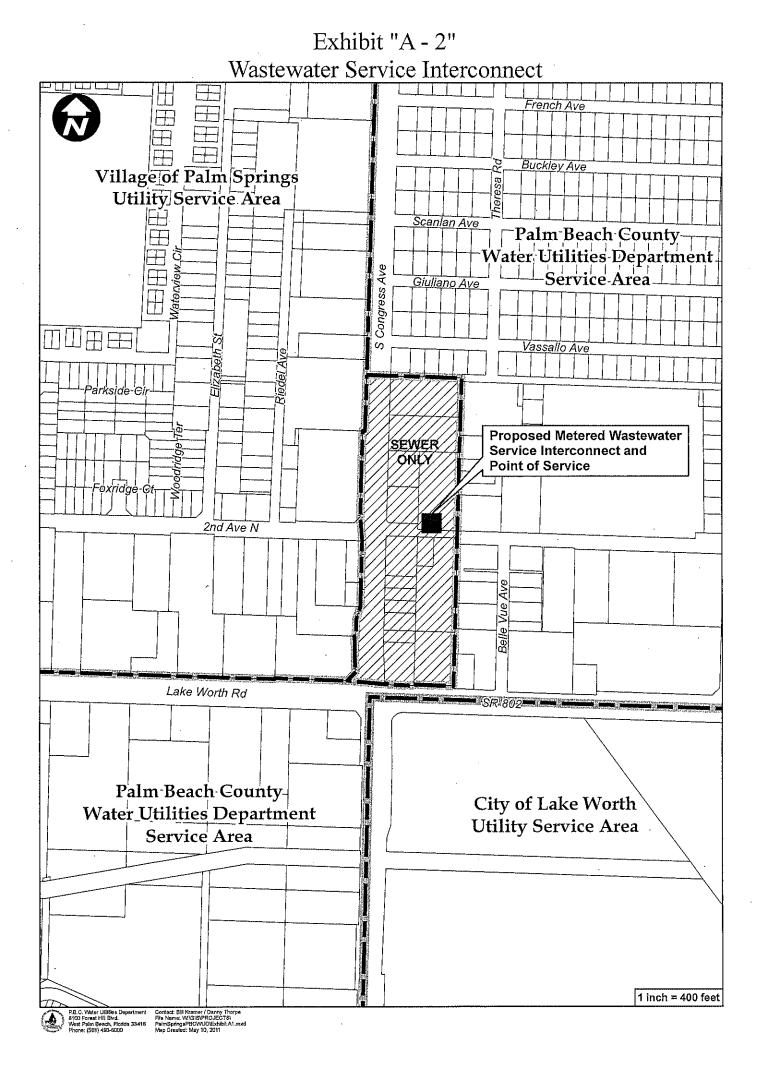




Exhibit "B"

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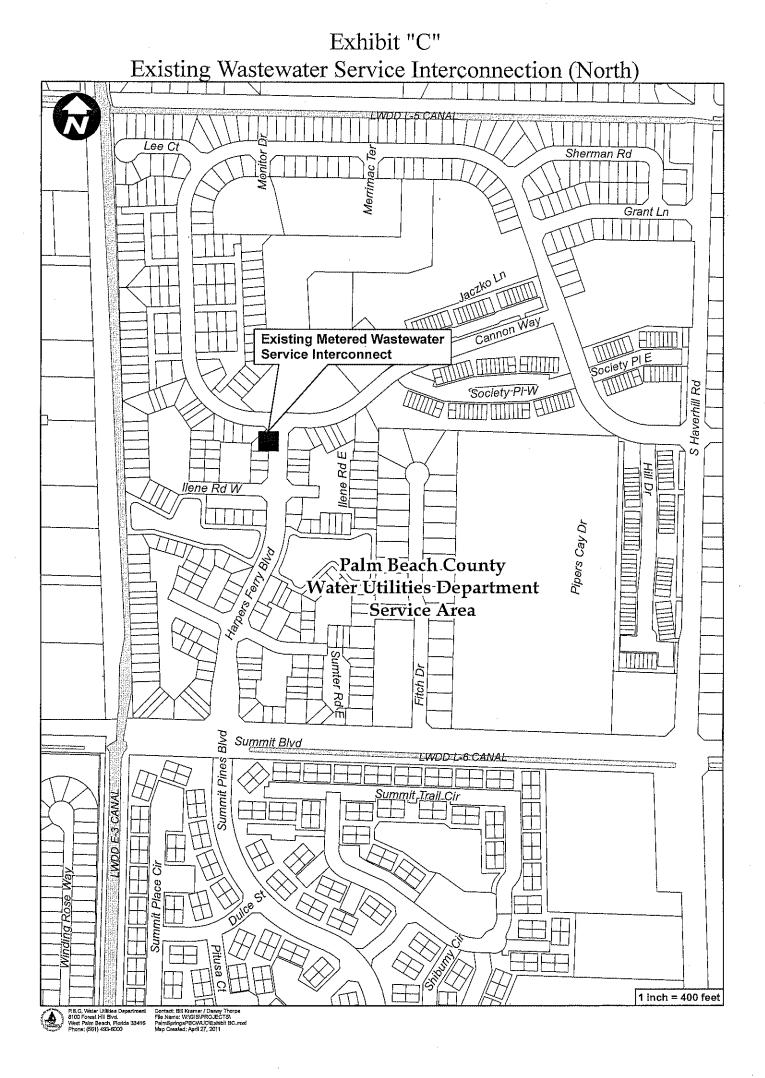


EXHIBIT D

Component	制度	Cost
County O&M Rate	\$	0.78
ECR O&M Rate	\$	0.67
O&M Rate	\$	1.45
	•	
Fixed Capital Support Rate	\$	0.143
Variable Capital Support Rate	\$	0.148
Capital Support Rate	\$	0.291
O&M Rate	\$	1.45
Capital Support Rate	\$	0.29
Commodity Fee	\$	1.74

EXHIBIT E

Item	化的用品料料的		2011	ysk sin fisk	g Bringan	2011 Capital	Future Year Capita
	Budget	WW	ECR	Bulk	en e	al Support Rate	Support Rate
Department Capital Costs [1]							
Debt Service	20,402,979	60.0%	20.0%	21.0%	514.15		CONSTANT
Interest Income	(5,502,961)	60.0%	20.0%	21.0%	(138,67		CONSTANT
Machinery & Equipment	2,200,000	50.0%	20.0%	21.0%	46,20	•	CONSTANT
Depreciation	41,160,000	40,4%	20.0%	21.0%	698,40		CONSTANT
Total Department Capital Cost	58,260,018				1,120,08		SUM
			div	ided by	21.	5	TOTAL CAPACITY
Capital Support Rate per MGD of Capacity					\$ 52,09	7	NEW AMOUNT
Dept Capital Support Fee per 1,000 Gallor	ns of Flow [2]				· ·	\$0.143	NEW FIXED RATE [2]
Variable ECR Capital Costs							
County Debt Service for ECR Projects		100%	100%	100%			
ECR (R&R 471 Fund)	- 839,383	100%	100%	100%	839,38	5	ECR BUDGET [3]
. ,	039,303				039,30	3	ECR BUDGET [4]
ECR New Project Debt Service ECR SRF Debt Service	-	100%	100%	100% 100%	-	`	ECR BUDGET [4]
	319,212	100%	100%	100%	319,21		ECR BUDGET [4]
Total Capital Cost	1,158,595				1,158,59	0	NEW SUM
			div	ided by	21.	5 -	TOTAL CAPACITY
Capital Support Rate per MGD of Capacity					\$ 53,888	3	NEW AMOUNT
Capital Support Fee per 1,000 Gallons of F	Flow [2]					\$0.148	NEW VARIABLE RATE
TOTAL CAPITAL SUPPORT FEE PER 1,000 G	ALLONS OF FLO	W				\$0.291	NEW TOTAL RATE
Reserved Capacity	. · -						
County [5]	21.5						COUNTY
Palm Springs [5]	0.0						PALM SPRINGS
Other ECR Bulk Customers [5]	0.0					-	OTHER COUNTY
TOTAL RESERVED CAPACITY	21.5	MGD					TOTAL CAPACITY

[1] Future year County debt service for lines, interest income, machinery & equipment, and depreciation are held at 2010 values. [2] Example: \$52,097 MGD / 1000 / 365 = \$0.143 to convert into 1,000 gallon units. MGD refers to millions of gallons per day.
[3] Future year County debt service used to directly pay for improvements at ECRWRF, if needed.

,

[4] Based on ECR allocations as assigned by the ECR Board.

[5] Based on the County allocation of ECR budgeted capital costs, subject to allocation factors assigned by ECR Board.

EXHIBIT F				· · · · ·
O&M Rate Calculation				
	1	nitial 2011 0&M	2011 O&M Rate	Future Year Capital
		Rate Calculations		Support Rate
Department 0&M Costs [1]				
Baseline 2011 ECR Service Area Bulk Expenses		\$3,891,348		CONSTANT
PBC ECR Service Area Flows, Mgal/Yr [2]	divided by	5,000.5		CONSTANT
Dept O&M Fee per 1,000 Gallons of Flow			\$0.78	INDEXED DEPT 0&M FEE
ECR O&M Costs				
ECR 0&M (470 Fund)		\$3,367,034		ECR BUDGET [3]
ECR 0&M Future Projects		-		ECR BUDGET [3]
ECR Future Debt Service Billed as O&M Expens	se .			ECR BUDGET [3]

\$3,367,034

5,000.5

ECR BUDGET [3]

PBC ECR FLOW ESTIMATE

NEW VARIABLE RATE

NEW TOTAL RATE

\$0.67

\$1.45

NEW SUM.

[1] Baseline fiscal year 2011 budgeted expenses.

TOTAL O&M FEE PER 1,000 GALLONS OF FLOW

ECR 0&M Fee per 1,000 Gallons of Flow [2]

Other

Total Capital Cost

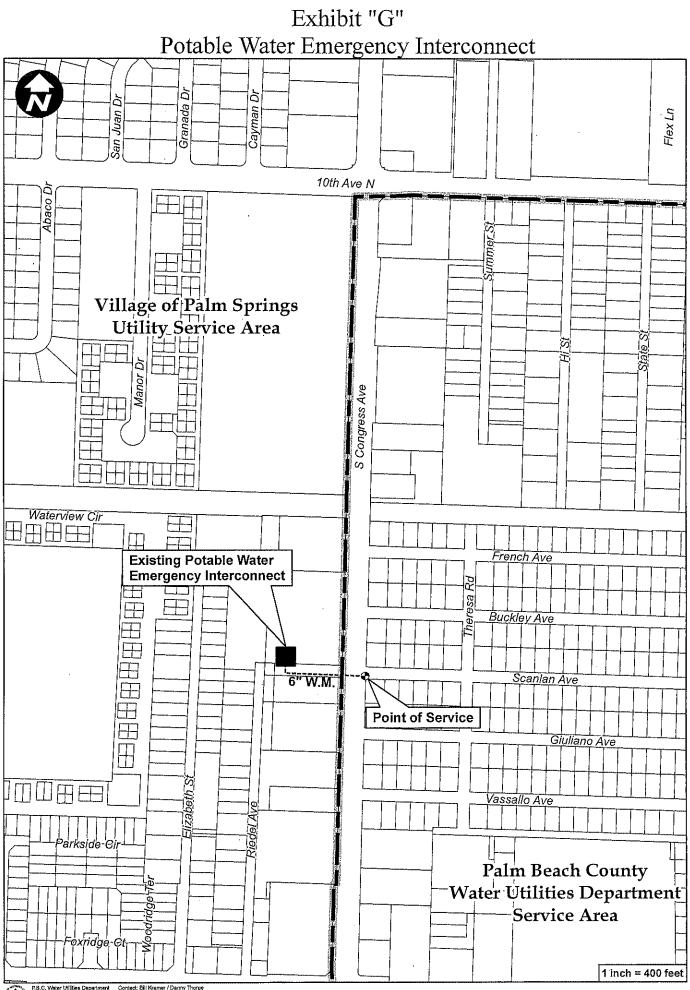
ECR Flows, Mgal/Yr [4]

[2] Baseline flows that do not change with indexing. Mgal/Yr refers to millions of gallons per year.

[3] Based on ECR budget and allocations as assigned by the ECR Board.

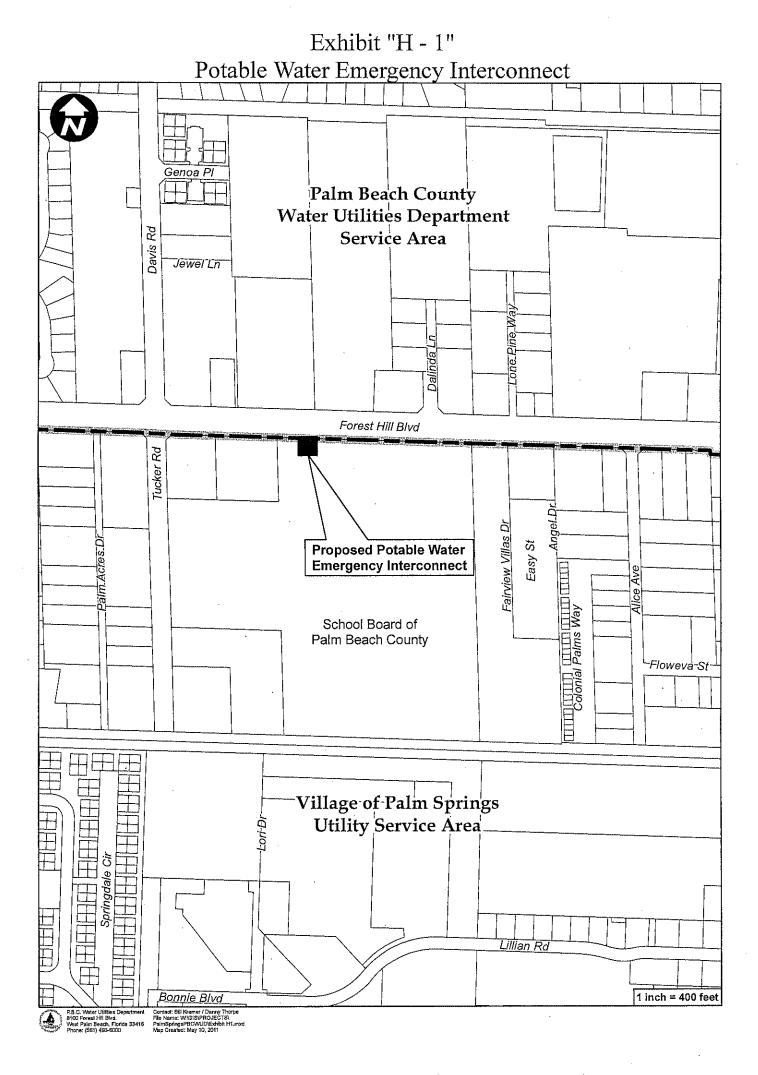
 $[4~\mbox{ECR}$ flows that change annually based on PBC flow estimates. Mgai/Yr refers to millions of gallons per year.

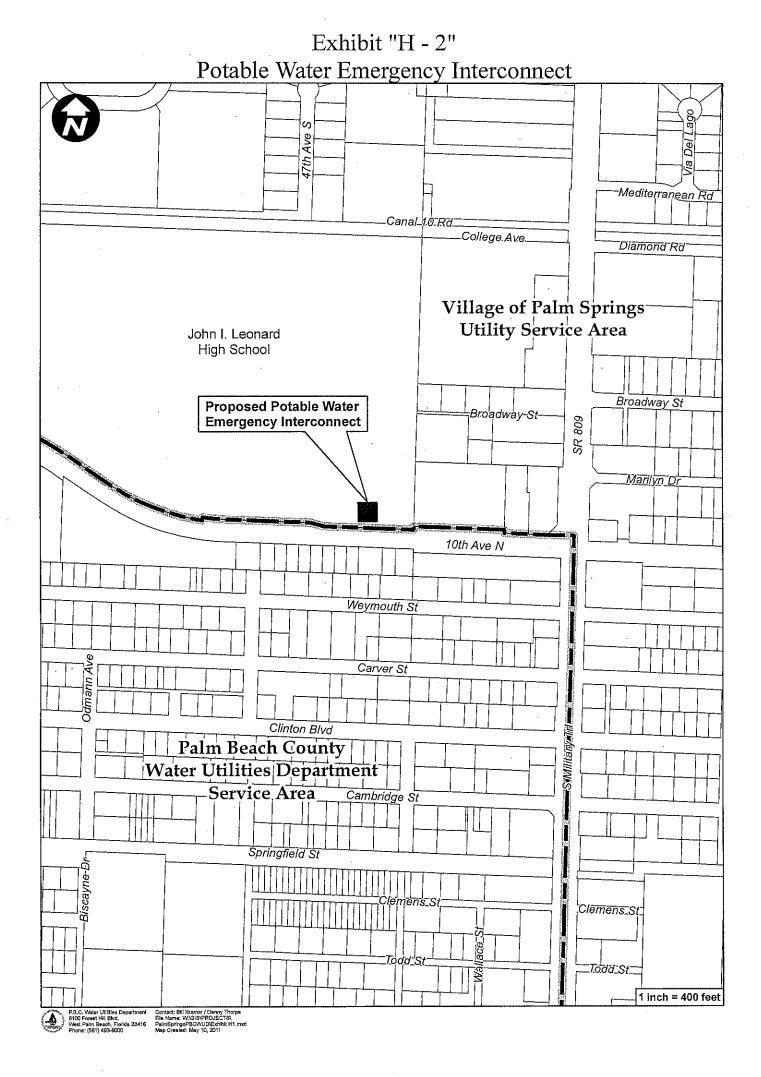
divided by

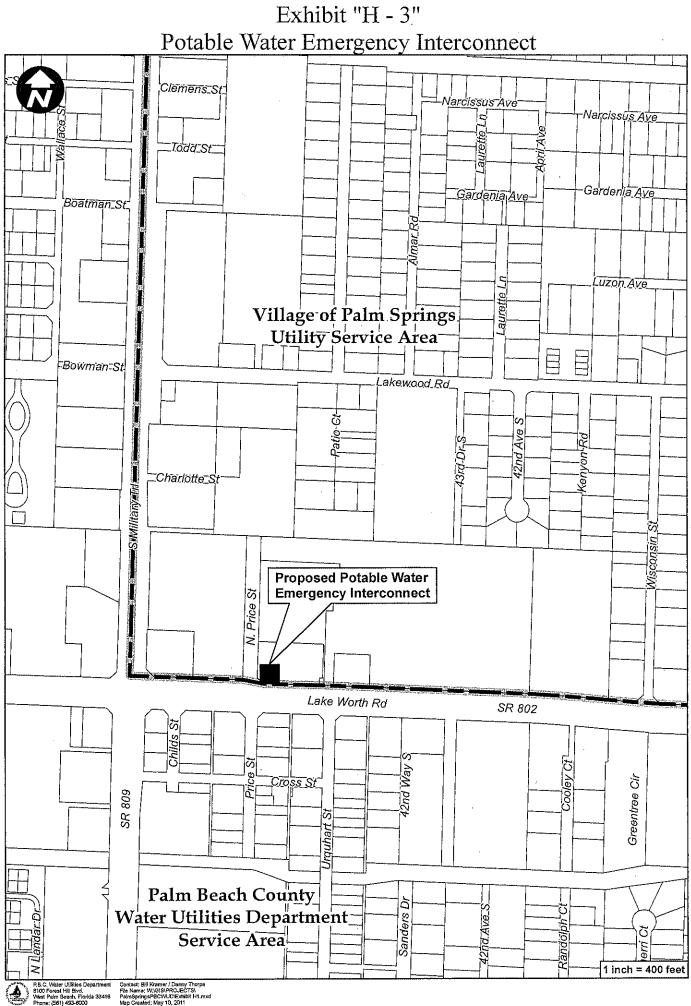




P.B.C. Water Utilities Department 8100 Forest Hill Blvd. Wat Palm Beach, Florida 33416 Phone; (651) 433-6000 Mab Created: May 10, 2011







INTERLOCAL AGREEMENT BETWEEN PALM BEACH COUNTY AND THE VILLAGE OF PALM SPRINGS FOR UTILITY SYSTEM TRANSFER

THIS AGREEMENT made and entered into this ______ day of ______, 2011, by and between PALM BEACH COUNTY, a political subdivision of the State of Florida (hereinafter "County"), and the VILLAGE OF PALM SPRINGS, FLORIDA, a municipality organized under the laws of the State of Florida (hereinafter "Village").

WITNESSETH

WHEREAS, Section 163.01, Florida Statutes, known as the "Florida Interlocal Cooperation Act of 1969" authorizes local governments to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities that will harmonize geographic, economic, population and other factors influencing the needs and development of local communities; and

WHEREAS, as provided by law and pursuant to Chapters 125 and 153, Florida Statutes, as well as the County's Comprehensive Plan, the County is authorized to provide Potable Water, Wastewater, and/or Reclaimed Water service (collectively, "Utility Service"), and pursuant to such authority, presently furnishes Utility Service within Palm Beach County, Florida; and

WHEREAS, as provided by law and pursuant to Chapter 180, Florida Statutes the City is authorized to provide Utility Service, and pursuant to such authority, presently furnishes Utility Service within Palm Beach County, Florida; and

WHEREAS, the County and the Village both recognize the desirability and the need to provide Utility Service in an orderly and cost efficient manner that avoids the duplication of utility infrastructure and service; and

WHEREAS, the County and Village provide Utility Service to adjacent service areas ("Utility Service Areas") within Palm Beach County, Florida; and

WHEREAS, the County and Village wish to transfer certain portions of their respective Utility Service Areas and associated assets utilized in the provision of Utility Service ("Utility Assets") to each other (the Utility Service Areas and Utility Assets collectively referred to as the "Utility System"); and

WHEREAS, to encourage and facilitate conservation of water resources, the parties desire to enter into this Agreement.

NOW, THEREFORE, for and in consideration of these premises, the mutual undertakings and agreements herein contained and assumed, County and Village hereby covenant and agree as follows:

1. **<u>Recitals.</u>** The foregoing statements are true and correct and are incorporated herein by this reference.

2. <u>Effective Date.</u> This Agreement shall become effective upon approval by both parties. The Effective Date of this Agreement shall be the date the Agreement is approved by the Palm Beach County Board of County Commissioners.

3. <u>Term.</u> The obligations of the parties set forth in Sections 5, 6, and 7 shall terminate as of the Closing Date. All other obligations of the parties under this Agreement shall be perpetual.

4. **<u>Definitions.</u>** The following definitions and references are given for the purpose of interpreting the terms as used in this Agreement and apply unless the context indicates a different meaning:

4.1 "Accrued MST" has the meaning set forth in Section 8.

4.2 "Closing Date" means that date that the Village and County agree to as the deadline to exchange all required documentation to finalize the transfer of Utility Systems as more fully set forth herein. The Closing Date shall occur no later than one hundred eighty (180) days following the Effective Date of this Agreement, unless the County and Village mutually agree to extend the Closing Date.

4.3 "Closing Requirements" has the meaning set forth in Section 5.1.

4.4 "County Utility Service Area" means that area to which the County currently provides Utility Service.

4.5 "Potable Water" – means water for human consumption which meets all applicable Federal, state, and County standards.

4.6 "Reclaimed Water" means water that has received at least secondary treatment and basic disinfection and is reused after flowing out of a Wastewater treatment facility.

4.7 "Transfer Area 1" is that area currently within the Village's Utility Service Area, which is being transferred to the County in accordance with this Agreement, and which is depicted in **Exhibit "A"** attached hereto and incorporated herein.

4.8 "Transfer Area 2" is that area currently within the County's Utility Service Area which is being transferred to the Village in accordance with this Agreement, and which is depicted in **Exhibit "B"** attached hereto and incorporated herein.

4.9 "Transfer Area 3" is that area which is currently within the County's Utility Service Area which, for the provision of Wastewater service only, is being transferred to the Village, and which is depicted in **Exhibit "C**" attached hereto and incorporated herein.

4.10 "Utility Assets" has the meaning set forth in the Whereas clauses to this Agreement.

4.11 "Utility Service" has the meaning set forth in the Whereas clauses to this Agreement.

4.12 "Utility Service Area" has the meaning set forth in the Whereas clauses to this

Agreement.

4.13 "Utility System" has the meaning set forth in the Whereas clauses to this Agreement.

4.14 "Village Utility Service Area" – means that area to which the Village currently provides Utility Service.

4.15 "Wastewater" means liquid and water-carried industrial, domestic, medical, food, superfluous solid, gaseous material, holding tank or other wastes from dwelling units, commercial establishments and/or manufacturing facilities, whether treated or untreated.

5. <u>Transfer of Utility Systems</u>

5.1 Requirements for Closing. In order to effectuate the Utility Service Area transfers set forth herein, the following actions must be performed by the Village and the County prior to the Closing Date (the "Closing Requirements".)

A. Transfer Area 1:

<u>Water</u>: County shall design and construct, at its sole cost, necessary piping to interconnect potable water piping near the Intersection of Military Trail and Boatman Street and coordinate with Village on the disconnection of the Village's Potable Water main from the Transfer Area 1 system near the intersection of Military Trail and 10th Avenue North.

<u>Wastewater</u>: County shall inspect the existing lift station located at 4613 Clemens Street, Lake Worth, assign a number, install a notification sign, and commence operation and maintenance of the lift station.

B. Transfer Area 2:

<u>Water</u>: Village shall design and construct, at its sole cost, necessary piping to interconnect County's existing Potable Water facilities serving Transfer Area 2 near the intersections of: (1) Kirk Road and Lake Worth Road; and (2) Lakewood Road and Patio Court. In addition, County will, at its sole cost, disconnect County's Potable Water main connections on Lake Worth Road at: (1) Price Street; and (2) Cooley Court.

<u>Wastewater</u>: County shall design and construct a bulk Wastewater interconnect at Lake Worth Road and Price Street, the costs of which shall be equally shared (50-50) between the County and the Village. The existing Wastewater connection serving only the US Post Office at 4151 Lake Worth Road shall become an unmetered Wastewater interconnect, provided that no additional connections are made to the force main. County shall bill Village (at the commodity rate established in the Agreement for Bulk Wastewater Transmission, Treatment, and Disposal Service being entered into simultaneously with this Agreement) for wastewater based on Potable Water meter readings at the Post Office. The point of service shall

be identified as the shut-off value at the connection to the County's force main on the south side of Lake Worth Road.

C. Developer Agreements:

The County shall provide all Developer Agreements to the Village which the County has entered with any owner of property or regarding any property located in Transfer Area 2 ("County Developer Agreements") as soon as possible after the Effective Date, but no later than sixty (60) days prior to closing. Upon review by the Village of all such County Developer Agreements, if the County Developer Agreements contain obligations for which the Village cannot or is not reasonably able to satisfy or accept, the Village shall immediately send notice to the County to discuss resolution of the unacceptable obligation(s) in any County Developer Agreement. If a resolution is not reached, the Village has the option to terminate this Agreement at any time prior to Closing.

The Village shall provide all Developer Agreements to the County which the Village has entered with any owner of property or regarding any property located in Transfer Area 1 ("Village Developer Agreements") as soon as possible after the Effective Date, but no later than sixty (60) days prior to closing. Upon review by the County of all such Village Developer Agreements, if the Village Developer Agreements contain obligations for which the County cannot or is not reasonably able to satisfy or accept, the County shall immediately send notice to the Village to discuss resolution of the unacceptable obligation(s) in any Village Developer Agreement. If a resolution is not reached, the County has the option to terminate this Agreement at any time prior to Closing.

The failure to perform the Closing Requirements shall be grounds for termination under Section 12 herein.

5.2 Transfer Area 1.

5.2.1 <u>Transfer of Utility System</u>. The Village shall sell, assign, transfer and convey to the County, and the County shall purchase, accept, and pay for all of the right, title, and interest in the Transfer Area 1 Utility System, in accordance with this Agreement. This transfer includes the transfer of the Village's exclusive right to provide Utility Service within Transfer Area 1 to the County. Village shall deliver to the County, prior to or on the Closing Date, the Bill of Sale of Transfer Area 1 Utility System, a copy of which is attached hereto and incorporated herein as **Exhibit "D**".

5.2.2 <u>Easement Rights</u>. The Village shall transfer to County all easements, rights, privileges, licenses and prescriptive rights, and other areas owned or used by the Village in which the Village in fact has rights in connection with the construction, reconstruction, installation, maintenance and operation of the Utility Service Assets within Transfer Area 1. Prior to or on the Closing Date, Village shall deliver to County the Assignment of Easements, which is attached hereto and incorporated herein as **Exhibit "E"**.

5.2.3 <u>Other Documentation</u>. At least sixty (60) days prior to the Closing Date, if applicable, Village shall deliver to the County the Assignment and Assumption of Developer

Agreements, which is attached hereto and incorporated herein as Exhibit "F".

5.2.4 <u>Permits and Approvals.</u> Village conveys and County purchases the Transfer Area 1 Utility System subject to all necessary regulatory approvals and to all conditions, limitations, or restrictions contained therein. All existing original certificates, permits, or other governmental authorizations and approvals of any kind in the possession of the Village necessary to operate and maintain the Transfer Area 1 Utility System or to provide Utility Service within Transfer Area 1 in accordance with all governmental requirements shall be transferred to the County prior to or on the Closing Date.

5.2.5 <u>Customer Transition/Documents</u>. Village shall provide to the County, at least thirty (30) days prior to the Closing Date, all current customer records and supplier lists, and other available information related to supplier lists, surveys, as-built Utility Service plans, engineering and other drawings, designs, blueprints, plans and specifications, any and all reproducible documents, mylars, sepias, and other documents used or held for use with the Transfer Area 1 Utility System, accounting and customer records and all other information and business records in possession of the Village that relate to the operation of the Transfer Area 1 Utility System. County agrees to notify customers in Transfer Area 1 that their Utility Service will be provided by the County after the Closing Date. Village and County agree to cooperate in transitioning the billing process from the Village to the County. The County shall charge standard County rates for Utility Service provided to Transfer Area 1. Any cash sums which represent Utility Service security deposits held by the Village shall be transferred with accrued interest as a credit at Closing to the County.

5.3 Transfer Area 2 Utility System.

5.3.1 <u>Transfer of Utility System</u>. The County shall sell, assign, transfer and convey to the Village, and the Village shall purchase, accept, and pay for all of the right, title, and interest in the Transfer Area 2 Utility System, in accordance with this Agreement. This transfer includes the transfer of the County's exclusive right to provide Utility Service within Transfer Area 2 to the Village. County shall deliver to the Village, prior to or on the Closing Date, the Bill of Sale of Transfer Area 2 Utility System, a copy of which is attached hereto and incorporated herein as **Exhibit "G"**.

5.3.2 <u>Easement Rights</u>. The County shall transfer to Village all easements, rights, privileges, licenses and prescriptive rights, and other areas owned or used by the County in which the County in fact has rights in connection with the construction, reconstruction, installation, maintenance and operation of the Utility Service Assets within Transfer Area 2. Prior to or on the Closing Date, County shall deliver to Village the Assignment of Easements, which is attached hereto and incorporated herein as **Exhibit "H"**.

5.3.3 <u>Other Documentation</u>. At least sixty (60) days prior to the Closing Date, if applicable, County shall deliver to the Village the Assignment and Assumption of Developer Agreements, which is attached hereto and incorporated herein as **Exhibit "I"**.

5.3.4 <u>Permits and Approvals</u>. County conveys and Village purchases the Transfer Area 2 Utility System subject to all necessary regulatory approvals and to all

conditions, limitations, or restrictions contained therein. All existing original certificates, permits, or other governmental authorizations and approvals of any kind in the possession of the County necessary to operate and maintain the Transfer Area 2 Utility System or to provide Utility Service within Transfer Area 2 in accordance with all governmental requirements shall be transferred to the Village prior to or on the Closing Date.

5.3.5 <u>Customer Transition/Documents</u>. County shall provide to the Village, at least thirty (30) days prior to the Closing Date, all current customer records and supplier lists, and other available information related to supplier lists, surveys, as-built Utility Service plans, engineering and other drawings, designs, blueprints, plans and specifications, any and all reproducible documents, mylars, sepias, and other documents used or held for use with the Transfer Area 2 Utility System, accounting and customer records and all other information and business records in possession of the County that relate to the operation of the Transfer Area 2 Utility System. County and Village agree to cooperate in transitioning the billing process from the County to the Village. Village agrees to notify customers in Transfer Area 2 that their Utility Service will be provided by the Village after the Closing Date, and that the rates for those customers will be calculated as set forth in the following sentence. The Village shall charge County rates for Utility Service provided to Transfer Area 2, which will be increased on October 1 of each year by an amount equal to the three-fourths (3/4) of the change in the prior year's (measured July to July) Consumer Price Index, all Urban Consumers, Water and Sewerage Maintenance, published by the U.S. Department of Labor, Bureau of Labor Statistics ("CPI") or some other mutually agreed-upon index if the CPI is discontinued. Village shall continue to charge this indexed County rate until October 1, 2021 or until a property within Transfer Area 2 annexes into the Village of Palm Springs, whichever occurs first. Any cash sums which represent Utility Service security deposits held by the County shall be transferred with accrued interest as a credit at Closing to the Village.

5.4. Transfer Area 3.

5.4.1 <u>Transfer of Wastewater Service Area</u>. The County shall sell, assign, transfer and convey to the Village all of its rights to provide Wastewater service within Transfer Area 3, and the Village shall purchase, accept, and pay for all of the right, title, and interest to provide Wastewater service within Transfer Area 3, in accordance with this Agreement. County currently provides Potable Water service only within Transfer Area 3, and owns no Wastewater assets within Transfer Area 3, and is unable to provide Wastewater service to Transfer Area 3 without a significant investment in infrastructure. Village is currently providing Wastewater service within Transfer Area 3 and has the ability to continue to do so in the future. It is the intent of County and Village that County will continue to provide Potable Water service, and, if applicable, Reclaimed Water service within Transfer Area 3. The Village shall charge standard Village rates for Wastewater service provided to Transfer Area 3.

5.4.2 Metered Force Main. For Transfer Area 3, the Village intends to design and construct, at Village's sole cost, a metered force main and connect to existing County force main on Belle Vue Avenue. The sewer meter and vault will be located within the proposed Village sewer lift station.

5.5 Valuation of Utility Service Areas/Payment of Difference. The Village and County agree on the values assigned to Transfer Area 1, Transfer Area 2, and Transfer Area 3 as more fully set forth in **Exhibit "J"**, which is attached hereto and incorporated herein. Pursuant to those values, which include certain unpaid fees due from the Village to the County related to the Village's provision of Wastewater Service to Transfer Area 1, the Village is required to remit to the County \$ 185,831.76.

6. <u>Village Conduct Pending Closing.</u> The Village covenants that pending the Closing Date it will act in accordance with the following:

6.1 Business Conduct. Except as otherwise consented to in writing by County, which consent shall not be unreasonably withheld, delayed or conditioned, for the period beginning on the date of execution of this Agreement and ending on the Closing Date, Village shall:

6.1.1 operate the Transfer Area 1 Utility System in, and only in, the usual, regular and ordinary course and nevertheless comply with all applicable governmental requirements and law;

6.1.2 maintain the Transfer Area 1 Utility System's material structures, equipment, permits and other tangible personal property in good repair, order and condition, except for depletion, depreciation, ordinary wear and tear and damage by unavoidable casualty;

6.1.3 keep in full force and effect insurance comparable in amount and scope of coverage to insurance now carried by it for the Transfer Area 1 Utility System;

6.1.4 perform, in all material respects, all of its obligations under agreement, contracts and instruments relating to or affecting the Transfer Area 1 Utility System's properties, assets and operation;

6.1.5 subject to available administrative remedies pursuant to Chapter 120, Florida Statutes, or any administrative judicial procedures or proceedings applicable to particular permits, comply in all material respect with all statutes, laws, ordinances, rules and regulations applicable to it and to the operation of the Transfer Area 1 Utility System;

6.1.6 promptly advise the County, in writing, of any material change which adversely affects the operation of the Transfer Area 1 Utility System;

6.1.7 not enter into any transaction which relates to the Transfer Area 1 Utility System, except in furtherance of this Agreement with the County, or the rendering of any service except in the ordinary course of and pursuant to the reasonable requirements of the business of County; and

6.1.8 subject to available administrative remedies pursuant to Chapter 120, Florida Statutes, or any administrative or judicial procedures or proceedings applicable to particular permits, comply with all the Transfer Area 1 Utility System's permit requirements and obtain all necessary permit extensions or renewals with no additional operational or capital

obligations such that said permits are valid as of the Closing Date.

6.2 Absence of Changes. After the date of the execution of this Agreement, the Village shall not

6.2.1 undergo any change in its condition of properties, assets, liabilities, business or operations to be transferred to the County under this Agreement other than changes in the ordinary course of business which are not, either in any case or in the aggregate, materially adverse to the operation of the Transfer Area 1 Utility System;

6.2.2 acquire or dispose of any of the Transfer Area 1 Utility System's assets or properties to be transferred to the County under this Agreement except in the furtherance of this Agreement, except in the ordinary course of business and except with the County 's consent, which shall not be unreasonably withheld, delayed or conditioned;

6.2.3 subject to available administrative remedies pursuant to Chapter 120, Florida Statutes, or any administrative or judicial procedures or proceedings applicable to particular permits, intentionally fail to comply with all of the Transfer Area 1 Utility System's permit requirements; and

6.2.4 fail to seek or obtain any necessary permit extensions or renewals so that said permits are valid, extended or seeking extension as of the Closing Date, as applicable.

6.3 Risk of Loss. The Village shall bear the risk of loss, damage or destruction of the Transfer Area 1 Utility System by fire or other casualty prior to the Closing Date. If the Transfer Area 1 Utility System experiences a material adverse event before the Closing Date, and such damage has not been repaired, or provision made for such repair, by the Village as of the Closing Date, the County shall have the option of (1) taking the Transfer Area 1 Utility System "As Is", without reduction in price, together with the Village's assignment to the County of all rights under its insurance policies and all of the insurance proceeds, if any; or (2) taking the Transfer Area 1 Utility System, "As Is", with a reduction in price, mutually agreed to by Village and County, and the Village shall maintain all rights under its insurance policies and to all of the insurance proceeds; or (3) terminating this Agreement with no further obligations or penalties.

6.4 No Transfers or Encumbrances. From and after the date of the execution of this Agreement, Village will not dispose of, hypothecate or encumber all or any part of the Transfer Area 1 Utility System, without the prior written consent of the County, which shall not unreasonably be withheld, with the exception of any transactions occurring in the ordinary course of Village's business.

6.5 **Performance of Conditions Necessary for Closing.** The Village shall perform all of the conditions to closing required by this Agreement prior to or on the Closing Date as provided herein.

6.6 Examination and Inspection. The Village will permit reasonable examination by the County's authorized representatives of all existing contractual obligations, customer and billing records, physical systems, assets, real estate, rights-of-way, easements and inventories which are utilized by the Village in connection with the Transfer Area 1 Utility

System. No such examination by the County's authorized representatives shall interfere with the Village's operations of the Transfer Area 1 Utility System or the day-to-day operations of the Village's personnel. The Village shall make these available for examination by the County's authorized representatives at reasonable times and upon prior notice from the County (not less than forty-eight (48) hours in advance).

7. <u>County Conduct Pending Closing.</u> The County covenants that pending the Closing Date it will act in accordance with the following:

7.1. Business Conduct. Except as otherwise consented to in writing by Village, which consent shall not be unreasonably withheld, delayed or conditioned, for the period beginning on the date of execution of this Agreement and ending on the Closing Date, County shall:

7.1.1 operate the Transfer Area 2 Utility System in, and only in, the usual, regular and ordinary course and nevertheless comply with all applicable governmental requirements and law;

7.1.2 maintain all of the Transfer Area 2 Utility System's material structures, equipment, permits and other tangible personal property in good repair, order and condition, except for depletion, depreciation, ordinary wear and tear and damage by unavoidable casualty;

7.1.3 keep in full force and effect insurance comparable in amount and scope of coverage to insurance now carried by it for the Transfer Area 2 Utility System;

7.1.4 perform, in all material respects, all of its obligations under agreement, contracts and instruments relating to or affecting the Transfer Area 2 Utility System's properties, assets and operation;

7.1.5 subject to available administrative remedies pursuant to Chapter 120, Florida Statutes, or any administrative judicial procedures or proceedings applicable to particular permits, comply in all material respect with all statutes, laws, ordinances, rules and regulations applicable to it and to the operation of the Transfer Area 2 Utility System;

7.1.6 promptly advise the Village, in writing, of any material change which adversely affects the operation of the Transfer Area 2 Utility System;

7.1.7 not enter into any transaction which relates to the Transfer Area 2 Utility System, except in furtherance of this Agreement with the Village, or the rendering of any service except in the ordinary course of and pursuant to the reasonable requirements of the business of Village; and

7.1.8 subject to available administrative remedies pursuant to Chapter 120, Florida Statutes, or any administrative or judicial procedures or proceedings applicable to particular permits, comply with all the Transfer Area 2 Utility System's permit requirements and obtain all necessary permit extensions or renewals with no additional operational or capital obligations such that said permits are valid as of the Closing Date.

7.2 Absence of Changes. After the date of the execution of this Agreement,

the County shall not

7.2.1 undergo any change in its condition of properties, assets, liabilities, business or operations to be transferred to the Village under this Agreement other than changes in the ordinary course of business which are not, either in any case or in the aggregate, materially adverse to the operation of the Transfer Area 2 Utility System;

7.2.2 acquire or dispose of any of the Transfer Area 2 Utility System's assets or properties to be transferred to the Village under this Agreement except in the furtherance of this Agreement, except in the ordinary course of business and except with the Village 's consent, which shall not be unreasonably withheld, delayed or conditioned;

7.2.3 subject to available administrative remedies pursuant to Chapter 120, Florida Statutes, or any administrative or judicial procedures or proceedings applicable to particular permits, intentionally fail to comply with all of the Transfer Area 2 Utility System's permit requirements; and

7.2.4 fail to seek or obtain any necessary permit extensions or renewals so that said permits are valid, extended or seeking extension as of the Closing Date, as applicable.

7.3 Risk of Loss. The County shall bear the risk of loss, damage or destruction of the Transfer Area 2 Utility System by fire or other casualty prior to the Closing Date. If the Transfer Area 2 Utility System experiences a material adverse event before the Closing Date, and such damage has not been repaired, or provision made for such repair, by the County as of the Closing Date, the Village shall have the option of (1) taking the Transfer Area 2 Utility System "As Is", without reduction in price, together with the County's assignment to the Village of all rights under its insurance policies and all of the insurance proceeds, if any; or (2) taking the Transfer Area 2 Utility System, "As Is", with a reduction in price, mutually agreed to by Village and County, and the County shall maintain all rights under its insurance policies and to all of the insurance proceeds; or (3) terminating this Agreement with no further obligations or penalties.

7.4 No Transfers or Encumbrances. From and after the date of the execution of this Agreement, County will not dispose of, hypothecate or encumber all or any part of the Transfer Area 2 Utility System, without the prior written consent of the Village, which shall not unreasonably be withheld, with the exception of any transactions occurring in the ordinary course of County's business.

7.5 **Performance of Conditions Necessary for Closing.** The County shall perform all of the conditions to closing required by this Agreement prior to or on the Closing Date as provided herein.

7.6 Examination and Inspection. The County will permit reasonable examination by the Village's authorized representatives of all existing contractual obligations, customer and billing records, physical systems, assets, real estate, rights-of-way, easements and inventories which are utilized by the County in connection with the Transfer Area 2 Utility System. No such examination by the Village's authorized representatives shall interfere with the County's operations of the Transfer Area 2 Utility System or the day-to-day operations of the

County's personnel. The County shall make these available for examination by the Village's authorized representatives at reasonable times and upon prior notice from the Village (not less than forty-eight (48) hours in advance).

8. <u>Municipal Service Tax.</u> In accordance with Section 166.231, Florida Statutes, County shall impose a municipal service tax on potable water service within the legislative boundaries of the Village. In consideration of performing this service, the County shall withhold and receive one percent (1%) of the monies collected for the municipal service tax and due the Village as a collection fee. The parties agree that the Village is owed an amount for accrued municipal service tax ("Accrued MST") since December 16, 2010, which is the date that the Village provided notice to the County to begin collecting the municipal service tax on County water customers within the boundaries of the Village. The exact amount of such Accrued MST is still being calculated. At least thirty (30) days prior to the Closing, the parties will agree to an amount for the Accrued MST and the Village may either request that the County remit the agreed to Accrued MST to the Village, or utilize the Accrued MST as a credit against other payments due to the County from the Village.

9. <u>Annexation/Municipal Incorporation Laws.</u> This agreement shall not be construed or interpreted to contract away any rights and authority under the Municipal Annexation or Contraction Act, Chapter 171, Florida Statutes, as amended from time to time nor shall anything herein be construed to contract away the County's right to challenge any annexation in accordance with law. In the event of future annexations or municipal incorporations of any portion of Transfer Area 1 or Transfer Area 3, the Village agrees that the County shall retain the exclusive right to provide Utility Service within Transfer Area 1, and further, that the County shall retain the exclusive right to provide Potable Water and Reclaimed Water Service within Transfer Area 3.

10. **No Transfer of Powers.** Nothing contained in this Agreement shall be construed to constitute a transfer of powers in any way whatsoever. This Agreement is solely an Agreement to provide services as authorized in Florida Statutes, Chapter 163. The governing bodies for County and Village shall each maintain all legislative authority with regard to their respective political subdivision. All of the privileges and immunities from liability; exemption from laws, ordinances, and rules; and pensions and relief, disability, workers compensation and other benefits which apply to the activity of officers, agents or employees of any public agents or employees of any public agency when performing their respective functions within the territorial limits for their respective agencies shall apply to the same degree and extent to the performance of such functions and duties of such officers, agents, or employees extra-territorially under the provisions of this Agreement.

11. <u>Amendment of Service Area Map.</u> County and Village previously entered into agreements delineating the parties' service areas on September 2, 1997 (County Resolution R97-1130D) and February 25, 2003 (R2003-0286)("Service Area Agreements"). The parties agree that the Service Area Agreements are hereby amended in accordance with the provisions of this Agreement. The boundaries between the parties' respective Utility Service Areas are legally described and depicted in **Exhibit "K"**, a copy of which is attached hereto and incorporated herein. The legal description and map depiction which make up **Exhibit "K"**, do not reflect either party's total utility service area or utility district. The legal description set forth in **Exhibit "K"** includes Transfer Area 3 within the County's Service Area; however, in accordance with

this Agreement, the depiction set forth in **Exhibit "K"** includes Transfer Area 3 within the County's Utility Service Area for Potable Water and Reclaimed Water service and includes Transfer Area 3 within the Village's Utility Service Area for Wastewater service. As to Transfer Area 3 only, the depiction shall control over the legal description; in all other instances, the legal description shall control.

12. **Default/Termination.** The parties hereto expressly covenant and agree that in the event either party is in default of its obligations herein, the party not in default shall provide to the party in default ninety (90) days written notice to cure said default before exercising any of its rights as provided for in this Agreement. Failure to cure said default within ninety (90) days following notice may be grounds for termination of this Agreement. Termination for default of this Agreement by either party shall require thirty (30) days prior written notice to the other party prior to the termination date. The parties may mutually agree to extend the time for cure and/or termination.

13. **Indemnification.** County and Village acknowledge the waiver of sovereign immunity for liability in tort contained in Florida Statutes 768.28, the State of Florida's partial waiver of sovereign immunity, and acknowledge that such statute permits actions at law to recover damages in tort for money damages up to the limits set forth in such statute for death, personal injury or damage to property caused by the negligent or wrongful acts or omissions of an employee acting within the scope of the employee's office or employment. County and Village agree to be responsible for all such claims and damages, to the extent and limits provided in Florida Statutes Section 768.28, arising from the actions of their respective employees. The parties acknowledge that the foregoing shall not constitute an agreement by either party to indemnify the other, nor a waiver of sovereign immunity, nor a waiver of any defense the parties may have under such statute, nor as consent to be sued by third parties.

14. **Force Majeure.** In the event that the performance of this Agreement by either party to this Agreement is prevented or interrupted in consequence of any cause beyond the control of either party, including, but not limited to, Acts of God or of the public enemy, war, national emergency, allocation of or other governmental restrictions upon the use or availability of labor or materials, rationing, civil insurrection, riot, disorder or demonstration, terrorism, strike, embargo, flood, tidal wave, fire, explosion, bomb detonation, nuclear fallout, windstorm, hurricane, earthquake, or other casualty or disaster or catastrophe or water plant failures and water main breaks, neither party shall be liable for such non-performance.

15. **Remedies.** This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement will be held in Palm Beach County. No remedy herein conferred is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder now or hereafter.

16. <u>Successors and Assigns.</u> County and Village each binds itself and its partners, successors, executors, administrators and assigns to the other party and to the partners, successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement.

17. <u>Waiver</u>. The failure of either party to insist on the strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that said party may have for any subsequent breach, default, or non-performance, and said party's right to insist on strict performance of this Agreement shall not be affected by any previous waiver of course or dealing.

18. <u>Severability.</u> If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable by any court of competent jurisdiction, then the remainder of this Agreement, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

19. <u>Notice.</u> All notices provided for herein shall be in writing and transmitted by mail or by courier, and, if to Village, shall be mailed or delivered to Village at:

Village of Palm Springs Attention: Village Manager 226 Cypress Lane Palm Springs, FL 33461-1699

and if to County, shall be mailed or delivered at:

Palm Beach County Water Utilities Department 8100 Forest Hill Boulevard P.O. Box 16097 West Palm Beach, FL 33416-6097. Attn: Department Director

With a copy not to constitute notice to:

County Attorney 301 North Olive Ave. Suite 601 West Palm Beach, FL 33401

20. **<u>Filing.</u>** This Agreement shall be filed with the Clerk of the Circuit Court for Palm Beach County.

21. **Dispute Resolution.** If the County and Village are involved in a dispute between them which they are unable to resolve, prior to either party initiating any formal litigation proceedings, they both agree to submit the dispute to mediation in accordance with the procedures that are utilized in such instances in the Circuit Court in and for Palm Beach County, Florida, with each party to pay its own costs, fees and expenses and the fees of the mediator to be divided equally between them. The provisions of this paragraph are a condition precedent to either party initiating an action against the other party in relation to this agreement excepting only situations where an emergency exists creating danger to the safety of persons or property.

22. <u>Amendment and Modification.</u> This Agreement may only be amended, modified, changed, supplemented or discharged by an instrument in writing signed by the parties hereto.

23. <u>Entirety of Agreement.</u> County and Village agree that this Agreement and any Exhibits hereto set forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superceded or otherwise altered, except by written instrument executed by the parties.

24. **Palm Beach County Office of the Inspector General.** Pursuant to Ordinance No. 2009-049, as amended, Palm Beach County has established the Office of the Inspector General, which is authorized and empowered to review past, present and proposed County contracts, transactions, accounts and records. All parties doing business with the County shall fully cooperate with the Inspector General. The Inspector General has the power to subpoena witnesses, administer oaths, require the production of records, and to audit, investigate, monitor, and inspect the activities of the Licensee, its officers, agents, employees, and lobbyists in order to ensure compliance with the agreement specifications and to detect waste, corruption and fraud.

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IN WITNESS WHEREOF, County and Village 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.

ATTEST:

PALM BEACH COUNTY, BY ITS

BOARD OF COUNTY COMMISSIONERS By: By: Deputy Clerk Karen T. Marcus, Chair (SEAL) APPROVED AS TO FORM AND TO APPROVED AS TO TERMS AND LEGAL SUFFICIENCY CONDITIONS By: By: for County Attor Director of Water Utilities hev VILLAGE OF PALM SPRINGS, FLORIDA BY ITS VILLAGE COUNCIL By: By: Virginiá M. Walton, Clérk PAL ANIA Mavor PALI APPROVED AS TO FORM AND TO LEGAL SUFFICIENCY 1957 By: _(FOR Glen J. Torcivia, Village Attorney Orid

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EXHIBIT "A" TRANSFER AREA 1

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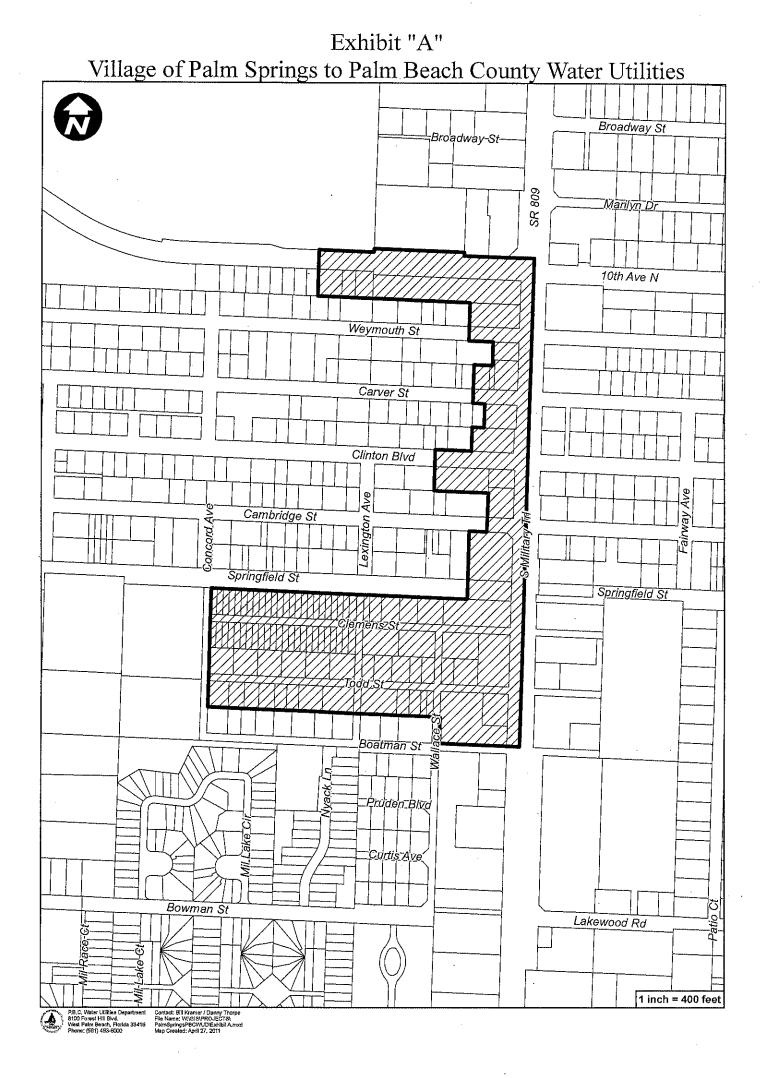


EXHIBIT "B" TRANSFER AREA 2



EXHIBIT "C" TRASFER AREA 3



EXHIBIT "D" BILL OF SALE OF TRANSFER AREA 1 UTILITY SYSTEM BY VILLAGE OF PALM SPRINGS TO PALM BEACH COUNTY

KNOW ALL MEN BY THESE PRESENTS that the VILLAGE OF PALM SPRINGS (hereinafter "Seller") for the sum of TEN DOLLARS (\$10.00) and other good and valuable considerations paid by PALM BEACH COUNTY (hereinafter "Purchaser"), the receipt of which is hereby acknowledged, pursuant to the Interlocal Agreement between County and Village for Utility System Transfer dated _______ ("Agreement"), which is incorporated herein by specific reference, has granted, bargained, sold, transferred, set over and delivered, and by these presents does grant, bargain, sell, transfer, set over and deliver, unto the Purchaser, its successors and assigns, each and every portion of the water systems and wastewater systems ("Utility System"), including the rights to provide Utility Service, owned by Seller within Transfer Area 1 (a depiction of which is attached hereto and incorporated herein as Attachment 1), both tangible and intangible, as more fully set forth in the following paragraphs, which include, but are not limited to, the following personality or rights:

1. All licenses, prescriptive rights, rights-of-way and rights to use public or private roads, highways, streets and other areas owned or used by Seller for the construction, operation and maintenance of the Transfer Area 1 Utility System.

2. All water supply and distribution facilities, wastewater treatment collection, and disposal facilities of every kind and description whatsoever, including but not limited to pumps, tanks, lift stations, transmission mains, distribution mains, supply pipes, collection pipes or facilities, irrigation quality water and effluent disposal facilities, valves, meters, meter boxes, service connections and all other physical facilities, equipment and property installations owned by Seller and used in connection with the Transfer Area 1 Utility System, together with all additions or replacements thereto.

3. All certificates, immunities, privileges, permits, license rights, consents, grants, ordinances, leaseholds, and all rights to construct, maintain and operate the Transfer Area 1 Utility System for the procuring, storage and distribution of potable water and the collection, treatment and disposal of wastewater, and every right of every character whatever in connection therewith, and the obligations thereof, including all water supply rights, flowage rights and riparian rights and all renewals, extensions, additions or modifications of any of the foregoing, together with all rights granted to Seller under any certificates.

4. All supplier lists, customer records, billing records, prints, plans, engineering reports, surveys, specifications, shop drawings, equipment manuals, maps, books, and other information reasonably required by Purchaser to operate the Transfer Area 1 Utility System.

5. All sets of record drawings, including as-built drawings, showing all facilities of the Transfer Area 1 Utility System, including all original tracings, sepias or other reproducible materials.

6. All warranties by third parties in favor of Seller, including those related to completed or in-progress construction work, including professional engineering warranties, for the Transfer Area 1 Utility System.

Seller represents and warrants that it has exclusive ownership, possession, control, and marketable title to the above-referenced property and the above-referenced property is subject to no mortgage, pledge, lien, charge, security interest, encumbrance, or restriction.

IN WITNESS WHEREOF the undersigned has caused his/her name to be hereunto subscribed this ______ day of ______, 2011.

VILLAGE OF PALM SPRINGS, FLORIDA BY ITS VILLAGE COUNCIL

ATTEST

By:<u>Clerk</u>

By: <u>Mayor</u>

APPROVED AS TO FORM AND TO LEGAL SUFFICIENCY

By: _

Village Attorney

Attachment 1

EXHIBIT "E" ASSIGNMENT OF EASEMENTS TRANSFER AREA 1

Prepared by and return to: Palm Beach County Water Utilities Department P.O. Box 16097 Attn: Engineering Div. West Palm Beach, Florida 33416-6097

ASSIGNMENT OF EASEMENTS-TRANSFER AREA 1

THIS ASSIGNMENT OF EASEMENTS (this "Assignment") is made

_____, 2011, by VILLAGE OF PALM SPRINGS, FLORIDA a municipal corporation ("Assignor") to PALM BEACH COUNTY, FLORIDA, a political subdivision of the State of Florida ("Assignee"), pursuant to the Interlocal Agreement between County and Village for Utility System Transfer dated ______ ("Agreement"), which is incorporated herein by specific reference.

WHEREAS, among the Utility Assets owned by Assignor in Transfer Area 1 and intended to be conveyed to Assignee, in accordance with the Agreement, are the rights of Assignor under those certain easements, licenses, prescriptive rights, rights-of-way, and other rights to use public and private roads, highways, streets, railroads and other areas owned or used by Assignor for the construction, ownership, operation and maintenance of the Transfer Area 1 Utility System ("Easements");

WHEREAS, Assignor has agreed to transfer to Assignee all of the rights, title and interest of Assignor as grantee under the Easements, including, but not limited to, those certain Easements described in <u>Attachment 1</u> attached hereto and made a part hereof.

NOW, THEREFORE, in consideration of the mutual promises, covenants, representations and agreements contained herein, together with the sum of TEN and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows.

1. The foregoing information and recitals are incorporated into this Assignment and made a part hereof.

2. Assignor hereby quit claims, conveys and assigns unto Assignee, its successors and assigns, all right, title, obligations, duties and interest of Assignor, if any, in the Easements, together with all other recorded and unrecorded rights, privileges, easements, licenses, prescriptive rights, rights-of-way, and rights to use public and private roads, highways, streets, railroads and other areas owned or used by Assignor in connection with the construction, reconstruction, installation, expansion, maintenance and operation of the Transfer Area 1 Utility System.

3. Assignor hereby covenants that to the best of its knowledge it has the lawful right to assign the above interests.

4. Assignor covenants and agrees with Assignee and its successors and assigns that Assignor will do, execute, acknowledge and deliver or cause to be done, executed,

acknowledged and delivered any and all such further acts, instruments, papers and documents, as may be reasonably necessary, proper or convenient to carry out and effectuate the intent and purposes of this Assignment.

5. This Assignment shall inure to the benefit of Assignee, Assignor, their successors and permitted assigns, and shall bind Assignor and Assignee and their successors and permitted assigns. This Assignment is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder.

6. This Assignment shall be governed in all respects, whether as to validity, construction, capacity, performance or otherwise, by the laws of the State of Florida applicable to contracts made and to be performed within that state. Nothing herein shall be construed to waive any defense of sovereign immunity that Assignor or Assignee may be lawfully entitled to assert under applicable Florida law.

7. If any term or provision of this Assignment shall, to any extent or for any reason, be held to be invalid or unenforceable, the remainder of this Assignment shall not be affected thereby and shall be construed as if such invalid or unenforceable provision had never been contained herein or been applicable in such circumstances.

8. All capitalized terms utilized herein, and not otherwise defined herein, shall have the meanings ascribed thereto in the Agreement. The terms in the Interlocal Agreement are incorporated herein by reference.

IN WITNESS WHEREOF, this Assignment is executed on _____, 2011.

VILLAGE OF PALM SPRINGS, FLORIDA BY ITS VILLAGE COUNCIL

ATTEST

By:_____ Clerk Ву: _

Mayor

APPROVED AS TO FORM AND TO LEGAL SUFFICIENCY

By: _

Village Attorney

Attachment 1

EXHIBIT "F"

ASSIGNMENT AND ASSUMPTION OF DEVELOPER AGREEMENTS AND SPECIAL ASSESSMENT AGREEMENTS -TRANSFER AREA 1

THIS ASSIGNMENT AND ASSUMPTION OF DEVELOPER AGREEMENTS AND SPECIAL ASSESSMENT AGREEMENTS-TRANSFER AREA 1 ("Assignment") is made and entered into as ______, 2011, by and between the VILLAGE OF PALM SPRINGS, a municipal corporation ("Assignor"), and PALM BEACH COUNTY, FLORIDA, a political subdivision of the State of Florida ("Assignee").

WHEREAS, Assignor and Assignee entered into that certain Interlocal Agreement between County and Village for Utility System Transfer dated ______("Agreement") pursuant to which they desire to assign specific rights and duties contained in certain Developer Agreements into which Assignor entered in the ordinary course of its utility operations.

NOW, THEREFORE, for ten (\$10.00) dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree:

1. Assignor hereby transfers, assigns, sets over and delivers unto Assignee, Assignor's interest in, to and under the Developer Agreements and Special Assessment Agreements attached hereto as **Attachment 1**.

2. Assignor represents to, warrants to, and covenants with Assignee that:

a. Assignor is the sole owner of the Developer Agreements and Special Assessment Agreements, that the Developer Agreements and Special Assessment Agreements are free and clear of all liens and encumbrances and can be lawfully transferred and assigned by Assignor, that Assignor has not and shall not execute any other assignment of the Developer Agreements and the Special Assessment Agreements and that Assignor has not and shall not perform any acts or execute any other instrument that might prevent Assignee from fully exercising its rights under any of the terms, covenants and conditions of any Developer Agreement or Special Assessment Agreement or this Assignment.

b. The Developer Agreements and Special Assessment Agreements are valid and enforceable in accordance with their terms and have not been altered, modified, amended, terminated, or renewed, nor have any of the terms and conditions thereof been waived.

c. There are no defaults by Assignor of any type or nature under the Developer Agreements or Special Assessment Agreements and there exists no state of facts, conditions or events that with the giving of notice or the lapse of time would constitute a default by Assignor under the Developer Agreements or the Special Assessment Agreements.

3. Assignee hereby assumes the covenants, conditions and obligations contained in the Developer Agreements and the Special Assessment Agreements, subject to the terms of this Assignment.

4. The parties further agree as follows:

a. This Assignment is absolute and effective immediately.

b. Assignee is hereby vested with full power to use all measures, legal and equitable, deemed by it necessary or proper to enforce this Assignment, or the terms,

conditions or covenants contained in the Developer Agreements and/or the Special Assessment Agreements.

c. This Assignment shall be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, Assignor and Assignee have executed and sealed this Assignment.

ASSIGNOR:

VILLAGE OF PALM SPRINGS, FLORIDA BY ITS VILLAGE COUNCIL

By:<u>Clerk</u>

By: Mayor

APPROVED AS TO FORM AND TO LEGAL SUFFICIENCY

By: _

Village Attorney

ASSIGNEE:

ATTEST:

By:

Deputy Clerk

(SEAL)

APPROVED AS TO FORM AND TO LEGAL SUFFICIENCY

By: ____

County Attorney

PALM BEACH COUNTY, BY ITS BOARD OF COUNTY COMMISSIONERS

By:

Karen T. Marcus, Chair

APPROVED AS TO TERMS AND CONDITIONS

By:___

Director of Water Utilities

Attachment 1

EXHIBIT "G"

BILL OF SALE OF TRANSFER AREA 2 UTILITY SYSTEM BY PALM BEACH COUNTY TO VILLAGE OF PALM SPRINGS

KNOW ALL MEN BY THESE PRESENTS that PALM BEACH COUNTY (hereinafter "Seller") for the sum of TEN DOLLARS (\$10.00) and other good and valuable considerations paid by VILLAGE OF PALM SPRINGS (hereinafter "Purchaser"), the receipt of which is hereby acknowledged, pursuant to the Interlocal Agreement between County and Village for Utility System Transfer dated _______ ("Agreement"), which is incorporated herein by specific reference, has granted, bargained, sold, transferred, set over and delivered, and by these presents does grant, bargain, sell, transfer, set over and deliver, unto the Purchaser, its successors and assigns, each and every portion of the water systems and wastewater systems ("Utility System"), including the rights to provide Utility Service, owned by Seller within Transfer Area 2 (a depiction of which is attached hereto and incorporated herein as Attachment 1), both tangible and intangible, as more fully set forth in the following paragraphs, which include, but are not limited to, the following personality or rights:

1. All licenses, prescriptive rights, rights-of-way and rights to use public or private roads, highways, streets and other areas owned or used by Seller for the construction, operation and maintenance of the Transfer Area 2 Utility System.

2. All water supply and distribution facilities, wastewater treatment collection, and disposal facilities of every kind and description whatsoever, including but not limited to pumps, tanks, lift stations, transmission mains, distribution mains, supply pipes, collection pipes or facilities, irrigation quality water and effluent disposal facilities, valves, meters, meter boxes, service connections and all other physical facilities, equipment and property installations owned by Seller and used in connection with the Transfer Area 2 Utility System, together with all additions or replacements thereto.

3. All certificates, immunities, privileges, permits, license rights, consents, grants, ordinances, leaseholds, and all rights to construct, maintain and operate the Transfer Area 2 Utility System for the procuring, storage and distribution of potable water and the collection, treatment and disposal of wastewater, and every right of every character whatever in connection therewith, and the obligations thereof, including all water supply rights, flowage rights and riparian rights and all renewals, extensions, additions or modifications of any of the foregoing, together with all rights granted to Seller under any certificates.

4. All supplier lists, customer records, billing records, prints, plans, engineering reports, surveys, specifications, shop drawings, equipment manuals, maps, books, and other information reasonably required by Purchaser to operate the Transfer Area 2 Utility System.

5. All sets of record drawings, including as-built drawings, showing all facilities of the Transfer Area 2 Utility System, including all original tracings, sepias or other reproducible materials.

6. All warranties by third parties in favor of Seller, including those related to completed or in-progress construction work, including professional engineering warranties, for the Transfer Area 2 Utility System.

Seller represents and warrants that it has exclusive ownership, possession, control, and marketable title to the above-referenced property and the above-referenced property is subject to no mortgage, pledge, lien, charge, security interest, encumbrance, or restriction.

IN WITNESS WHEREOF the undersigned has caused his/her name to be hereunto subscribed this ______ day of ______, 2011.

ATTEST:

PALM BEACH COUNTY, BY ITS BOARD OF COUNTY COMMISSIONERS

By:_

Deputy Clerk

By: _

Karen T. Marcus, Chair

(SEAL)

APPROVED AS TO FORM AND TO LEGAL SUFFICIENCY

By: ____

County Attorney

APPROVED AS TO TERMS AND CONDITIONS

By:___

Director of Water Utilities

Attachment 1

EXHIBIT "H" ASSIGNMENT OF EASEMENTS TRANSFER AREA 2

Prepared by and return to:

ASSIGNMENT OF EASEMENTS-TRANSFER AREA 2

THIS ASSIGNMENT OF EASEMENTS (this "Assignment") is made

_____, 2011, by PALM BEACH COUNTY, FLORIDA, a political subdivision of the State of Florida (hereinafter "Assignor"), to VILLAGE OF PALM SPRINGS, FLORIDA ("Assignee"), pursuant to the Interlocal Agreement between County and Village for Utility System Transfer dated ______ ("Agreement"), which is incorporated herein by specific reference.

WHEREAS, among the Utility Assets owned by Assignor in Transfer Area 2 and intended to be conveyed to Assignee, in accordance with the Agreement, are the rights of Assignor under those certain easements, licenses, prescriptive rights, rights-of-way, and other rights to use public and private roads, highways, streets, railroads and other areas owned or used by Assignor for the construction, ownership, operation and maintenance of the Transfer Area 2 Utility System ("Easements");

WHEREAS, Assignor has agreed to transfer to Assignee all of the rights, title and interest of Assignor as grantee under the Easements, including, but not limited to, those certain Easements described in <u>Attachment 1</u> attached hereto and made a part hereof.

NOW, THEREFORE, in consideration of the mutual promises, covenants, representations and agreements contained herein, together with the sum of TEN and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows.

1. The foregoing information and recitals are incorporated into this Assignment and made a part hereof.

2. Assignor hereby quit claims, conveys and assigns unto Assignee, its successors and assigns, all right, title, obligations, duties and interest of Assignor, if any, in the Easements, together with all other recorded and unrecorded rights, privileges, easements, licenses, prescriptive rights, rights-of-way, and rights to use public and private roads, highways, streets, railroads and other areas owned or used by Assignor in connection with the construction, reconstruction, installation, expansion, maintenance and operation of the Transfer Area 2 Utility System.

3. Assignor hereby covenants that to the best of its knowledge it has the lawful right to assign the above interests.

4. Assignor covenants and agrees with Assignee and its successors and assigns that Assignor will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered any and all such further acts, instruments, papers and documents, as

may be reasonably necessary, proper or convenient to carry out and effectuate the intent and purposes of this Assignment.

5. This Assignment shall inure to the benefit of Assignee, Assignor, their successors and permitted assigns, and shall bind Assignor and Assignee and their successors and permitted assigns. This Assignment is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder.

6. This Assignment shall be governed in all respects, whether as to validity, construction, capacity, performance or otherwise, by the laws of the State of Florida applicable to contracts made and to be performed within that state. Nothing herein shall be construed to waive any defense of sovereign immunity that Assignor or Assignee may be lawfully entitled to assert under applicable Florida law.

7. If any term or provision of this Assignment shall, to any extent or for any reason, be held to be invalid or unenforceable, the remainder of this Assignment shall not be affected thereby and shall be construed as if such invalid or unenforceable provision had never been contained herein or been applicable in such circumstances.

8. All capitalized terms utilized herein, and not otherwise defined herein, shall have the meanings ascribed thereto in the Agreement. The terms in the Interlocal Agreement are incorporated herein by reference.

IN WITNESS WHEREOF, this Assignment is executed on _____, 2011.

ATTEST: SHARON R. BOCK, CLERK AND COMPTROLLER

PALM BEACH COUNTY, FLORIDA BY ITS **BOARD OF COUNTY COMMISSIONERS**

By:

Deputy Clerk

Karen T. Marcus, Chair

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By:

County Attorney

APPROVED AS TO TERMS AND **CONDITIONS**

By: _

Director-Water Utilities

Attachment 1

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EXHIBIT "I"

ASSIGNMENT AND ASSUMPTION OF DEVELOPER AGREEMENTS-TRANSFER AREA 2

THIS ASSIGNMENT AND ASSUMPTION OF DEVELOPER AGREEMENTS-TRANSFER AREA 2 ("Assignment") is made and entered into as _______, 2011, by and between PALM BEACH COUNTY, FLORIDA, a political subdivision of the State of Florida ("Assignor"), and the VILLAGE OF PALM SPRINGS, a municipal corporation ("Assignee").

WHEREAS, Assignor and Assignee entered into that certain Interlocal Agreement between County and Village for Utility System Transfer dated ________("Agreement") pursuant to which they desire to assign specific rights and duties contained in certain Developer Agreements into which Assignor entered in the ordinary course of its utility operations.

NOW, THEREFORE, for ten (\$10.00) dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree:

1. Assignor hereby transfers, assigns, sets over and delivers unto Assignee, Assignor's interest in, to and under the Developer Agreements attached hereto as Attachment 1.

2. Assignor represents to, warrants to, and covenants with Assignee that:

a. Assignor is the sole owner of the Developer Agreements, that the Developer Agreements are free and clear of all liens and encumbrances and can be lawfully transferred and assigned by Assignor, that Assignor has not and shall not execute any other assignment of the Developer Agreements and that Assignor has not and shall not perform any acts or execute any other instrument that might prevent Assignee from fully exercising its rights under any of the terms, covenants and conditions of any developer agreement or this Assignment.

b. The Developer Agreements are valid and enforceable in accordance with their terms and have not been altered, modified, amended, terminated, or renewed, nor have any of the terms and conditions thereof been waived.

c. There are no defaults by Assignor of any type or nature under the Developer Agreements and there exists no state of facts, conditions or events that with the giving of notice or the lapse of time would constitute a default by Assignor under the Developer Agreements.

3. Assignee hereby assumes the covenants, conditions and obligations contained in the Developer Agreements, subject to the terms of this Assignment.

4. The parties further agree as follows:

a. This Assignment is absolute and effective immediately.

b. Assignee is hereby vested with full power to use all measures, legal and equitable, deemed by it necessary or proper to enforce this Assignment, or the terms, conditions or covenants contained in the Developer Agreements.

c. This Assignment shall be governed by and construed in accordance

with the laws of the State of Florida.

IN WITNESS WHEREOF, Assignor and Assignee have executed and sealed this Assignment.

ASSIGNOR: ATTEST:

By:

Deputy Clerk

(SEAL)

APPROVED AS TO FORM AND TO LEGAL SUFFICIENCY

PALM BEACH COUNTY, BY ITS BOARD OF COUNTY COMMISSIONERS

By: _____

Karen T. Marcus, Chair

APPROVED AS TO TERMS AND CONDITIONS

Director of Water Utilities

By: _

County Attorney

ASSIGNEE:

VILLAGE OF PALM SPRINGS, FLORIDA BY ITS VILLAGE COUNCIL

By:_

By: ____

By:_

Clerk

Mayor

APPROVED AS TO FORM AND TO LEGAL SUFFICIENCY

By:

Village Attorney

Attachment 1

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EXHIBIT "J" SCHEDULE OF VALUES

EXHIBIT J				
UTILITY SYSTEM TRANSFER AGREEMENT BETWEEN PALM BEACH COUNTY AND THE VILLAGE OF PALM SPRINGS				
VALUATION OF TRANSFER AREAS				

Transfer Area 2			
Revenue Over 30 Years	\$	14,149,063.85	
30 Year Present Value of Transfer Area 2			\$ 5,061,867.43
Transfer Area 3			
Connection Fees for 9 Non-Residential Customers (5/8 X 3/4" Meter)	\$	33,750.00	
Connection Fee for 1 Non-Residential Customer (1" Meter)	\$	14,500.00	
Connection Fee for 1 Non-Residential Customer (2" Meter)	\$	40,625.00	·
Value of Transfer Area 3			\$ 88,875.00
Total Value of PBC Service Area to the Village of Palm Springs (Transfer /	Areas 2	& 3)	\$ 5,150,742.43

Transfer Area 1		
Revenue Over 30 Years \$ 1	12,676,879.93	
30 Year Present Value	\$	4,535,189.4
Cost of Capital	\$	540,623.3
Total Value of the Village of Palm Springs Service Area to PBC (Transfer Area 1)	\$	5,075,812.8
Difference in Transferred Service Areas (Due to PBC)	\$	74,929.5
Difference in Transferred Service Areas (Due to PBC) Backbilling for Clemens St. Commodity and Connection Fees (Due To PBC)	\$	74,929.50

EXHIBIT "K" SERVICE AREA MAP

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EXHIBIT "K" (1 of 7)

Potable Water & Wastewater Service Area Map



EXHIBIT "K" (2 of 7)

Potable Water & Wastewater Service Area Map

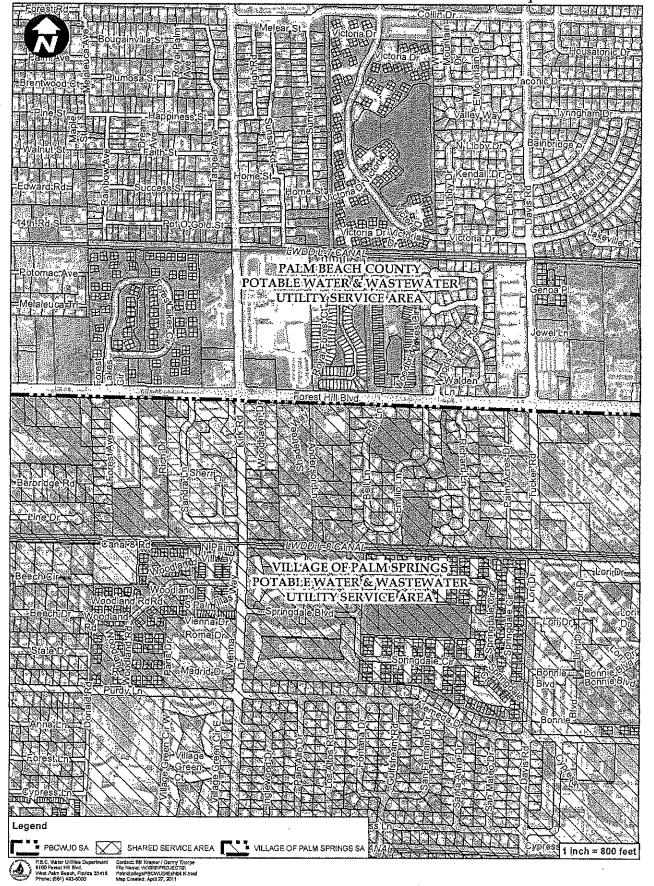


EXHIBIT "K" (3 of 7) Potable Water & Wastewater Service Area Map



EXHIBIT "K" (4 of 7) Potable Water & Wastewater Service Area Map

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EXHIBIT "K" (5 of 7) Potable Water & Wastewater Service Area Map



EXHIBIT "K" (6 of 7) Potable Water & Wastewater Service Area Map

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POTABLE WATER & WASTEWATER	
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PALMBEACH COUNTY	
PBC/WUD SA SHARED SERVICE AREA VILLAGE OF PALM SPRINGS SA	Ave 1 1 Inch = 800 feet
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EXHIBIT "K" (7 of 7)

Potable Water & Wastewater Service Area Map

