

SEACOAST UTILITY AUTHORITY

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RECLAIMED WATER POLICY

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EXHIBIT "A" RECLAIMED WATER AGREEMENT

Seacoast Utility Authority (hereinafter referred to as the "Authority") hereby establishes this Reclaimed Water Policy for the purpose of determining allocation and use of treated reclaimed water (hereinafter referred to as "reclaimed water") for landscape irrigation and other legal uses within the service area of the Authority.

INTENT

The Authority owns, operates and maintains wastewater treatment facilities, pursuant to and under operating permits from the Florida Department of Environmental Protection, which produce treated reclaimed water of a quality suitable for the irrigation of grasses, woodlands and certain vegetation. Diminishing supplies of quality groundwater resources coupled with demands of a growing population have stressed the need for water conservation measures and reuse of wastewater.

The highest priority for use of potable water is for human consumption. The substitution of irrigation quality reclaimed water for non-potable purposes offers the potential for economic benefits allowed by the addition of a new resource into the Authority's water supply.

The irrigation of turf grasses, such as golf courses and lawns, appears to be the foremost prospect for large scale water reuse within the Authority's service area. Replacing existing potable water withdrawal with reclaimed water allows an increased population to be served from present groundwater supply. This policy represents a long-term beneficial use of a valuable and limited resource by recycling water currently being lost from the fresh water system.

AVAILABILITY

The Authority shall make reclaimed water available to consumers, within the service area of the Authority, for any lawful use permitted by regulatory authorities of jurisdiction (the foregoing consumer hereinafter referred to as "User"). Reclaimed water will be provided to Users in accordance with approved Reclaimed Water Agreements.

The Authority reserves to itself such reclaimed water as it may require to protect Authority assets, natural systems, and legally permitted ground water withdrawals. All other reclaimed water contract allotments shall be subordinate to such Authority uses. The Authority shall have no obligation to notify existing or potential Customers of reclaimed water availability.

The Authority will allocate the reclaimed water as fairly as possible and in a manner that best serves the Authority's interest. Determination of the quantity of reclaimed water to be provided shall be at the sole discretion of the Seacoast Utility Authority Board. In the absence of a contrary Board determination however, reclaimed water commitments will be made on a first come, first serve basis. The Authority may discontinue or curtail reclaimed water service to any Customer whose contract allotment is exceeded.

ALLOCATIONS AND DELIVERY PRIORITY

Contract allocations shall not exceed 100% of the site's irrigation Blaney Criddle requirement. Non-irrigation reuse allocations will be evaluated on an individual basis.

In the event of (i) drought restrictions imposed by South Florida Water Management District or (ii) there exists any condition whatsoever (including over-allocation of existing or proposed reclaimed water availability) that limit or limits the available flow for Users, the Authority shall apply such restrictions pro-rata among Users subject to the priority claim of the Authority, then of Users and other legal priority reclaimed water commitments.

TYPE OF TREATED RECLAIMED WATER

The irrigation water provided will be reclaimed water from a tertiary treatment process which involves secondary wastewater treatment, filtration and high-level disinfection meeting or exceeding the requirements of Chapter 62-610 Florida Administrative Code, Florida Department of Environmental Protection as amended from time to time. The reclaimed water shall conform with the requirements of permits issued by local, state and federal regulatory agencies having jurisdiction over such activities.

USE AND DISPOSAL OF RECLAIMED WATER

The Authority shall provide User with reclaimed water from its wastewater treatment facilities. User shall be responsible for the Engineering and installation of utility lines and facilities including any downstream improvements which are needed to provide reclaimed allocation to the site. It shall be the Users' sole cost and expense for constructing utility lines and facilities needed to connect into the Authority's reclaimed water system. Prior to receiving reclaimed water, User shall convey ownership to Authority of all lines and facilities from reclaimed water system to the Point of Delivery by bill of sale in a form satisfactory to the Authority; it being understood that lines and facilities must be constructed and fully operational to the satisfaction of Authority in accordance with the guidelines and specifications of the Authority. Acceptance of said lines and facilities shall be within the sole discretion of the Seacoast Utility Authority Board. The Authority reserves the right to deliver contractual reclaimed water allocations over the full 24 hours of any calendar day.

User shall be responsible for obtaining information and preparing all necessary environmental planning, hydrogeologic monitoring studies and reports reasonable necessary for the preparation and continued utilization of User's property as a site for reclaimed water use. User shall be responsible for any and all costs relative to the maintenance of any water management tract constructed upon User's land and User shall be responsible, at it sole cost and expense, for the construction, maintenance, renewal and replacement of any pressure boosting facilities or reclaimed water spray irrigation device or other system which draws from the water management tract. User shall incur the cost of securing licenses and permits from applicable governmental agencies relative to the use of the Authority's reclaimed water upon User's property, including any costs incurred by Authority to secure same.

As a prerequisite to the Authority's acceptance of reclaimed water discharge and delivery lines, facilities and appurtenances thereof, User shall grant Authority its successors and assigns, all easements and rights of ingress and egress, necessary for the discharge and delivery of reclaimed water upon User's property, including but not limited to easements covering lines and facilities. The easements shall allow the Authority to own, maintain, construct, renew, replace, and operate within User's property or parts thereof, reclaimed water discharge lines and other facilities required for the reclaimed water delivery.

RECLAIMED WATER AGREEMENT

The User will be required to execute a "Reclaimed Water Agreement" setting forth such reasonable provisions governing User and the Authority responsibilities pertaining to the use and disposal of reclaimed water in general form as attached hereto and marked "Reclaimed Water Agreement". This Reclaimed Water Agreement will establish User's allotment of reclaimed water, the cost per 1000 gallons of reclaimed water delivered to User's property and a minimum charge as appropriate. A sample agreement is attached to this policy as Exhibit "A".

RECLAIMED WATER METERING POLICY

The Authority shall approve the size and type meter and operational control for each reclaimed water application. Telemetry controls meeting Authority specifications shall be required upstream of every reclaimed water meter unless

1. The User account is served by a meter of two-inch or less nominal size, and
2. There is no permitted reclaimed water storage facility on the User's property, and
3. User restricts the hours of Authority's reclaimed water delivery to three days per week as directed by the Authority.

For irrigation applications, demand shall be calculated in the same manner set forth for potable water irrigation sites in the Authority's Service Code. For daily demands so calculated, the reclaimed water meter nominal size shall be as set forth below:

For calculated demand of (Gallons per day)	Meter shall be no larger than	System Design not to exceed flow rate of
up to 10,000	5/8" x 3/4"	10 GPM
10,001 to 27,000	1"	25 GPM
27,001 to 54,000	1 1/2"	50 GPM
54,001 to 86,000	2"	80 GPM
Greater than 86,000 gallons per day as approved by Authority		

For non-irrigation applications, evaluation of meter size and telemetry requirements shall be made on a case by case basis.

ASSIGNMENT

User shall not assign, transfer, release or encumber its reclaimed water allotment without prior approval by Authority. In the event there is a bonafide sale of User's property, the Authority must be notified of the sale in writing and Seacoast Utility Authority Board shall, at its sole discretion, decide whether to permit the assignment of the reclaimed water allotment.

ECONOMIC FEASIBILITY

The Authority agrees to provide reclaimed water on a uniform and non-discriminatory basis to Users who seek such service and are entitled to same within Authority's service area subject only to priority considerations, as long as it is economically feasible for Authority to do so. Authority may be relieved of its obligation to provide reclaimed water where to do so would cause extraordinary capital expenditures in the future due to changes in environmental, health, safety, economic, aesthetic or other considerations of Public Law or Policy. If Authority knows that a major change in Public Law or Policy is likely to occur in the immediate future which would require Authority to expend additional amounts of money to provide reclaimed water to an individual user, Authority may require such user to pay the actual costs of such additional expenditure prior to agreeing to provide reclaimed water notwithstanding any other term or condition of this Reclaimed Water Policy.

CONDITIONS OF SERVICE

Except as noted herein, all standards, principles, policies, lien rights, and procedures as set forth in Authority's Service Code and other governing documents shall apply in the providing of reclaimed water service.

RECLAIMED WATER RATE SCHEDULE (in effect October 1, 2017)

AVAILABILITY: Available throughout the area served by the Authority.

APPLICABILITY: For users of reclaimed water (treated wastewater effluent) under the terms of the Seacoast Utility Authority Reclaimed Water Policy.

MONTHLY RATE: Base Facility Charge

\$8.13 per 1,000 gallons per day reserved (no gallonage allowance)

Gallonage Charge:

\$.33 per 1,000 gallons provided.

EXHIBIT "A"
SEACOAST UTILITY AUTHORITY
RECLAIMED WATER AGREEMENT

This Agreement is made and entered into this ___ day of _____, 20__ between Seacoast Utility Authority, hereinafter referred to as "Authority", 4200 Hood Road, Palm Beach Gardens, Florida 33410, and , hereinafter referred to as "User", .

WITNESSETH:

WHEREAS, Authority has established a Reclaimed Water Policy (the "Policy") as amended from time to time, which Policy is incorporated herein and made a part hereof and whose terms control in the event of conflict; and

WHEREAS, pursuant to that Policy, Authority and User wish to enter into this Agreement providing for delivery of reclaimed water to User's property; and

WHEREAS, the Authority is willing to deliver this reclaimed water for irrigation use by others; and

WHEREAS, User desires to utilize some of such reclaimed water for irrigation of lands owned or controlled by the User as set forth on Exhibit "A" by reference made a part hereof.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the Authority and the User do hereby agree as follows:

1. Term

This Agreement shall commence on the date of its execution by Authority and shall remain in effect for a period of not less than ten (10) years, unless terminated in accordance with the terms and provisions as stated herein. Thereafter, this Agreement will be automatically renewed for successive 10 year terms. Notwithstanding the foregoing, this Agreement may be terminated, at any time, by either party, by giving, not less than 180 days advance written notice to the other party.

2. Quantity and Quality

No guarantee is made by Authority as to the availability of any minimum pressure, flow, or volume of reclaimed water. Availability, Priority Basis and Disposal terms and conditions shall be as set forth in the Reclaimed Water Policy, as amended from time to time.

Subject to the above, the Authority agrees that the Allotment to User under this Agreement will be _____ gallons per authorized irrigation day. This allotment shall be subject to the provisions of the Authority's Reclaimed Water Policy, as amended from time to time. User agrees that should this allotment be exceeded, Authority may immediately and without notice curtail or discontinue service until Authority is satisfied that usage will be reduced to within the allotment volume.

3. Use of Reclaimed Water

User shall accept the reclaimed water delivered by the Authority and use it for irrigation of lands described on Exhibit "A" in any manner determined by the User, except that use of the reclaimed water shall be consistent with and fully in compliance with local, state and federal regulations. Prior to use, User shall file with the Authority a written plan detailing intended use and frequency of use of reclaimed water which filing shall be updated as needed. User will be provided a three day per watering schedule by the Authority. User shall not discharge reclaimed water directly into the surface waters of the State of Florida without written authorization from the Florida Department of Environmental Protection and other regulatory bodies of local or federal jurisdiction. User shall take all reasonable precautions, including signs and labeling, to prevent confusion between reclaimed water and other water sources. The Authority shall be deemed to be in possession and control of the reclaimed water until it shall have been delivered to the User at the Point of Delivery. After such delivery the User shall be deemed to be in possession and control thereof.

4. Point of Delivery

The Point of Delivery of the reclaimed water from the Authority to User is the outlet valve on the metering assembly, or in the case of meters two-inch or lesser nominal size, the outlet flange or coupling of the meter, or as otherwise noted on approved engineering drawings.

5. Easements and Piping

The User shall execute all easements in form and substance acceptable to Authority, in favor of the Authority necessary for the installation and maintenance of reclaimed water lines to the Point of Delivery, including the meter assembly and fenced enclosure. Notwithstanding User's failure to make such grants, User agrees that Authority is authorized to enter upon property described on Exhibit "A" at any time for the purpose of inspecting reclaimed water facilities. The User shall, at its cost and expense, install all necessary piping, pumps, electrical lines, and other appurtenant equipment to convey reclaimed water from the terminus of Authority's reclaimed water transmission main to the User's facilities. All engineering costs relating to design, construction and permitting of the reclaimed water facilities shall be borne by the User. In addition, the User shall install such metering devices, valves, and fittings as are required by the Authority and the regulatory and permitting agencies. Title to these facilities up to the Point of Delivery, including the meter, shall be transferred to the Authority, free and clear of any liens or encumbrances by means of a bill of sale, prior to commencement of reclaimed water delivery.

The User shall be responsible for all operation and maintenance costs and other expenses relating to pumps, metritape, stilling well additional piping or any other cost whatsoever required from the Point of Delivery to the irrigation system. The User shall be responsible for all costs associated with required sampling and analysis for this reclaimed water application site.

The Authority shall be responsible for all operation and maintenance costs relating to the operation of the PGA Wastewater Treatment Plant as well as the reclaimed water and transmission system to the Point of Delivery.

6. Fees and Charges

User shall pay to the Authority such rates, fees and charges in effect as amended by Authority Board from time to time. If, under the terms of Authority's policies User's allocation is changed at any time, base facility charges shall be revised correspondingly. Reclaimed water Customers

shall commence payment of base facility charges for their reserved allocation the first full billing period from the date of this agreement or later, as approved by the Authority.

7. Emergency Situations

The Authority shall not be held liable by the User and User hereby agrees not to hold Authority liable for failure to deliver reclaimed water if an event occurs preventing such delivery. Such event shall include, but not be limited to:

- a. A lack of reclaimed water due to loss or lack of flow to the treatment plant or due to process failure.
- b. Contamination in the reclaimed water making it unusable for irrigation.
- c. Equipment or material failure in reclaimed water delivery including storage, pumping and piping.
- d. Acts of God, public enemy, war, national emergency, allocation or other governmental restrictions upon the use or availability of labor or materials, rationing, civil insurrection, riot, racial or civil rights disorder or demonstration, strike, embargo, extended drought, flood, tidal wave, fire, explosion, bomb detonation, nuclear fallout, windstorm, hurricane, earthquake, or other casualty or disaster or catastrophe, unforeseeable failure or breakdown of pumping transmission or other facilities, unauthorized use of reclaimed water, any and all governmental rules, acts, orders or restrictions, regulations, requirements, acts or action of any government, public or governmental authority, commission or board, agency, agent, official or officer, the enactment of any statute, ordinance, resolution, regulation, rule or ruling, order, decree or judgment, restraining order or injunction of any court.

Under no circumstances shall the Authority be liable for consequential damages. The Authority does not waive its sovereign immunity rights.

8. Permit Applications

The Authority agrees to cooperate and assist User with User's permit applications to various governmental bodies, authorities and agencies concerning User's retrofitting of the water management tracts and related pipes, pumps, and facilities which are to be used in the transmission and delivery of the reclaimed water contemplated herein. All expenses and fees in conjunction with User's permit applications shall be paid by User.

9. Excuse From Performance by Governmental Acts

If for any reason (other than by the fault of the party in question) during the term of this Agreement local, state or federal governments or agencies fail to issue necessary permits, grant necessary approvals, or require any change in the operation of the treatment, transmission and distribution systems or the application and use of reclaimed water, then to the extent that such requirements shall affect the ability of any party to perform any of the terms of this Agreement in whole or in part, the affected party shall be excused from the performance thereof and a new agreement shall be negotiated, if possible, by the parties hereto in conformity with such permits, approvals, or requirements. However, nothing shall require the User or the Authority to accept any new agreement if it substantially adds to its burdens and obligations hereunder.

10. Economic Feasibility

The Authority shall be relieved of its obligation to provide reclaimed water under the terms of this Agreement where to do so would cause material capital expenditures due to changes in environmental, health, safety, economic or aesthetic considerations of the public law or policy; provided however, that User, acting alone or in concert with other users, may, upon reasonable notice from the Authority, promptly pay and assume such material capital expenditures.

11. Transfer or Modification of Commitment

The right of the User to sell, transfer or encumber the land in areas irrigated with the reclaimed water shall not be unreasonably restricted by this Agreement, except that written notice of any proposed sale or transfer must be given to the Authority at the address noted herein, at least 60 days prior to the sale or transfer. So long as use of the property shall continue to be for irrigation and related purposes, any responsible subsequent party in interest shall be obligated to receive and pay for the specified quantity of the reclaimed water under the same terms and conditions of this Agreement, unless modified by mutual consent of the Authority and the buyer or transferee. The User may not otherwise sell, transfer or encumber its rights under this Agreement.

12. Indemnification

User agrees to indemnify, defend, protect, save and hold forever harmless the Authority and any and all of its respective board members, directors, officers, employees, agents, and independent contractors from and against all liabilities, obligations, claims, damages, penalties, costs and expenses, including without limitation, court costs, expert witness fees and attorneys' fees and expenses for which the Authority may become obligated or liable by reason of any intentional or negligent act or omission by User, its employees, agents, invitees, or independent contractor in the performance of this Agreement or otherwise arising out of the subject of this Agreement. User agrees to purchase and maintain an insurance policy with terms acceptable to Authority in support of such indemnification, however the limits of liability must not be less than one million dollars per occurrence.

13. Access

The Authority shall have the right, at any reasonable time to enter upon the property of the User to review and inspect the practices of the User with respect to conditions agreed to herein.

Such entry shall normally be for the purpose of review of the operation of reclaimed water irrigation system, for inspection of Authority owned mains and appurtenances, and for sampling at any monitoring wells, or surface waters located on the property of the User.

14. Disclaimer of Third Party Beneficiaries

This Agreement is solely for the benefit of the formal parties hereto and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto.

15. Severability

If any part of the Agreement is found invalid or unenforceable by any court, such invalidity or unenforceability shall not affect the other parts of this Agreement if the rights and obligations of the parties contained therein are not materially prejudiced and if the intentions of the parties can continue to be effected.

16. Applicable Law

This Agreement and the provisions contained herein shall be construed, controlled, and interpreted according to the laws of the State of Florida. Venue in any action shall lie in Palm Beach County, Florida.

17. Extent of Agreement

This Agreement constitutes the entire Agreement between the parties as to the use of reclaimed water made available by the Authority and has been entered into voluntarily and with independent advice and legal counsel and has been executed by the authorized representative of each party on the date written above. This Agreement shall not be valid or enforceable until it has been signed by both parties. Modifications to and waivers of the provisions herein shall be made in writing and signed by the parties hereto.

Each party shall advise the other party, in writing, as to the status of its construction document preparation and construction of associated improvements on a quarterly basis to insure that both parties' activities are progressing simultaneously.

18. Attorneys' Fees and Costs

Should either party employ an attorney to enforce any of the provisions of this Agreement, or defend any action instituted by the other party, the prevailing party shall be entitled to be reimbursed by the other party for all reasonable costs, charges and expenses including attorneys' fees, expended or incurred in connection therewith including same on appeal.

19. Notices

All notices required pursuant to this Agreement shall be in writing, sent by Registered or Certified Mail, Return Receipt Requested, postage prepaid, addressed as follows:

Authority:

Seacoast Utility Authority
4200 Hood Road
Palm Beach Gardens, FL 33410
Attention: Executive Director

User:

20. Termination

In the event User violates any of the terms or provisions of this Agreement including payment of rates, fees or charges then the Authority shall have the right to terminate the Agreement between the parties by giving User thirty (30) days written notice thereof. With respect to all matters other than payment of rates, fees or charges, User shall have the right to cure such violation provided that such a remedy shall be completed to the satisfaction of the Authority within the thirty (30)

day written notice period. All indemnification provisions set forth elsewhere in the Agreement shall apply to any remedial action taken under this provision.

Pursuant to the terms and provisions under the paragraph entitled "Economic Feasibility", the Authority may terminate its obligation to provide reclaimed water to User by giving sixty (60) days written notice thereof. In the event of termination pursuant to the paragraphs entitled "Excuse From Performance by Governmental Acts", and "Emergency Situations", the Authority may terminate its obligation immediately by giving written notice thereof.

21. Recordation

A copy of this Agreement will be filed in the public records of Palm Beach County, Florida.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this ____ day of _____, 20__.

Signed and sealed and delivered in the presence of:

AUTHORITY:

By: _____, Chair

Attest: _____, Authority Clerk

(SEAL)

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____, Chair and _____, Authority Clerk, who are personally known to me or who have produced _____ as identification and who did/did not take an oath, on behalf of the Seacoast Utility Authority.

(SEAL)

Notary Public, State of Florida at Large
My Commission Expires:

USER:

WITNESS

By: _____
(Print Name and Title)

WITNESS

Attest: _____
(Print Name and Title)

(SEAL)

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this day of _____, 20__ by _____, Chair and _____, Authority Clerk, who are personally known to me or who have produced _____ as identification and who did/did not take an oath, on behalf of the Seacoast Utility Authority.

(SEAL)

Notary Public, State of Florida at Large
My Commission Expires:

EXHIBIT "A"

PROPERTY DESCRIPTION