

**PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
BOARD OF DIRECTORS MEETING
SUMMARY AGENDA
4:00 p.m., February 25, 2016**

Southwest Florida Water Management District
Sarasota Service Office
6750 Fruitville Road, Sarasota, Florida

ALL MEETINGS ARE OPEN TO THE PUBLIC

Commissioner Christopher G. Constance, Charlotte County, Chair
Commissioner Alan Maio, Sarasota County, Vice Chair
Commissioner Elton A. Langford, DeSoto County
Commissioner John R. Chappie, Manatee County

CALL TO ORDER

INVOCATION

Commissioner Elton Langford

PLEDGE OF ALLEGIANCE

Led by the Board

WELCOME GUESTS

PUBLIC COMMENTS

Open to the Public – Three (3) minute time limit per person. Anyone wishing to address the Board on any agenda or non-agenda issue should complete a ‘request to speak’ card and hand to the recording secretary.

AGENDA

1. Regional Integrated Loop System Phase 1 Interconnect [U.S. 17 to Punta Gorda] Water Supply Conditions

Presenters -

Patrick Lehman, Executive Director
Douglas Manson, General Counsel

Recommended Action -

Motion to approve and Interlocal Agreement Between the Peace River Manasota Regional Water Supply Authority and DeSoto County for the Phase 1 Pipeline Regional Interconnect.

Motion to approve and authorize Executive Director to execute [Cooperative Funding Agreement \(2\) Between the Southwest Florida Water Management District and Peace River Manasota Regional Water Supply Authority for Phase 1 Regional Interconnect \(N416\)SWFWMD Funding Agreement.](#)

Motion to approve and authorize Executive Director to execute Contract for Professional Engineering Services for Design and Construction Management/Inspection for Regional Integrated Loop System Phase 1 Interconnect with King Engineering Associates, Inc.

Motion to approve and authorize Executive Director to execute Work Order No. 1 'Phase 1 Interconnect Preliminary Design Services' with King Engineering Associates, Inc., for an amount not to exceed \$278,760.

a. Interlocal Agreement with DeSoto County for Phase 1 Interconnect

DeSoto County is the Authority's Member Government sponsor of the Phase 1 Regional Interconnect. The attached Interlocal Agreement formally establishes that sponsorship and provides Host Customer consent for Phase 1 Project work in DeSoto County.

b. SWFWMD Funding Agreement

The SWFWMD Governing Board approved the \$6M cooperative funding request at their January 19, 2016 meeting providing funding for this \$12M project as below.

• Punta Gorda Payment	\$2 M
• State Appropriation	\$4 M
• SWFWMD Cooperative Funding	<u>\$6 M</u>
	\$12 M

c. Contract for Professional Services

Staff recommends approval of Contract for Professional Engineering Services for Design and Construction Management/Inspection for Regional Integrated Loop System Phase 1 Interconnect with King Engineering Associates, Inc. This is a standard contract utilized by the Authority and it provides the legal framework under which Work Orders for engineering services will be issued on this project.

d. Work Order No. 1 'Phase 1 Interconnect Preliminary Design Services'

Staff recommends approval of Work Order No. 1 with King Engineering Associates for Preliminary Design Services on the Phase 1 Regional Interconnect. Preliminary Design includes route study and recommendation, connection points, sizing of pipes, permitting requirements, and project cost estimates. The cost of Work Order No. 1 is \$278,760 which includes a \$20,000 owner's allowance for out-of-scope work if required.

Budget Action: None – Funded by State and SWFWMD grants and City of Punta Gorda Payment

BOARD MEMBER COMMENTS

PUBLIC COMMENTS

Open to the Public – Three (3) minute time limit per person. Anyone wishing to address the Board on any issue should complete a ‘request to speak’ card and hand to the recording secretary.

ANNOUNCEMENTS

Next Authority Board Meeting

Wednesday, April 6, 2016 @ 9:30 a.m.

Manatee County Administrative Center

Commission Chambers, First Floor

1112 Manatee Avenue West, Bradenton, Florida

Future Authority Board Meetings

Jun 1, 2016 @ 9:30 a.m. – DeSoto County Administration Building, Arcadia, Florida

ADJOURNMENT

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
BOARD OF DIRECTORS MEETING
February 25, 2016

AGENDA ITEM 1

**Regional Integrated Loop System Phase 1 Interconnect
(U.S. 17 to Punta Gorda)**

Presenters -

Patrick Lehman, Executive Director
Mike Coates, Deputy Director
Douglas Manson, General Counsel

Recommended Action -

Motion to approve and Interlocal Agreement Between the Peace River Manasota Regional Water Supply Authority and DeSoto County for the Phase 1 Regional Interconnect.

Motion to approve and authorize Executive Director to execute Cooperative Funding Agreement (2) Between the Southwest Florida Water Management District and Peace River Manasota Regional Water Supply Authority for Phase 1 Regional Interconnect (~~P000~~)(N416).

Motion to approve and authorize Executive Director to execute Contract for Professional Engineering Services for Design and Construction Management/Inspection for Regional Integrated Loop System Phase 1 Interconnect with King Engineering Associates, Inc.

Motion to approve and authorize Executive Director to execute Work Order No. 1 'Phase 1 Interconnect Preliminary Design Services' with King Engineering Associates, Inc., for an amount not to exceed \$278,760.

a. Interlocal Agreement with DeSoto County for Phase 1 Interconnect

DeSoto County is the Authority's Member Government sponsor of the Phase 1 Regional Interconnect. The attached Interlocal Agreement formally establishes that sponsorship and provides Host Customer consent for Phase 1 Project work in DeSoto County.

b. SWFWMD Funding Agreement

The SWFWMD Governing Board approved the Authority's \$6M cooperative funding request at their January 19, 2016 meeting for the Phase 1 Interconnect. The Cooperative Funding Agreement is presented for approval. The project funding of the \$12M project is summarized below.

- | | |
|------------------------------|--------------|
| • Punta Gorda Payment | \$2 M |
| • State Appropriation | \$4 M |
| • SWFWMD Cooperative Funding | <u>\$6 M</u> |
| | \$12 M |

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
BOARD OF DIRECTORS MEETING
February 25, 2016

c. Contract for Professional Services

Staff recommends approval of Contract for Professional Engineering Services for Design and Construction Management/Inspection for Regional Integrated Loop System Phase 1 Interconnect with King Engineering Associates, Inc. This is a standard contract utilized by the Authority and it provides the legal framework under which Work Orders for engineering services will be issued on this project.

d. Work Order No. 1 ‘Phase 1 Interconnect Preliminary Design Services’

Staff recommends approval of Work Order No. 1 with King Engineering Associates for Preliminary Design Services on the Phase 1 Regional Interconnect. Preliminary Design includes route study and recommendation, connection points, sizing of pipes, permitting requirements, and project cost estimates. The cost of Work Order No. 1 is \$278,760 which includes a \$20,000 owner’s allowance for out-of-scope work if required.

Budget Action: None – All project funds provided through State and SWFWMD grants and City of Punta Gorda Payment.

TAB A
Interlocal Agreement with DeSoto County

**INTERLOCAL AGREEMENT BETWEEN PEACE RIVER MANASOTA
REGIONAL WATER SUPPLY AUTHORITY AND DESOTO COUNTY
FOR THE
PHASE 1 REGIONAL INTERCONNECT**

This Interlocal Agreement between Peace River Manasota Regional Water Supply Authority and DeSoto County for Phase 1 Regional Interconnect (“Agreement”) is entered into by and between the Peace River Manasota Regional Water Supply Authority (“Authority”), an independent special district created and existing pursuant to Section 373.1962, Florida Statutes, now found in Section 373.713, Florida Statutes, and Section 163.01, Florida Statutes, acting by and through its governing Board of Directors, and DeSoto County (“DeSoto”), a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, which has the authority to provide water utility service within DeSoto County.

RECITALS

WHEREAS, both the Authority and DeSoto are authorized to enter into interlocal agreements pursuant to Chapter 163, Florida Statutes; and

WHEREAS, the Interlocal Agreement for Phase 1 Regional Interconnect Between the Peace River Manasota Regional Water Supply Authority and the City of Punta Gorda was executed on December 2, 2015 (“Authority-City Agreement,” attached hereto as Exhibit 1 and made a part hereof by reference) by the Authority and the City of Punta Gorda (“City”), that provides for a new transmission pipeline that is approximately six point three (6.3) miles of twenty-four (24) inch diameter potable water pipeline from the southern terminus of the Authority’s DeSoto Regional Transmission Main near the Walmart Distribution Center at Enterprise Boulevard on U.S. 17 in DeSoto County south to connect with the City’s Shell Creek Water Treatment Plant on Washington Loop Road, which will be constructed, owned and

operated by the Authority ("Phase 1 Pipeline Project"); and

WHEREAS, DeSoto County, a political subdivision of the State of Florida; Manatee County, a political subdivision of the State of Florida; Charlotte County, a political subdivision of the State of Florida; Sarasota County, a political subdivision of the State of Florida; and the City of North Port, a municipal corporation of the State of Florida (collectively "Customers") and the Authority entered into the Peace River Manasota Regional Water Supply Authority Master Water Supply Contract, effective October 5, 2005 ("MWSC"); and

WHEREAS, the DeSoto utilities service area, with the exclusion of DeSoto Correctional Institution, receives one hundred percent (100%) of its water supply from the Authority's regional water system; and

WHEREAS, DeSoto is an Exclusive Provider Customer of the Authority, which under the Second Amended Interlocal Agreement Creating the Peace River Manasota Regional Water Supply Authority and the MWSC, means a Customer of the Authority that agrees not to develop any additional Water Supply Sources and the Authority has the absolute and unequivocal obligation to develop and provide potable water to the Customer based upon its permissible future potable water demand; and

WHEREAS, Section 10.6 of the MWSC provides that the Authority and its Customers agreed to seek the interconnection of the Authority's facilities with other water supply facilities in the region for the purpose of facilitating the transfer of water among the Authority and the Customers under emergency conditions; and

WHEREAS, Section 22 of the MWSC, entitled "Development of Future Water Supply Sources", provides that the Authority shall have written consent of the governing body of a Customer in whose jurisdiction the Authority intends to acquire, develop, construct or operate

new Authority Water Supply Facilities (the "Host County") and the Host County shall notify the Authority of its decision to grant or deny consent to the Authority to acquire, develop, construct or operate the new Authority Water Supply Facilities; and

WHEREAS, DeSoto's water supply is currently dependent on a single Authority transmission pipeline from the Authority's Water Supply Source; and

WHEREAS, if there is an emergency and the Authority transmission pipeline is no longer functional, DeSoto will have no water supply, and as a result of the Authority transmission pipeline's underwater crossing of the Peace River, it may take months for the Authority to make necessary repairs; and

WHEREAS, DeSoto is precluded from developing its own water transmission pipeline due to it being an Exclusive Provider Customer; and

WHEREAS, the Phase 1 Pipeline Project would be able to provide water supply to DeSoto from the City's Shell Creek Water Treatment Plant in emergency conditions or during periods of maintenance, repairs or rehabilitation of existing Authority infrastructure; and

WHEREAS, the Phase 1 Pipeline Project is necessary to protect the health, safety and welfare of the citizens of DeSoto; and

WHEREAS, this backup water supply to DeSoto is critical for providing a reliable water supply for economic development; and

WHEREAS, the Authority has notified DeSoto of its intent to design and construct the Phase 1 Pipeline Project, as generally depicted on Exhibit 2 attached and incorporated herein by reference; and

WHEREAS, upon the Effective Date (as hereinafter defined) of this Agreement, DeSoto, as the Host County, has given its consent to the construction of the Phase 1 Pipeline Project and

both parties desire to set forth their respective duties and obligations with respect to the construction and use of the Phase 1 Pipeline Project; and

WHEREAS, this Agreement is predicated upon the execution of a cooperative funding agreement with the Southwest Florida Water Management District (“SWFWMD”) for the Phase 1 Pipeline Interconnect Project that provides for fifty percent (50%) funding by SWFWMD of the eligible costs of the estimated twelve million dollars (\$12,000,000) according to the Conditions Precedent in Section 4 of the Authority-City Agreement being met; and

WHEREAS, this Agreement does not entitle DeSoto to a greater Water Allocation than that which is authorized pursuant to the provisions of the MWSC as amended.

NOW, THEREFORE, in consideration of the above stated Recitals, mutual covenants and obligations contained herein, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by the parties, the terms in this Agreement shall be defined pursuant to the definitions within the MWSC unless otherwise indicated below.

1. INCORPORATION OF RECITALS. The foregoing recitals are true and correct and are incorporated herein by reference.

2. DEFINITIONS. All capitalized terms in this Agreement shall be defined pursuant to the definitions within the MWSC, the Authority-City Agreement or as otherwise defined below.

2.1 Agreement. This Interlocal Agreement Between Peace River Manasota Regional Water Supply Authority and DeSoto County for the Phase 1 Regional Interconnect.

2.2 Phase 1 Pipeline Project. The expansion of the Authority’s Regional Transmission System within DeSoto County that includes a potable water transmission pipeline that is approximately six point three (6.3) miles of twenty-four (24) inch diameter potable water

pipeline from the southern terminus of the Authority's DeSoto Regional Transmission Main near the Walmart Distribution Center at Enterprise Boulevard on U.S. 17 in DeSoto County south to connect with the City's Shell Creek Water Treatment Plant on Washington Loop Road, which will be constructed, owned and operated by the Authority, which is generally shown and described in the attached Exhibit 2.

3. PURPOSE AND TERM. The purpose of this Agreement is to set forth the rights and obligations of the parties with respect to connection of the Phase 1 Pipeline Project to the DeSoto water system via the Authority's regional water system. The MWSC terms and conditions shall apply to all aspects of the potable water delivered pursuant to this Agreement. The term of this Agreement shall commence on the date the Conditions Precedent provided for in Section 4 of the Authority-City Agreement are met and the Commitment To Pay provided for in Section 5 of the Authority-City Agreement has been fulfilled, and shall terminate when DeSoto no longer receives potable water from the Authority pursuant to the MWSC and any extensions or amendments thereto.

4. WATER DELIVERY. The Phase 1 Pipeline Project shall be designed and constructed to supply water for both emergency and for standard utility operation to DeSoto. The Authority shall use its best efforts to supply water at a pressure not less than 65 psi at the DeSoto Delivery Point located on Enterprise Boulevard.

5. PERMISSION/NEW DELIVERY POINT. DeSoto, as the Host County, by execution of this Agreement has granted permission to the Authority for construction of the Phase 1 Pipeline Project within its boundaries pursuant to Section 22 of the MWSC.

6. DESIGN AND CONSTRUCTION OF THE PROJECT. The Phase 1 Pipeline Project shall be capable of supplying DeSoto potable water pursuant to Section 4 above. As may

be needed, the Executive Director of the Authority and the DeSoto County Administrator or designee may modify, clarify and/or revise the characteristics of the Delivery Point as long as such modification is agreed to in writing by both parties and does not otherwise modify the terms and requirements of this Agreement. Any pipeline or utility appurtenances owned by DeSoto shall be located so as to maintain a reasonable clearance on all sides of the Phase 1 Pipeline Project to allow for necessary operations and maintenance access. The Authority agrees to make reasonable efforts not to interfere with any DeSoto operations on DeSoto-owned lands and DeSoto rights-of-way during the construction of the Phase 1 Pipeline Project. DeSoto agrees to make reasonable efforts not to interfere with any Authority operations on DeSoto-owned lands and DeSoto rights-of-way during the construction of the Phase 1 Pipeline Project.

7. FUNDING FROM DESOTO. DeSoto shall not be responsible for funding any portion of the Phase 1 Pipeline Project unless it utilizes the Hydraulic Capacity of the Phase 1 Pipeline Project and then only to such extent as set forth in Section 9 below.

8. AUTHORITY FUNDING AND HYDRAULIC CAPACITY ENTITLEMENT. Funding by the Authority shall include the monies received by the Florida Department of Environmental Protection, SWFWMD, the City and any other state and federal funding received by the Authority for the Phase 1 Pipeline Project. All Hydraulic Capacity in the Phase 1 Pipeline Project shall be retained by the Authority.

9. PAYMENT FOR USE OF AUTHORITY'S HYDRAULIC CAPACITY ENTITLEMENT. If the Authority grants use of its Hydraulic Capacity in the Phase 1 Pipeline Project to a Customer, including DeSoto, the Authority shall charge such Customer a Hydraulic Capacity Entitlement Cost for such use and, provided there is existing debt service related to the Project, adjust the proportionate share of future service rates and charges of DeSoto and all other

existing Customers accordingly.

10. REAL PROPERTY AND EASEMENTS.

10.1 Real Property Acquisition. DeSoto shall cooperate with the Authority in the acquisition of all interests in real property (if any) located in DeSoto County necessary for the Phase 1 Pipeline Project. DeSoto shall not be responsible for acquisition of real property interests or easements necessary for the Phase 1 Pipeline Project.

10.2 DeSoto and the Authority will execute the necessary documents including easements for lands owned by DeSoto.

10.3 Construction Easements. DeSoto shall grant the necessary temporary construction easements to the Authority over lands owned by DeSoto, to allow for the construction of the Phase 1 Pipeline Project in those locations at no cost to the Authority other than recording fees for these temporary construction easements, if any. The Authority shall provide in the contracts with all contractors for the Phase 1 Pipeline Project, that in addition to the Authority, that DeSoto shall have the authority to issue a stop work demand if a construction activity endangers, interferes or damages existing DeSoto facilities along the Phase 1 Pipeline Project route.

10.4 Perpetual and Nonexclusive Easements. Upon completion of the Phase 1 Pipeline Project, DeSoto shall grant necessary perpetual and nonexclusive easements to the Authority for all real property owned by DeSoto on or within which the Phase 1 Pipeline Project is located at no cost to the Authority other than recording fees for these easements, if any. In addition, DeSoto shall cause to be conveyed to the Authority all necessary easements covering areas needed to access and operate the Phase 1 Pipeline Project within all real property owned by DeSoto, by recordable document in a form satisfactory to both the Authority and DeSoto, at no

cost to the Authority other than recording fees for these easements, if any.

10.5 **Ownership.** The Authority shall retain in its own name any easement or other interest in real property acquired by or granted to the Authority in connection with the Phase 1 Pipeline Project.

11. **PERMITS.** The Authority shall use its best efforts to obtain all permits necessary to construct and operate the Phase 1 Pipeline Project, and DeSoto shall promptly cooperate with the Authority in obtaining such permits.

12. **COMPLETION DATE.** The Authority shall make all reasonable efforts to complete the Phase 1 Pipeline Project no later than December 31, 2018, but the parties recognize that the construction of the Phase 1 Pipeline Project is solely dependent upon the funding and construction of the Phase 1 Pipeline Project in accordance with the Authority-City Agreement.

13. **OWNERSHIP INTERESTS.** Nothing within this Agreement or any previous agreements shall be construed to convey to DeSoto any ownership interest in any portion of the assets of the Authority Water Supply Facilities and Authority Regional Transmission System, including this Phase 1 Pipeline Project. The Authority shall have complete ownership of the Phase 1 Pipeline Project.

14. **NOTICES.** All notices, demands, requests, and other communications hereunder shall be deemed sufficient and properly given, if in writing and delivered in person to the following addresses, or via facsimile, or sent by certified or registered mail, postage prepaid with return receipt requested, at such addresses; provided, if such notices, demands, requests or other communications are sent by mail, they shall be deemed as given on the third day following such mailing which is not a Saturday, Sunday, or a day on which United States mail is not delivered: the Authority's Executive Director's Office, 9415 Town Center Parkway, Lakewood Ranch,

Florida 34202; and DeSoto County Administrator, 201 East Oak Street # 201, Arcadia, Florida 34266. Any party may, by like notice, designate any further or different address to which subsequent notices shall be sent. Any notices signed on behalf of the notifying party by a duly authorized attorney at law shall be valid and effective to the same extent as if signed on behalf of such party by a duly authorized officer or employee.

15. RECORDATION OF AGREEMENT AND EFFECTIVE DATE. Upon execution of this Agreement by the Authority and DeSoto, the Authority shall have this Agreement recorded with the Clerks of the Circuit Court of DeSoto and Charlotte Counties. The date that the Agreement is recorded in the last of these counties shall be the Effective Date of this Agreement ("Effective Date").

16. APPLICABLE LAW AND VENUE. The laws of the State of Florida shall govern the validity, interpretation, construction and performance of this Agreement. The sole and exclusive venue for any litigation resulting out of the Agreement shall be in Hillsborough County, Florida, and if in federal court, shall be exclusively in the Middle District of Florida, Tampa Division.

17. ENTIRE AGREEMENT. The parties agree there are no commitments, agreements, or understandings concerning the Phase 1 Pipeline Project that are not contained in this document, and that this Agreement together with the MWSC shall constitute the entire agreement of the parties with regard to the Phase 1 Pipeline Project, except that the parties agree that the obligations of the Authority to fulfill the terms of this Agreement are contingent upon the Conditions Precedent in the Authority-City Agreement being met.

18. AMENDMENTS. This Agreement may be amended only by a writing duly executed by the Authority and DeSoto.

19. DISCLAIMER OF THIRD PARTY BENEFICIARIES. This Agreement is solely for the benefit of the parties to this Agreement. No right or cause of action shall accrue upon or by reason hereof inure to or for the benefit of any third party.

20. WAIVER. Unless otherwise specifically provided by the terms of this Agreement, no delay or failure to exercise a right resulting from any breach of this Agreement shall impair such right or shall be construed to be a waiver thereof, but such right may be exercised from time to time and as often as may be deemed expedient. Any waiver shall be in writing and signed by the party granting such waiver. If any representation, warranty or covenant contained in this Agreement is breached by any party and thereafter waived by another party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive, either expressed or impliedly, any other breach under this Agreement.

21. SEVERABILITY. In the event any provision of this Agreement shall, for any reason, be determined invalid, illegal or unenforceable in any respect, the parties shall negotiate in good faith and agree to such amendments, modifications or supplements to this Agreement or such other appropriate actions as shall, to the maximum extent practicable in the light of such determination implement and give effect to the intentions of the parties as reflected herein, and the other provisions of this Agreement, as amended, modified, supplemented or otherwise affected by such action, shall remain in full force and effect.

22. SOVEREIGN IMMUNITY. The parties intent to avail themselves of the benefits of Sections 768.28 and 163.01(9)(c), Florida Statutes, and of other statutes and common law governing sovereign immunity to the fullest extent possible. In accordance with Section 163.01(5)(o), Florida Statutes, therefore, neither party is jointly liable for the torts of the officers or employees of the other, or any other tort attributable to the other, and that each party shall be

liable for the torts of its officers or employees and then only to the extent of the waiver of sovereign immunity or limitation of liability specified in Section 768.28, Florida Statutes and other applicable law. Nothing in this Agreement is intended to inure to the benefit of any third party for the purposes of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

23. DISPUTES, DEFAULT AND REMEDY. Both parties agree to follow the directives of the "Florida Governmental Conflict Resolution Act," Chapter 164, Florida Statutes. Recognizing the region's paramount need for safe and dependable sources of water supply, the parties agree this Agreement may not be terminated prior to the normal expiration date specified in Section 3 above and the remedy for breach of the Agreement shall be specific performance, injunctive relief and any other equitable relief, as well as monetary damages.

24. ATTORNEYS FEES AND COST. In the event there is litigation arising under or related to Agreement, each party shall pay its own attorney's fees and costs and expenses incurred in enforcing the Agreement, including attorneys' fees, expert witness fees, fees and costs on appeal, and the cost of paraprofessionals working under the supervision of an attorney, expended or incurred in connection therewith, whether resolved by out-of-court settlement, arbitration, pre-trial settlement, trial or appellate proceedings.

25. NO ASSIGNMENT WITHOUT MUTUAL APPROVAL AND PERMITTED SUCCESSORS AND ASSIGNS. The rights, obligations and interests of DeSoto and the Authority under this Agreement may not be wholly or partially sold, assigned, transferred, pledged or hypothecated unless approved in writing by both parties hereto. If so approved, this Agreement shall be binding upon and inure to the benefit of the respective permitted successors, permitted assigns, administrators and trustees of the Authority and DeSoto.

26. EXECUTION OF AGREEMENT. This Agreement shall be executed in two duplicate originals, any of which shall be regarded for all purposes as an original and all of which shall constitute the same instrument.

27. INTERLOCAL AGREEMENT. This Agreement shall constitute an interlocal agreement pursuant to Section 163.01, Florida Statutes.

28. SECTION CAPTIONS AND REFERENCES. The section headings and captions contained herein are included for convenience only and shall not be considered part of this Agreement of affect in any manner its construction or interpretation. Except as otherwise indicated, all references herein to sections are to sections of this Agreement.

29. AMBIGUITY. The parties agree that each one has played an equal part in the negotiation and drafting of this Agreement, and in the event any ambiguity should be asserted or realized in the interpretation or construction of this Agreement, the result of such ambiguity shall be equally assumed and realized by each party.

30. GOOD FAITH. The parties agree to exercise good faith and fair dealing in respect to all matters relating to this Agreement.

IN WITNESS WHEREOF, the Authority and DeSoto have executed this Agreement
this _____ day of _____, 2016.

ATTEST:

PEACE RIVER MANASOTA REGIONAL
WATER SUPPLY AUTHORITY

Patrick J. Lehman
Executive Director

Christopher G. Constance, Chair

Approved as to Form:

Date: _____

Douglas Manson
General Counsel for the Authority

STATE OF FLORIDA
COUNTY OF

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, personally appeared _____, to me known to be the person described in and who executed the foregoing instrument on behalf of the Peace River Manasota Regional Water Supply Authority and acknowledged before me that he executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this ____ day of _____, 2016.

Notary Public
Print Name: _____
My Commission Number: _____

ATTEST:

BOARD OF COUNTY COMMISSIONERS
OF DESOTO COUNTY, FLORIDA

Nadia K. Daughtrey, Interim Clerk of
Circuit Court, DeSoto County, Florida

By: _____
Deputy Clerk

By: _____
Juril O. Mansfield
Chairman

Date: _____

Approved as to form and correctness:

Donald D. Conn
County Attorney

STATE OF FLORIDA
COUNTY OF

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, personally appeared _____, to me known to be the person described in and who executed the foregoing instrument on behalf of DeSoto County, Florida and acknowledged before me that he executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State this _____ day of _____, 2016.

Notary Public
Print Name: _____
My Commission Number:

EXHIBIT 1
Authority-City Agreement

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
9415 TOWN CENTER PKWY
LAKEWOOD RANCH, FL 34202

Recorded with
Manatee County Florida Clerk
Access Official Records at
www.ManateeClerk.com

CHARLOTTE COUNTY CLERK OF CIRCUIT COURT
OR BOOK: 4033 PAGE 988 PAGE: 1 OF 19
INSTR # 2399398 Doc Type: AGR
Recorded: 12/3/2015 at 11:06 AM
Rec. Fee: RECORDING \$163.00
Cashier By: TERESAH



INTERLOCAL AGREEMENT FOR PHASE 1 REGIONAL INTERCONNECT
BETWEEN
THE PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
AND THE CITY OF PUNTA GORDA

This Interlocal Agreement (“Agreement”) is entered into this 2 day of DEC, 2015, by and between the Peace River Manasota Regional Water Supply Authority (“Authority”), an independent special district created pursuant to Section 373.1962, Florida Statutes, now found in Section 373.713, Florida Statutes, and 163.01, Florida Statutes, acting by and through its governing Board of Directors, and the City of Punta Gorda (“City”), a Florida municipal corporation, acting by and through its governing City Council.

W I T N E S S E T H :

WHEREAS, both the Authority and City are authorized to enter into interlocal agreements, pursuant to Chapter 163, Florida Statutes; and

WHEREAS, the Authority owns and operates a regional water system including the Peace River Facility as a regional water supply source and regional transmission system; and

WHEREAS, the vision of the Authority is to create and maintain a sustainable, reliable interconnected regional water supply system; and

WHEREAS, the City owns and operates the City of Punta Gorda Shell Creek Water Treatment Plant and distribution system serving the residents of the City and certain unincorporated portions of Charlotte County; and

WHEREAS, the City is currently operating under a five (5) year exemption to the secondary drinking water standard for total dissolved solids (“TDS”), which was

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issued by the Florida Department of Environmental Protection (“DEP”) on June 22, 2011; and

WHEREAS, the City plans to construct, operate and own a new reverse osmosis water treatment facility (“RO Project”) at its Shell Creek Water Treatment Plant Facility, with such reverse osmosis water treatment facility consisting of a four (4) million gallons per day reverse osmosis system to treat brackish groundwater for blending with the City’s existing treated surface water facility to meet drinking water quality standard of 500 mg/L TDS; and

WHEREAS, the City has submitted for cooperative funding assistance from the Southwest Florida Water Management District (“SWFWMD”) pursuant to which SWFWMD would contribute fifty percent (50%) of the eligible costs of the estimated thirty-two million dollars (\$32,000,000) cost of the RO Project pursuant to a Cooperative Funding Agreement (“RO CFA”); and

WHEREAS, the SWFWMD has previously expressed a willingness to provide the requested cooperative funding to the City contingent upon funding being procured for the Pipeline Project; and

WHEREAS, the City has previously expressed a willingness to consent to the Pipeline Project contingent upon receiving the cooperative funding for its RO project; and

WHEREAS, the Authority has submitted for cooperative funding assistance from the SWFWMD for its Pipeline Project, as defined in section 1.19 below; and

WHEREAS, although separate and distinct projects and cooperative funding requests, SWFWMD has stated that cooperative funding for the RO Project and the

Pipeline Project are dependent upon the execution of any necessary contract(s) for the Authority to construct the Pipeline Project to provide a “plant-to-plant” interconnect between the Authority’s Water Supply System and the City’s Water System, as defined in sections 1.5 and 1.10 below; and

WHEREAS, four million dollars (\$4,000,000) has been appropriated to the City in the State of Florida Budget for Fiscal Year 2015-2016 for the RO Project (“the Appropriation”); and

WHEREAS, the City is negotiating a contract with the DEP that provides for the payment of the four million dollars (\$4,000,000) Appropriation to the City and includes expenses associated with the Pipeline Project as a reimbursable expense of the RO Project; and

WHEREAS, the Parties recognize the need for adequate, reliable, and high-quality drinking water supplies to meet local and regional needs; and

WHEREAS, integrating the RO Project and the Pipeline Project enhances water system reliability to the City and the region; and

WHEREAS, the Parties desire to work together to obtain SWFWMD funding for the Integrated Projects, as defined by section 1.12 below; and

WHEREAS, the Authority and City have previously entered into a Water Systems Interconnect and Water Transfer Contract dated September 3, 2013.

NOW THEREFORE, in consideration of the foregoing, which shall be deemed an integral part of this Agreement and of the mutual covenants contained herein, the Parties agree to the following:

1. **DEFINITIONS.** In the absence of a clear implication otherwise, capitalized terms used in this Agreement and in the attached exhibit shall have the

following meaning.

- 1.1. Agreement Year. The time period between execution of this Agreement and September 30, 2016, and each fiscal year (beginning on each October 1, and ending on the immediately following September 30) thereafter during the term of this Agreement.
- 1.2. Authority. The Peace River Manasota Regional Water Supply Authority.
- 1.3. Authority Available Water. A quantity of potable water available from the Authority for delivery to the City after the Authority has met its obligations to Authority Customers under the Master Water Supply Contract.
- 1.4. Authority Regional Transmission System. Those facilities, including appurtenant and associated facilities, owned by the Authority pertaining to the delivery and measurement of potable water including but not limited to primary transmission pipes, real property, interest in real property, fixtures, personal property.
- 1.5. Authority Water System. All real property, interest in real property, fixtures, personal property, wells, buildings, treatment systems, pumps, pipes, storage facilities, reservoir(s), aquifer storage and recovery facilities and appurtenant or associated facilities owned by Authority and pertaining to the delivery and measurement of potable water.
- 1.6. Available Water. Water from either Party meeting the definition of Authority Available Water and/or City Available Water.
- 1.7. City. The City of Punta Gorda.
- 1.8. City Available Water. A quantity of potable water available from the City for delivery to the Authority generally comprised of the surplus of water that remains

after the City has accounted for its local needs, including customer demands, operational constraints and regulatory capacity.

- 1.9. City Shell Creek WTP. The City of Punta Gorda's Shell Creek Water Treatment Plant.
- 1.10. City Water System. All real property, interest in real property, fixtures, personal property, wells, buildings, treatment systems, pumps, pipes, storage facilities, reservoir(s), aquifer storage and recovery facilities and appurtenant or associated facilities owned by the City and pertaining to the delivery and measurement of potable water.
- 1.11. Delivery Point(s). The physical location(s) of interconnection between the Authority Regional Transmission System and the City Water System shown in Exhibit 1.
- 1.12. Integrated Project. The RO Project and the Pipeline Project collectively.
- 1.13. Interconnect(s). The structure(s) installed by the Authority at the Delivery Point(s) that enable water transfer/delivery between the Authority Regional Transmission System and the City Water System shown in Exhibit 1.
- 1.14. Master Water Supply Contract. The Peace River Manasota Regional Water Supply Authority Master Water Supply Contract dated October 5, 2005 and as subsequently amended.
- 1.15. MGD. Million gallons per day.
- 1.16. MGY. Million gallons per year.
- 1.17. Operational Flexibility Water Use Permit. The Southwest Florida Water Management District water use permit number 20012926.002 and as subsequently renewed or modified.

- 1.18. Party or Parties. Party shall mean a signatory to this Agreement. Parties shall mean the City and the Authority.
- 1.19. Pipeline Project. New transmission pipeline that is approximately six point three (6.3) miles of a minimum twenty-four (24) inch diameter potable water pipeline from the southern terminus of the Authority's Desoto Regional Transmission Main near the Walmart Distribution Center on U.S. 17 in Desoto County south to connect with the City's Shell Creek Water Treatment Plant on Washington Loop Road, which will be constructed, owned and operated by the Authority.
- 1.20. Phase 1A Pipeline. The Authority's regional pipeline and appurtenant facilities connecting the City's distribution system on US 17 in Cleveland to the Authority Regional Transmission System.
- 1.21. RO Project. New 4 MGD reverse osmosis system at the City's Shell Creek Water Treatment Plant, which will be constructed, owned and operated by the City that will be used to treat brackish groundwater for blending with the City's existing treated surface water facility to meet drinking water quality standards of 500 mg/L TDS at all times.
- 1.22. SWFWMD. The Southwest Florida Water Management District.
- 1.23. TDS. Total Dissolved Solids.
- 1.24. Water Exchange. Available Water agreed to be exchanged on a gallon-for-gallon basis during the course of an Agreement Year to facilitate pipeline readiness or for other mutually acceptable purposes.
- 1.25. Water Meter(s). The water meter(s) located at the Delivery Point(s) that measure all water flowing through the Interconnect(s).
- 1.26. Water Purchase. Available Water agreed to be purchased by either party and paid

for on a unit cost basis for metered quantities delivered.

- 1.27. Water Rate. The unit rate in \$/1000 gallons for water purchased by the City from the Authority or by the Authority from the City through the Interconnect(s). Said rate shall be the distribution pool water rate as adopted in the Authority's annual budget and established by resolution for the Agreement Year and applicable to both Parties.
 - 1.28. Water Supply Emergency. A loss or reduction in system capacity caused by drought or a sudden, unexpected, unavoidable interruption in water delivery as declared by the Authority Board of Directors or the City of Punta Gorda City Council.
 - 1.29. Water Systems Interconnect and Water Transfer Contract. The Agreement executed between the Authority and the City establishing water delivery, payment and operational protocol for the Phase 1A Pipeline dated September 3, 2013 and as subsequently amended.
2. **TERM.**
- 2.1 The term of this Agreement shall begin on the date of its complete execution by the Parties (the "Effective Date").
 - 2.2 The Agreement shall expire on December 31, 2018 unless extended in writing by both parties or unless terminated as provided for in sections 2.3, 2.4, or 2.5.
 - 2.3 If the Conditions Precedent required by section 4 are not met April 30, 2016, this Agreement shall automatically terminate.
 - 2.4 If the Authority does not receive Charlotte County's written consent for the Pipeline Project in accord with the Master Water Supply Contract (paragraph

22.2) by February 29, 2016, this Agreement shall automatically terminate.

2.5 If the bids submitted to the Authority for the construction of the Pipeline Project result in the Pipeline Project costs exceeding twelve million dollars (\$12,000,000), this Agreement may be terminated by either party upon written notice to the other party.

3. **PIPELINE PROJECT.** The Authority will construct, own and operate the Pipeline Project. The Authority shall retain 100% of the hydraulic capacity of the Pipeline Project as defined in the Master Water Supply Contract. The Pipeline Project consists of a new transmission pipeline extending from the Authority Regional Transmission System on U.S. 17 near the DeSoto/Charlotte County line south approximately six point three (6.3) miles and connecting with the City Shell Creek WTP on Washington Loop Road. The Pipeline Project will be designed to deliver water from the Authority Regional Transmission System to an existing storage tank at the City Shell Creek WTP. The Pipeline Project will also enable delivery of water from the City Shell Creek WTP to the Authority Regional Transmission System.

4. **CONDITIONS PRECEDENT.** The following are conditions precedent to the Parties' rights, obligations and liabilities under this Agreement:

4.1 The execution of this Agreement by the Authority and the City.

4.2 The execution of a cooperative funding agreement (CFA) by the SWFWMD and the Authority providing for SWFWMD to contribute fifty percent (50%) of the eligible costs of the estimated twelve million dollars (\$12,000,000) cost of the Pipeline Project, with eligible costs provided by the SWFWMD's cooperative funding agreement.

4.3 The execution of the RO CFA by the SWFWMD and the City whereby

SWFWMD contributes fifty percent (50%) of the eligible costs of the estimated thirty-two million dollars (\$32,000,000) cost of the RO Project, with eligible costs provided by the SWFWMD's cooperative funding agreement.

- 4.4 The execution of a funding agreement by the DEP and the City or the DEP. the City and the Authority providing for payment of four million dollars (\$4,000,000) to the City and including expenses associated with the Pipeline Project as a reimbursable expense of the RO Project.

5. **COMMITMENT TO PAY.** The City shall pay the Authority six million dollars (\$6,000,000) toward the cost of the Pipeline Project as follows:

- 5.1 Five hundred thousand dollars (\$500,000) lump sum at such time as SWFWMD executes the RO CFA with the City.
- 5.2 Four million dollars (\$4,000,000) as follows: The Authority anticipates that the Design of the Pipeline Project will begin in January 2016 and construction of the Pipeline Project will begin on or about January 2017, and invoices will be submitted to the City for reimbursement throughout the Pipeline Project timeframe as follows: A) Subject to the receipt of the Appropriation, the City shall pay all invoices submitted by the Authority for Pipeline Project expenses incurred by the Authority up to the full Appropriation amount, which shall be paid within thirty (30) days after the City receives the Authority invoice; or B) Upon agreement of the DEP, the Authority invoices may be sent directly to DEP for reimbursement directly to the Authority under a three party funding agreement between the City, the Authority and the DEP.
- 5.3 Subject to the receipt of funds by the City from SWFWMD for the SWFWMD's cooperative funding commitment, an additional One million five hundred thousand

dollars (\$1,500,000) will be provided by the City to the Authority after the Appropriation funds have been expended on the Pipeline Project expenses as follows: Invoices will be submitted by the Authority for Pipeline Project expenses to the City for reimbursement which such invoices shall be paid by the City up to the amount of one million five hundred thousand (\$1,500,000) within thirty (30) days after the City receives the invoice.

6. **COMMITMENT TO PROVIDE EASEMENTS.** Within one hundred eighty (180) days following execution of this Agreement, the City shall deliver, at no cost to the Authority perpetual non-exclusive utility, ingress/egress and temporary construction easements necessary for the installation and future maintenance of the Pipeline Project and appurtenant facilities. The value of said easements shall not be considered part of the City payment contribution listed in section 5 above.

7. **COMMITMENT TO SUPPLY WATER.** The Authority and City agree to provide treated drinking water in accordance with the Water Systems Interconnect and Water Transfer Contract as follows:

- a. The Authority shall provide Authority Available Water through the Pipeline Project and/or Phase 1A Pipeline at the City's request.
- b. The City shall provide City Available Water through the Pipeline Project and/or Phase 1A Pipeline at the Authority's request.

8. **COMMITMENT TO PURCHASE WATER.** The City and/or Authority agree to the purchase of water in accordance with the Water Systems Interconnect and Water Transfer Contract.

9. **COMMITMENT TO MAINTAIN INTERCONNECTION READINESS.** The Parties agree to maintain a continued readiness-to-serve status for the

Interconnect(s) and Delivery Point(s) through delivery of adequate quantities of Available Water in accordance with the Water Systems Interconnect and Water Transfer Contract between the Parties.

10. **COMMITMENT TO AMEND THE WATER SYSTEMS INTERCONNECT AND WATER TRANSFER CONTRACT.** The City and the Authority shall amend the Water Systems Interconnect and Water Transfer Contract no later than ninety (90) days from the Effective Date to include the Interconnect(s) and Delivery Point(s) provided for in this Agreement.

11. **WATER QUALITY.** The Parties shall deliver water of good and uniform quality to the Delivery Points(s). The water delivered to the Delivery Point(s) shall be stabilized and shall meet all federal, state or regional regulations and orders relating to drinking water without regard to water quality exemptions, variances or similar regulatory relief authorized at the federal, state or regional government level.

12. **JOINT EFFORTS.** The Parties shall cooperate with regard to the following:

- a. Operation and Maintenance. All Parties shall coordinate operation for the mutual benefit of all Parties.
- b. Pipeline Project Consent. All Parties will request Charlotte County to provide written consent for the Pipeline Project in accord with the Master Water Supply Contract (paragraph 22.2).
- c. Future Planning. The City and Authority will cooperate to evaluate future expansion of the RO Project and explore the potential for additional water supply for the City and Authority.

13. **REPRESENTATIONS OF THE PARTIES.** The Parties make the

following representations:

- a. Each Party is duly organized and existing in good standing under the laws of the State of Florida and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.
- b. Each Party has the power, authority and legal right to enter into and perform its obligations set forth in this Agreement, and the execution, delivery and performance by it a) has been duly authorized by its governing body; b) does not require any other approvals by any other governmental officer or body; c) does not require any consent or referendum of the voters; d) will not violate any judgment, order, law or regulation applicable to the Party; and e) does not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon the assets of the Party under any agreement or instrument to which it is a Party or by which the Party and its assets may be found or affected.
- c. This Agreement has been duly entered into and delivered by the respective governing bodies and, as of the date of its full execution by all Parties, constitutes a legal, valid and binding obligation of said Party, fully enforceable in accordance with its terms provided the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity.

- d. There is no action, suit or proceeding, at law or in equity, before or by any court or governmental authority, pending or, to the best of the Party's knowledge, threatened against the Party, wherein any unfavorable decision, ruling or finding would materially adversely affect the performance by the Party of its obligations hereunder or the other transactions contemplated hereby, or which, in any way, would adversely affect the validity or enforceability of this Agreement, or any other agreement or instrument entered into by the Party in connection with the transaction contemplated hereby.

14. **NOTICES.** In the event a party hereunder desires or is required to provide any notice to the party, the party desiring or required to provide such notice shall provide it in writing, send it by traceable mail, return receipt requested, postage prepaid or traceable overnight delivery service, to the other party at the addresses listed below:

If to City: Howard Kunik, City Manager
326 West Marion Avenue
Punta Gorda, FL 33950

If to Authority: Patrick J. Lehman, Executive Director
9415 Town Center Parkway
Lakewood Ranch, Florida 34202

Any change of notification address or person shall be in writing and delivered pursuant to this provision.

15. **DISCLAIMER OF THIRD PARTY BENEFITS.** This Agreement is solely for the benefit of the Parties. No right or cause of action shall accrue upon or by reason hereof inure to or for the benefit of any third party.

16. **ASSIGNMENT.** This Agreement shall be binding on the Parties, their representatives, successors and assigns. Neither Party shall assign this Agreement or the

rights or obligations hereof to any other person or entity without the prior written consent of the other Party.

17. **INDEMNIFICATION.** Neither Party shall indemnify the other Party. Each Party acknowledges that its legal remedy shall be limited to filing suit against the other Party to this Agreement in a court of competent jurisdiction.

18. **APPLICABLE LAW/DISPUTES.** This Agreement and the provisions contained herein shall be construed, controlled, and interpreted according to the laws of the State of Florida. Any dispute involving litigation between the Parties is subject to all provisions of Chapter 164, Florida Statutes. The Parties agree that venue for any litigation over this Agreement shall be in Charlotte County, Florida, if filed in state court and in the Middle District of Florida if filed in federal court.

19. **DEFAULT AND REMEDY.** Recognizing the region's paramount need for a safe and dependable source of water supply, the Parties agree the remedy for a breach of the Agreement shall be specific performance, injunctive relief and any other equitable relief, as well as monetary damages.

20. **RELATIONSHIP OF THE PARTIES.** Nothing herein shall be deemed to constitute any Party a partner or joint venturer, or to create any fiduciary relationship among the Parties. Nothing within the Agreement or any previous agreement shall be construed to convey any ownership interest in any portion of the Authority Water System, including the Pipeline Project.

21. **WAIVER.** Unless otherwise specifically provided by the terms of this Agreement, no delay or failure to exercise a right resulting from any breach of this Agreement shall impair such right or shall be construed to be a waiver thereof, but such right may be exercised from time to time and as often as may be deemed expedient. Any

waiver shall be in writing and signed by the Party granting such waiver. If any representation, warranty or covenant contained in this Agreement is breached by any Party and thereafter waived by another Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive, either expressly or impliedly, any other breach under this Agreement.

22. **AUTHORIZED REPRESENTATIVES.** For purposes of this Agreement, the Parties authorized representatives are as follows: the Authority Executive Director and the City Manager. Any Party may change its authorized representative at any time by written notice to the other Party.

23. **SECTION CAPTIONS AND REFERENCES.** The section headings and captions contained herein are included for convenience only and shall not be considered part of this Agreement or affect in any manner its construction or interpretation. Except as otherwise indicated, all references herein to sections are to sections of this Agreement.

24. **SEVERABILITY.** In the event any provision of this Agreement shall, for any reason, be determined invalid, illegal or unenforceable in any respect, the Parties shall negotiate in good faith and agree to such amendments, modifications or supplements to this Agreement or such other appropriate actions as shall, to the maximum extent practicable in the light of such determination, implement and give effect to the intentions of the Parties as reflected herein, and the other provisions of this Agreement, as amended, modified, supplemented or otherwise affected by such action, shall remain in full force and effect.

25. **AMENDMENT.** This Agreement may only be amended by a writing duly executed by the Parties.

26. **ENTIRE AGREEMENT.** This Agreement and exhibits attached shall constitute the entire agreement of the Authority and the City with respect to the Pipeline Project.

27. **FURTHER ASSURANCES.** The Authority and the City shall use all reasonable efforts to provide such information, execute such further instruments and documents and take actions as may be reasonably requested by the other Party and not inconsistent with the provisions of this Agreement and not involving the assumption of obligations or liabilities different from, in excess of or in addition to those expressly provided for in this Agreement to carry out the intent of this Agreement.

28. **CONSENTS.** To the extent that the consent of any Party to this Agreement is required as a condition to the action of other Parties, such consent shall not be unreasonably withheld.

29. **RECORDATION OF INTERLOCAL AGREEMENT.** This Agreement shall constitute an interlocal agreement pursuant to Section 163.01, Florida Statutes. A true and correct copy of this Agreement and any subsequent amendments shall be recorded by the Authority with the Clerk of the Circuit Court in Charlotte and Manatee Counties.

30. **AMBIGUITY.** The Parties agree that each one has played an equal part in the negotiation and drafting of this Agreement, and in the event any ambiguity should be asserted or realized in the interpretation or construction of this Agreement, the result of such ambiguity shall be equally assumed and realized by each Party.

31. **ATTORNEY FEES.** Should either party employ an attorney or attorneys to enforce any of the provisions of this Agreement, or to protect its interest in any matter arising under this Agreement, or to recover damages for the breach of this Agreement,

each party shall be responsible for its own costs, charges and expenses, including attorneys' fees, expert witness fees, fees and costs on appeal, and the cost of paraprofessionals working under the supervision of an attorney, expended or incurred in connection therewith, whether resolved by out-of-court settlement, arbitration, pre-trial settlement, trial or appellate proceedings. This paragraph does not constitute a waiver of sovereign immunity or extend liability beyond the limits established in Section 768.28, Florida Statutes.


32. **SOVEREIGN IMMUNITY.** The Parties intend to avail themselves to the benefits of Sections 768.28 and 163.01(9)(c), Florida Statutes, and of other statutes and common law governing sovereign immunity to the fullest extent possible. In accordance with Section 163.01(5)(o), Florida Statutes, therefore the City is not jointly liable for the torts of the officers or employees of the Authority, or any other tort attributable to the Authority, and that only the Authority shall be liable for torts attributable to it or for torts of its officers or employees, and then only to the extent of the waiver of sovereign immunity or limitation of liability specified in Section 768.28, Florida Statutes. Similarly, under Section 163.01(5)(o), Florida Statutes, therefore the Authority is not jointly liable for the torts of the officers or employees of the City, or any other tort attributable to the City, and that only the City shall be liable for torts attributable to it or for torts of its officers or employees, and then only to the extent of the waiver of sovereign immunity or limitation of liability specified in Section 768.28, Florida Statutes. The Parties intend the Authority and the City to have all the privileges and immunities from liability and exemptions from laws, ordinances, rules and common law which apply to the municipalities of the State of Florida. Nothing in this Agreement is intended to inure to the benefit of any third-party for the purposes of allowing any

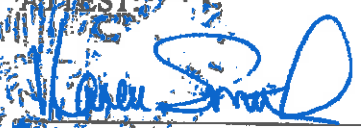
claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

33. **GOOD FAITH.** The Parties agree to exercise good faith and fair dealing in respect to all matters relating to this Agreement.

34. **EXECUTION OF AGREEMENT.** This Agreement shall be executed in two duplicate originals, any of which shall be regarded for all purposes as an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement for the purposes expressed.



ATTEST

Sarah Smith, City Clerk


CITY OF PUNTA GORDA, FLORIDA


Carolyn Feeeland, Mayor

APPROVED AS TO FORM:


David Levin
City Attorney for Punta Gorda




ATTEST

Patrick J. Lammie, Executive Director

PEACE RIVER/MANASOTA REGIONAL
WATER SUPPLY AUTHORITY


John R. Chappie, Chair

APPROVED AS TO FORM:


Douglas Manson, General Counsel for the
Peace River/Manasota Regional Water Supply Authority

BOARD APPROVED

DEC - 2 2015

Peace River Manasota
Regional Water Supply Authority

EXHIBIT 1

**Phase 1 Interconnect
Proposed Pipeline Route
(U.S. 17 to Punta Gorda)**

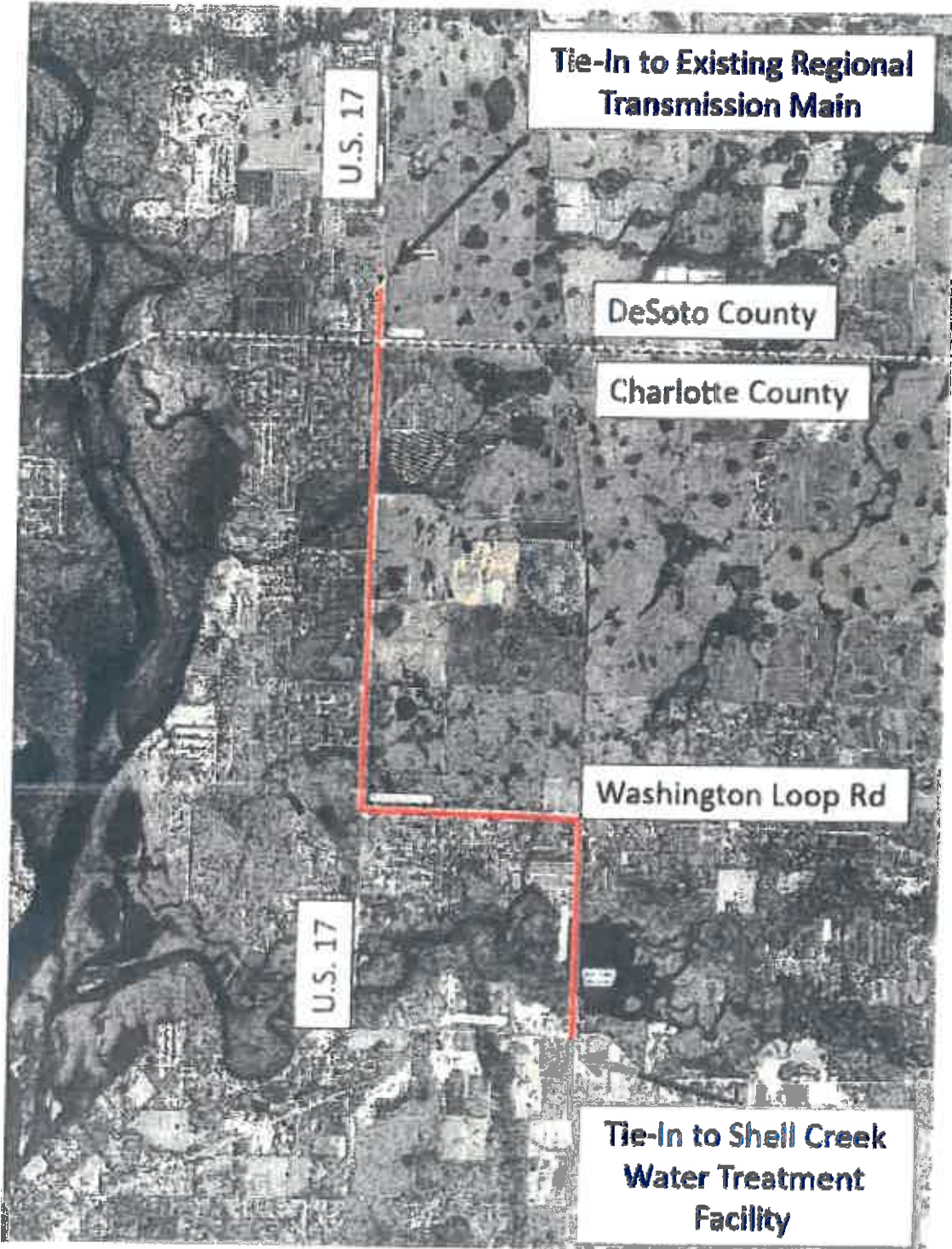
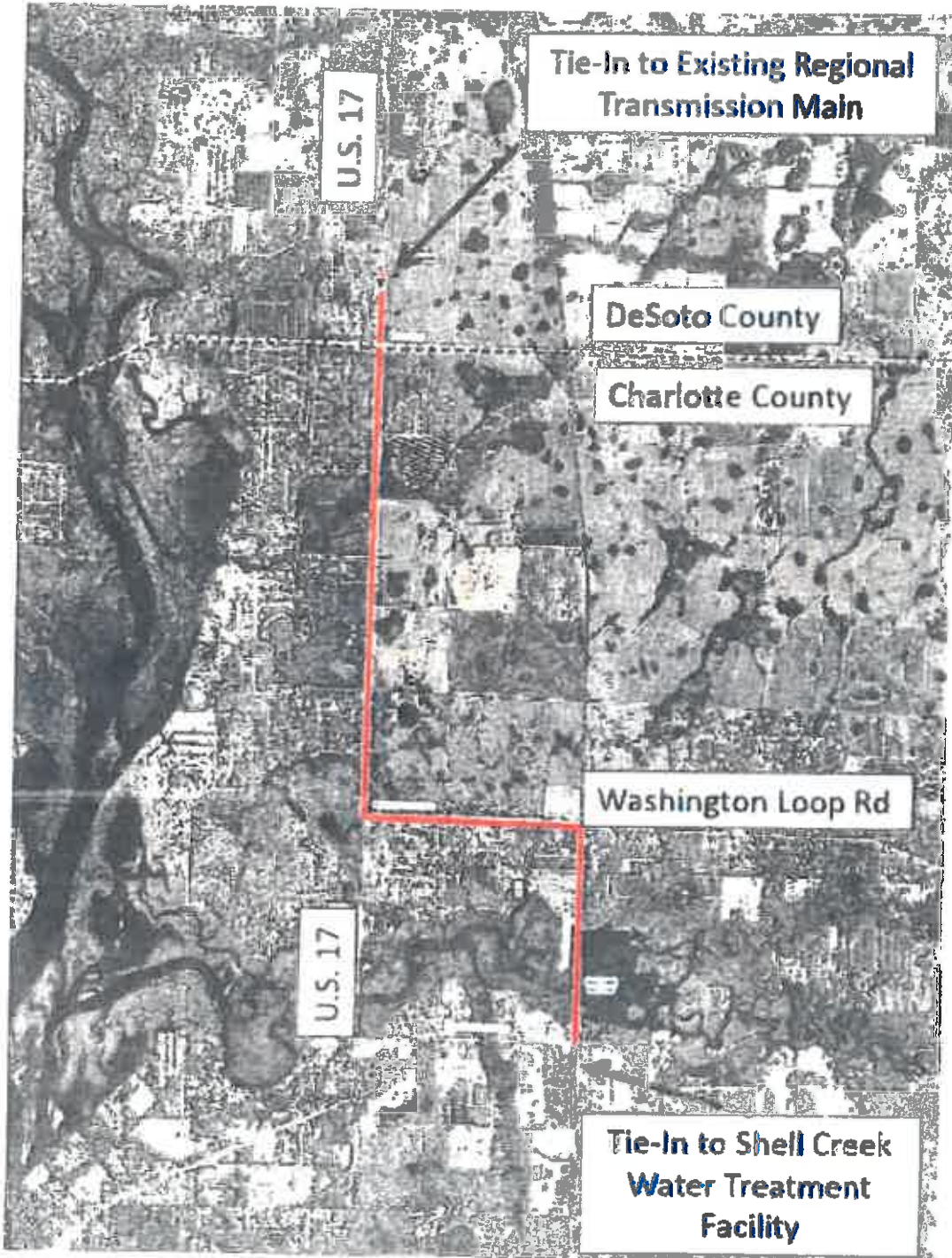


EXHIBIT 2
Phase 1 Pipeline Project

EXHIBIT 2

**Phase 1 Interconnect
Proposed Pipeline Route
(U.S. 17 to Punta Gorda)**



TAB B
SWFWMD Funding Agreement

COOPERATIVE FUNDING AGREEMENT (2)
BETWEEN THE
SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
AND
PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
FOR
PHASE 1 REGIONAL INTERCONNECT (N416)

THIS COOPERATIVE FUNDING AGREEMENT (Agreement) is made and entered into by and between the SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT, a public corporation of the State of Florida, whose address is 2379 Broad Street, Brooksville, Florida 34604-6899, hereinafter referred to as the "DISTRICT," and the PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY, an independent special district created and existing pursuant to Section 373.1962, Florida Statutes, now found in Section 373.713, Florida Statutes, and Section 163.01, Florida Statutes, whose address is 9415 Town Center Parkway, Lakewood Ranch, Florida 34202, hereinafter referred to as the "AUTHORITY."

WITNESSETH:

WHEREAS, the AUTHORITY proposed a project to the DISTRICT for funding consideration under the DISTRICT'S cooperative funding program; and

WHEREAS, the project consists of a new transmission pipeline that is approximately six point three (6.3) miles of potable water pipeline from the southern terminus of the AUTHORITY'S DeSoto Regional Transmission Main near the Walmart Distribution Center at Enterprise Boulevard on U.S. 17 in DeSoto County south to connect with the City of Punta Gorda's Shell Creek Water Treatment Plant on Washington Loop Road, which will be constructed, owned and operated by the AUTHORITY, hereinafter referred to as the "PROJECT"; and

WHEREAS, the vision of the AUTHORITY is to create and maintain a sustainable, reliable interconnected regional water supply system; and

WHEREAS, DeSoto County, a political subdivision of the State of Florida ("County"); Manatee County, a political subdivision of the State of Florida; Charlotte County, a political subdivision of the State of Florida; Sarasota County, a political subdivision of the State of Florida; and the City of North Port, a municipal corporation of the State of Florida (collectively "Customers") and the AUTHORITY entered into the Peace River Manasota Regional Water Supply Authority Master Water Supply Contract, effective October 5, 2005 ("MWSC"); and

WHEREAS, the County utilities service area, with the exclusion of DeSoto Correctional Institution, receives one hundred percent (100%) of its water supply from the AUTHORITY'S regional water system; and

WHEREAS, the County is an Exclusive Provider Customer of the AUTHORITY, which under the Second Amended Interlocal Agreement Creating the Peace River Manasota Regional Water Supply Authority and the MWSC, means the County agrees not to develop any

additional water supply sources and the AUTHORITY has the absolute and unequivocal obligation to develop and provide potable water to the County based upon its permissible future potable water demand; and

WHEREAS, the County's water supply is currently dependent on a single AUTHORITY transmission pipeline from the AUTHORITY'S water supply source; and

WHEREAS, if there is an emergency and the AUTHORITY'S transmission pipeline is no longer functional, the County will have no water supply, and as a result of the AUTHORITY transmission pipeline's underwater crossing of the Peace River, it may take months for the AUTHORITY to make necessary repairs; and

WHEREAS, the County is precluded from developing its own water transmission pipeline due to it being an Exclusive Provider Customer; and

WHEREAS, the PROJECT would be able to provide water supply to the County from the City of Punta Gorda's Shell Creek Water Treatment Plant in emergency conditions or during periods of maintenance, repairs or rehabilitation of existing AUTHORITY infrastructure; and

WHEREAS, the PROJECT is necessary to protect the health, safety and welfare of the citizens of the County; and

WHEREAS, in addition to protecting the health, safety and welfare of the citizens of the County, having a transmission pipeline that can provide water supply in emergency conditions protects the existing and future businesses of the County as many businesses will be unable to operate without water supply; and

WHEREAS, the County is defined as a 'rural area of opportunity' in Section 288.0656, Florida Statutes, the 'Rural Economic Development Initiative' (REDI); and

WHEREAS, the County is located within the designated South Central Rural Area of Critical Economic Concern; and

WHEREAS, a reliable and sustainable water supply is critical infrastructure to securing new opportunities for business development within the County; and

WHEREAS, the PROJECT to be undertaken by the AUTHORITY will provide an essential backup water supply to the County's water system to assure a reliable water supply important to the economic vitality of the County; and

WHEREAS, the City of Punta Gorda owns and operates the City of Punta Gorda Shell Creek Water Treatment Plant and distribution system serving its residents and certain unincorporated portions of Charlotte County and plans to construct, operate and own a new reverse osmosis water treatment facility ("RO Project") at its Shell Creek Water Treatment Plant Facility, with such reverse osmosis water treatment facility consisting of a four (4) million gallons per day reverse osmosis system to treat brackish groundwater for blending with its existing treated surface water facility to meet drinking water quality standard of 500 mg/L TDS; and

WHEREAS, both the AUTHORITY and the City of Punta Gorda have submitted for cooperative funding assistance from the DISTRICT; and

WHEREAS, the DISTRICT has previously expressed a willingness to provide the requested cooperative funding for both projects contingent upon specified conditions being met, including that both projects be regional and execution of any necessary contract(s) for the AUTHORITY to construct the PROJECT to provide a "plant-to-plant" interconnect between the AUTHORITY and the City of Punta Gorda's system; and

WHEREAS, the parties recognize the need for adequate, reliable, and high-quality drinking water supplies to meet local and regional needs and integrating the PROJECT and RO Project enhances water system reliability to the region; and

WHEREAS, the the City of Punta Gorda received State appropriations in the amount of Four Million Dollars (\$4,000,000) ("State Appropriation") which the City of Punta Gorda has agreed will be available to fund this PROJECT, which, in accordance with the DISTRICT Cooperative Funding Initiative policy, will be applied to reduce each party's share of PROJECT costs; and

WHEREAS, the DISTRICT considers the resource benefits to be achieved by the PROJECT worthwhile and desires to assist the AUTHORITY in funding the PROJECT.

NOW THEREFORE, the DISTRICT and the AUTHORITY, in consideration of the mutual terms, covenants and conditions set forth herein, agree as follows:

1. PROJECT CONTACTS AND NOTICES. Each party hereby designates the individual set forth below as its prime contact for matters relating to this Agreement. Notices and reports shall be sent to the attention of each party's prime contact as set forth herein by U.S. mail, postage paid, by nationally recognized overnight courier, or personally to the parties' addresses as set forth below. Notice is effective upon receipt.

Contract Manager for the DISTRICT: John F. Ferguson, PG
Southwest Florida Water Management District
2379 Broad Street
Brooksville, Florida 34604 - 6899

Project Manager for the AUTHORITY: Mike Coates, Deputy Director
Peace River Manasota Regional Water
Supply Authority
9415 Town Center Parkway
Lakewood Ranch, Florida 34202

Any changes to the above representatives or addresses must be provided to the other party in writing.

- 1.1 The DISTRICT'S Contract Manager is authorized to approve requests to extend a PROJECT task deadline set forth in this Agreement. Such approval must be in writing, explain the reason for the extension and be signed by the Contract Manager

and his or her Bureau Chief, or Director if the Bureau Chief is the Contract Manager, unless the DISTRICT'S Signature Authority provides otherwise. The DISTRICT'S Signature Authority supersedes the approval requirements provided in this provision. The DISTRICT'S Contract Manager is not authorized to approve any time extension which will result in an increased cost to the DISTRICT or which will exceed the expiration date set forth in this Agreement.

1.2 The DISTRICT'S Contract Manager is authorized to adjust a line item amount of the PROJECT budget contained in the Project Plan set forth in Exhibit "A" or, if applicable, the refined budget as set forth in Subparagraph 3.4 below. The authorization must be in writing, explain the reason for the adjustment, and be signed by all appropriate DISTRICT staff in accordance with the DISTRICT'S Signature Authority. The DISTRICT'S Contract Manager is not authorized to make changes to the Scope of Work and is not authorized to approve any increase in the amounts set forth in the funding section of this Agreement.

2. SCOPE OF WORK. Upon receipt of written notice to proceed from the DISTRICT, the AUTHORITY shall perform the services necessary to complete the PROJECT in accordance with the AUTHORITY'S Project Plan set forth in Exhibit "A" and shall administer the One Water Initiative which meets the conditions set forth in Exhibit "C". Any changes to this Agreement, except as provided herein, must be mutually agreed to in a formal written amendment approved by the DISTRICT and the AUTHORITY prior to being performed by the AUTHORITY. The AUTHORITY shall be solely responsible for managing and controlling the PROJECT, both during and after construction and during and after the operation and maintenance of the PROJECT, including the hiring and supervising of any consultants or contractors it engages.

The parties agree that time is of the essence in the performance of each obligation under this Agreement.

3. FUNDING. The parties anticipate that the total cost of the PROJECT will be Twelve Million Dollars (\$12,000,000). The DISTRICT agrees to fund PROJECT costs as appropriated by the DISTRICT in accordance with Subparagraph 3.1 below and anticipates funding PROJECT costs up to Six Million Dollars (\$6,000,000), and shall have no obligation to pay any costs beyond this maximum amount. The AUTHORITY agrees to provide all remaining funds necessary for the satisfactory completion of the PROJECT. If the actual total PROJECT cost is less than the anticipated amount of \$12,000,000, the entire cost savings shall be applied to reduce the DISTRICT'S funding share.

3.1 The DISTRICT'S performance and payment pursuant to this Agreement are contingent upon the DISTRICT'S Governing Board appropriating funds in its approved budget for the PROJECT in each fiscal year of this Agreement. The AUTHORITY recognizes that the DISTRICT has approved \$5,650,000 for the PROJECT through Fiscal Year 2016. The additional funds identified in this Agreement are contingent upon approval of such amounts by the DISTRICT Governing Board, in its sole discretion, in its annual budgets for future fiscal years.

- 3.2 The AUTHORITY shall pay PROJECT costs prior to requesting reimbursement from the DISTRICT. The DISTRICT shall reimburse the AUTHORITY for the DISTRICT'S share of allowable PROJECT costs in accordance with the PROJECT budget contained in the Project Plan set forth in Exhibit "A." Reimbursement for expenditures of contingency funds is contingent upon approval by the DISTRICT. If a reimbursement request includes the expenditure of contingency funds, the AUTHORITY shall provide sufficient documentation to the DISTRICT to explain the basis of the expense. The DISTRICT shall not reimburse the AUTHORITY for any contingency funds that the DISTRICT determines, in its sole discretion, to be in excess of what was reasonably necessary to complete the PROJECT. The AUTHORITY shall use the State Appropriation to pay for the first \$4,000,000 of PROJECT costs and will provide written documentation of these expenditures to the DISTRICT'S Contract Manager every two (2) months until the State Appropriation has been expended. Thereafter, the DISTRICT shall reimburse the AUTHORITY for seventy-five percent (75%) of all allowable costs in each DISTRICT approved invoice received from the AUTHORITY. If the DISTRICT'S funding share is decreased due to PROJECT cost savings as provided in Paragraph 3 or receipt of additional federal, state, local or grant monies as provided in Subparagraph 3.3, the reimbursement percentage set forth above shall decrease accordingly.
- 3.3 Unless otherwise stated in this Agreement, any federal, state, local or grant monies received by the AUTHORITY for this PROJECT shall be applied in their entirety to reduce the DISTRICT'S share of PROJECT costs. The AUTHORITY shall provide the DISTRICT with written documentation detailing its allocation of any such funds appropriated for this PROJECT.
- 3.4 The AUTHORITY may contract with consultant(s), contractor(s) or both to accomplish the PROJECT. The AUTHORITY must obtain the DISTRICT'S written approval prior to posting solicitations for consultants or contractors and prior to entering into agreements with consultants or contractors to ensure that costs to be reimbursed by the DISTRICT under those agreements are reasonable and allowable under this Agreement. The DISTRICT shall provide a written response to the AUTHORITY within fifteen (15) business days of receipt of the solicitation or agreement. Upon written DISTRICT approval, the budget amounts for the work set forth in such contract(s) shall refine the amounts set forth in the PROJECT budget and be incorporated herein by reference. The DISTRICT shall not reimburse the AUTHORITY for costs incurred under consultant and contractor agreements until the DISTRICT approvals required under this provision have been obtained.
- 3.5 Payment shall be made to the AUTHORITY within forty-five (45) days of receipt of an invoice with adequate supporting documentation to satisfy auditing purposes. Invoices shall be submitted to the DISTRICT every two (2) months electronically at invoices@WaterMatters.org, or at the following address:

Accounts Payable Section
Southwest Florida Water Management District

Post Office Box 15436
Brooksville, Florida 34604-5436

The above-referenced payment due date shall not apply to that portion of an invoice that includes contingency expenses. The DISTRICT agrees to reimburse the AUTHORITY for contingency expenses within a reasonable time to accommodate the process provided for in Subparagraph 3.2 of this Agreement.

In addition to sending an original invoice to the DISTRICT'S Accounts Payable Section as required above, copies of invoices may also be submitted to the DISTRICT'S Contract Manager in order to expedite the review process. Failure of the AUTHORITY to submit invoices to the DISTRICT in the manner provided herein shall relieve the DISTRICT of its obligation to pay within the aforementioned timeframe.

- 3.6 The parties acknowledge that the PROJECT was approved for funding by the DISTRICT based upon the resource benefits expected to be achieved for the PROJECT (the "Measurable Benefit"). The parties also acknowledge that the AUTHORITY is solely responsible for implementing the PROJECT in such a manner that the expected resource benefits are achieved. If at any point during the progression of the PROJECT the DISTRICT determines that it is likely that the Measurable Benefit, as set forth in the Project Plan, will not be achieved, the DISTRICT shall provide the AUTHORITY with fifteen (15) days advance written notice that the DISTRICT shall withhold payments to the AUTHORITY until such time as the AUTHORITY demonstrates that the PROJECT shall achieve the required resource benefits, to provide the AUTHORITY with an opportunity to cure the deficiencies.
- 3.7 The AUTHORITY shall provide the DISTRICT with a formalized operational management agreement for DISTRICT approval that ensures the interconnected supplies are managed as described in the DISTRICT'S Governing Board Policy No.130-4.
- 3.8 Any travel expenses which may be authorized under this Agreement shall be paid in accordance with Section 112.061, Florida Statutes (F.S.), as may be amended from time to time. The DISTRICT shall not reimburse the AUTHORITY for any purpose not specifically identified in Paragraph 2, Scope of Work. Surcharges added to third party invoices are not considered an allowable cost under this Agreement. Costs associated with in-kind services provided by the AUTHORITY are not reimbursable by the DISTRICT and may not be included in the AUTHORITY'S share of funding contributions under this Agreement.
- 3.9 The DISTRICT has no obligation and shall not reimburse the AUTHORITY any costs under this Agreement until all necessary contracts and approvals have been obtained for the implementation of the PROJECT, and the Notice to Proceed with construction has been issued to the AUTHORITY'S contractor.
- 3.10 Each AUTHORITY invoice must include the following certification, and the

AUTHORITY hereby delegates authority by virtue of this Agreement to its Project Manager to affirm said certification:

"I hereby certify that the costs requested for reimbursement and the AUTHORITY'S matching funds, as represented in this invoice, are directly related to the performance under the Phase 1 Regional Interconnect (N416) agreement between the Southwest Florida Water Management District and the Peace River Manasota Regional Water Supply Authority (Agreement No. 15C00000052), are allowable, allocable, properly documented, and are in accordance with the approved project budget. This invoice includes \$_____ of contingency expenses. The AUTHORITY has been allocated a total of \$_____ in federal, state, local or grant monies for this PROJECT (not including DISTRICT funds, or the State Appropriation or funds from the City of Punta Gorda as specified in the Project Plan) and the entire amount has been allocated to this invoice, reducing the DISTRICT'S share to \$_____."

- 3.11 In the event any dispute or disagreement arises during the course of the PROJECT, including whether expenses are reimbursable under this Agreement, the AUTHORITY will continue to perform the PROJECT work in accordance with the Project Plan. The AUTHORITY is under a duty to seek clarification and resolution of any issue, discrepancy, or dispute by providing the details and basis of the dispute to the DISTRICT'S Contract Manager no later than ten (10) days after the precipitating event. If not resolved by the Contract Manager, in consultation with his or her Bureau Chief, within ten (10) days of receipt of notice, the dispute will be forwarded to the DISTRICT'S Assistant Executive Director. The DISTRICT'S Assistant Executive Director in consultation with the DISTRICT'S Office of General Counsel will issue the DISTRICT'S final determination. The AUTHORITY'S continuation of the PROJECT work as required under this provision shall not constitute a waiver of any legal remedy available to the AUTHORITY concerning the dispute.
4. COMPLETION DATES. The AUTHORITY shall commence and complete the PROJECT and meet the task deadlines in accordance with the project schedule set forth in Exhibit "A," including any extensions of time provided by the DISTRICT in accordance with Subparagraph 1.1 of this Agreement. In the event of hurricanes, tornados, floods, acts of God, acts of war, or other such catastrophes, or other man-made emergencies such as labor strikes or riots, which are beyond the control of the AUTHORITY, the AUTHORITY'S obligations to meet the time frames provided in this Agreement shall be suspended for the period of time the condition continues to exist. During such suspension, this Agreement shall remain in effect. When the AUTHORITY is able to resume performance of its obligations under this Agreement, in whole or in part, it shall immediately give the DISTRICT written notice to that effect and shall resume performance no later than two (2) working days after the notice is delivered. The suspension of the AUTHORITY'S obligations provided for in this provision shall be the AUTHORITY'S sole remedy for the delays set forth herein.
5. REPAYMENT.
 - 5.1 The AUTHORITY shall repay the DISTRICT all funds the DISTRICT paid to the

AUTHORITY under this Agreement, if: a) the AUTHORITY fails to complete the PROJECT in accordance with the terms and conditions of this Agreement, including failing to meet the Measurable Benefit; b) the DISTRICT determines, in its sole discretion and judgment, that the AUTHORITY has failed to maintain scheduled progress of the PROJECT thereby endangering the timely performance of this Agreement; c) the AUTHORITY fails to appropriate sufficient funds to meet the task deadlines, unless extended in accordance with Subparagraph 1.1; or d) a provision or provisions of this Agreement setting forth the requirements or expectations of a Measurable Benefit resulting from the PROJECT is held to be invalid, illegal or unenforceable during the term of this Agreement, including the duration of the operation and maintenance obligations set forth in Paragraph 6 of this Agreement. Should any of the above conditions exist that require the AUTHORITY to repay the DISTRICT, this Agreement shall terminate in accordance with the procedure set forth in Paragraph 11, Default.

- 5.2 Notwithstanding the above, the parties acknowledge that if the PROJECT fails to meet the Measurable Benefit specified in this Agreement, the AUTHORITY may request the DISTRICT Governing Board to waive the repayment obligation, in whole or in part.
 - 5.3 In the event the AUTHORITY is obligated to repay the DISTRICT under any provision of this Agreement, the AUTHORITY shall repay the DISTRICT within a reasonable time, as determined by the DISTRICT in its sole discretion.
 - 5.4 The AUTHORITY shall pay attorneys' fees and costs incurred by the DISTRICT, including appeals, as a result of the AUTHORITY'S failure to repay the DISTRICT as required by this Agreement.
6. OPERATION AND MAINTENANCE. After construction is completed, the AUTHORITY shall operate, use and maintain the PROJECT for a minimum of twenty (20) years, in such a manner that the Measurable Benefit required under this Agreement is achieved. In the event the PROJECT is not operated, used and maintained in accordance with these requirements, the AUTHORITY shall repay the DISTRICT an amount of five percent (5%) of total DISTRICT monies contributed to the PROJECT for each year or a fraction thereof for the early termination of the PROJECT. The rights and remedies in this provision are in addition to any other rights and remedies provided by law or this Agreement.
- 6.1. Within thirty (30) days after construction is completed, the AUTHORITY shall provide the DISTRICT with construction record drawings, signed and sealed by a professional engineer, certifying that the Measurable Benefit has been achieved. The AUTHORITY shall provide the DISTRICT with an operation and maintenance plan that ensures the Measurable Benefit will be maintained. Every two (2) years following the completion of the PROJECT, the AUTHORITY shall generate a report describing the operations and maintenance activities that took place during the reporting period that certifies that the Measurable Benefit set forth in the Project Plan has been maintained. The AUTHORITY'S obligation to generate reports shall continue until the expiration of the 20-year

operation and maintenance period.

- 6.2. The DISTRICT retains the right to audit any certification and the AUTHORITY shall provide documentation as requested by the DISTRICT to support its certification that the specified Measurable Benefit has been maintained.
7. CONTRACT PERIOD. This Agreement shall be effective on February 25, 2016 and shall remain in effect through December 31, 2019, or upon satisfactory completion of the PROJECT and subsequent reimbursement to the AUTHORITY, whichever occurs first, unless amended in writing by the parties. The AUTHORITY shall not be eligible for reimbursement for any work that is commenced, or costs that are incurred, prior to the effective date of this Agreement.
8. PROJECT RECORDS AND DOCUMENTS. Upon request by the DISTRICT, the AUTHORITY shall permit the DISTRICT to examine or audit all PROJECT related records and documents during or following completion of the PROJECT at no cost to the DISTRICT. Payments made to the AUTHORITY under this Agreement shall be reduced for amounts found to be not allowable under this Agreement by an audit. If an audit is undertaken by either party, all required records shall be maintained until the audit has been completed and all questions arising from it are resolved. Each party shall maintain all such records and documents for at least three (3) years following completion of the PROJECT. Each party shall allow public access to PROJECT documents and materials made or received by either party in accordance with the Public Records Act, Chapter 119, F.S. Should either party assert any exemption to the requirements of Chapter 119, F.S., the burden of establishing such exemption, by way of injunctive or other relief as provided by law, shall be upon the asserting party.
9. REPORTS.
 - 9.1 The AUTHORITY shall provide the DISTRICT with a quarterly report describing the progress of the PROJECT tasks, adherence to the performance schedule and any developments affecting the PROJECT. The AUTHORITY shall promptly advise the DISTRICT of issues that arise that may impact the successful and timely completion of the PROJECT. Quarterly reports shall be submitted to the DISTRICT'S Contract Manager no later than forty-five (45) days following the completion of the quarterly reporting period. It is hereby understood and agreed by the parties that the term "quarterly" shall reflect the calendar quarters ending March 31, June 30, September 30 and December 31.
 - 9.2 Upon request by the DISTRICT, the AUTHORITY shall provide the DISTRICT with copies of all data, reports, models, studies, maps or other documents resulting from the PROJECT.
 - 9.3 The AUTHORITY shall provide the DISTRICT with the proposed final design, including supporting documentation for review by the DISTRICT, in order for the DISTRICT to verify that the proposed design meets the requirements of the PROJECT, as set forth in Exhibit "A." The DISTRICT shall provide a written response to the AUTHORITY within ten (10) business days of receipt of the proposed

design plans and supporting documentation either verifying the design plans appear to meet the requirements of the Agreement or stating its insufficiencies. The AUTHORITY shall not finalize the design or advertise the construction bid documents until the DISTRICT provides the required verification. The DISTRICT'S verification shall not constitute an approval of the design, or a representation or warranty that the DISTRICT has verified the architectural, engineering, mechanical, electrical, or other components of the construction bid documents or that such documents are in compliance with DISTRICT rules and regulations or any other applicable rules, regulations or law. The AUTHORITY shall require the design professional to warrant that the construction documents are adequate for bidding and construction of the PROJECT.

- 9.4 The AUTHORITY shall provide the data, reports and documents referenced in this provision at no cost to the DISTRICT.

10. RISK, LIABILITY, AND INDEMNITY.

- 10.1 To the extent permitted by Florida law, the AUTHORITY assumes all risks relating to the PROJECT and agrees to be solely liable for, and to indemnify and hold the DISTRICT harmless from all claims, loss, damage and other expenses, including attorneys' fees and costs and attorneys' fees and costs on appeal, arising from the design, construction, operation, maintenance or implementation of the PROJECT; provided, however, that the AUTHORITY shall not indemnify for that portion of any loss or damages proximately caused by the negligent act or omission of the DISTRICT'S officers, employees, contractors and agents. The acceptance of the DISTRICT'S funding by the AUTHORITY does not in any way constitute an agency relationship between the DISTRICT and the AUTHORITY.
- 10.2 The AUTHORITY agrees to indemnify and hold the DISTRICT harmless, to the extent allowed under Section 768.28, F.S., from all claims, loss, damage and other expenses, including attorneys' fees and costs and attorneys' fees and costs on appeal, arising from the negligent acts or omissions of the AUTHORITY'S officers, employees, contractors and agents related to its performance under this Agreement.
- 10.3 This Paragraph 10 shall not be construed as a waiver of the AUTHORITY'S sovereign immunity or an extension of AUTHORITY'S liability beyond the limits established in Section 768.28, F.S. Additionally, this Paragraph 10 will not be construed to impose contractual liability on the AUTHORITY for underlying tort claims as described above beyond the limits specified in Section 768.28, F.S., nor be construed as consent by the AUTHORITY to be sued by third parties in any manner arising out of this Agreement.
- 10.4 Nothing in this Agreement shall be interpreted as a waiver of the DISTRICT'S sovereign immunity or an extension of its liability beyond the limits established in Section 768.28, F.S., nor be construed as consent by the DISTRICT to be sued by third parties in any manner arising out of this Agreement.

11. **DEFAULT.** Either party may terminate this Agreement upon the other party's failure to comply with any term or condition of this Agreement, including the failure to meet task deadlines established in this Agreement, as long as the terminating party is not in default of any term or condition of this Agreement at the time of termination. To effect termination, the terminating party shall provide the defaulting party with a written "Notice of Termination" stating its intent to terminate and describing all terms and conditions with which the defaulting party has failed to comply. If the defaulting party has not remedied its default within thirty (30) days after receiving the Notice of Termination, this Agreement shall automatically terminate. If a default cannot reasonably be cured in thirty (30) days, then the thirty (30) days may be extended at the non-defaulting party's discretion, if the defaulting party is pursuing a cure of the default with reasonable diligence. The rights and remedies in this provision are in addition to any other rights and remedies provided by law or this Agreement.
12. **RELEASE OF INFORMATION.** The parties agree not to initiate any oral or written media interviews or issue press releases on or about the PROJECT without providing notices or copies to the other party no later than three (3) business days prior to the interview or press release. This provision shall not be construed as preventing the parties from complying with the public records disclosure laws set forth in Chapter 119, F.S.
13. **DISTRICT RECOGNITION.** The AUTHORITY shall recognize DISTRICT funding in any reports, models, studies, maps or other documents resulting from this Agreement, and the form of said recognition shall be subject to DISTRICT approval. If construction is involved, the AUTHORITY shall provide signage at the PROJECT site that recognizes funding for this PROJECT provided by the DISTRICT. All signage must meet with DISTRICT written approval as to form, content and location, and must be in accordance with local sign ordinances.
14. **PERMITS AND REAL PROPERTY RIGHTS.** The AUTHORITY shall obtain all permits, local government approvals and all real property rights necessary to complete the PROJECT prior to commencing any construction involved in the PROJECT. The DISTRICT shall have no obligation to reimburse the AUTHORITY for any costs under this Agreement until the AUTHORITY has obtained all permits, approvals, and property rights necessary to accomplish the objectives of the PROJECT. In the event a permit, approval or property right is obtained but is subsequently subject to a legal challenge that results in an unreasonable delay or cancellation of the PROJECT as determined by the DISTRICT in its sole discretion, the AUTHORITY shall repay the DISTRICT all monies contributed to the PROJECT.
15. **LAW COMPLIANCE.** The AUTHORITY shall comply with all applicable federal, state and local laws, rules, regulations and guidelines, including those of the DISTRICT, related to performance under this Agreement. If the PROJECT involves design services, the AUTHORITY'S professional designers and the DISTRICT'S regulation and projects staff shall meet regularly during the PROJECT design to discuss ways of ensuring that the final design for the proposed PROJECT technically complies with all applicable DISTRICT rules and regulations. However, the DISTRICT undertakes no duty to ensure compliance with such rules and regulations.

16. DIVERSITY IN CONTRACTING AND SUBCONTRACTING. The DISTRICT is committed to supplier diversity in the performance of all contracts associated with DISTRICT cooperative funding projects. The DISTRICT requires the AUTHORITY to make good faith efforts to encourage the participation of minority owned and woman owned and small business enterprises, both as prime contractors and subcontractors, in the performance of this Agreement, in accordance with applicable laws.
 - 16.1 If requested, the DISTRICT shall assist the AUTHORITY by sharing information to help the AUTHORITY in ensuring that minority owned and woman owned and small businesses are afforded an opportunity to participate in the performance of this Agreement.
 - 16.2 The AUTHORITY agrees to provide the DISTRICT with a report indicating all contractors and subcontractors who performed work in association with the PROJECT, the amount spent with each contractor or subcontractor, and to the extent such information is known, whether each contractor or subcontractor was a minority owned or woman owned or small business enterprise. If no minority owned or woman owned or small business enterprises were used in the performance of this Agreement, then the report shall so indicate. The Minority/Women Owned and Small Business Utilization Report form is attached as Exhibit "B." The report is required upon final completion of the PROJECT prior to final payment, or within thirty (30) days of the execution of any amendment that increases PROJECT funding, for information up to the date of the amendment and prior to the disbursement of any additional funds by the DISTRICT.
17. ASSIGNMENT. Except as otherwise provided in this Agreement, no party may assign any of its rights or delegate any of its obligations under this Agreement, including any operation or maintenance duties related to the PROJECT, without the prior written consent of the other party. Any attempted assignment in violation of this provision is void.
18. CONTRACTORS. Nothing in this Agreement shall be construed to create, or be implied to create, any relationship between the DISTRICT and any consultant or contractor of the AUTHORITY.
19. THIRD PARTY BENEFICIARIES. Nothing in this Agreement shall be construed to benefit any person or entity not a party to this Agreement.
20. LOBBYING PROHIBITION. Pursuant to Section 216.347, F.S., the AUTHORITY is prohibited from using funds provided by this Agreement for the purpose of lobbying the Legislature, the judicial branch or a state agency.
21. PUBLIC ENTITY CRIMES. Pursuant to Subsections 287.133(2) and (3), F.S., a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not

be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, F.S., for Category Two, for a period of 36 months following the date of being placed on the convicted vendor list. The AUTHORITY agrees to include this provision in all contracts issued as a result of this Agreement.

22. **SCRUTINIZED COMPANIES.** Pursuant to Section 287.135, F.S., a company that, at the time of bidding or submitting a proposal for a new contract or renewal of an existing contract, is on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to Section 215.473, F.S., is ineligible for, and may not bid on, submit a proposal for, or enter into or renew a contract with an agency or local governmental entity for goods or services of \$1 million or more. Any contract with an agency or local governmental entity for goods or services of \$1 million or more entered into or renewed on or after July 1, 2011, must contain a provision that allows for the termination of such contract at the option of the awarding body if the company is found to have submitted a false certification as provided under Subsection 287.135(5), F.S., or has been placed on either of the aforementioned lists. The AUTHORITY agrees to comply with the requirements of Section 287.135, F.S. in connection with the implementation of the PROJECT.
23. **GOVERNING LAW.** This Agreement is governed by Florida law and venue for resolving disputes under this Agreement shall be exclusively in Hernando County, Florida.
24. **SEVERABILITY.** If any provision or provisions of this Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. Notwithstanding the above, if a provision or provisions of this Agreement setting forth the requirements or expectations of a Measurable Benefit resulting from the PROJECT is held to be invalid, illegal or unenforceable during the term of this Agreement, this Agreement shall terminate in accordance with Subparagraph 5.1.
25. **SURVIVAL.** The provisions of this Agreement that require performance after the expiration or termination of this Agreement shall remain in force notwithstanding the expiration or termination of this Agreement including Subparagraphs 3.3, and 9.2 and Paragraphs 2, 5, 6, 8, 10, 14, 17, 23, and 24 and any provisions requiring an offset or other continuing resource benefit.
26. **ENTIRE AGREEMENT.** This Agreement and the attached exhibits listed below constitute the entire agreement between the parties and, unless otherwise provided herein, may be amended only in writing, signed by all parties to this Agreement.
27. **DOCUMENTS.** The following documents are attached and made a part of this Agreement. In the event of a conflict of contract terminology, priority shall first be given to the language in the body of this Agreement, then to Exhibit "A," then to Exhibit "C," and then to Exhibit "B."

Exhibit "A" AUTHORITY'S Project Plan
Exhibit "B" Minority/Women Owned and Small Business Utilization Report Form
Exhibit "C" One Water Initiative

The remainder of this page intentionally left blank.

IN WITNESS WHEREOF, the parties hereto, or their lawful representatives, have executed this Agreement on the day and year set forth next to their signatures below.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

By: _____
 Brian J. Armstrong, P.G. Date
 Assistant Executive Director

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY

By: _____
 Patrick J. Lehman, P.E. Date
 Executive Director

COOPERATIVE FUNDING AGREEMENT
 BETWEEN THE
 SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
 AND
 PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
 FOR
 PHASE 1 REGIONAL INTERCONNECT (N416)

DISTRICT APPROVAL	INITIALS	DATE
LEGAL	_____	_____
RISK MGMT	_____	_____
CONTRACTS	_____	_____
BUREAU CHIEF	_____	_____
DIRECTOR	_____	_____
GOVERNING BOARD	_____	_____

EXHIBIT "A"
AUTHORITY'S PROJECT PLAN

A. Introduction

The PROJECT will design and construct a potable water transmission interconnection between the AUTHORITY'S Project Prairie Site in DeSoto County and the City of Punta Gorda's Shell Creek Water Treatment Facility (WTF). This design will include approximately 6.3 miles of 24-inch diameter pipeline extending from the southern terminus of the AUTHORITY'S DeSoto Regional Transmission Main, south to the Shell Creek WTF in Charlotte County. The PROJECT will enable delivery of up to 4 mgd from the Regional System to the Shell Creek WTF, and up to 2 mgd from the City of Punta Gorda to the Regional System through the new interconnect. The PROJECT design will accommodate future expansion of pumping capacity and storage to enable increased delivery if desired.

Benefits of the PROJECT include critical back-up supply for the County, increased water system reliability and resource sharing opportunities for the City of Punta Gorda and the region through improved connectivity and supply capacity, and new supply availability along U.S. 17, a growth corridor in Charlotte County.

B. Project Overview

The AUTHORITY is using the Design-Bid-Build (DBB) delivery method for the PROJECT. The AUTHORITY will procure professional services of an engineering design consulting team for the PROJECT pursuant to section 287.055, Florida Statutes. The consulting team will evaluate and confirm a preferred pipeline route, design all facilities required for the PROJECT, complete and submit all permit applications, and assist in property/easement acquisition as needed. The AUTHORITY will competitively bid and award a construction contract to construct the PROJECT in accordance with the requirements of this Agreement.

Task 1. Project Management

Provide project management and coordination services to ensure PROJECT quality, timeliness, consistency, budget, and stakeholder coordination.

Task 2. Project Design Services

Prepare PROJECT design plans and specifications consistent with PROJECT intent as set forth in this Agreement. Surveys, plans, specifications and construction cost estimates will be submitted for review as indicated in the Deliverables Section. Plans and specifications will be suitable for estimating costs, and will include sufficient detail to permit bidding and construction of the facilities designed. Plans and technical specifications must be prepared in conformance with Construction Specifications Institute format.

Task 3. Permitting Services

Prepare, support and submit permit applications for all applicable federal, state, county and city laws. Regulatory entities from whom permits are likely to be required for this PROJECT include but are not necessarily limited to: Florida Department of Transportation (FDOT), the

DISTRICT, Florida Department of Environmental Protection (FDEP), State (Sovereign Submerged Lands), United States Army Corp of Engineers (USACOE), the County and Charlotte County.

Task 4. Construction Services

Provide all materials, equipment, supervision, and manpower for safe, timely installation of work pursuant to the PROJECT design, specifications, and requirements.

Task 5. Engineer’s Inspection Services During Construction (CEI)

Provide qualified inspectors, engineers, and other required professional support during construction to manage PROJECT progress, review contractor submittals, inspect materials and work for conformance with plans and specifications, ensure compliance with permits and property agreements, and serve as AUTHORITY representative at project site.

C. Measurable Benefit

Construction of approximately 6.3 miles of 24-inch diameter pipeline, providing a plant-to-plant connection between the Peace River Facility and City of Punta’s Shell Creek Water Treatment Facility.

D. Schedule

	Description	Commence	Complete
1.	Design and Development of Bid Documents	Mar.1, 2016	Jun. 1, 2017
2.	Permitting	Jun. 1, 2016	Jun. 1, 2017
3.	Construction Bidding and Contract Award	Jun. 2, 2017	Sept. 30, 2017
4.	Construction NTP to Substantial Completion	Oct. 1, 2017	Sept. 30, 2018
5.	Project to Final Completion	Aug. 25, 2015	Nov 30, 2018

E. Budget

Task Description	AUTHORITY*	SWFWMD	Total
1 – Project Management	\$180,000	\$90,000	\$270,000
2 – Design Services	\$640,000	\$320,000	\$960,000
3 – Permitting Services	\$80,000	\$40,000	\$120,000
4 – Construction Services	\$4,460,000	\$5,230,000	\$9,690,000
5 – CEI	\$640,000	\$320,000	\$960,000
TOTAL	\$6,000,000	\$6,000,000	\$12,000,000

* The AUTHORITY’S funding as set forth above includes the State Appropriation in the amount of \$4,000,000 and funds from the City of Punta Gorda in the amount of \$2,000,000. These funds are not subject to Subparagraph 3.3 of this Agreement.

F. Deliverables

- Quarterly Status Reports
- Minutes of kick-off, pre-application, and progress meetings
- Basis of Design Report
- Design plans at proposed final design level; including electronic, CAD, and if available GIS files
- Engineer's opinion of probable cost at BODR, 60% and proposed final design
- Technical Specifications at proposed final design
- Operation Management Agreement pursuant to Board Policy 130-4
- Operation and Maintenance Plan
- Copy of all required federal, state and local environmental permit application packages and final permits
- Copy of construction permits
- Construction bid packages for cost approval (prior to posting)
- Copy of contract(s) and work order(s) with consultant and contractor (for cost approval, prior to execution)
- Copy of executed contract(s) and work order(s) with consultant and contractor
- Copy of Notice to Proceed to contractor
- As-Built Survey signed and sealed by a licensed Florida professional surveyor and mapper
- Construction record drawings
- One (1) set, electronic and hardcopy, of any final reports
- Copy of final construction drawings, electronic
- Upon District approval, the biennial Operation and Maintenance Report
- Minority/Women Owned and Small Business Utilization Report Form (Exhibit "B")
- One Water Initiative (Exhibit "C")

Project Map

Phase 1 Interconnect Conceptual Pipeline Route



AGREEMENT NO. _____

**EXHIBIT "B"
MINORITY/WOMEN OWNED AND SMALL BUSINESS UTILIZATION REPORT**

Projects receiving \$100,000 or more in cooperative funding from the Southwest Florida Water Management District require the submission of the following information within 30 days of any amendment increasing project funding and with the final invoice. Questions regarding use of this form should be directed to Contracts Administration, Phone (352) 796-7211 ext. 4132.

INDICATE THE ONE CATEGORY THAT BEST DESCRIBES EACH ORGANIZATION LISTED*		NON-CERTIFIED MBE					CERTIFIED MBE				BUSINESS CLASSIFICATION			
		AMERICAN WOMAN	NATIVE AMERICAN	ASIAN/HAWAIIAN AMERICAN	HISPANIC AMERICAN	AFRICAN AMERICAN	AMERICAN WOMAN	NATIVE AMERICAN	ASIAN/HAWAIIAN AMERICAN	HISPANIC AMERICAN	AFRICAN AMERICAN	SMALL BUSINESS Section 288.703(1) F.S.	NON-MINORITY	UNKNOWN
COOPERATOR: _____														
AGREEMENT NO.: _____														
PROJECT NAME: _____														
TOTAL PROJECT COST: _____														
NAMES OF CONTRACTORS AND SUBCONTRACTORS UTILIZED	TOTAL AMOUNT PAID													

* Our organization does not collect minority status data.

Signature _____ Date _____ Print Name and Title 16.00-026 (01/07)

**EXHIBIT "C"
ONE WATER INITIATIVE**

The AUTHORITY shall develop and implement a holistic concept of "One Water Initiative" advocating the concept of integrated water management. This concept incorporates the understanding that beyond surface water and groundwater sources, all water is a potential source of supply including recycled water, increased conservation, and decreased nonrevenue water losses. A key component also is to meet the need to promote increased public and business community greater understanding of our water challenges.

1. The AUTHORITY shall establish and administer a "One Water Initiative" (hereinafter "Initiative") in accordance with the requirements set forth in this Exhibit "C".
2. The AUTHORITY shall obtain the DISTRICT'S written approval of the Initiative prior to its implementation to ensure it meets the requirements of this Exhibit "C".
3. The AUTHORITY shall coordinate and administer the Initiative on behalf of the AUTHORITY and its Customers.
4. The AUTHORITY shall collect and oversee funds in an amount equal to the total dollars contributed by the DISTRICT pursuant to this Agreement (up to \$6,000,000).
5. The AUTHORITY and/or its members shall disburse all Initiative funds pursuant to this Agreement within twenty (20) years after the effective date of this Agreement.
6. All Initiative funds shall be expended by the AUTHORITY and/or its Customers to finance future water conservation, reuse, or water loss reduction programs of within the four county region of the AUTHORITY. The type of programs shall include, but are not limited to, plumbing retrofit, leak detection, toilet rebates, reuse projects, public education, and any other projects that would reduce or offset potable water demands.
7. The Initiative funding for programs may potentially be eligible for cost share matches through the DISTRICT'S Cooperative Funding Program. However, this provision is not intended to reduce the AUTHORITY'S minimum funding amount of \$6,000,000 under this Initiative.
8. The AUTHORITY shall catalogue all projects on an annual basis and submit to the DISTRICT until the total amount of dollars contributed by the DISTRICT pursuant to this Agreement is met or exceeded. The AUTHORITY will notify the DISTRICT when the Initiative is completed and provide a summary report of the programs included, amount spent, and estimated water quantities conserved.

TAB D
Work Order No. 1
'Phase 1 Interconnect Preliminary Design Services'

**REGIONAL INTEGRATED LOOP SYSTEM
PHASE 1 INTERCONNECT**

WORK ORDER NO. 1

Preliminary Engineering

INTRODUCTION

This Work Order No. 1 is entered into this 28th day of January, 2016 and is to be attached to and incorporated by reference to the Agreement for Professional and Technical Consulting Services entered into on January 28, 2016 between the Authority and King Engineering Associates, Inc. (Engineer) for the Regional Integrated Loop System Phase 1 Interconnect.

Work Order No. 1 describes the scope of work, schedule for completion and compensation associated with specified preliminary engineering activities for the Regional Integrated Loop System Phase 1 Interconnect (Phase 1 Interconnect).

SUMMARY

The intent of the Phase 1 Interconnect project is to deliver water from the current terminus of the Authority's Regional Interconnect with DeSoto County at the Project Prairie site on US 17 and CR 671 to a new delivery point for the City of Punta Gorda at their Shell Creek Water Treatment Plant in Charlotte County. The Phase 1 Interconnect will also provide a means for the City of Punta Gorda to deliver excess water to DeSoto County and the Regional System.

As it was originally envisioned in 2007, the Regional Integrated Loop System Phase 1 Interconnect Project (Phase 1 Project) included approximately six miles of 24-inch diameter pipe extending from the Project Prairie site near the Walmart distribution center in DeSoto County, south along US 17, then east along Washington Loop Road, across Shell Creek at the Hendrickson Dam, and connecting with the SCWTP. A design-build contract was awarded, 60% drawings were developed, and a Guaranteed Maximum Price was presented to the Authority for construction of the Phase 1 Project. However, the project was postponed in favor of an alternative - the Phase 1A pipeline project (which was completed in 2012).

Presently, the Phase 1 Project has been re-envisioned to provide multiple benefits including:

- Providing critical back-up supply to DeSoto County from City of Punta Gorda water facilities in the event of loss supply from the Peace River Facility
- Supporting increased reliability and water blending opportunities for the City of Punta Gorda through plant-to-plant connection with the Regional system
- Supporting improved Regional system reliability and operational flexibility through direct connection with Punta Gorda's water treatment facility and access to new reverse osmosis supply capacity under development at the City's water plant site.
- Providing access to Regional water supply to meet future demands along U.S. 17 in Charlotte County

Under this Work Order No. 1, the Engineer will provide preliminary engineering services that will

evaluate the work completed to date and provide recommendations for final design of the project, including the following:

1. Confirm demands and minimum delivery pressures for DeSoto County at the Project Prairie site and the City of Punta Gorda at the Shell Creek Water Treatment Plant (SCWTP);
2. Confirm the hydraulic capacity of the existing 20-inch DeSoto Regional Transmission Main (DRTM) from the Peace River Facility (PRF) to the Project Prairie site, including the storage tank and re-pump station;
3. Determine the required hydraulic capacity of the proposed Phase 1 interconnect including pipe size, delivery pressures and the need for a storage tanks and/or re-pump stations;
4. Evaluate potential alternative routes to the route previously selected for the pipeline as required to satisfy customer demands while still meeting the ultimate goals of the Regional System;
5. Consider need for future storage tanks and booster pump stations, if any;
6. Identify land acquisition and permitting requirements;
7. Prepare a schedule for implementation; and,
8. Provide an estimate of the probable cost of construction.

The goal of this preliminary engineering phase is to provide the Authority with a Basis of Design Report that includes the results of the above evaluations and serves as a basis for future design and permitting Work Orders.

SCOPE OF WORK

Task 1 Project Coordination

- 1.1 Prepare for and attend a project kickoff meeting with the Authority. Develop and distribute minutes.
- 1.2 Prepare for and attend project coordination meetings with the Authority and member government and customer representatives to discuss potential pipeline routes, delivery points, demands, interfaces with other projects, and other issues associated with the project. Prepare and distribute meeting minutes.
- 1.3 Obtain and review, with the Authority's assistance, copies of relevant data including, but not limited to, existing drawings, contracts, correspondence, water supply master plans, hydrologic studies, ecologic studies, engineering reports, operating and financial data and other available background data in the Authority's possession.
- 1.4 Obtain and review, with the Authority's assistance, copies and electronic files of drawings, specifications and other relevant data in the project area including but not limited to proposed improvements at the Project Prairie and SCWTP sites.
- 1.5 Maintain and update monthly project schedules and status reports.

- 1.6 General project management including coordinating the activities of the Engineers' staff with the Authority's staff and developing and administering a framework of communications among the project team members and with the Authority's staff.
- 1.7 Administer a quality assurance program covering the technical work of the project team.

Task 2 Demands and Delivery Point Locations

- 2.1 Confirm Punta Gorda's required delivery point location and the 20-year demands and pressure requirements at this delivery point. Establish DeSoto County's 20-year demands at the Project Prairie site. It is anticipated that this will be accomplished with considerable input from the City and the County, by reviewing existing demand data, through project coordination meetings under Tasks 1.2 and 1.3, and by working directly with the Authority, the City and DeSoto County. This task does not include master planning or hydraulic modeling of Punta Gorda's or DeSoto County's potable water systems.

Task 3 Hydraulic Capacities of Existing 20-inch DeSoto Regional Transmission Main (DRTM)

- 3.1 Establish a technical basis for defining the maximum hydraulic capacities of the existing 20-inch DRTM and a potential future Project Prairie pump station.
- 3.2 Based on the 20-year demands for each delivery point established under Task 2, calculate the flows in the pipeline and through the pump station based on the system's current delivery methods.
- 3.3 Calculate the pipeline and pump station's available hydraulic capacity as the difference between the calculated maximum hydraulic capacity established in Task 3.1 and the expected future flows established in Task 3.2.

Task 4 Required Hydraulic Capacity of the Phase 1 Interconnect

- 4.1 Modify the Water CAD hydraulic model previously developed of the existing DRTM Interconnect, the proposed Phase 1 Interconnect and associated future pumping and storage, and the Shell Creek WTP storage and pumping required for evaluation of alternate routes.
- 4.2 Based on the 20-year demands for each delivery point established under Task 2, determine the flow in the DRTM and the Phase 1 Interconnect and include the resulting demands in the hydraulic model.
- 4.3 Using the hydraulic model, evaluate the existing system capacity, required Phase 1 pipe size; delivery pressures; and ensure that there is accommodation in design and location for storage and/or re-pump facilities as may be needed in the future as part of the Phase 1 facilities.

- 4.4 Consider requirements for boosting pressures at the Project Prairie site to either the SCWTP or the PRF using an in-line booster station, as well as modifications to convert the booster station to a re-pump station as may be needed to meet future higher delivery capacities (lower supply pressure).

The above evaluations will be an iterative process combined with the Phase 1 route evaluation described in Task 5.

Task 5 Evaluate Alternate Routes for the Phase 1 Interconnect

Previous studies identified and evaluated alternative routes for the Phase 1 Interconnect and recommended that the pipeline follow a route south along the east side of US 17, then east on North Washington Road, then south along the City of Punta Gorda's Shell Creek dam and access roads. Under Task 5, the pipeline horizontal alignment along US 17 and the portion of the route that is south of North Washington Loop Road will be re-evaluated in consideration of updated route selection criteria.

- 5.1 In addition to the previously selected route, an alternate route that crosses Shell Creek along the power corridor about a mile west of the dam will be developed for evaluation. This route will run south along the east side of US 17, then east on North Washington Road to the overhead power corridor. At the power corridor, the alignment turns south across Shell Creek to South Washington Road and then east to the SCWTP. The route to be evaluated will be that portion south of North Washington Loop Road.
 - 5.1.1 Identify property requirements associated with the alternate pipeline alignment.
 - 5.1.2 Initial contact will be made with the property owners of up to eight parcels to ascertain their willingness to sell the required easements. Property acquisition costs will be identified for parcels acquired from willing sellers and those to be acquired through condemnation.
- 5.2 GIS Mapping and Environmental Issues
 - 5.2.1 Review existing data and collect additional GIS data and create a base map for the study area including, National Wetlands Inventory Maps, SWFWMD data on land use, soils, topography, roadways, hydrology, USGS DLG coverages, mesic hammock coverage, and readily available data from Charlotte County's and the City of Punta Gorda's GIS system.
 - 5.2.2 Produce an environmental features base map with relevant information gathered in the data collection phase. This base map will be used to overlay the alternate alignments and calculate areas of impact. Produce CAD drawings of the data for use in refining and checking the limits of wetland areas. Aerials will be taken from the most recent Southwest Florida Water Management District (SWFWMD), Google and/or County aerial photography.

- 5.2.3 Determine wetland types (marsh/forest) based on the aerial characteristics and by referencing available mapping data (FLUCS, SCS). The need for the trenchless technology will be estimated based the presence/absence of forested wetland types and/or physical features such as existing channels or waterways as determined by aerial interpretation and limited ground-truthing methods. This wetland delineation methodology is considered to be an estimate for planning purposes only and will not include survey or field meetings with the involved wetland resource permitting agencies.
- 5.2.4 Conduct a series of online (web-based) and GIS data searches of potential wildlife habitat and observations around the proposed pipeline corridors. The searches and reports will be focused on wildlife species considered to be endangered, threatened, or species of special concern as listed by the Florida Fish and Wildlife Conservation Commission (FWC) and/or the U.S. Fish and Wildlife Service (USFWS), as identified in the current official list of the FWC. Computer data searches will be conducted for FWC bald eagle nesting site locations, Florida Breeding Bird atlas, FNAI elemental occurrences, FWC available wildlife occurrences and other available data sources. Population estimates, field studies and observations or other permitting coordination are not included in this phase of the project.
- 5.2.5 Review existing corrosion reports and evaluate the potential for contaminated soil or groundwater, based on a review of FDEP records of recorded hazardous sites, historical records and aerial photographs, interviews with knowledgeable persons and property owners, and visual observation of suspected sites. This task does not include Phase 1 site assessments or individual reviews of the historical records for all sites along the pipeline route.
- 5.2.6 Determine the potential for corrosive environments or poor soil conditions by reviewing available information including aerial photography and SCS soils reports.
- 5.2.7 Investigate the possibility of encountering archeological or historic sites, based on a review of existing data. Preliminary coordination with the State Historic Preservation Office (SHPO).
- 5.2.8 Conduct a cursory field review of the proposed alignments (in accessible areas) to confirm physical features and/or mapping data where necessary.
- 5.2.9 Review sovereign submerged lands issues related to the routes.
- 5.2.10 Prepare graphics for use in the final report.
- 5.3 Review existing data and information pertaining to the Shell Creek dam road and spillway. Review 2010 record drawings of dam spillway and upland bulkhead improvements. Review available information on the design and construction of the

existing soil dams under the roadway approaches on either side of the spillway. Review existing geotechnical borings and reports related to the original pipeline route. Determine feasibility of open trench, directional drill and above-ground pipeline construction techniques.

5.4 Evaluate Route Criteria

The preliminary route for the Phase 1 Interconnect is identified in 5.1. The Consultant will review those reports and documentation associated with this route selection, including the other routes previously evaluated, if available, and will use additional and more detailed information to confirm the preferred route for the Phase 1 Interconnect. Potential alternate routes will be evaluated based upon the following criteria:

- 5.4.1 Length and required diameters.
- 5.4.2 Identification and evaluation of impacts to the existing earthen dam under the spillway access roads by both horizontal directional drilling (HDD) from the upland bulkheads across the spillway and underground construction of the pipe in the earthen dams. This will include evaluation of a longer HDD to natural shorelines, as well as cofferdam(s) to allow a shorter HDD, with above-ground installation of the pipe along the access roads. This task includes four (4) subaqueous borings on the downstream side of the existing Shell Creek dam.
- 5.4.3 Existing utilities. Engineer will drive/walk each route and make visual observation of existing above ground utilities. The existence of buried utilities will be estimated based on visual observation of above ground appurtenances, review of local utility atlases, and by contacting utility companies potentially having facilities in the area.
- 5.4.4 Proposed Other Construction. Engineer will review Comprehensive and Development Plans as well as drawings for proposed/underway projects for potential alignments as well as for potential conflicts. It is assumed that this information will be available from DeSoto County and the City.
- 5.4.5 Traffic impacts and existing/potential utility and drainage conflicts.
- 5.4.6 Property required, including permanent and temporary construction and/or access easements.
- 5.4.7 Environmental impacts.
- 5.4.8 Potential for contaminated soil or groundwater or corrosive soil conditions.
- 5.4.9 Permitting complexity, referencing applicable laws, rules and agency policies.

- 5.4.10 Consistency with future requirements for the regional transmission system and with future utility and roadway projects.
- 5.4.11 Construction costs. An Engineer's opinion of probable construction cost will be developed. The opinion will be Class 4 as defined by AACE International.
- 5.5 Develop a qualitative analysis of each of the alternate routes for use in producing a quantitative ranking of each alternative.
- 5.6 Meet with the Authority to review findings and results. Findings, results and conclusions will be documented in the Basis of Design Report.

Task 6 Basis of Design Report (BODR)

- 6.1 Develop Design Parameters
 - 6.1.1 Summarize design criteria including, but not limited to points of connection, demands and design flows, delivery pressures, hydraulics and operational reliability.
- 6.2 Describe the Phase 1 Pipeline Alternative Route Evaluation completed under Task 5
- 6.3 Describe the Phase 1 Pipeline Route
 - 6.3.1 Location and pipeline size, including corridor widths and preliminary location of pipelines within or adjacent to existing easements and rights of way.
 - 6.3.2 Describe pipeline locations and alignments with respect to the Shell Creek crossing.
 - 6.3.3 Describe anticipated environmental impacts, including locations and extent of encroachment on environmental sites.
 - 6.3.4 Identify property requirements, including location, size, type (permanent or temporary), owner's name and parcel identifier.
- 6.4 Transmission Main Design Considerations
 - 6.4.1 Evaluate alternative pipe materials and identify minimum pipe design thickness requirements based on internal pressure requirements. Design of pipe wall thicknesses based on pipeline cover requirements and dead and live loads will be completed during the design phase.
 - 6.4.2 Evaluate preliminary requirements for installing pipeline blow-off points, access points, isolation valves and air/vacuum and air release valves at high points along the pipeline. Transient analyses and determining final

air/vacuum valve and blowoff locations will be conducted during design.

- 6.4.3 Evaluate alternative methods of construction for critical crossings including but not limited to federal, state and county roadways, rivers, creeks and streams and other pipelines and storm water conveyance systems.
- 6.4.4 Evaluate impact of future plans for expansions of the transmission main system.
- 6.4.5 Soils Investigation/Corrosion Protection
 - 6.4.5.1 Discuss results and findings of Tasks 5.2.5 and 5.2.6.
 - 6.4.5.2 Identify a detailed approach to testing, analyzing, and evaluating these areas to develop appropriate corrective measures to be taken for the selected pipeline material(s) during design and construction to protect the project for its expected useful life.
- 6.4.6 Identify location and space requirements for meter stations at the Project Prairie and SCWTP sites. Develop general layout of meter stations including flow/pressure control valves, flow meters, tie-ins to existing piping systems, instrumentation and control, remote monitoring and control via SCADA, and security (fencing/lighting). Identify power supply requirements and provisions therefore.
- 6.4.7 Instrumentation and Control Requirements
 - 6.4.7.1 Identify system control requirements using the latest input from the Authority.
 - 6.4.7.2 Coordinate control scheme with the Authority's Peace River Facility control system consultant and operations staff at DeSoto County and Punta Gorda.
 - 6.4.7.3 Prepare a systems control summary identifying the flows, pressures and normal and alternate operation of the Phase 1 transmission system and any appurtenances.
- 6.5 Permitting Requirements
 - 6.5.1 Summarize the anticipated impacts of construction and required mitigation.
 - 6.5.2 Summarize the Environmental Resource Permit, the U.S. Army Corps of Engineers' permit, and local land use or regulatory approvals required in the local jurisdictions traversed by the transmission pipeline, and a discussion of critical permitting issues.

- 6.5.3 Summarize the required data to be submitted to the regulating agencies along with the anticipated time required to obtain each permit.
- 6.6 Implementation Schedule
 - 6.6.1 Develop an implementation schedule estimating the durations and sequence of events for completing design, permitting and construction of the project.
- 6.7 Preliminary Cost Estimates
 - 6.7.1 Provide an updated estimate of construction cost based upon the facilities as set forth in the preliminary design.
 - 6.7.2 Review existing schedule with the Authority and scope of construction and recommend the number of construction contracts for the Phase 1 project in order to achieve completion dates as required.
- 6.8 Prepare BODR
 - 6.8.1 Submit for review fifteen copies of a draft BODR, including suitable graphics.
 - 6.8.2 Attend a meeting to review the draft BODR with Authority and Customer staff.
 - 6.8.3 Submit for review, fifteen copies of the final BODR, including suitable graphics.
 - 6.8.4 Develop a short PowerPoint presentation and present the BODR to the Authority Board for acceptance.

SCHEDULE OF COMPLETION

The Engineer will complete Work Order No. 1 within one hundred eighty (180) calendar days from the date of the Notice to Proceed.

DELIVERABLES

The Engineer will furnish to the Authority deliverables as follows:

- Fifteen (15) copies of the draft BODR in electronic and paper copy.
- Fifteen (15) copies of the final BODR in electronic and paper copy.
- Meeting minutes as appropriate.

COMPENSATION

The Authority agrees to compensate the Engineer for Work Order No. 1 as set forth in Exhibit A.

IN WITNESS WHEREOF, the parties hereto have executed this Work Order as of the day and year first written above.

ATTEST:

**PEACE RIVER/MANASOTA REGIONAL
WATER SUPPLY AUTHORITY**

By: _____

Patrick J. Lehman, P. E.
Executive Director

WITNESSES:

King Engineering Associates, Inc.

By: _____

APPROVED AS TO FORM:

Douglas P. Manson
General Counsel for Authority

EXHIBIT A
PEACE RIVER MANASOTA REGIONAL WATER SUPPLY
AUTHORITY
REGIONAL INTEGRATED LOOP SYSTEM PHASE 1
INTERCONNECT
Work Order No. 1
Preliminary Engineering

Task	Description	Amount	Basis*
1	PROJECT COORDINATION	\$53,457	LS
2	DEMAND AND DELIVERY POINT LOCATIONS	\$2,250	LS
3	CAPACITY OF EXISTING MAIN	\$1,890	LS
4	REQUIRED PHASE 1 CAPACITY	\$8,681	LS
5	EVALUATE ALTERNATE ROUTES	\$141,694	LS
6	BASIS OF DESIGN REPORT	\$50,788	LS
	SUBTOTAL**	258,760	LS
7	CONTINGENCY ALLOWANCE***	\$20,000	T&M
	TOTAL WORK ORDER NO. 1	\$278,760	

* Basis refers to either lump sum (LS) compensation approach or time and material (T&M) approach.

** Consultant shall not exceed task level budget ceilings nor transfer fee between tasks without prior written authorization from the Executive Director.

*** The Owner's Allowance may only be utilized upon written approval of the Executive Director.

TAB D
Work Order No. 1
'Phase 1 Interconnect Preliminary Design Services'

**REGIONAL INTEGRATED LOOP SYSTEM
PHASE 1 INTERCONNECT**

WORK ORDER NO. 1

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The goal of this preliminary engineering phase is to provide the Authority with a Basis of Design Report that includes the results of the above evaluations and serves as a basis for future design and permitting Work Orders.

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Task 4 Required Hydraulic Capacity of the Phase 1 Interconnect

- 4.1 Modify the Water CAD hydraulic model previously developed of the existing DRTM Interconnect, the proposed Phase 1 Interconnect and associated future pumping and storage, and the Shell Creek WTP storage and pumping required for evaluation of alternate routes.
- 4.2 Based on the 20-year demands for each delivery point established under Task 2, determine the flow in the DRTM and the Phase 1 Interconnect and include the resulting demands in the hydraulic model.
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- 5.2.8 Conduct a cursory field review of the proposed alignments (in accessible areas) to confirm physical features and/or mapping data where necessary.
- 5.2.9 Review sovereign submerged lands issues related to the routes.
- 5.2.10 Prepare graphics for use in the final report.
- 5.3 Review existing data and information pertaining to the Shell Creek dam road and spillway. Review 2010 record drawings of dam spillway and upland bulkhead improvements. Review available information on the design and construction of the

existing soil dams under the roadway approaches on either side of the spillway. Review existing geotechnical borings and reports related to the original pipeline route. Determine feasibility of open trench, directional drill and above-ground pipeline construction techniques.

5.4 Evaluate Route Criteria

The preliminary route for the Phase 1 Interconnect is identified in 5.1. The Consultant will review those reports and documentation associated with this route selection, including the other routes previously evaluated, if available, and will use additional and more detailed information to confirm the preferred route for the Phase 1 Interconnect. Potential alternate routes will be evaluated based upon the following criteria:

- 5.4.1 Length and required diameters.
- 5.4.2 Identification and evaluation of impacts to the existing earthen dam under the spillway access roads by both horizontal directional drilling (HDD) from the upland bulkheads across the spillway and underground construction of the pipe in the earthen dams. This will include evaluation of a longer HDD to natural shorelines, as well as cofferdam(s) to allow a shorter HDD, with above-ground installation of the pipe along the access roads. This task includes four (4) subaqueous borings on the downstream side of the existing Shell Creek dam.
- 5.4.3 Existing utilities. Engineer will drive/walk each route and make visual observation of existing above ground utilities. The existence of buried utilities will be estimated based on visual observation of above ground appurtenances, review of local utility atlases, and by contacting utility companies potentially having facilities in the area.
- 5.4.4 Proposed Other Construction. Engineer will review Comprehensive and Development Plans as well as drawings for proposed/underway projects for potential alignments as well as for potential conflicts. It is assumed that this information will be available from DeSoto County and the City.
- 5.4.5 Traffic impacts and existing/potential utility and drainage conflicts.
- 5.4.6 Property required, including permanent and temporary construction and/or access easements.
- 5.4.7 Environmental impacts.
- 5.4.8 Potential for contaminated soil or groundwater or corrosive soil conditions.
- 5.4.9 Permitting complexity, referencing applicable laws, rules and agency policies.

- 5.4.10 Consistency with future requirements for the regional transmission system and with future utility and roadway projects.
- 5.4.11 Construction costs. An Engineer's opinion of probable construction cost will be developed. The opinion will be Class 4 as defined by AACE International.
- 5.5 Develop a qualitative analysis of each of the alternate routes for use in producing a quantitative ranking of each alternative.
- 5.6 Meet with the Authority to review findings and results. Findings, results and conclusions will be documented in the Basis of Design Report.

Task 6 Basis of Design Report (BODR)

- 6.1 Develop Design Parameters
 - 6.1.1 Summarize design criteria including, but not limited to points of connection, demands and design flows, delivery pressures, hydraulics and operational reliability.
- 6.2 Describe the Phase 1 Pipeline Alternative Route Evaluation completed under Task 5
- 6.3 Describe the Phase 1 Pipeline Route
 - 6.3.1 Location and pipeline size, including corridor widths and preliminary location of pipelines within or adjacent to existing easements and rights of way.
 - 6.3.2 Describe pipeline locations and alignments with respect to the Shell Creek crossing.
 - 6.3.3 Describe anticipated environmental impacts, including locations and extent of encroachment on environmental sites.
 - 6.3.4 Identify property requirements, including location, size, type (permanent or temporary), owner's name and parcel identifier.
- 6.4 Transmission Main Design Considerations
 - 6.4.1 Evaluate alternative pipe materials and identify minimum pipe design thickness requirements based on internal pressure requirements. Design of pipe wall thicknesses based on pipeline cover requirements and dead and live loads will be completed during the design phase.
 - 6.4.2 Evaluate preliminary requirements for installing pipeline blow-off points, access points, isolation valves and air/vacuum and air release valves at high points along the pipeline. Transient analyses and determining final

air/vacuum valve and blowoff locations will be conducted during design.

- 6.4.3 Evaluate alternative methods of construction for critical crossings including but not limited to federal, state and county roadways, rivets, creeks and streams and other pipelines and storm water conveyance systems.
- 6.4.4 Evaluate impact of future plans for expansions of the transmission main system.
- 6.4.5 Soils Investigation/Corrosion Protection
 - 6.4.5.1 Discuss results and findings of Tasks 5.2.5 and 5.2.6.
 - 6.4.5.2 Identify a detailed approach to testing, analyzing, and evaluating these areas to develop appropriate corrective measures to be taken for the selected pipeline material(s) during design and construction to protect the project for its expected useful life.
- 6.4.6 Identify location and space requirements for meter stations at the Project Prairie and SCWTP sites. Develop general layout of meter stations including flow/pressure control valves, flow meters, tie-ins to existing piping systems, instrumentation and control, remote monitoring and control via SCADA, and security (fencing/lighting). Identify power supply requirements and provisions therefore.
- 6.4.7 Instrumentation and Control Requirements
 - 6.4.7.1 Identify system control requirements using the latest input from the Authority.
 - 6.4.7.2 Coordinate control scheme with the Authority's Peace River Facility control system consultant and operations staff at DeSoto County and Punta Gorda.
 - 6.4.7.3 Prepare a systems control summary identifying the flows, pressures and normal and alternate operation of the Phase 1 transmission system and any appurtenances.

6.5 Permitting Requirements

- 6.5.1 Summarize the anticipated impacts of construction and required mitigation.
- 6.5.2 Summarize the Environmental Resource Permit, the U.S. Army Corps of Engineers' permit, and local land use or regulatory approvals required in the local jurisdictions traversed by the transmission pipeline, and a discussion of critical permitting issues.

- 6.5.3 Summarize the required data to be submitted to the regulating agencies along with the anticipated time required to obtain each permit.
- 6.6 Implementation Schedule
 - 6.6.1 Develop an implementation schedule estimating the durations and sequence of events for completing design, permitting and construction of the project.
- 6.7 Preliminary Cost Estimates
 - 6.7.1 Provide an updated estimate of construction cost based upon the facilities as set forth in the preliminary design.
 - 6.7.2 Review existing schedule with the Authority and scope of construction and recommend the number of construction contracts for the Phase 1 project in order to achieve completion dates as required.
- 6.8 Prepare BODR
 - 6.8.1 Submit for review fifteen copies of a draft BODR, including suitable graphics.
 - 6.8.2 Attend a meeting to review the draft BODR with Authority and Customer staff.
 - 6.8.3 Submit for review, fifteen copies of the final BODR, including suitable graphics.
 - 6.8.4 Develop a short PowerPoint presentation and present the BODR to the Authority Board for acceptance.

SCHEDULE OF COMPLETION

The Engineer will complete Work Order No. 1 within one hundred eighty (180) calendar days from the date of the Notice to Proceed.

DELIVERABLES

The Engineer will furnish to the Authority deliverables as follows:

- Fifteen (15) copies of the draft BODR in electronic and paper copy.
- Fifteen (15) copies of the final BODR in electronic and paper copy.
- Meeting minutes as appropriate.

COMPENSATION

The Authority agrees to compensate the Engineer for Work Order No. 1 as set forth in Exhibit A.

IN WITNESS WHEREOF, the parties hereto have executed this Work Order as of the day and year first written above.

ATTEST:

**PEACE RIVER/MANASOTA REGIONAL
WATER SUPPLY AUTHORITY**

By: _____

Patrick J. Lehman, P. E.
Executive Director

WITNESSES:

King Engineering Associates, Inc.

By: _____

APPROVED AS TO FORM:

Douglas P. Manson
General Counsel for Authority

EXHIBIT A
PEACE RIVER MANASOTA REGIONAL WATER SUPPLY
AUTHORITY
REGIONAL INTEGRATED LOOP SYSTEM PHASE 1
INTERCONNECT
Work Order No. 1
Preliminary Engineering

Task	Description	Amount	Basis*
1	PROJECT COORDINATION	\$53,457	LS
2	DEMAND AND DELIVERY POINT LOCATIONS	\$2,250	LS
3	CAPACITY OF EXISTING MAIN	\$1,890	LS
4	REQUIRED PHASE 1 CAPACITY	\$8,681	LS
5	EVALUATE ALTERNATE ROUTES	\$141,694	LS
6	BASIS OF DESIGN REPORT	\$50,788	LS
	SUBTOTAL**	258,760	LS
7	CONTINGENCY ALLOWANCE***	\$20,000	T&M
	TOTAL WORK ORDER NO. 1	\$278,760	

* Basis refers to either lump sum (LS) compensation approach or time and material (T&M) approach.

** Consultant shall not exceed task level budget ceilings nor transfer fee between tasks without prior written authorization from the Executive Director.

*** The Owner's Allowance may only be utilized upon written approval of the Executive Director.