

**FIRST ADDENDUM TO INTERLOCAL AGREEMENT
BETWEEN THE CITY OF GREEN COVE SPRINGS
AND THE CLAY COUNTY UTILITY AUTHORITY**

The parties hereto, City of Green Cove Springs, Florida (hereafter "City") and the Clay County Utility Authority (hereafter "Authority") do hereby enter into this First Addendum to the Interlocal Agreement between the City and Authority (hereafter "Agreement") which is attached hereto as Exhibit "A" and provides as follows:

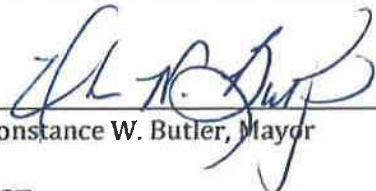
1. Paragraph 4 of the Agreement is hereby amended to add section 4.13 to read as follows:

4.13 Should the City request water or wastewater services from the Authority, then, in such event, and provided the Authority has sufficient capacity, it shall provide the services at a bulk rate equal to eighty percent (80%) of the rate the Authority charges customers within its territory for equivalent water or wastewater services. The Authority shall bill and collect from the City in a similar manner as set forth in section 4.10 herein.

2. All other terms and conditions of the Agreement not amended herein, shall remain in full force and effect.

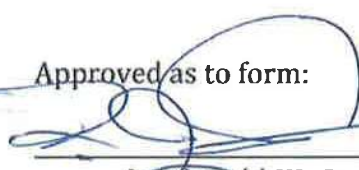
DONE AND EXECUTED, on the dates indicated below with an effective date of July 1, 2018.

CITY OF GREEN COVE SPRINGS

By: 
Constance W. Butler, Mayor


ATTEST:

Kimberly Thomas, Interim City Clerk

Approved as to form:

L. I. Arnold III, City Attorney

Date: 7/26/2018

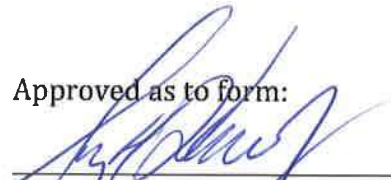
CLAY COUNTY UTILITY AUTHORITY

By: 
Matthew Welch, Chairman

ATTEST:


Name: Janice Luder milk
Title: Recording Secretary

Approved as to form:


Grady H. Williams, Jr.
Clay County Utility Authority Attorney

Date: August 7, 2018

**INTERLOCAL AGREEMENT
BETWEEN THE CITY OF GREEN COVE SPRINGS, FLORIDA
AND THE CLAY COUNTY UTILITY AUTHORITY**

The parties hereto, the City of Green Cove Springs, Florida (hereinafter "City") and the Clay County Utility Authority (hereinafter "Authority") do hereby enter into this Interlocal Agreement pursuant to Section 163.01, Florida Statutes, on the date shown for execution hereof below, providing as follows:

1. Description Of The Parties And ~~Purpose~~ Of The Agreement:

1.0 The City is a duly established municipal corporation located in Clay County, Florida. Pursuant to authority granted it by its charter and by Chapter 180, Florida Statutes, the City provides water and wastewater utility services from facilities owned by the City. The Authority is an independent special district created by the Florida Legislature (Chapter 94-491, Laws of Florida).

1.2 The Authority does not presently have water or sewer utility facilities in the unincorporated areas surrounding the City south of Black Creek, and the parties intend through this agreement to describe the terms under which the City will provide such services to defined, unincorporated areas of Clay County and the terms under which the Authority will utilize portions of the City's water and wastewater capacities to serve its customers outside the defined unincorporated area to be served by the City.

2. Service Area Designations:

2.0 **Service Areas**--Attached hereto as Exhibit "A" is a map depicting and describing a water and wastewater utility service area (hereinafter "service area") to be served by the City. The City has the exclusive right to provide water and wastewater utility service to the area so

designated on the map in addition to honoring two written agreements (Quigley House and Clay County Landfill) to provide service outside the service area in existence on the effective date of this agreement. The Authority has the exclusive right to provide water and wastewater utility service to all areas in unincorporated Clay County outside the service area.

2.1 **Annexation**--The City will not require as a pre-condition to connection to City facilities for any landowner within the service area designated in Exhibit "A", that the landowner consent to annexation of the land into the City. This shall not, however, preclude the City, wherever a landowner otherwise consents to annexation, or where the City proceeds in accordance with Chapter 171, Florida Statutes, from annexing such lands into the City.

2.2 **Franchise Fees**--No party to this agreement shall be required to pay any franchise fees to another in connection with the provision of water and wastewater utility services in the service areas designated herein.

3. **Terms Under Which City Will Provide Water And Sewer Services In Its Service Area:**

3.0 **Commitment to Serve**--The City will provide water and wastewater utility service to customers in the service area in accordance with the City's policy for extension of such services.

3.1 **Maintaining Necessary Permitted Capacity**--The City will maintain permitted system capacity as necessary to serve customers in the service area.

3.2 **Comparative Rates**--Without restriction to its legal authority and responsibility for meeting debt service requirements in support of bonds issued by the City for construction and improvement of its facilities, the City intends that the water and wastewater rates to be

charged to customers in the service area designated in Exhibit "A" shall be no more than twenty-five percent (25%) higher than rates charged for comparable water or wastewater utility services to customers located inside the corporate boundaries of the City, excluding the City's ten percent (10%) tax on water revenues. Under any circumstances, should bond requirements necessitate any rate increases for customers in the service area greater than the 25% provided for in this paragraph, then such increase will be matched by the same percentage rate increase to customers located inside the corporate boundaries of the City.

3.3 Environmental and Conservation Considerations--The parties hereto agree to comply with the policies of the regulatory agencies with jurisdiction and the Clay County Commission regarding environmental protection and reuse where applicable and to the extent feasible in connection with future expansion of facilities.

4. Bulk Services To Be Provided By City To Authority For Connections Outside Service Area:

4.0 The parties agree that it would be mutually beneficial for the City to enable the Authority to utilize presently unused capacity in its water and wastewater facilities to provide service to anticipated Authority customers outside the City's service area. This section sets forth the terms under which the Authority will be enabled to use the City's facilities for this purpose.

4.1 The City will reserve water and wastewater capacity for use by the Authority in the total amount of 200 Equivalent Residential Connections (hereinafter ERC's) each of water and wastewater capacity. An ERC equates to 350 gallons of water or wastewater service capacity. This capacity will be allocated in 100 ERC increments to each of the City's two water and wastewater plants. No advance payment will be due from the Authority to the City for

reservation of such capacity. Subject to capacity availability, allocation of ERCs between plants may be modified as appropriate through letter agreement between the parties .

4.2 When the Authority has made use of at least seventy-five percent (75%) of the ERC's provided for in the preceding paragraph, the Authority shall have the option of reserving an additional 200 ERCs, also in 100 ERC increments to each of the City's plants. Said option must be exercised by written request from the Authority to the City. No advance payment will be due from the Authority for exercise of the option to use these additional ERC's. Should the Authority need additional ERCs beyond the 400 provided for in this paragraph and the preceding paragraph prior to the end of ten years following execution of this agreement it shall request same in writing to the City, specifying the number needed. The City will notify the Authority in writing of the available capacity for use by the Authority as well as the term for which such capacity may be used.

4.3 If, at the end of ten years following execution of this agreement, the Authority has not connected all of the ERC's reserved by them in conformance with paragraphs 4.1 and 4.2 above but wishes to secure some portion or all of the unused ERC's, it may make advance payment to the City for as many remaining unused ERC's as it wishes to secure. The payment shall be equal to the City's then existing connection fee per ERC secured. Subject to the availability of service capacity, should the Authority anticipate a future need for additional ERCs beyond the ten year period provided for in this paragraph, and which it has not secured, the City will in good faith negotiate appropriate extensions or modifications to the provisions of this agreement regarding use of City facilities

4.4 Connection locations for Authority ERC's must be approved by the City. No

minimum number of ERC's will be required per connection. The City and the Authority will work together to identify proposed connection points for the Authority's ERC's using accepted engineering practices.

4.5 The Authority shall bear all costs associated with extending lines needed for providing service to its ERC's.

4.6 The Authority will remit to the City the City's then existing connection fee for the applicable service upon connection to the City's facilities. The connection fee charged shall be equal to the fee charged equivalent property owners inside the City for connection to City facilities at the time of connection.

4.7 The Authority may surrender all or any portion of the ERC's provided by the City's facilities pursuant to this agreement only after giving the City a minimum two year advance written notice of its intent to do so. For any ERC's withdrawn by the Authority from the City's facilities, more than two years, but less than ten years following initial connection thereto, the City shall refund to the Authority, without interest, an amount equal to ten percent (10%) of the connection fee paid at the time of connection, for each year less than ten years the ERC is connected to the City's facilities, up to a maximum of eighty percent (80%). For any Authority ERCs which remain connected to City facilities for 10 years or more, no refund will be made of any portion of the connection. For purposes of calculating any refund due and payable under this paragraph, the calendar year in which the connection fee is paid shall be considered year one and the tenth successive calendar year shall be considered the tenth year. Any refund paid shall be for the remaining full calendar years of that withdrawn ERC connection.

4.8 The Authority shall install a meter at each main connection to the City's facilities, however, the City will charge the Authority based on flow from individual meters at each ERC. The Authority may apply for an exemption from the requirement for meters at main connections where individual circumstances warrant such an exemption. All lines with fire hydrants must have a flow meter connection to City facilities.

4.9 The City will consider requests by the Authority for exemption or variance from City requirements regarding installation of backflow prevention and/or cross connection control devices. Such requests should be submitted at the time actual plans are developed for specific connections to City facilities or actual connections are proposed by the Authority. Upon receipt of such requests from the Authority, the City will consult with the Florida Department of Environmental Protection (DEP) regarding the request. Provided DEP has no objection to such requests, such requests will ordinarily be granted.

4.10 The Authority will pay a bulk rate for water and wastewater services received from the City equal to eighty percent (80%) of the rate the City charges customers within the corporate boundaries of the City for equivalent water or wastewater services excluding the ten percent (10%) tax on water service charged to customers inside the City's corporate boundaries. The City shall bill the Authority monthly or quarterly at the City's option, with said bill being due and payable within thirty days of submission of same to the Authority. Failure to pay entitles the City to disconnect any services not paid for consistent with the City's adopted policies or ordinances regarding disconnections for non-payment.

4.11 Nothing herein shall preclude the City from increasing its rates for water or wastewater services as long as any such increases are made in accordance with law, however,

in no event may the rate charged by the City to the Authority exceed eighty percent (80%) of the rates charged for similar services to similar customers within the City's corporate boundaries.

4.12 No substance other than domestic wastewater may be placed into the wastewater system by the Authority's ERC's. If the Authority proposes to connect ERC's which will introduce anything other than domestic wastewater into the City's wastewater system, it must first obtain permission from the City and meet any pre-treatment conditions required by the City. The City will not impose any pre-treatment requirements more onerous than those imposed on similar customers within the City's service area. Should the City determine that an ERC of the Authority which is connected to the City's facilities poses a threat of harm to the City's facilities or its compliance with any regulatory requirements, the City may decline or discontinue service to that connection.

5. Notice:

Any notices required or allowed to be delivered hereunder shall be in writing and shall be deemed delivered when: (1) personally served on the official hereinafter designated; or (2) upon receipt of such notice when deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, addressed to a party at the address set forth with the party's name below, or at such address as the party shall have specified by written notice to the other party delivered in accordance herewith:

City of Green Cove Springs:
City Manager
229 Walnut Street
Green Cove Springs, Florida 32043

City of Green Cove Springs:
City Attorney:
L.J. Arnold, III, Esq.
P.O. Box 1570
Green Cove Springs, FL 32043-1570

Clay County Utility Authority:
Executive Director
782 Foxridge Center Drive
Orange Park, Florida 32065

Clay County Utility Authority:
CCUA Attorney:
Grady H. Williams, Jr., Esq.
1279 Kingsley Ave., Suite 117
Orange Park, FL 32073

6. Costs and Attorneys Fees:

Should either party be required to enforce the terms of this agreement in a court of law, the prevailing party shall be entitled to recover from the non-prevailing party all legal costs incurred, including reasonable attorneys fees.

DONE AND EXECUTED on the dates indicated below in Clay County, Florida.

CITY OF GREEN COVE SPRINGS,
a municipal corporation of
the State of Florida

Date March 11, 1998

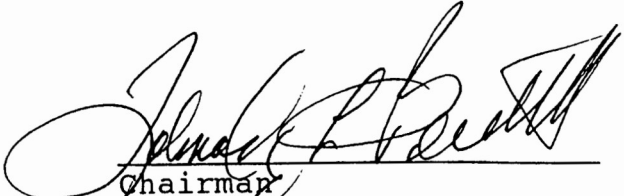
Jerry K. Williams
Mayor

Attest:

Maureen Roberts

CLAY COUNTY UTILITY AUTHORITY
a Special District created
pursuant to Chapter 94-491,
Laws of Florida

Date March 17, 1998


Chairman

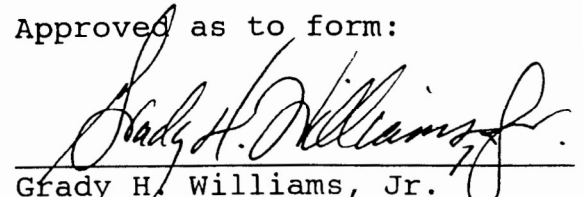
Attest:


Approved as to form:



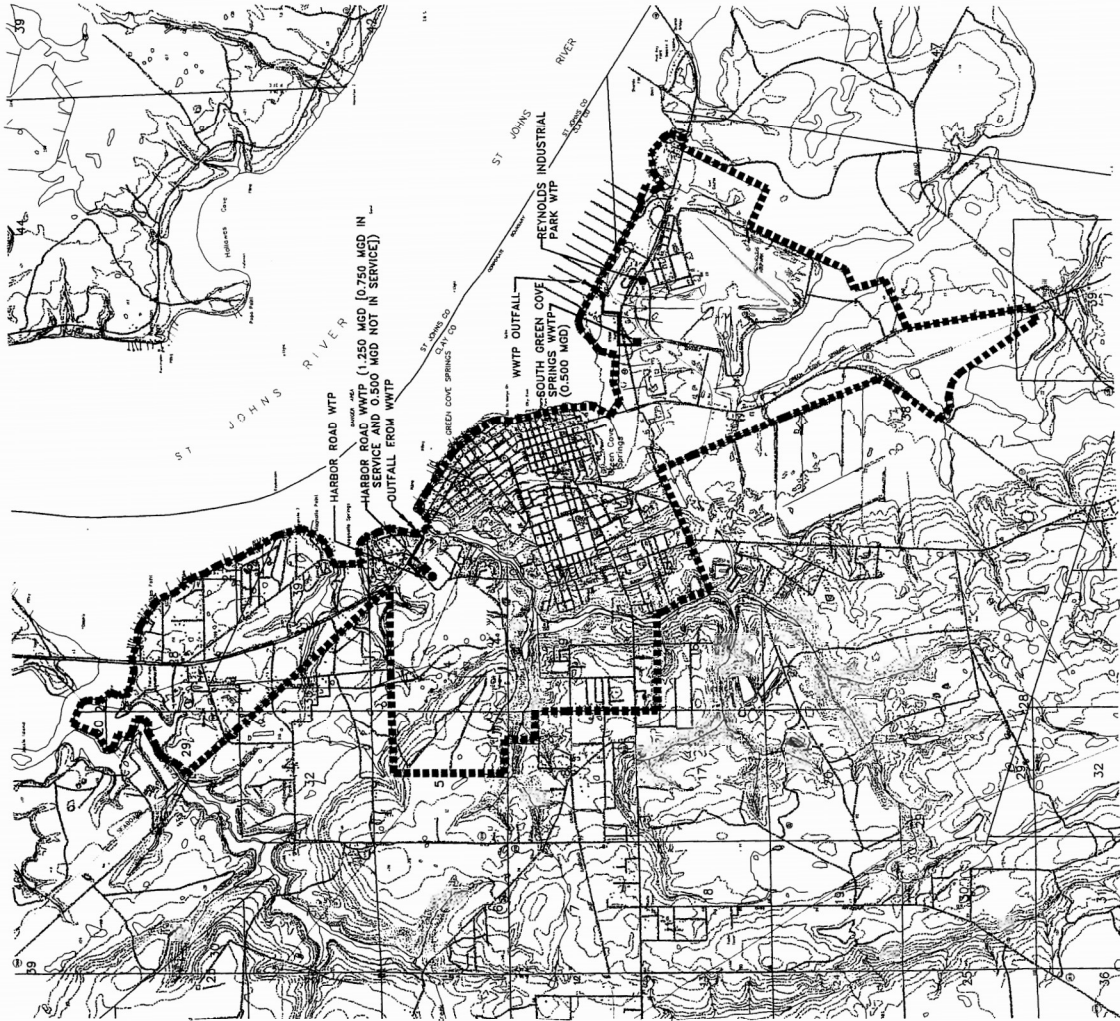
L. J. Arnold III
City Attorney
Green Cove Springs, Florida

Approved as to form:



Grady H. Williams, Jr.
Clay County Utility Authority

EXHIBIT 'A'



SCALE: 1" = 5,000'

LEGEND

- GREEN COVE SPRINGS CITY LIMITS
- EXISTING WASTEWATER TREATMENT PLANT
- EXISTING WATER TREATMENT PLANT
- ▬ BOUNDARY OF CITY OF GREEN COVE SPRINGS WATER AND WASTEWATER SERVICE AREA

NO.	DATE	BY	REVISION DESCRIPTION

PROJECT: BOUNDARY DISPLAYED AT ORIGINAL JOINT MEETING BETWEEN THE C.C.U.A. AND THE CITY COUNCIL OF G.C.S. WITH THE FINAL PROPOSED BOUNDARY OF CITY OF GREEN COVE SPRINGS WATER AND WASTEWATER SERVICE AREA

CLAY COUNTY UTILITY AUTHORITY
 782 FOXRODGE CENTER DRIVE
 ORANGE PARK, FLORIDA 32066
 PHONE (904) 272-5999



ACAD FILE NAME: GCS4A1.DWG
 SHEET NO. 2