

AMENDMENT TO LARGE USER WASTEWATER AGREEMENT

THIS IS AN AMENDMENT TO LARGE USER WASTEWATER AGREEMENT,  
entered into on August 1, 2001, between:

CITY OF FORT LAUDERDALE, a municipal  
corporation of the State of Florida,  
hereinafter referred to as "City,"

and

CITY OF OAKLAND PARK, a municipal  
corporation of the State of Florida,  
hereinafter referred to as  
"Customer."

City and Customer entered into a Large User Wastewater  
Agreement on April 20, 1982, and subsequently amended by Amendment  
dated April 22, 1987 ("Agreement").

Pursuant to Resolution No. 01-138, adopted at its  
meeting of July 15, 2001, the City Commission of City  
authorized the proper City officials to enter into this Amendment  
to Large User Wastewater Agreement.

Pursuant to Resolution No. 2001-075 or official act  
adopted at its meeting of June 20, 2001, the Customer  
authorized the proper officials to enter into this Amendment to  
Large User Wastewater Agreement.

The Agreement provides that payments into the renewal  
and replacement account will "provide for the replacement or  
addition of equipment, accessories or appurtenances that will be  
needed to maintain the performance and capacity of the Regional  
System during its first 20 years of operation. A schedule will be  
prepared by the consulting engineer projecting such expenditures  
for the 20 year period. The schedule will be revised and updated  
each year to show the expected replacement costs for the remainder  
of the 20 years."

City and Customer have determined that the Renewal and  
Replacement Account will not be impaired by providing for the  
replacement or addition of equipment, accessories or appurtenances  
from the then current year for twenty (20) years or until the  
anticipated closure of the Regional Wastewater Treatment Facility,  
whichever is less.

City and Customer have further found that providing funding from the Renewal and Replacement Account for improvements with an expected life in excess of twenty (20) years, and for additional improvements necessary for plant expansion, to meet regulatory requirements or operational changes, provided that the cost of each of these improvements is less than \$2 million, would be advantageous to the Regional System and will not impair the Renewal and Replacement Account.

The original term of the Large User Wastewater Agreement is approaching an end, and it is necessary and to the mutual benefit of each party to extend the Agreement until December 31, 2021.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

1. That Section 8.2 of the Large User Wastewater Agreement is hereby deleted and replaced with the following provision:

8.2 TERMINATION AND EXTENSION OF AGREEMENT

Both parties agree that this Agreement shall begin and bind the parties as set forth in Section 8.1 hereof and shall terminate upon December 31, 2021, at 12:00 o'clock midnight of said date. However, CITY may extend this Agreement for a period not exceeding twenty (20) years from the said termination date in the event, and only in such event, that the issuance of any bonds or other obligations is required in order to obtain funds necessary for expansions or improvements to the CITY system.

2. That Subsection C of Appendix A to the Large User Wastewater Agreement between the City of Fort Lauderdale and the Customer is hereby amended as shown on Exhibit "A," attached hereto and made a part of hereof.

3. That this Amendment shall not take effect until and unless a document in substantially the same form amending the Large User Wastewater Agreement in substantially the same manner is authorized by resolution of the governing bodies and executed by the proper officials of all the other Large User customers in the Central Wastewater Region.

4. That in all other respects the Large User Wastewater Agreement and any other previously executed amendments thereto shall remain in full force and effect.

IN WITNESS OF THE FOREGOING, the parties have set their hands and seals the day and year first written above.

WITNESSES:

CITY OF FORT LAUDERDALE

Catherine M. Wickmann

By

Li Z  
Mayor

Yvonne Brackett Buck

By

73 Puma  
City Manager

(CORPORATE SEAL)

ATTEST:

Nancy Irene Ball  
Asst. City Clerk

Approved as to form:

Michael S. Paveley  
Asst. City Attorney

WITNESSES:

City of Oakland Park

Meriam Kanner

By Caryl R. Stevens  
Caryl R. Stevens, Mayor

Robert O. Geasler

By John Stunson <sup>OW 6/21/01</sup>  
John Stunson, City Manager

(CORPORATE SEAL)

ATTEST:

Beth Eikenberry  
Beth Eikenberry, Acting City Clerk

Approved as to form:

L. Doody  
for D.J. Doody, City Attorney

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## EXHIBIT A

### Appendix A

#### C. Replacement Costs

This portion of the rate, as required by P.L. 92-500, is to provide for the replacement or addition of equipment, accessories or appurtenances that will be needed to maintain the performance and capacity of the Regional System for the next 20 years of operation from the current year, or until the expected closure of the Regional Treatment Facilities, whichever is less. On an annual basis, a schedule shall be prepared by the consulting engineer projecting such expenditures for the next 20 year period or until the anticipated closure of the Regional Treatment Facilities, whichever is less. The schedule shall be revised and updated each year to show the expected replacement costs for the next 20 years or the remaining life of the Regional Treatment Facilities. Replacement Costs may include expenditures for (1) improvements with expected useful lives of greater or less than 20 years, (2) improvements which expand system capacity, (3) modifications or additions needed to accommodate new improvements which expand system capacity, (4) modifications or additions needed to meet new regulatory requirements, or (5) to implement operational changes, provided the estimated cost of each planned improvement does not exceed \$2 million and it is determined to be in the best interest of the Regional System to fund these improvements from the Renewal and Replacement Account.

The replacement cost portion of all user charges collected shall be deposited in the Renewal and Replacement Account and replacement expenditures shall be made directly from the account. If any unused balance remains in the Renewal and Replacement Account at the end of the life of the Regional Treatment Facilities, it shall be transferred to the Replacement and Improvement Reserve Account as described in Section B.6. above.

The portion of the rate is to be calculated annually using the following formula:

$$C = \frac{E - R}{Y}$$

Where C = the amount of replacement costs to be collected that year,

E = the expected replacement costs for the subsequent 20-year period as shown by the consulting engineer's updated schedule,

R = the balance of the Renewal and Replacement Account, and

Y = 20 years, or the number of years remaining in the expected life of the Regional Treatment Facilities, whichever is less.

AMENDMENT TO LARGE USER WASTEWATER AGREEMENT

THIS IS AN AMENDMENT TO LARGE USER WASTEWATER AGREEMENT, entered into on June 20, 2001, between:

CITY OF FORT LAUDERDALE, a municipal corporation of the State of Florida, hereinafter referred to as "City,"

and

CITY OF OAKLAND PARK, a municipal corporation of the State of Florida, hereinafter referred to as "Customer."

City and Customer entered into a Large User Wastewater Agreement on April 20, 1982, and subsequently amended by Amendment dated April 22, 1987 ("Agreement").

Pursuant to Resolution No. 2001-075 adopted at its meeting of June 20, 2001, the City Commission of City authorized the proper City officials to enter into this Amendment to Large User Wastewater Agreement.

Pursuant to Resolution No. 2001-075 or official act adopted at its meeting of June 20, 2001, the Customer authorized the proper officials to enter into this Amendment to Large User Wastewater Agreement.

The Agreement provides that payments into the renewal and replacement account will "provide for the replacement or addition of equipment, accessories or appurtenances that will be needed to maintain the performance and capacity of the Regional System during its first 20 years of operation. A schedule will be prepared by the consulting engineer projecting such expenditures for the 20 year period. The schedule will be revised and updated each year to show the expected replacement costs for the remainder of the 20 years."

City and Customer have determined that the Renewal and Replacement Account will not be impaired by providing for the replacement or addition of equipment, accessories or appurtenances from the then current year for twenty (20) years or until the anticipated closure of the Regional Wastewater Treatment Facility, whichever is less.

City and Customer have further found that providing funding from the Renewal and Replacement Account for improvements with an expected life in excess of twenty (20) years, and for additional improvements necessary for plant expansion, to meet regulatory requirements or operational changes, provided that the cost of each of these improvements is less than \$2 million, would be advantageous to the Regional System and will not impair the Renewal and Replacement Account.

The original term of the Large User Wastewater Agreement is approaching an end, and it is necessary and to the mutual benefit of each party to extend the Agreement until December 31, 2021.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

1. That Section 8.2 of the Large User Wastewater Agreement is hereby deleted and replaced with the following provision:

8.2 TERMINATION AND EXTENSION OF AGREEMENT

Both parties agree that this Agreement shall begin and bind the parties as set forth in Section 8.1 hereof and shall terminate upon December 31, 2021, at 12:00 o'clock midnight of said date. However, CITY may extend this Agreement for a period not exceeding twenty (20) years from the said termination date in the event, and only in such event, that the issuance of any bonds or other obligations is required in order to obtain funds necessary for expansions or improvements to the CITY system.

2. That Subsection C of Appendix A to the Large User Wastewater Agreement between the City of Fort Lauderdale and the Customer is hereby amended as shown on Exhibit "A," attached hereto and made a part of hereof.

3. That this Amendment shall not take effect until and unless a document in substantially the same form amending the Large User Wastewater Agreement in substantially the same manner is authorized by resolution of the governing bodies and executed by the proper officials of all the other Large User customers in the Central Wastewater Region.

4. That in all other respects the Large User Wastewater Agreement and any other previously executed amendments thereto shall remain in full force and effect.

IN WITNESS OF THE FOREGOING, the parties have set their hands and seals the day and year first written above.

WITNESSES:

CITY OF FORT LAUDERDALE

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
City Manager

(CORPORATE SEAL)

ATTEST:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

WITNESSES:

Meriam Kauer

Robert O. Geasler

(CORPORATE SEAL)

City of Oakland Park

By Caryl R. Stevens  
Caryl R. Stevens, Mayor

By John Stunson <sup>D.W. 6/27/01</sup>  
John Stunson, City Manager

ATTEST:

Beth Eikenberry  
Beth Eikenberry, Acting City Clerk

Approved as to form:

L. Doody  
for D.J. Doody, City Attorney

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## EXHIBIT A

### Appendix A

#### C. Replacement Costs

This portion of the rate, as required by P.L. 92-500, is to provide for the replacement or addition of equipment, accessories or appurtenances that will be needed to maintain the performance and capacity of the Regional System for the next 20 years of operation from the current year, or until the expected closure of the Regional Treatment Facilities, whichever is less. On an annual basis, a schedule shall be prepared by the consulting engineer projecting such expenditures for the next 20 year period or until the anticipated closure of the Regional Treatment Facilities, whichever is less. The schedule shall be revised and updated each year to show the expected replacement costs for the next 20 years or the remaining life of the Regional Treatment Facilities. Replacement Costs may include expenditures for (1) improvements with expected useful lives of greater or less than 20 years, (2) improvements which expand system capacity, (3) modifications or additions needed to accommodate new improvements which expand system capacity, (4) modifications or additions needed to meet new regulatory requirements, or (5) to implement operational changes, provided the estimated cost of each planned improvement does not exceed \$2 million and it is determined to be in the best interest of the Regional System to fund these improvements from the Renewal and Replacement Account.

The replacement cost portion of all user charges collected shall be deposited in the Renewal and Replacement Account and replacement expenditures shall be made directly from the account. If any unused balance remains in the Renewal and Replacement Account at the end of the life of the Regional Treatment Facilities, it shall be transferred to the Replacement and Improvement Reserve Account as described in Section B.6. above.

The portion of the rate is to be calculated annually using the following formula:

$$C = \frac{E - R}{Y}$$

Where C = the amount of replacement costs to be collected that year,

E = the expected replacement costs for the subsequent 20-year period as shown by the consulting engineer's updated schedule,

R = the balance of the Renewal and Replacement Account, and

Y = 20 years, or the number of years remaining in the expected life of the Regional Treatment Facilities, whichever is less.



CITY OF  
**FORT LAUDERDALE**  
FLORIDA

OFFICE OF THE CITY ATTORNEY

P. O. DRAWER 14250 • 33302  
TELEPHONE (305) 761-5033

Communication #87-469

May 22, 1987

Ann B. Day, Administrative Assistant  
City of Oakland Park  
3650 N.E. 12th Avenue  
Oakland Park, Fl. 33334

Re: Amendment to Large User Wastewater Agreement

Dear Ms. Day:

Enclosed please find one fully executed original copy of the Amendment to Large User Agreement between the City of Fort Lauderdale and the City of Oakland Park.

Thank you for your cooperation in expediting this matter.

Very truly yours,

David Feldheim  
Assistant City Attorney

DF:jbw:0826v  
Encl.

cc: Allen Roberts, Utilities Director  
Joanne Rizi, Controller

AMENDMENT TO LARGE USER WASTEWATER AGREEMENT  
BETWEEN  
CITY OF FORT LAUDERDALE AND CITY OF OAKLAND PARK

THIS AMENDMENT TO LARGE USER WASTEWATER AGREEMENT, made and entered into this 22 day of April, 1987, between:

CITY OF FORT LAUDERDALE, a municipality of the State of Florida, hereinafter referred to as "CITY", which term shall include its successor and assigns,

and

CITY OF OAKLAND PARK, a municipality of the State of Florida, hereinafter referred to as "CUSTOMER", which term shall include its successors and assigns.

CITY and CUSTOMER entered into a Large User Wastewater Agreement on April 20, 1982.

Said Agreement provides that interest earnings of the Central Wastewater Region shall be included in the account of the repair and replacement fund. However, that fund is projected to be at its target amount substantially prior to its twenty year life.

CITY and CUSTOMER agree that the fund will not be impaired by excluding interest earnings and when applied as a credit against the costs of the Region, the actual rate for wastewater treatment services charged by the Region to all Large Users will decrease.

In consideration of the mutual terms and conditions, promises and covenants hereinafter set forth, CITY and CUSTOMER agree as follows:

1. That the Large User Wastewater Agreement between the City of Fort Lauderdale and City of Oakland Park is hereby amended as shown on Exhibit "A", attached to and made a part of this Agreement.
2. That the proper officials of CITY were authorized to execute this Amendment by Resolution No. 87-95, passed at the meeting of the City Commission of CITY on March 31, 1987.
3. That the proper officials of CUSTOMER were authorized to execute this Amendment by Resolution R 87-60, passed at the meeting of the City Council of the City of Oakland Park on April 22, 1987.
4. That this Amendment shall not take effect until and unless a document in substantially the same form amending the Large User Wastewater Agreement in substantially the same manner is authorized by resolution of the governing bodies and executed by the proper officials of all the other Large User customers in the Central Wastewater Region.
5. That in all other respects the Large User Wastewater Agreement shall remain in full force and effect.

IN WITNESS OF THE FOREGOING, the parties have set their hands and seals the day and year first written above.

CITY

WITNESSES:

Patsy A. Baur

Jean Murray

(CORPORATE SEAL)

CITY OF FORT LAUDERDALE

By [Signature]  
Mayor

By [Signature]  
City Manager

ATTEST:

[Signature]  
City Clerk

Approved as to form:

[Signature]  
City Attorney

CUSTOMER

WITNESSES:

[Signature]

Amanda L. Mahler

(CORPORATE SEAL)

CITY OF OAKLAND PARK

By [Signature]

BY [Signature]

ATTEST:

[Signature]

ARTICLE 5

PROVISIONS PERTAINING TO CHARGES

5.1 BASIS OF CHARGES

Both parties agree that CITY shall provide wastewater transmission, treatment, and disposal service to CUSTOMER at fees, rates and charges constituting the full cost of such service, which shall include Operating and Maintenance Expense, Debt Requirements, and Capital Replacement Fund (as required by PL 92-500) reduced by total interest earnings of the Central Wastewater Region. CITY shall set the same fees, rates and charges for all Large Users including itself as defined in Article 2.6 that are within the same Region. Such fees, rates and charges shall be adopted or amended by the CITY, and it shall consider recommendations of the individual CUSTOMERS and recommendations of the Regional Advisory Board. The CITY shall hold public hearings on amendments to the rates and charges in the manner provided by law and after at least thirty (30) days written notice to the CUSTOMER of such public hearing.

The CUSTOMER shall pay a monthly charge to CITY for wastewater transmission treatment and disposal services provided by the CITY. Such charges shall include the following:

. . . .

5.1.4 A credit for interest earnings of the Central Wastewater Region, shall be computed as a credit per 1000 gallons passing through the meter or meters serving CUSTOMER. The rate for such per 1000 gallon credit shall be computed by dividing the budgeted annual total regional interest earnings, in thousands of dollars, for CITY'S ensuing fiscal year, ending September 30, by the number of thousands of gallons of

wastewater which is estimated to be treated and disposed of through CITY'S Regional System for that year.

5-1-4

5.1.5

An annual adjustment will be computed after the close of the fiscal year and the issuance of the CITY'S Annual Financial Report which will be based upon the actual rate for the year. The actual rate will be computed by dividing the actual operating and main tenance costs, bond debt service covenant requirements and replacement costs less interest earnings of the regional system by the actual number of thousands of gallons of wastewater treated and disposed of through the system for that fiscal year.

CUSTOMER'S actual charge for the fiscal year will be computed by multiplying the actual rate times the number of thousands of gallons of wastewater delivered by CUSTOMER and increasing the amount by any additional charges as described in sections 3.6, 5.2 and 5.4. Should CUSTOMER'S actual charge exceed the amounts previously paid, a special bill will be presented to CUSTOMER showing the additional charge due. Should CUSTOMER'S actual charge be less than the amounts previously paid, the difference will be refunded to CUSTOMER.

5-1-5

5.1.6

The illustrations in Appendix A are designed to demonstrate and clarify the items discussed in this section and should be reviewed concurrently.

## Appendix A

### I. USER CHARGE CALCULATION

Public Law 92-500 (Section 204(b) (1) (A)) requires that a system of user charges be adopted to assure that each recipient of wastewater treatment services will pay its proportionate share of the costs of operation and maintenance (including replacement) of any waste treatment services provided by the Regional System. Accordingly, user rates will be developed annually as part of the budget process using the following formula:

$$R = \frac{A + B + C - D}{N}$$

Where R = the rate per 1,000 gallons passing through the meter or meters of the large user,

A = operation and maintenance costs as explained in Section A below,

B = debt service and bond covenant requirements as described in Section B below,

C = replacement costs as described in Section C below, and

D = interest earnings as described in Section D below, and

N = the total number of thousands of gallons of wastewater that it is estimated will be treated and disposed of through the Regional System for that year.

Following the close of each fiscal year and the issuance of the annual financial statements for that year, the actual user rates and charges will be calculated as described in part II of this Appendix and an adjustment made.

#### A. Operation and Maintenance Costs

The operation and maintenance portion of the user rate will be based upon the annual operating budget for the Central Regional System and will include, but not be limited to, the following categories of expenses:

Personal Services	
Salaries	XXX
Employment Taxes	XXX
Employee Benefits	XXX
Current Expenses	
Utilities	XXX
Fuel, Oil & Lubricants	XXX
Consumable Tools	XXX
General Operating Supplies	XXX
Office Supplies	XXX
Chemicals	XXX
Professional Services	XXX
Insurance	XXX
Vehicle Operations and Maintenance	XXX
Equipment Repairs	XXX
Printing & Binding	XXX
Conferences, Schools & Travel	XXX
Uniforms	XXX
* Administrative Service Charges	XXX
	XXXX

\* This item represents charges for the services of various City departments which will be charged to the Regional System in accordance with the City's administrative indirect cost allocation plan developed under the guidelines of "Federal Management Circular 74-4" as reviewed and approved by the Environmental Protection Agency.

DEBT SERVICE AND BOND COVENANT REQUIREMENTS

his portion of the rate will be based upon the bond principal and interest payments required in the coming year and the amounts necessary for satisfaction of the applicable bond covenant requirements as listed below:

Principal and interest payments payable during the fiscal year on those portions of the Water and Sewer Revenue Bond issues of 1973 and 1978 that were used to purchase or construct fixed assets of the Regional System. (See Tables A-3 and A-4.) XXX

Twenty-five percent of the amount in 1. above in satisfaction of bond covenant requirements. XXX

Note: Water and Sewer Revenue bond covenants require that revenues be equal to or greater than the sum of:

1) 125% of bond principal and interest payable during the year,

2) 100% of operation and maintenance costs for the year and

3) 100% of payments to reserve accounts required by other bond covenants.

Principal and interest payments payable during the fiscal year on that portion of the General Obligation Sewer Bond Issue of 1971 that was used to purchase or construct fixed assets of the Regional System. (See Table A-2.) XXX

Payment to the Operating Reserve Account of any additional amount necessary to establish a balance equal to two months' estimated operating expenses. XXX

Payments to the Debt Service Reserve Account equal to the greater of 20% of the amount in 1. above or an amount sufficient to establish a balance in the Debt Service Reserve Account equal to the largest amount which will be required in any one year for the payment of maturing principal of and interest on Water and Sewer Revenue Bonds. Due to the difficulty in allocating this reserved requirement, the City will account for and be responsible for maintaining this reserve at the appropriate balance. -0-

Payments to the Replacement and Improvement Reserve Account, if such payments should become necessary. Bond covenants require that a minimum balance of \$500,000 be maintained in this account and that at the direction of the consulting engineer additional funds will be appropriated to cover planned project costs. At the date of signing of this agreement, the balance in the Replacement and Improvement Reserve Account is \$500,000 and no plans exist to increase the required balance. In addition, requirements for payments to the Replacement Account, as described in Section C below, are more restrictive. For these reasons, no payments to the Replacement and Improvement Reserve Account are contemplated at the date of signing of this agreement. -0-

Total

XXX

2. Replacement Costs

This portion of the rate, as required by P.L. 92-500, is to provide for the replacement or addition of equipment, accessories or appurtenances that will be needed to maintain the performance and capacity of the Regional System during its first 20 years of operation. A schedule will be prepared by the consulting engineer projecting such expenditures for the 20 year period. The schedule will be revised and updated each year to show the expected replacement costs for the remainder of the 20 years.

Appendix A  
Page Three

The replacement cost portion of all user charges collected will be deposited in the Replacement Account and replacement expenditures will be made directly from the account. If any unused balance remains in the Replacement Account at the end of the 20 year period it will be transferred to the Replacement and Improvement Reserve Account, as described in Section B.6. above.

This portion of the rate will be calculated annually using the following formula:

$$C = \frac{E - R}{Y}$$

Where C = the amount of replacement costs to be collected that year,

E = the expected replacement costs for the remainder of the 20-year period as shown by the consulting engineer's updated schedule,

R = the balance in the Replacement Account, and

Y = the number of years remaining in the 20-year period.

D. Interest Earnings

This portion of the rate is to provide credit for the interest earnings of the Central Regional Wastewater System as an offset to operating and maintenance, debt service and replacement costs provided for under Items A, B and C above.

D: E. Monthly Billing

Each large user will be billed monthly for the number of thousands of gallons of wastewater that passed through its meter or meters times the rate developed above.

II. YEAR-END ADJUSTMENT

Following the close of the fiscal year and the issuance of the annual financial report, an actual rate for the year will be computed using the following formula:

$$AR = \frac{A^1 + B^1 + C^1 - D^1}{N^1}$$

Where AR = the actual rate per 1,000 gallons passing through the meter or meters of the large user,

A<sup>1</sup> = the total actual operation and maintenance costs incurred during the fiscal year,

B<sup>1</sup> = the total bond principal and interest payments and amounts necessary to satisfy bond covenant requirements during the fiscal year as described in Section B above (this amount will not change),

C<sup>1</sup> = The replacement cost formula as computed in Section C above (this amount will not change), and

D<sup>1</sup> = The total actual interest earned during the fiscal year, and

N<sup>1</sup> = the total number of thousands of gallons of wastewater actually treated and disposed of through the regional system for the year.

Appendix A  
Page Four

The amount of adjustment due from or to each large user will be calculated as shown in Table A-1. The actual rate, as computed above, will be multiplied by the number of thousands of gallons of wastewater that passed through the meter or meters of each large user during the year. The result, after being increased by applicable penalties, if any, as described in Sections 3.6, 5.2 and 5.4, will be the user's total actual charge for the fiscal year (column F). The amount paid by the large user is then subtracted to determine the additional charge due from or the refund due to the large user (column H).

Table A-1  
Calculation of Year-end Adjustment

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>
Large User	Gallons Treated in Thousands	Actual Rate	Regular Charge B X C	Penalties Assessed	Total Actual D & E	Amount Paid	From Use F -
Fort Lauderdale							
Oakland Park							
Wilton Manors							
Tamarac							
Port Everglades							
Palmdale							
Total							

### III. EXCESS REVENUES OF THE REGIONAL SYSTEM

Revenues from regular user charges will be equal to the costs of operation and maintenance, debt service and bond covenant requirements and replacement contributions less interest earnings of the system. Receipt of interest-revenue and penalties, if any, will result in a net income for the regional system. If such net income should occur, it will be transferred to the Replacement Account, thus resulting in lower replacement cost contributions for the following year. If any money should remain in the Replacement Account at the end of the 20 year period it will be deposited in the Replacement and Improvement Reserve Account. Any net income occurring after the initial 20 year period will also be deposited in the Replacement and Improvement Reserve Account.

LARGE USER

WASTEWATER

A G R E E M E N T

Between

CITY OF FORT LAUDERDALE

and

CITY OF OAKLAND PARK

City of Fort Lauderdale  
Large User Agreement

RESOLUTION NO. R-82-43

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLAND PARK, FLORIDA, AUTHORIZING THE PROPER CITY OFFICIALS TO EXECUTE AN AMENDMENT TO THE LARGE USER AGREEMENT BETWEEN THE CITY OF FORT LAUDERDALE AND THE CITY OF OAKLAND PARK DATED APRIL 20, 1982.

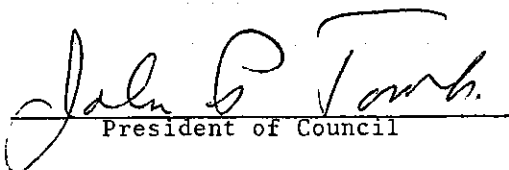
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OAKLAND PARK, FLORIDA:

Section 1: That the proper City Officials are hereby authorized to execute an amendment to the Large User Agreement between the City of Fort Lauderdale and the City of Oakland Park dated April 20, 1982. A copy of such amendment is attached hereto as Exhibit "A".

Section 2: That this resolution shall take effect immediately upon its passage.

THIS RESOLUTION PASSED AND ADOPTED THIS 7th DAY OF July, 1982.

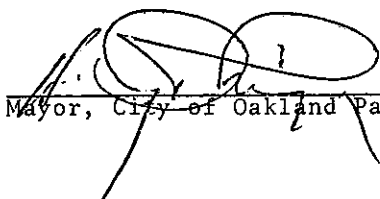
G. Dufek Ab, F. Loss Yes, W. Nash Yes, K. Powell Ab, J. Torok Yes.

  
President of Council

Attest:

  
City Clerk

APPROVED THIS 7th DAY OF July, 1982.

  
Mayor, City of Oakland Park, Florida

AMENDMENT TO LARGE USER WASTEWATER AGREEMENT  
BETWEEN CITY OF FORT LAUDERDALE AND CITY OF  
OAKLAND PARK.

THIS AMENDMENT TO LARGE USER WASTEWATER AGREEMENT made and entered into this 20th day of April, 1982, by and between:

CITY OF FORT LAUDERDALE, a Municipality of the State of Florida, hereinafter referred to as "CITY," which term shall include its successors and assigns,

and

CITY OF OAKLAND PARK, a Municipality of the State of Florida, hereinafter referred to as "CUSTOMER," which term shall include its successors and assigns.

WITNESSETH:

WHEREAS, City and Customer entered into a Large User Wastewater Agreement on \_\_\_\_\_, 1982; and

WHEREAS, said Agreement provides that City shall accept certain projected flows of wastewater from Customer, as set forth in Paragraph 3.4 of said Agreement; and

WHEREAS, at the present time treatment capacity for the Central Wastewater Region is insufficient for all current and projected flows; and

WHEREAS, City and Customer desire to amend said Large User Agreement in order to provide for a method of allocating available flow capacity to all large users within the Central Wastewater Region;

NOW, THEREFORE, City and Customer agree as follows:

That Article 3 of the Large User Wastewater Agreement between the City of Fort Lauderdale and City of Oakland Park shall be amended by adding Paragraph 3.4.1, said paragraph to read as follows:

3.4.1 Because there is a limited flow capacity available at this time and this condition will remain until the 38 million gallon expansion of regional treatment facilities is completed, it is necessary to develop a plan to allocate available flow capacity to all large users on an equitable basis. The following system will be used: Any new flow allocation or increase in Broward County Central Wastewater Regional Treatment capacity which becomes available to the region during the treatment mode preceding completion of the 38 MGD expansion will be assigned proportionately to each user, including the City, based on actual average daily flow for the most recent 12 month period preceding the time of calculation.

As an example, assume that regulatory review results in upgrading regional plant treatment capacity to 25 MGD or approximately 1.5 MGD in excess of present regional commitments; this 1.5 MGD increase would be proportioned as follows: (The Coral Ridge Wastewater Treatment Plant will not be used for these calculations because it will remain in operation, its flow not becoming part of the Regional System until completion of 38 MGD expansion). For purposes of this calculation total flow will be assumed as 20 MGD.

CERTIFICATION  
I certify this to be a true and correct copy of the record in my office.  
WITNESSETH my hand and official seal of the City of Fort Lauderdale, Florida, this 20th day of April, 1982.  
*[Signature]*  
City of Fort Lauderdale, Florida

1. Total flow for all regional users for the last 12 months.

City A - 12 month average flow = 13 MGD  
City B - 12 month average flow = 4 MGD  
City C - 12 month average flow = 2 MGD  
City D - 12 month average flow = 1 MGD

2. Each user's flow is calculated as a percentage of the total flow existing at time of calculation; for purposes of this hypothetical situation the following percentages result:

A = 65%  
B = 20%  
C = 10%  
D = 5%

3. These percentages translate as actual capacity available to the respective large users of the 1.5 MGD increase as follows: (x % times 20 MGD):

1 (A) = .975 MGD  
2 (B) = .3 MGD or 300,000 gal/day  
3 (C) = .15 MGD or 150,000 gal/day  
4 (D) = .075 MGD or 75,000 gal/day

All new flows would be calculated and proportioned in the same manner not to exceed flows projected in the Large User Agreements for any given point in time unless mutually agreed upon between the Customer and the City.

That in all other respects, said Large User Wastewater Agreement, shall remain in full force and effect.

WITNESSES:

[Signature]  
[Signature]

CITY OF FORT LAUDERDALE

By

[Signature]  
Mayor-Commissioner

By

[Signature]  
City Manager

ATTEST:

[Signature]  
City Clerk

APPROVED:

[Signature]  
City Attorney

\_\_\_\_ day of \_\_\_\_\_,

1982.

WITNESSES:

[Signature]  
[Signature]

CITY OF OAKLAND PARK

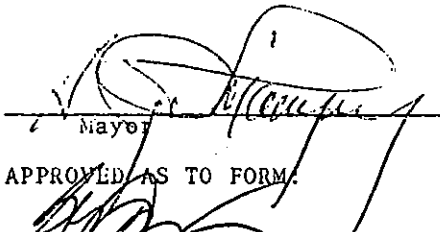
By

[Signature]  
City Manager

By

ATTEST:

[Signature]  
City Clerk

  
Mayor

APPROVED AS TO FORM.

  
City Attorney

this 6th day of August,  
1982.

876g

RESOLUTION NO. 82-114

A RESOLUTION AUTHORIZING THE PROPER CITY OFFICIALS TO EXECUTE A LARGE USER WASTEWATER AGREEMENT AND AMENDMENT THERETO BETWEEN THE CITY OF FORT LAUDERDALE AND THE CITY OF OAKLAND PARK.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA:

SECTION 1. That the proper City officials are hereby authorized to execute the Large User Wastewater Agreement between the City of Fort Lauderdale and the City of Oakland Park.

SECTION 2. That the proper City officials are further authorized to execute the Amendment to Large User Wastewater Agreement between the City of Fort Lauderdale and the City of Oakland Park, said Amendment to provide for a method of allocating available flow capacity to all large users within the Central Wastewater Region.

ADOPTED this the 20th day of April, 1982.

\_\_\_\_\_  
Mayor-Commissioner

ATTEST:

\_\_\_\_\_  
City Clerk

879g

**LARGE USER  
WASTEWATER  
A G R E E M E N T  
Between  
CITY OF FORT LAUDERDALE  
and  
CITY OF OAKLAND PARK**

LARGE USER

WASTEWATER

A G R E E M E N T

Between

CITY OF FORT LAUDERDALE

and

CITY OF OAKLAND PARK

THIS AGREEMENT, made and entered into this the \_\_\_\_\_ day  
of \_\_\_\_\_, 19\_\_\_\_, by and between:

CITY OF FORT LAUDERDALE, a Municipality of  
the State of Florida, hereinafter referred  
to as "CITY," which term shall include its  
successors and assigns,

and

CITY OF OAKLAND PARK, a Municipality of the  
State of Florida, hereinafter referred to as  
"CUSTOMER," which term shall include its  
successors and assigns.

WITNESSETH:

That for and in consideration of the mutual terms and condi-  
tions, promises, covenants and payments hereinafter set forth, CITY  
and CUSTOMER hereby agree as follows:

ARTICLE 1

PREAMBLE

In order to establish the background, context and frame of  
reference for this Agreement and to generally express the objectives  
and intentions of the respective parties herein, the following state-  
ments, representations and explanations shall be accepted as predi-  
cates for the undertakings and commitments included within the provi-  
sions which follow and may be relied upon by the parties as essential  
elements of the mutual considerations upon which this Agreement is  
based.

1.1 PL 92-500 establishes the enforcement mechanism for achieving  
water quality standards which are applicable to all municipal  
and industrial wastewater discharges. This law also sets forth  
the conditions under which Federal assistance may be obtained  
for the construction of wastewater transmission and treatment  
facilities.

1.2 The Broward County Wastewater Facilities Plan, developed in  
March 1978 in accordance with PL 92-500, recommends that the  
County be divided into three wastewater regions:

- North Region
- Central Region
- South Region

Under this plan, the City of Fort Lauderdale will be the lead  
agency in the Central Wastewater Region. The plan proposes  
also that the Region include the Cities of Fort Lauderdale,  
Oakland Park, Wilton Manors, and a portion of Tamarac, the Port

Everglades Authority and the Palmdale service area for the purpose of wastewater collection and treatment. This service area is not limited and may be expanded to include Hacienda Village and/or other contiguous areas.

- 1.3 The City of Fort Lauderdale, as the lead agency, will become both a regional and a local collection and treatment utility. The designated municipalities within the Central Region will continue to own and operate their wastewater collection systems, consisting of gravity sewers, lift stations and force mains. Regional facilities to be owned and operated by the City of Fort Lauderdale will intercept from point of connection, pump, transport and treat wastewater within the Central Region.
- 1.4 CITY will own and operate a regional wastewater transmission, treatment and disposal facilities serving CUSTOMER.
- 1.5 CITY has or will attempt to obtain sufficient wastewater treatment capacity, when requested, to furnish wastewater transmission, treatment and disposal requirements of CUSTOMER. Additional capacity will be dictated by early notice and economical considerations following good planning practices.
- 1.6 CITY will make every effort to have sufficient wastewater treatment capacity to furnish the projected wastewater transmission, treatment and disposal needs of CUSTOMER during the entire term of this Agreement, based upon the projected wastewater treatment flow schedule as provided by CUSTOMER.
- 1.7 CUSTOMER agrees to purchase wastewater transmission, treatment and disposal services from CITY in accordance with the terms set forth in this Agreement.
- 1.8 The authority for this Agreement is Chapter 63-1181 Laws of Florida, Special Acts of 1963, as amended, and Chapter 37 of the Code of Ordinances of the City of Fort Lauderdale.

## ARTICLE 2

### DEFINITIONS

Unless the context specifically indicates otherwise, the following words and phrases used in this Agreement shall have the following meanings:

- 2.1 Words and terms related to water and wastewater shall have the definitions listed in Section 37-1, "Definitions," of Chapter 37 of the Code of Ordinances of the City of Fort Lauderdale, except as indicated.
- 2.2 "CITY TREATMENT FACILITIES"  
This term shall mean those facilities owned or operated, or both, by CITY for the purpose of wastewater treatment and disposal within the Central Wastewater Region as shown on Appendix "B" attached hereto, including such future additions and extensions to these facilities as may be made from time to time.
- 2.3 "CITY TRANSMISSION FACILITIES"  
This term shall mean those facilities owned or operated by CITY within the Central Wastewater Region as shown on Appendix "B" attached hereto, including present and future master pumping stations and force mains, that are now or will be used for the purpose of transmitting wastewater to CITY Treatment Facilities.

2.4 "CUSTOMER'S SYSTEM"

This term shall mean the wastewater system defined by this agreement including gravity sewers, manholes, laterals, lift stations, pumping stations, force mains and appurtenances thereto upstream of the POINT OF CONNECTION to the CITY system.

2.5 "POINT OF CONNECTION"

This term shall mean the point where the CUSTOMER'S system connects to the CITY system for the purpose of delivering wastewater into the CITY system from the CUSTOMER'S system; said POINT OF CONNECTION is further defined, described and set forth in Article 3.1 hereof.

2.6 "CUSTOMER," "CONSUMER" OR "LARGE USER"

Any municipality including the City of Fort Lauderdale, special district, or other entity including the City which operates wastewater collection and transmission facilities which connect into the CITY wastewater transmission, treatment and disposal facilities. This term applies to this Agreement only. A legal description of the CUSTOMER'S service area is contained in Appendix "C", attached hereto.

2.7 "DOMESTIC WASTEWATER"

This term shall mean wastewater derived principally as a result of personal hygiene and sanitary use from dwellings, business buildings, institutions and the like.

2.8 "INDUSTRIAL WASTES"

This term shall mean any liquid, solid or gaseous substance or form of energy, or combination thereof, resulting from any process of industrial, commercial, governmental and institutional concerns, manufacturing, business, trade, or research, including the development, recovery, or processing of natural resources, or from sources identified in the Standard Industrial Classification Manual of the U.S. Office in Management and Budget as amended.

2.9 "REGIONAL ADVISORY BOARD"

This term shall mean the Board that is established and composed of representatives of large users receiving wastewater transmission, treatment and disposal services from CITY, and whose function it is to serve in an advisory capacity to the CITY Commission regarding rates, modification to the facilities, and to perform other duties and functions as provided in the ordinance establishing said Board.

The Board shall be composed of at least one (1) representative from each large user as defined herein, with a projected average wastewater flow of one (1) to five (5) MGD, with one (1) representative for each five (5) MGD increment in excess of five (5) MGD.

The CITY'S Utilities Director shall be chairman of the Board. Other large users with less than one (1) MGD may attend meetings, but do not have voting rights.

2.10 "MASTER PUMP STATION"

A pump station used in repumping wastewater within the regional system not to include pump stations upstream of wastewater flow metering devices located between the regional system and the customer's system or pumping stations used by the CITY for pumping CITY wastewater generated exclusively within the CITY.

### ARTICLE 3

#### PROVISIONS PERTAINING TO CONNECTION TO THE CITY WASTEWATER TREATMENT SYSTEM

##### 3.1 POINT OF CONNECTION

Both parties agree that the POINT OF CONNECTION and meter location shall be as determined by CITY after consultation with CUSTOMER.

##### 3.2 TRANSFER OF LAND AT POINT OF CONNECTION

CITY may locate the POINT OF CONNECTION and meter location and necessary transmission facilities on property now being used by CUSTOMER for wastewater transmission or treatment facilities. CUSTOMER will convey at no cost to CITY either the fee simple title or appropriate easement to the property needed by CITY for the POINT OF CONNECTION, meter location, pump stations, transmission facilities, and such interest in property as is necessary to provide ingress or egress to CITY to said POINT OF CONNECTION, meter location, pump stations and transmission facilities. Such property shall be of sufficient magnitude to allow for future projected expansion and shall be free and clear of any encumbrances and sufficient to allow access of maintenance vehicles.

##### 3.3 MAINTENANCE OF CUSTOMER'S FACILITIES

CUSTOMER agrees to construct where necessary, and to operate and properly maintain at its own cost and expense, all sanitary gravity sewers, lift stations, pumping stations, force mains and other required appurtenances related and directly attributable to the wastewater collection system upstream of the POINT OF CONNECTION that are necessary to properly and continuously collect and convey sanitary wastewater to the POINT OF CONNECTION to the CITY system at such elevation, pressure and flow rates as described in Article 3.5 herein.

##### 3.4 CUSTOMER'S FUTURE FLOW PROJECTIONS

CUSTOMER agrees that it has reviewed its present needs for wastewater transmission and wastewater treatment service and, with the advice and counsel of a professional engineer, has projected its future needs as shown below to the best of its knowledge and ability.

<u>FISCAL YEAR</u>	<u>PROJECTED ANNUAL AVERAGE FLOW IN MILLIONS OF GALLONS PER DAY</u>		<u>PROJECTED MAXIMUM FLOW</u>	
	<u>Transmission</u>	<u>Treatment</u>	<u>Monthly</u>	<u>Daily</u>
1980	2.06	2.06	2.68	4.64
1981	2.10	2.10	2.73	4.73
1982	2.14	2.14	2.78	4.82
1983	2.50	2.50	3.13	5.42
1984	2.70	2.70	3.48	6.03
1985	2.99	2.99	3.89	6.73
1990	3.75	3.75	4.88	8.44
1995	3.93	3.93	5.11	8.84
2000	4.22	4.22	5.48	9.50

These projections shall serve as a reasonable estimate of the future needs of CUSTOMER for the purpose of planning expansion, construction, modification or alteration of said CITY facilities and shall be so used by CITY in determining plant capacity requirements attributable to CUSTOMER in CITY transmission, treatment and disposal facilities. CITY'S obligation to furnish service to CUSTOMER under this Agreement shall be limited to the above-stated quantities, or to modification or changes therein as provided for in Article 6 of this Agree-

ment. CITY recognizes and assumes the obligations of the CUSTOMER to serve new connections with allocation approved by the CUSTOMER and the Broward County Environmental Quality Control Board, with the understanding that flows projected in this agreement are not be exceeded. City shall have all right and power by suit or other such proceedings at law or in equity to enforce the limitation of its obligations hereunder and to prohibit CUSTOMER or its officers, agents or employees from flowing wastewater into CITY'S transmission and treatment facilities which exceeds the capacity or pressure rating indicated and customer shall have the right to enforce by suit or other proceedings, at law, or in equity, the obligation of the CITY to accept, treat, and dispose of customer's wastewater flow as set forth in Article 3.4 of this agreement.

### 3.5 PRESSURES AT POINT OF CONNECTION

CUSTOMER agrees that, under all operating conditions as outlined by CITY, except as provided in Article 7.5 of this Agreement, the elevation of a gravity system or pressure in a force main at the POINT OF CONNECTION shall be sufficient to deliver all wastewater without backing up the CUSTOMER'S gravity lines or reversing flow in CUSTOMER'S force main system, based on present as well as projected future flows for that portion of the regional transmission system.

The CITY reserves the right to install microprocessing monitoring capabilities at any pumping station with a direct connection to the regional facilities. CUSTOMER agrees that no change in pumping characteristics shall be made without prior approval from the UTILITIES DIRECTOR.

### 3.6 EQUALIZATION OF FLOW

CUSTOMER agrees that, through the use of acceptable methods, adequate provisions will be included in the delivery facilities to prevent excessive peak flow rates. The average daily flow shall be controlled such that it is transported to CITY'S transmission and treatment facilities by 24-hour-per-day continuous pumping directly relating to incoming flow. The rates of pumping for any four-hour period shall not exceed two hundred fifty percent (250%) of the average daily flow.

The term "average daily flow" as used herein is defined as the total flow during the four (4) consecutive months of greatest flow during the preceding twelve (12) months, divided by the actual number of days in the four (4) consecutive months. In the event CUSTOMER has not provided continuous flow during the entire period of the preceding twelve (12) months, the term "average daily flow" shall mean that flow projected for treatment for the appropriate year, as indicated in Article 3.4. In the event the flow to the CITY Treatment Facility is not controlled as stipulated hereinabove, then CITY may impose a compensatory charge of a percentage of the monthly billing to CUSTOMER, unless a supplemental written agreement entered into by both parties and attached hereto provides otherwise. Such supplemental written agreement may involve adjustment of rates as a result of reallocation of design, construction, financing, operation and maintenance costs. The compensatory charge shall be computed as follows:

In the event CUSTOMER causes a flow of 250.01% to 255%, inclusive, of the average daily flow for any four (4) hour period, CUSTOMER shall be charged an additional one percent (1%) of the monthly service charge, and an additional one percent (1%) of the monthly service charge shall be charged for each increment of five percent (5%) or any portion thereof exceeding 255%.

CUSTOMER also agrees to notify CITY'S Utilities Department immediately upon discovering the major failure of a pumping station, breakage of a force main or gravity sewer which could cause heavy infiltration and introduction of sand into the system and to begin immediate repair of same.

3.7 CITY TO INSTALL METERS

CITY agrees to furnish and install a wastewater metering device at the region's expense, housing, accessories and appurtenances of a type and design selected by CITY, to be located at the site or sites as determined by CITY after consultation with CUSTOMER. CITY shall retain ownership of the metering device, together with the housing, accessories and appurtenances thereto. In the event the capacity of the metering device becomes inadequate for the amount of flow delivered, CITY, at its expense, shall replace the meter or install such additional metering device or devices as may be necessary.

3.8 CITY TO MAINTAIN METER

CITY agrees to have an annual inspection and report prepared at its expense regarding the condition and accuracy of the metering device performed by a representative of the manufacturer or other competent entity. A copy of the annual report on meter inspection shall be furnished to CUSTOMER within thirty (30) days of its acceptance. CUSTOMER shall have the right to make its own meter inspection, or to have an independent company check the metering equipment at any time provided, however, no such inspection shall be made unless CUSTOMER shall first give CITY written notice 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 CITY. All cost and expense of CUSTOMER'S interim inspection shall be borne by CUSTOMER unless the meter is found to be inaccurate beyond the manufacturer's guaranteed range of accuracy, in which case the cost and expense of such interim inspection shall be borne by CITY. Normal maintenance of the metering device shall be performed by CITY as an expense of wastewater treatment and effluent disposal.

3.9 PAYMENT IN CASE OF METER INACCURACY

Both parties agree that, should the metering equipment be found to be inaccurate beyond the manufacturer's range of accuracy, the meter will be assumed to be inaccurate since the last meter check 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 CUSTOMER for that period. The computation shall be based on the average flow for the previous twelve-month service prior to the last meter check.

3.10 PAYMENT IN CASE OF METER FAILURE

Both parties agree that, if at any time the metering system shall be inoperative or in any way fails to provide information with respect to the quantity of flow into CITY'S wastewater transmission, treatment and disposal facilities, CUSTOMER will pay to CITY a monthly amount equal to the average flow based upon the previous twelve-month service prior to the date the meter became inoperative.

3.11 CHARGES TO CITY

Regional costs to the CITY shall be calculated for all flow delivered to the regional wastewater treatment plant less the total measured flow delivered at each point of connection from customers' systems.

## ARTICLE 4

### PROVISIONS RELATING TO DISCHARGE AND SAMPLING

#### 4.1 TYPES OF WASTES AND SUBSTANCES WHICH ARE PROHIBITED TO BE DISCHARGED

The rules and regulations contained in City of Fort Lauderdale Code of Ordinances, Chapter 37, Article III establish the types of wastes and substances which are prohibited to be discharged into CITY's sewerage system. Except as hereinafter provided, CUSTOMER agrees to comply with these aforementioned rules and regulations.

#### 4.2 CUSTOMER agrees to include in the design of its wastewater delivery system a safe, mutually agreeable sampling station so that CITY can obtain grab and composite samples of the wastewater as a means of monitoring the characteristics of the wastewater received from CUSTOMER, and to provide for such right-of-way or easements as may be necessary to assure CITY of access to the sampling station.

The CITY shall have the right at any time to collect samples of sewage and industrial wastes at various locations to be determined by the CITY within CUSTOMER'S facilities for the purpose of making laboratory analysis of these wastes. Twenty-four (24) hour notice will be given of industrial sampling to be conducted by CITY when possible. The costs of collecting and of testing such samples shall be considered a CITY facility operating expense.

#### 4.3 CUSTOMER shall supply CITY, not later than September 30th of each year, with a list of the producers of industrial wastes, if any, as of August 31st of each year and supply CITY with an update of any additional producers of industrial wastes as they occur. CUSTOMER shall require that any producer of industrial wastes, as defined in PL 92-500 or any revisions thereto or those designated by the CITY, submit annually to CITY a complete laboratory analysis of both the raw and pre-treated wastes, at no cost to CITY. CUSTOMER shall require that each producer of industrial wastes give CITY five (5) days written notice, exclusive of Saturdays, Sundays and holidays, of its intent to take the required samples, in order that CITY may be represented at such sampling. Such analysis shall be made on twenty-four (24) hour composite samples and shall include at least the following: temperature, pH, suspended solids, dissolved solids, five-day BOD, fats and oils (ether extraction), ASTM flash point, and any other parameters deemed appropriate by the Director. Upon request, CUSTOMER shall submit annually to CITY at no cost to CITY similar laboratory analyses of composite samples of the combined wastes leaving CUSTOMER'S facilities.

#### 4.4 CUSTOMER agrees to adopt, enact and enforce such rules, regulations and/or ordinance as may be required to insure that users of CUSTOMER'S system do not discharge or cause to be discharged waters or wastes which would not meet conditions for individuals as defined by the CITY's Code of Ordinances or would cause CUSTOMER's wastewater to be unacceptable under the provisions of this Article, and to furnish to CITY certified copies thereof within ninety (90) days from date hereof. CITY agrees to assist CUSTOMER in the preparation of said rules, regulations and/or ordinances.

#### 4.5 CUSTOMER shall be responsible for implementation in its system of any Federal, State or local regulations imposed upon CITY either now or in the future. This includes but is not limited to "Industrial Cost Recovery Provisions" as required by PL 92-500, "Toxic and Pretreatment Effluent Standards" as

required by PL 92-500, and "Infiltration/Inflow Sewer System Evaluation Survey and Rehabilitation" as required by PL 92-500. CUSTOMER shall provide the "Infiltration/Inflow Analysis" required by PL 92-500, and CITY shall perform grant coordination as it applies to Central Region.

- 4.6 CUSTOMER agrees that this agreement in its entirety is subject to all applicable provisions of Chapter 37 (now and as amended), Code of Ordinances of CITY, which shall be deemed supplemental to the terms of the agreement.

## ARTICLE 5

### PROVISIONS PERTAINING TO CHARGES

#### 5.1 BASIS OF CHARGES

Both parties agree that CITY shall provide wastewater transmission, treatment, and disposal service to CUSTOMER at fees, rates and charges constituting the full cost of such service, which shall include Operating and Maintenance Expense, Debt Requirements, and Capital Replacement Fund (as required by PL 92-500). CITY shall set the same fees, rates and charges for all Large Users including itself as defined in Article 2.6 that are within the same Region. Such fees, rates and charges shall be adopted or amended by the CITY, and it shall consider recommendations of the individual CUSTOMERS and recommendations of the Regional Advisory Board. The CITY shall hold public hearings on amendments to the rates and charges in the manner provided by law and after at least thirty (30) days written notice to the CUSTOMER of such public hearing.

The CUSTOMER shall pay a monthly charge to CITY for wastewater transmission treatment and disposal services provided by the CITY. Such charges shall include the following:

- 5.1.1 Operating and Maintenance charges, plus taxes assessed, if any, applicable to the regional treatment plant, regional pumping stations, regional force mains, and disposal works and facilities and appurtenances thereto. The portion of the monthly charge attributable to such operating and maintenance charge shall be based on the actual flow used by the CUSTOMER during the billing period.

Such monthly charge shall be computed as a charge per 1000 gallons passing through the meter or meters serving CUSTOMER. The rate for such per 1000 gallon charge shall be computed by dividing the budgeted annual total regional operating and maintenance expenses, in thousands of dollars, as defined below for CITY's ensuing fiscal year, ending September 30, by the number of thousands of gallons of wastewater which is estimated to be treated and disposed of through CITY'S Regional System for that year.

The operating and maintenance expense portion of such cost shall include, but not be limited to, labor, material, equipment, fuel, utilities, chemicals, transportation, travel and administrative expenses, billing expenses, supplies, rent, insurance, employee benefits, liability and workmen's compensation, outside services, and any other costs of operation and maintenance of the CITY's regional transmission, treatment and disposal facilities.

Administrative costs for the services of various CITY departments shall be charged to the regional facilities in accordance with the CITY'S administrative indirect cost allocation plan developed under the

guidelines of "Federal Management Circular 74-4" as reviewed and approved by the Environmental Protection Agency. Charges to the regional facilities for the services of the Engineering, Utilities, Public Works and City Attorney departments shall be made by direct cost allocation as such services are rendered.

5.1.2 Charges for principal, interest and amounts necessary to meet the requirements of bond obligations and covenants on the City's regional treatment plant, transmission and disposal facilities and appurtenances thereto, including any bonds or other obligations thereon, heretofore or hereafter issued by the CITY for the benefit of the CITY's regional transmission, treatment and disposal facilities, shall be computed as a charge per 1000 gallons passing through the meter or meters serving CUSTOMER. The rate for such per 1000 gallon charge shall be computed by dividing the total Central Wastewater Region debt service, in thousands of dollars, by the number of thousands of gallons of wastewater which is estimated to be treated and disposed of through CITY'S Regional System for that year.

5.1.3 A charge representing the CUSTOMER'S equitable share of replacement costs during the Regional System's 20-year planning period, as required by P.L. 92-500 and the federal regulations applicable thereto, shall be computed as a charge per 1000 gallons passing through the meter or meters serving CUSTOMER. The rate for such per 1000 gallon charge shall be calculated annually using the following formula and dividing the result by the number of thousands of gallons of wastewater which is estimated to be treated and disposed of through the regional system for that year.

Expected Replacement Costs	-	Replacement
for Remainder of 20-year		Account
Period		Balance
<hr/>		
Number of Years Remaining		
in 20-year Period		

The term "replacement costs" shall be defined as in P.L. 92-500 as "Expenditures for obtaining and installing equipment, accessories, or appurtenances during the useful life of the treatment works necessary to maintain the capacity and performance for which such works are designed and constructed." Such replacement expenditures shall be funded from the Replacement Account during the Regional System's 20-year planning period as identified in Appendix A to 40 CFR 35. Any balance remaining in the Replacement Account at the end of the 20-year planning period will be transferred to the Region's Replacement and Improvement Reserve Account as defined by the CITY'S bond covenants.

Any subsequent revision of P.L. 92-500 or the federal regulations for replacement charges shall automatically supersede this subsection.

5.1.4 An annual adjustment will be computed after the close of the fiscal year and the issuance of the CITY'S Annual Financial Report which will be based upon the actual rate for the year. The actual rate will be computed by dividing the actual operating and maintenance costs, bond debt service covenant requirements and replacement costs of the regional system by the actual number of thousands of gallons of wastewater treated and disposed of through the system for that fiscal year.

CUSTOMER'S actual charge for the fiscal year will be computed by multiplying the actual rate times the number of thousands of gallons of wastewater delivered by CUSTOMER and increasing the amount by any additional charges as described in sections 3.6, 5.2 and 5.4. Should CUSTOMER'S actual charge exceed the amounts previously paid, a special bill will be presented to CUSTOMER showing the additional charge due. Should CUSTOMER'S actual charge be less than the amounts previously paid, the difference will be refunded to CUSTOMER.

- 5.1.5 The illustrations in Appendix A are designed to demonstrate and clarify the items discussed in this section and should be reviewed concurrently.

## 5.2 CHARGE FOR EXCESSIVE FLOWS

In the event that the average monthly flow of any CUSTOMER exceeds its transmission or treatment capacity for a period of four (4) successive months, then the monthly charge to the CUSTOMER shall be increased by the percentage that the CUSTOMER exceeds its commitment for each month that its flow exceeds the amount of its flow projection. Nothing in the section shall be construed to waive or rescind any rights that CITY shall have pursuant to Article 3.4 relating to the limitation of CITY'S obligation to provide transmission and treatment capacity to CUSTOMER only up to the amount CUSTOMER has projected.

## 5.3 REVIEWS

CITY agrees that reviews of the cost of providing wastewater treatment, transmission and disposal services shall be made annually, based on the CITY'S fiscal year. The fees, rates and charges which will be effective during the next succeeding fiscal year to the CUSTOMER and other customers of the same class, will be developed by the CITY following such annual review. In developing such fees, rates and other charges for the next succeeding fiscal year, the costs, as defined herein, during the current fiscal year, the audited costs for the preceding fiscal year, and the anticipated changes in costs, in the next succeeding fiscal year, will be the preliminary basis for establishing the fees, rates and other charges for the next succeeding fiscal year.

## 5.4 PAYMENT AND PENALTIES FOR NON-PAYMENT

Both parties agree that CITY shall bill CUSTOMER for wastewater transmission, treatment, and disposal services on a monthly basis in accordance with CITY'S standard billing procedures. CUSTOMER shall pay such billings within thirty (30) days of the date of mailing the monthly bill. Should CUSTOMER not pay within the thirty (30) day period, CUSTOMER shall pay an additional one and one-half percent (1 1/2%) of the bill. Should a billing or a portion of a billing be outstanding for a period of more than sixty (60) days from the date of the original billing, then the CUSTOMER shall be considered in default and the CITY, in addition to all other rights and remedies, shall have the right and power, by suit, action, mandamus or such other proceedings at law or in equity, to protect, enforce, and compel performance by the CUSTOMER and any of the officers, agents or employees of said CUSTOMER to perform and carry out its and their duties and obligations under this Agreement or applicable law.

## 5.5 ANNUAL REPORT

CITY agrees to engage a reputable firm of independent Certified Public Accountants to perform an annual audit of its financial statements as required by state statutes and to issue an Audit Report expressing an opinion thereon. CITY agrees to further engage the Certified Public Accountants to issue a separate Contractual Compliance Report regarding the CITY'S compliance with the terms of this agreement. The cost of the Contractual Compliance Report will be a cost of regional system. CITY will furnish to CUSTOMER a copy of the CITY'S audited annual financial statements accompanied by the auditor's Contractual Compliance Report within thirty (30) days of receipt and acceptance by the CITY.

### 5.5.1 ACCESS TO RECORDS

CITY agrees to maintain separate accounting records for the central regional wastewater system. Assets and liabilities of the regional system will be segregated in a separate accounting entity apart from the CITY'S other assets and liabilities. Costs and revenues associated with regional wastewater transmission, treatment and disposal will also be recorded with this accounting entity apart from other CITY costs and revenues.

Upon reasonable notice given by CUSTOMER, CITY will make available to CUSTOMER, at CITY'S offices, its books and records regarding operations of the regional wastewater transmission, treatment and disposal facilities. CUSTOMER agrees that, upon reasonable notice given by CITY, it will, in like manner, make available to CITY, at CUSTOMER'S offices, its books and records regarding the operation of wastewater transmission including, but not limited to, accounting and auditing records.

## 5.6 CITY TO HAVE JURISDICTION

Both parties agree that CITY has sole and exclusive authority and jurisdiction as to administration, operation and maintenance of CITY System, establishing the annual budget, establishing and amending service fees, rates and other charges as provided in the CITY'S Ordinances for efficient operation and maintenance of the facilities and all other matters and things pertaining to the wastewater transmission, treatment, and disposal facilities. However, CITY agrees to consider the recommendations from the individual CUSTOMERS and the Regional Advisory Board that it received before making decisions in areas in which the individual CUSTOMERS and the Advisory Board have an interest.

## ARTICLE 6

### PROVISIONS PERTAINING TO ADDITIONAL OBLIGATIONS OF BOTH PARTIES UNDER THIS AGREEMENT

#### 6.1 CITY TO EXPAND SYSTEM AND APPLY FOR GRANTS

CITY agrees to attempt to provide whatever extensions and expansions to the regional transmission, treatment and disposal facilities as may be necessary to provide for CUSTOMER'S future scheduled flow, as set forth herein Article 3.4. Toward this objective CITY will make application, as it may be aware, for any available financial assistance from Federal, State and local programs under which said facilities and the project may be eligible. Further, CITY agrees to apply applicable portions of any such assistance which may be received to offset capital costs of the CITY system.

6.2 CUSTOMER TO DELIVER ALL WASTEWATER

CUSTOMER agrees, during the term of this Agreement, to deliver all existing and future wastewater flows collected by it within the service area defined by this agreement, whether collected within or without its existing service area, to CITY facilities, which flows shall not exceed amounts set forth herein in Article 3.4, as existing or as hereafter amended, for the length of this Agreement, and CITY agrees to accept and treat such wastewater flow not exceeding amounts set forth herein in Article 3.4, as existing or as hereafter amended, for the length of this Agreement.

6.3 CHANGE IN SCHEDULED FLOWS

Both parties agree that the schedule of flows shown in Article 3.4 herein shall be the basic schedule; however, same may be altered from time to time for the following reasons:

6.3.1 CHANGES NECESSARY BECAUSE OF DEVELOPMENT

CUSTOMER shall have the right to revise the projections attributable to CUSTOMER upward or downward, provided CITY has not yet engaged a firm to prepare plans for additions or modifications to CITY facilities, the need for such plans being based in part upon projections made by CUSTOMER. CUSTOMER shall be given notice by certified mail at least ninety (90) days prior to the date of engaging a firm to prepare said plans for additions or modifications, which notice shall advise CUSTOMER that action is being contemplated by CITY and requesting that any modifications which CUSTOMER may wish to make in its flow projection schedule in Article 3.4 be submitted to CITY before said date.

CUSTOMER agrees to furnish to CITY and to the Advisory Board no later than the first day of June of each year, on the year after consummating this Agreement, a five (5) year projection indicating its yearly projections of its wastewater treatment needs. Said projections are necessary for planning purposes. CITY agrees that it will review the basis of flow projections, as well as per capita flow projections, and if the CITY agrees it will use the projections as a tool in determining if and when extensions and modifications to the facilities are required and economically feasible. In the event disagreement exists on flow projections (either gross, net or per capita), CITY shall not require more stringent criteria or commitments to be utilized by larger users than extended to the CITY proper. In determining whether and when to expand or modify its facilities, CITY will consider recommendations of the individual CUSTOMERS and of the Advisory Board.

6.3.2 CHANGES BY OUTSIDE AGENCIES

CITY may revise the schedule if any Federal, State or local agency promulgates regulations that require a change in scheduling or reduction in per capita usage of flows. If there is a determination by either party that regulations requiring a change in scheduling flows are unreasonable, either party reserves the right to challenge said regulations in court.

6.3.3 CHANGES BEYOND CITY'S CONTROL

CITY may revise the flow schedule for such periods as are reasonable and necessary if anticipated construc

tion is delayed for any reason beyond the control of CITY. The reasons for delay may be, but are not limited to, the following:

6.3.3.1 Contractor delays beyond completion date.

6.3.3.2 Lack of acceptance or approval by regulatory agencies.

6.4 CUSTOMER TO CHARGE ADEQUATE RATES

CUSTOMER agrees to establish and maintain service charges or other means of obtaining funds within its area of jurisdiction sufficient to provide monthly payments to CITY for wastewater transmission and treatment services, and that such means will be revised as may be required from time to time to provide sufficient funds to pay any sums due CITY under the terms of this Agreement.

6.5 GRANT INFORMATION

CUSTOMER and CITY agree to provide each other with all necessary information pertinent to CUSTOMER'S or CITY'S system and service area which any Federal, State or local agencies shall require in an application for financial assistance in the construction of CITY'S transmission, treatment and disposal facilities or CUSTOMER'S collection and transmission facilities. Further, CUSTOMER and CITY agree to adopt such regulations, execute such Agreements and do such work as said Federal, State or local agencies may require as part of CITY'S or CUSTOMER'S application for funds.

ARTICLE 7

PROVISIONS PERTAINING TO VIOLATIONS AND  
EXCEPTIONS TO THE TERMS OF THIS AGREEMENT

7.1 AGREEMENT NOT TO BE CANCELLED

Both parties agree that each is undertaking a major obligation in assigning all of CUSTOMER'S existing and future wastewater flow, within the service area described herein, to CITY'S system, and therefore each agrees with the other that this Agreement will not be cancelled on any condition except by mutual cancellation agreement between the parties hereto, which will be a written document executed with the same formality and of equal dignity herewith.

7.2 NOTICES OF VIOLATION TO CUSTOMER

CITY shall serve CUSTOMER with written notice stating the nature of any violation of this Agreement by CUSTOMER. Said notice shall provide a reasonable time limit, not to exceed ninety (90) days, for the satisfactory correction thereof. CUSTOMER shall, within the period of time stated in such notice, permanently cease or correct all violations.

7.3 INDEMNIFICATION AND HOLD HARMLESS CLAUSE

CUSTOMER and CITY agree that, if either is guilty of violating any of the provisions of this Agreement, the guilty party shall become liable to the other party for any expense, loss, or damage occasioned by reason of such violation, provided, however, any payment by CITY to CUSTOMER or CUSTOMER to CITY for a violation of any provision of this Agreement shall be from such source other than revenues pledged to bond holders, as may be legally available to CITY or CUSTOMER respectively.

CUSTOMER agrees to hold and save harmless CITY from costs and expenses incurred by CUSTOMER or CITY in any litigation to which CUSTOMER or CITY may become a party, as either plaintiff

or defendant, resulting from the effects of the improper introduction of materials by CUSTOMER or any users of CUSTOMER'S collection system into the CITY facilities, or any portion thereof, which may cause damage within or without the CITY system.

#### 7.4 DISPUTE OVER VIOLATION

CUSTOMER agrees that, in the event of any continuing violation by CUSTOMER of the provisions herein contained which shall continue beyond the date stated in the notice described above and that relates to the payment of money, the CITY shall submit to CUSTOMER an initial, dated proposed billing invoice, and if the parties by conference do not settle and agree that a violation exists, or if the parties do not agree upon the amount invoiced if a violation does exist, within thirty (30) days from the billing date, then the CUSTOMER shall automatically deliver to CITY the amount billed. However, the amount of the bill that is in dispute shall be deposited in an interest-bearing bank account in a banking institution agreeable to both parties during such continuing claimed violation, with adjustment of the billing invoice amount, or actual cost, expense or damage to be left to subsequent agreement or court adjudication.

#### 7.5 FORCE MAJEURE

Both parties agree that any temporary cessation of wastewater transmission and wastewater treatment and effluent disposal services resulting from an Act of God, fire, labor strikes, casualty, necessary maintenance work, breakdown of or injury to machinery, pumps or pipe lines, insurrection or riot, or civil or military authority, shall not constitute a breach of this Agreement on the part of CITY or CUSTOMER and neither CITY nor CUSTOMER shall be liable to the other for any damage resulting from such temporary cessation of services.

#### 7.6 JURISDICTION OF OTHER AGENCIES

Both parties agree that certain Federal, State and local agencies have some jurisdiction and control over pollution matters and, should such an agency issue legally enforceable orders that may alter any of the terms and conditions of this Agreement, there shall be no liability on either party because of such action provided that CITY shall not be precluded from making a necessary adjustment to the sewage transmission and treatment rate. It is further agreed that if such agency shall request a change in the provisions of this Agreement that both parties will, by mutual agreement, make every effort to comply with such request. However, the terms of this article shall not preclude administrative or judicial challenge, or both, of such order by either or both parties hereto. This provision shall not be construed so as to permit CUSTOMER to terminate this Agreement.

### ARTICLE 8

#### PROVISIONS PERTAINING TO THE ADMINISTRATION OF THIS AGREEMENT

#### 8.1 DATE OF BEGINNING

Both parties agree to be bound by this Agreement as of the date of its execution. Should CUSTOMER, through no fault of CITY, not avail itself of the CITY facilities when such facilities are available or within the applicable time period it will pay the applicable standby charges, as defined and described in Article 8.1.2. below.

8.1.1 DATE OF CUSTOMER CONNECTING TO CITY FACILITIES

CITY will keep CUSTOMER informed as to the construction schedules of those facilities necessary to serve CUSTOMER. The CITY shall give CUSTOMER notice of the completion date as certified by its Engineer of the construction of all CITY facilities necessary to serve CUSTOMER and CUSTOMER shall be prepared to deliver all of its wastewater to the point of connection on this completion date or within three (3) months of the date of this notice, whichever date is later. If construction is completed at the time of execution of this Agreement, CITY shall give written notice thereof to CUSTOMER who shall connect to the system within three (3) months of receipt of written notice. In the event CUSTOMER does not deliver all of its wastewater, it shall pay standby charges which shall commence three (3) months from the date of the notice.

8.1.2 BASIS OF STANDBY CHARGES

Should CUSTOMER fail to deliver all of its wastewater on the date above agreed upon, the CITY will bill and CUSTOMER will pay the monthly charges set forth in Article 5 hereof based upon one hundred (100%) percent of the gallonage collected by CUSTOMER within its jurisdiction.

8.1.3 CUSTOMER WITH NO FLOW

In the event CUSTOMER has no flow to deliver to the CITY on the date above agreed upon, CUSTOMER shall pay only such amounts, based on its projected flow on the date above agreed upon, as are attributable to principal, interest, capital replacement and coverage of bonded indebtedness.

8.2 TERMINATION AND EXTENSION OF AGREEMENT

Both parties agree that this agreement shall begin and bind the parties as set forth in Article 8.1 hereof and shall terminate at the end of the CITY's next full succeeding fiscal year subsequent to such time as all obligations, notes or bonds heretofore or hereafter issued for the financing of the Central Regional Transmission, Treatment and Disposal Facilities, or any part of said facilities, are retired or satisfied.

8.3 INVALIDITY OF AGREEMENT

Both parties agree that the invalidity of any section, clause, sentence, or provision of this Agreement shall not affect the validity of any other part of this Agreement which can be given effect without such invalid part or parts.

8.4 BINDING ON SUCCESSORS

Both parties agree that this Agreement shall be binding upon the successors and assigns of the parties hereto and may be enforced by appropriate action in court, or courts, of competent jurisdiction.

8.5 LEGAL REQUIREMENTS

Both parties agree that all legal requirements for execution of this Agreement have been performed, and each party hereto agrees to exchange with the other certified copies of the official records of its governing body which authorize the execution of this Agreement.

8.6 GIVING OF NOTICE

Any notice required to be given hereunder shall be considered to have been properly given if the same has been sent in writing by certified mail, to the following

CITY: City Manager  
City of Fort Lauderdale  
P.O. Drawer 14250  
Fort Lauderdale, Florida 33302

CUSTOMER:

8.7 ALL PRIOR AGREEMENTS SUPERSEDED

This document supersedes all prior negotiations, correspondence, conversations, agreements, or understandings applicable to the matters contained herein and the parties agree that there are no commitments, agreements, or understandings concerning the subject matter of this Agreement that are not contained in this document. Accordingly, it is agreed that no deviation from the terms hereof shall be predicated upon any prior representations or agreements whether oral or written.

It is further agreed that no modification, amendment or alteration in the terms or conditions contained herein shall be effective unless contained in a written document executed with the same formality and of equal dignity.

8.8 EXECUTION

This Agreement shall be executed in five (5) copies, each of which shall be deemed an original. CUSTOMER shall provide CITY with a copy of CUSTOMER'S Resolution or evidence of other action authorizing CUSTOMER to execute this Agreement, which Resolution or other document shall be attached hereto as an exhibit and made a part thereof.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement on the respective dates under each signature: CITY OF FORT LAUDERDALE through its CITY COMMISSION, signing by and through its Mayor, authorized to execute same by Commission action on the 20 day of April, 1982, and signing by and through \_\_\_\_\_ of the \_\_\_\_\_ duly authorized to execute same.

WITNESSES:

Jean Mowery  
Elizabeth A. Mitchell

CITY OF FORT LAUDERDALE

By [Signature]  
Mayor-Commissioner

By [Signature]  
City Manager

ATTEST:

[Signature]  
City Clerk

APPROVED:

[Signature]  
City Attorney

20 day of April,  
1982

Attest:

*Paula Smith*  
City Clerk

Witnesses:

*Karen S. Friedmann*

*David B. Day*

CITY OF OAKLAND PARK

*[Signature]*  
Mayor

*[Signature]*  
City Manager

*EEW lvs*

Approved as to form:

*[Signature]*  
By: Gordon G. Cooper  
Assistant City Attorney

3257d

## Appendix A

### I. USER CHARGE CALCULATION

Public Law 92-500 (Section 204(b)(1)(A)) requires that a system of user charges be adopted to assure that each recipient of wastewater treatment services will pay its proportionate share of the costs of operation and maintenance (including replacement) of any waste treatment services provided by the Regional System. Accordingly, user rates will be developed annually as part of the budget process using the following formula:

$$R = \frac{A + B + C}{N}$$

Where R = the rate per 1,000 gallons passing through the meter or meters of the large user,

A = operation and maintenance costs as explained in Section A below,

B = debt service and bond covenant requirements as described in Section B below,

C = replacement costs as described in Section C below, and

N = the total number of thousands of gallons of wastewater that it is estimated will be treated and disposed of through the Regional System for that year.

Following the close of each fiscal year and the issuance of the annual financial statements for that year, the actual user rates and charges will be calculated as described in part II of this Appendix and an adjustment made.

#### A. Operation and Maintenance Costs

The operation and maintenance portion of the user rate will be based upon the annual operating budget for the Central Regional System and will include, but not be limited to, the following categories of expenses:

##### Personal Services

Salaries	XXX
Employment Taxes	XXX
Employee Benefits	XXX

##### Current Expenses

Utilities	XXX
Fuel, Oil & Lubricants	XXX
Consumable Tools	XXX
General Operating Supplies	XXX
Office Supplies	XXX
Chemicals	XXX
Professional Services	XXX
Insurance	XXX
Vehicle Operation & Maintenance	XXX
Equipment Repairs	XXX
Printing & Binding	XXX
Conferences, Schools & Travel	XXX
Uniforms	XXX
* Administrative Service Charges	XXX

Total	XXXX
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\* This item represents charges for the services of various City departments which will be charged to the Regional System in accordance with the City's administrative indirect cost allocation plan developed under the guidelines of "Federal Management Circular 74-4" as reviewed and approved by the Environmental Protection Agency.

B. Debt Service and Bond Covenant Requirements

This portion of the rate will be based upon the bond principal and interest payments required in the coming year and the amounts necessary for satisfaction of the applicable bond covenant requirements as listed below:

1. Principal and interest payments payable during the fiscal year on those portions of the Water and Sewer Revenue Bond issues of 1973 and 1978 that were used to purchase or construct fixed assets of the Regional System. (See Tables A-3 and A-4.) XXX
2. Twenty-five percent of the amount in 1. above in satisfaction of bond covenant requirements. XXX  
Note: Water and Sewer Revenue bond covenants require that revenues be equal to or greater than the sum of:
  - a) 125% of bond principal and interest payable during the year,
  - b) 100% of operation and maintenance costs for the year and
  - c) 100% of payments to reserve accounts required by other bond covenants.
3. Principal and interest payments payable during the fiscal year on that portion of the General Obligation Sewer Bond Issue of 1971 that was used to purchase or construct fixed assets of the Regional System. (See Table A-2.) XXX
4. Payment to the Operating Reserve Account of any additional amount necessary to establish a balance equal to two months' estimated operating expenses. XXX
5. Payments to the Debt Service Reserve Account equal to the greater of 20% of the amount in 1. above or an amount sufficient to establish a balance in the Debt Service Reserve Account equal to the largest amount which will be required in any one year for the payment of maturing principal of and interest on Water and Sewer Revenue Bonds. Due to the difficulty in allocating this reserved requirement, the City will account for and be responsible for maintaining this reserve at the appropriate balance. -0-
6. Payments to the Replacement and Improvement Reserve Account, if such payments should become necessary. Bond covenants require that a minimum balance of \$500,000 be maintained in this account and that at the direction of the consulting engineer additional funds will be appropriated to cover planned project costs. At the date of signing of this agreement, the balance in the Replacement and Improvement Reserve Account is \$500,000 and no plans exist to increase the required balance. In addition, requirements for payments to the Replacement Account, as described in Section C below, are more restrictive. For these reasons, no payments to the Replacement and Improvement Reserve Account are contemplated at the date of signing of this agreement.

Total

-0-  
XXX

C. Replacement Costs

This portion of the rate, as required by P.L. 92-500, is to provide for the replacement or addition of equipment, accessories or appurtenances that will be needed to maintain the performance and capacity of the Regional System during its first 20 years of operation. A schedule will be prepared by the consulting engineer projecting such expenditures for the 20 year period. The schedule will be revised and updated each year to show the expected replacement costs for the remainder of the 20 years.

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Page Three

The replacement cost portion of all user charges collected will be deposited in the Replacement Account and replacement expenditures will be made directly from the account. If any unused balance remains in the Replacement Account at the end of the 20 year period it will be transferred to the Replacement and Improvement Reserve Account, as described in Section B.6. above.

This portion of the rate will be calculated annually using the following formula:

$$C = \frac{E - R}{Y}$$

Where C = the amount of replacement costs to be collected that year,

E = the expected replacement costs for the remainder of the 20-year period as shown by the consulting engineer's updated schedule,

R = the balance in the Replacement Account, and

Y = the number of years remaining in the 20-year period.

D. Monthly Billing

Each large user will be billed monthly for the number of thousands of gallons of wastewater that passed through its meter or meters times the rate developed above.

II. YEAR-END ADJUSTMENT

Following the close of the fiscal year and the issuance of the annual financial report, an actual rate for the year will be computed using the following formula:

$$AR = \frac{A^1 + B^1 + C^1}{N^1}$$

Where AR = the actual rate per 1,000 gallons passing through the meter or meters of the large user,

A<sup>1</sup> = the total actual operation and maintenance costs incurred during the fiscal year,

B<sup>1</sup> = the total bond principal and interest payments and amounts necessary to satisfy bond covenant requirements during the fiscal year as described in Section B above (this amount will not change),

C<sup>1</sup> = the replacement cost formula as computed in Section C above (this amount will not change) and

N<sup>1</sup> = the total number of thousands of gallons of wastewater actually treated and disposed of through the regional system for the year.

The amount of adjustment due from or to each large user will be calculated as shown in Table A-1. The actual rate, as computed above, will be multiplied by the number of thousands of gallons of wastewater that passed through the meter or meters of each large user during the year. The result, after being increased by applicable penalties, if any, as described in Sections 3.6, 5.2 and 5.4, will be the user's total actual charge for the fiscal year (column F). The amount paid by the large user is then subtracted to determine the additional charge due from or the refund due to the large user (column H).

Table A-1  
Calculation of Year-end Adjustment

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u> Due From (To) User F - G
<u>Large User</u>	<u>Gallons Treated in Thousands</u>	<u>Actual Rate</u>	<u>Regular Charge B X C</u>	<u>Penalties Assessed</u>	<u>Total Actual D + E</u>	<u>Amount Paid</u>	
Fort Lauderdale							
Oakland Park							
Wilton Manors							
Tamarac							
Port Everglades							
Palmdale							
Total							

### III. EXCESS REVENUES OF THE REGIONAL SYSTEM

Revenues from regular user charges will be equal to the costs of operation and maintenance, debt service and bond covenant requirements and replacement contributions. Receipt of interest revenue and penalties, if any, will result in a net income for the regional system. If such net income should occur, it will be transferred to the Replacement Account, thus resulting in lower replacement cost contributions for the following year. If any money should remain in the Replacement Account at the end of the 20 year period it will be deposited in the Replacement and Improvement Reserve Account. Any net income occurring after the initial 20 year period will also be deposited in the Replacement and Improvement Reserve Account.

Table A-2

SCHEDULE OF DEBT SERVICE REQUIREMENTS  
GENERAL OBLIGATION SEWER BONDS 1971  
UNTIL MATURITY

FISCAL YEAR	Annual Requirements		
	<u>Total Issue</u>		
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1980-81	\$ 225,000.00	349,835.00	574,835.00
1981-82	245,000.00	332,210.00	577,210.00
1982-83	260,000.00	316,132.50	576,132.50
1983-84	280,000.00	302,802.50	582,802.50
1984-85	300,000.00	289,312.50	589,312.50
1985-86	325,000.00	274,462.50	599,462.50
1986-87	350,000.00	258,087.50	608,087.50
1987-88	375,000.00	240,137.50	615,137.50
1988-89	405,000.00	220,637.50	625,637.50
1989-90	435,000.00	199,420.00	634,420.00
1990-91	465,000.00	176,470.00	641,470.00
1991-92	500,000.00	151,612.50	651,612.50
1992-93	540,000.00	124,437.50	664,437.50
1993-94	580,000.00	95,037.50	675,037.50
1994-95	625,000.00	63,406.25	688,406.25
1995-96	670,000.00	33,600.00	703,600.00
1996-97	505,000.00	10,100.00	515,100.00
	<u>\$7,085,000.00</u>	<u>3,437,701.25</u>	<u>10,522,701.25</u>

Portion Payable by Regional System  
Per Schedule A-1  
(78% of Total)

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1980-81	\$ 175,500.00	272,871.30	448,371.30
1981-82	191,100.00	259,123.80	450,223.80
1982-83	202,800.00	246,583.35	449,383.35
1983-84	218,400.00	236,185.95	454,585.95
1984-85	234,000.00	225,663.75	459,663.75
1985-86	253,500.00	214,080.75	467,580.75
1986-87	273,000.00	201,308.25	474,308.25
1987-88	292,500.00	187,307.25	479,807.25
1988-89	315,900.00	172,097.25	487,997.25
1989-90	339,300.00	155,547.60	494,847.60
1990-91	362,700.00	137,646.60	500,346.60
1991-92	390,000.00	118,257.75	508,257.75
1992-93	421,200.00	97,061.25	518,261.25
1993-94	452,400.00	74,129.25	526,529.25
1994-95	487,500.00	49,456.88	536,956.88
1995-96	522,600.00	26,208.00	548,808.00
1996-97	393,900.00	7,878.00	401,778.00
	<u>\$5,526,300.00</u>	<u>2,681,406.98</u>	<u>8,207,706.98</u>

Table A-3

SCHEDULE OF DEBT SERVICE REQUIREMENTS  
WATER AND SEWER REVENUE BONDS, SERIES 1973  
UNTIL MATURITY

Annual Requirements  
Total Issue

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1980-81	\$ 300 000 00	673 502 50	973 502 50
1981-82	325 000 00	654 002 50	979 002 50
1982-83	350 000 00	632 877 50	982 877 50
1983-84	375 000 00	610 127 50	985 127 50
1984-85	400 000 00	585 752 50	985 752 50
1985-86	435 000 00	559 752 50	994 752 50
1986-87	465 000 00	534 087 50	999 087 50
1987-88	500 000 00	508 977 50	1 008 977 50
1988-89	535 000 00	481 477 50	1 016 477 50
1989-90	575 000 00	451 517 50	1 026 517 50
1990-91	615 000 00	419 317 50	1 034 317 50
1991-92	665 000 00	384 262 50	1 049 262 50
1992-93	715 000 00	346 025 00	1 061 025 00
1993-94	770 000 00	304 555 00	1 074 555 00
1994-95	835 000 00	259 895 00	1 094 895 00
1995-96	1 980 000 00	210 630 00	2 190 630 00
1996-97	1 590 000 00	93 810 00	1 683 810 00
	<u>\$11 430 000 00</u>	<u>7 710 570 00</u>	<u>19 140 570 00</u>

Portion Payable by Regional System  
Per Schedule A-2  
(67% of Total)

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1980-81	\$ 201 000 00	451 246 68	652 246 68
1981-82	217 750 00	438 181 68	655 931 68
1982-83	234 500 00	424 027 93	658 527 93
1983-84	251 250 00	408 785 43	660 035 43
1984-85	268 000 00	392 454 18	660 454 18
1985-86	291 450 00	375 034 18	666 484 18
1986-87	311 550 00	357 838 63	669 388 63
1987-88	335 000 00	341 014 93	676 014 93
1988-89	358 450 00	322 589 93	681 039 93
1989-90	385 250 00	302 516 73	687 766 73
1990-91	412 050 00	280 942 73	692 992 73
1991-92	445 550 00	257 455 88	703 005 88
1992-93	479 050 00	231 836 75	710 886 75
1993-94	515 900 00	204 051 85	719 951 85
1994-95	559 450 00	174 129 65	733 579 65
1995-96	1 326 600 00	141 122 10	1 467 722 10
1996-97	1 065 300 00	62 852 70	1 128 152 70
	<u>\$7 658 100 00</u>	<u>5 166 081 96</u>	<u>12 824 181 96</u>

Table A-4

SCHEDULE OF DEBT SERVICE REQUIREMENTS  
WATER AND SEWER REVENUE BONDS, SERIES 1978  
UNTIL MATURITY

Annual Requirements  
Total Issue

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1980-81	\$ 400 000 00	1 550 200 00	1 950 200 00
1981-82	400 000 00	1 525 800 00	1 925 800 00
1982-83	500 000 00	1 501 400 00	2 001 400 00
1983-84	500 000 00	1 470 900 00	1 970 900 00
1984-85	500 000 00	1 440 400 00	1 940 400 00
1985-86	500 000 00	1 409 900 00	1 909 900 00
1986-87	600 000 00	1 379 400 00	1 979 400 00
1987-88	600 000 00	1 342 800 00	1 942 800 00
1988-89	600 000 00	1 307 400 00	1 907 400 00
1989-90	700 000 00	1 272 000 00	1 972 000 00
1990-91	700 000 00	1 230 700 00	1 930 700 00
1991-92	700 000 00	1 189 400 00	1 889 400 00
1992-93	800 000 00	1 148 100 00	1 948 100 00
1993-94	800 000 00	1 100 900 00	1 900 900 00
1994-95	800 000 00	1 053 700 00	1 853 700 00
1995-96	900 000 00	1 006 500 00	1 906 500 00
1996-97	1 900 000 00	952 500 00	2 852 500 00
1997-98	3 500 000 00	838 500 00	4 338 500 00
1998-99	3 500 000 00	625 000 00	4 125 000 00
1999-00	3 500 000 00	411 500 00	3 911 500 00
2000-01	3 600 000 00	198 000 00	3 798 000 00
	<u>\$26 000 000 00</u>	<u>23 955 000 00</u>	<u>49 955 000 00</u>

Portion Payable by Regional System  
Per Schedule A-3  
(50% of Total)

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1980-81	\$ 200 000 00	775 100 00	975 100 00
1981-82	200 000 00	762 900 00	962 900 00
1982-83	250 000 00	750 700 00	1 000 700 00
1983-84	250 000 00	735 450 00	985 450 00
1984-85	250 000 00	720 200 00	970 200 00
1985-86	250 000 00	704 950 00	954 950 00
1986-87	300 000 00	689 700 00	989 700 00
1987-88	300 000 00	671 400 00	971 400 00
1988-89	300 000 00	653 700 00	953 700 00
1989-90	350 000 00	636 000 00	986 000 00
1990-91	350 000 00	615 350 00	965 350 00
1991-92	350 000 00	594 700 00	944 700 00
1992-93	400 000 00	574 050 00	974 050 00
1993-94	400 000 00	550 450 00	950 450 00
1994-95	400 000 00	526 850 00	926 850 00
1995-96	450 000 00	503 250 00	953 250 00
1996-97	950 000 00	476 250 00	1 426 250 00
1997-98	1 750 000 00	419 250 00	2 169 250 00
1998-99	1 750 000 00	312 500 00	2 062 500 00
1999-00	1 750 000 00	205 750 00	1 955 750 00
2000-01	1 800 000 00	99 000 00	1 899 000 00
	<u>\$13 000 000 00</u>	<u>11 977 500 00</u>	<u>24 977 500 00</u>

Schedule A-1

GENERAL OBLIGATION SEWER BONDS 1971  
PERCENTAGE OF ANNUAL REQUIREMENTS  
PAYABLE BY REGIONAL WASTEWATER SYSTEM

PROJECTS FUNDED FROM BOND PROCEEDS

REGIONAL PROJECTS

<u>PROJ. NO.</u>	<u>DESCRIPTION</u>	<u>TOTAL BOND FUND EXPENDITURES</u>
3325	Lohmeyer W.W.T.P. Land Acquisition	\$ 256,514
3572	Force Main from Plant C to D	14,773
3574	Force Main from Plant B to D	36,639
3575	Force Main from Plant A to D	3,760,058
3846	Central District 22 M.G.D. W.W.T.P.	17,493,570
4082	Sludge Force Mains Plant D to A	10,212
4083	Regional Pumping Station D-54	2,010
4137	Interim Outfall at Port Everglades	32,372
4140	Effluent Filters - Regional W.W.T.P.	212,600
4326	Chlorination Facilities - Regional W.W.T.P.	50,405
4343	O & M Manual - Reg. Pumping Station D-54	785
4344	O & M Manual - Reg. Interceptor	165
3998	User Charges - Regional W.W.T.P.	76
	<b>Total</b>	<b>\$21,870,179</b>
	<b>Less: EPA Grant Funds Received</b>	<b>14,774,267</b>
	<b>Total Net Regional Expenditures</b>	<b>\$ 7,095,912</b>

NONREGIONAL PROJECTS

<b>Total Expenditures</b>	<b>\$ 4,320,142</b>
<b>Less: EPA Grant Funds Received</b>	<b>2,336,327</b>
<b>Total Net Nonregional Expenditures</b>	<b>\$ 1,983,815</b>
<b>Total Net Regional and Non Regional Expenditures</b>	<b>\$ 9,079,727</b>

PERCENTAGE OF NET EXPENDITURES ATTRIBUTABLE  
TO REGIONAL PROJECTS:

$$\frac{7,095,912}{9,079,727} = 78\%$$

Schedule A-2

WATER AND SEWER REVENUES BONDS, SERIES 1973  
PERCENTAGE OF ANNUAL REQUIREMENTS  
PAYABLE BY REGIONAL WASTEWATER SYSTEM

PROJECTS FUNDED FROM BOND PROCEEDS

REGIONAL PROJECTS		BOND FUND EXPENDITURES AS OF 5/31/81
PROJ. NO.	DESCRIPTION	
3572	Force Main from Plant C to D	\$ 2,844,010
3574	Force Main from Plant B to D	22,471
3575	Force Main from Plant A to D	294,778
3846	Central District 22 M.G.D. W.W.T.P	695,762
4083	Regional Pumping Station D-54	218,041
4137	Interim Outfall at Port Everglades	686,989
4326	Chlorination Facilities - Regional W.W.T.P.	1,626,307
4343	O & M Manual - Reg. Pumping Station D-54	-0-
4344	O & M Manual - Reg. Interceptor	-0-
4690	Force Main - Northern Interceptor	1,261
4707	North Interceptor & Pump Stations	345,715
4795	Force Main - N. Federal Hwy. (completed)	80,558
4805	Effluent Disposal - Engineering Services	304,112
7089	Effluent Disposal System - Consulting Eng.	3,924,200
7153	Reg. Plant Peroxide Treatment (completed)	1,634
7189	Reg. W.W.T.P. Expansion	2,066,027
7264	Centr. Reg. Repump Station	1,991,694
7265	N. Interceptor - New Pump Stations	9
7266	N. Interconnector Force Main	2,632,777
	Transfer to G.O.B. '71 Fund (78%)	448,660
	Total Regional Expend. to 5/31/81	18,185,005
Add:	Estimated Costs to Complete Open Projects	11,451,152
	Balance Available at 5/31/81 to be used for Regional Projects	244,830
	Estimated Total Regional Expenditures	29,880,987
Deduct:	EPA Grant Payments Received	10,019,320
	EPA Funds to be Received on Approved Projects	5,053,399
	Estimated Total Net Regional Expenditures	14,808,268
NONREGIONAL PROJECTS		
	Total Expenditures to 5/31/81	\$ 7,170,865
Add:	Estimated Costs to Complete our Open Projects	731,334
	Estimated Total Nonregional Expenditures	7,902,199
Deduct:	EPA Grant Payments Received	752,815
	EPA Funds to be Received on Approved Projects	10,622
	Estimated Total Net Nonregional Expenditures	7,138,762
	Estimated Total Net Regional and Nonregional Expenditures	21,947,030
PERCENTAGE OF NET EXPENDITURES ATTRIBUTABLE TO REGIONAL PROJECTS:		
		14,808,268 = 67%
		21,947,030

Schedule A-3

WATER AND SEWER REVENUE BONDS, SERIES 1978  
PERCENTAGE OF ANNUAL REQUIREMENTS  
PAYABLE BY REGIONAL WASTEWATER SYSTEM

PLANNED REGIONAL PROJECT EXPENDITURES NET OF EPA PORTION:

<u>PROJ. NO.</u>	<u>DESCRIPTION</u>	<u>LOCAL SHARE</u>
7625	Wastewater pump station modification/Northern Interceptor	\$ 325,000
7190	Wastewater pump station/N.W. 6th Street	857,172
7189	Lohmeyer Regional Wastewater Treatment Plant expansion	9,375,000
7089	Regional effluent disposal wells	<u>3,750,000</u>
	Total	\$ <u>14,307,172</u>

FUNDS AVAILABLE FOR PROJECT EXPENDITURES:

Bond Issue Proceeds (Net of \$390,000 Discount)	25,610,000
Less Bond Issue Expenses as of 9/30/80	<u>103,354</u>
Subtotal	25,506,646
Add Interest Earnings to 9/30/80	<u>3,342,891</u>
Total Available for Regional and Nonregional Projects as of 9/30/80	\$ <u>28,849,537</u>

PERCENTAGE OF FUNDS TO BE USED FOR REGIONAL PROJECTS:

$$\frac{14,307,172}{28,849,537} = 50\%$$

Appendix B

I. FIXED ASSETS OF THE REGIONAL SYSTEM

Map B-1 shows the location of all fixed assets of the Central Regional Wastewater System. As stated in Section 5.5.1, these assets will be accounted for within a separate accounting entity and will not be mingled with regular City of Fort Lauderdale fixed assets.

Table B-1 presents a description of the System's fixed assets, showing the various components of each. The costs and estimated costs of the assets are also presented. These costs include the Environmental Protection Agency's share of eligible projects.

Table B-1

**CENTRAL REGIONAL WASTEWATER SYSTEM  
FIXED ASSETS**

<u>Map Loca- tion</u>	<u>Description</u>	<u>Proj. No.</u>	<u>Expenditures</u>		<u>Total or Estimated Total Cost</u>
			<u>Capitalized as of 9/30/80</u>	<u>Additional costs to Complete</u>	
A	NW 6th St. W/W Treatment Plant				
	Force Main - Plant A to D	3575	\$ 3,994,332	860,426	4,854,758
	Sludge Force Main - Plant D to A	4082	13,415	-0-	13,415
	O & M Manual - Reg. Interceptor	4344	-0-	6,000	6,000
	Modification and Pump Station	7190	-0-	3,429,778	3,429,778
			<u>4,007,747</u>	<u>4,296,204</u>	<u>8,303,951</u>
B	Coral Ridge Norther Interconnector				
	Force Main - Plant B to D	3574	-0-	6,860,051	6,860,051
	Force Main - N. Federal Highway	4795	80,558	-0-	80,558
	Central Region Repump Station	7264	-0-	2,410,013	2,410,013
	Force Main	7266	-0-	3,939,425	3,939,425
			<u>80,558</u>	<u>13,209,489</u>	<u>13,290,047</u>
C	Western Interconnector				
	Force Main from Plant C	3572	2,695,879	639,682	3,335,561
	Pump Station D-54	4083	-0-	300,329	300,329
	O & M Manual for D-54	4343	-0-	6,000	6,000
			<u>2,695,879</u>	<u>946,011</u>	<u>3,641,890</u>
D	G.T. Lohmeyer W/W Treatment Plant				
	Central District 22 MGD Plant	3846	18,189,332	83,102	18,272,434
	User Charges (Dropped)	3998	76	-0-	76
	Interim Outfall Line	4137	719,361	62,057	781,418
	Chlorination Facilities	4326	1,676,712	134,493	1,811,205
	Hydrogen Peroxide Treatment	7153	1,634	-0-	1,634
	Reg. Effluent Disposal Wells	7089	-0-	20,384,039	20,384,039
	Plant Expansion	7189	-0-	41,909,163	41,909,163
	Seal Coat Parking Lot	7369	-0-	500	500
	Oxinite Odor Control System	7638	-0-	9,000	9,000
	Effluent Filters	4140	212,600	-0-	212,600
			<u>20,799,715</u>	<u>62,582,354</u>	<u>83,382,069</u>
D	G.T. Lohmeyer Plant - Land				
	Acquisition of Land on Sliphead Road - West of and Adjacent to Plant	3325	256,514	-0-	256,514
E	Northern Interceptor				
	Force Main	4690	-0-	1,261	1,261
	Interceptor and Pump Station	4707	-0-	560,353	560,353
	New Pump Stations	7265	-0-	1,289,850	1,289,850
	Force Main Sec. NW 9 to 12 Ave	7320	100,531	-0-	100,531
	Pump Station Modification	7625	-0-	1,300,000	1,300,000
			<u>100,531</u>	<u>3,151,464</u>	<u>3,251,995</u>
TOTAL ALL ASSETS			<u>27,940,944</u>	<u>84,185,522</u>	<u>112,126,466</u>

\* As any other projects are identified as fixed assets of the regional system, they will be added to this list.