

**BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**

Meeting Date: January 20, 2016  
Bulk Item: Yes X No    

Department: Wastewater  
Staff Contact Person/Phone #: Wilson (453-8797)

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**AGENDA ITEM WORDING:** Approval of Amendment 10 to the Cudjoe Regional ILA with FKAA to revise the advance schedule and add \$5.95 million of additional funding for project changes authorized by the BOCC.

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**ITEM BACKGROUND:** The addition of the expansion areas and policy adoption to provide connection points for newly developed properties has added approximately \$5.95 million. There have been a number of small scope changes over the last year. The result is that the revised estimated total cost is now \$196.5 million (\$5.95 million above the last ILA amendment). The revision in the cash flow projection is a result of an increased project construction pace that will continue in the first two quarters of 2016. Additionally, County and FKAA staff require the flexibility to adjust the advance schedule to match actual construction expectations to ensure timely payment of the contractors and to ensure that the FKAA has enough funds on hand to meet the obligations in a timely way without sacrificing the quality of the documentation and review process.

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**PREVIOUS RELEVANT BOCC ACTION:** On November 17, 2015, the BOCC approved a policy that any developed property in the Cudjoe Regional service area should receive a service connection at project expense whether it was in the original design or not at an estimated cost of \$2.6 million for existing developed properties. On June 10, 2015 the BOCC approved expansion of the Cudjoe regional Service area to include additional properties on NNK, Big & Middle Torch and several other properties at an estimated cost of \$3.4 million. On April 15, 2015, the BOCC approved Amendment 9 to the Cudjoe Regional ILA including \$7.1 million for deep injection well construction.

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**CONTRACT/AGREEMENT CHANGES:** The ILA total is increased to \$196.5million. The advances required in the 1<sup>st</sup> Quarter 2016 and 2<sup>nd</sup> Quarter 2016 are significantly increased. Authority to adjust the advance schedule is clarified.

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**STAFF RECOMMENDATIONS:** Approval

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**TOTAL COST:** \$196.5million **INDIRECT COST:** Staff Time **BUDGETED:** Yes X No    

**DIFFERENTIAL OF LOCAL PREFERENCE:** N/A

**COST TO COUNTY:** N/A **SOURCE OF FUNDS:** N/A

**REVENUE PRODUCING:** Yes     No X **AMOUNT PER MONTH**     **Year**    

**APPROVED BY:** County Atty CH OMB/Purchasing OB Risk Management lu

**DOCUMENTATION:** Included X Not Required    

**DISPOSITION:**     **AGENDA ITEM #**    

Revised 7/09

w/w I



**TENTH AMENDMENT TO  
INTERLOCAL AGREEMENT  
FOR THE  
CUDJOE REGIONAL WASTEWATER SYSTEM**

**THIS TENTH AMENDMENT TO INTERLOCAL AGREEMENT** is entered into this \_\_\_ day of January 2016, pursuant to Sec. 163.01, F.S., by and between Monroe County, a political subdivision of the State of Florida (County), and the Florida Keys Aqueduct Authority, an independent special district (FKAA).

**WHEREAS**, the County has committed by interlocal agreement dated September 6, 2005, and by Master Lease approved September 25, 2005, to seek funding through federal and state grants and the issuance of revenue bonds backed by the pledge of infrastructure tax; and to provide funding to the FKAA for the administration, planning and construction of wastewater projects owned by Monroe County; and

**WHEREAS**, on September 20, 2006, the County and the FKAA entered into an interlocal agreement (ILA) for the County to provide funding for administration, planning and construction of a wastewater collection system, transmission main and method of treatment to Advanced Wastewater Treatment (AWT) standards to serve the residents and business in the Summerland/Cudjoe/Upper Sugarloaf Regional Wastewater System; and

**WHEREAS**, on April 16, 2008, the parties entered into an amendment to the Summerland/Cudjoe/Upper Sugarloaf Regional Wastewater System ILA to expand the service area to include Big Pine Key through Ramrod Key and Lower Sugarloaf and increase the initial design budget by \$4.5 million for a total budget of \$7.5 million so that unincorporated Monroe County projects could be ready to proceed and eligible for grant funding; and

**WHEREAS**, on August 3, 2009, the parties amended the agreement, naming the amendment "INTERLOCAL AGREEMENT SECOND AMENDMENT FOR THE (EXPANDED) CUDJOE REGIONAL WASTEWATER SYSTEM INCLUDING BIG PINE KEY, RAMROD KEY, SUMMERLAND KEY, CUDJOE KEY, THE TORCH KEYS (LITTLE, MIDDLE AND BIG), AND UPPER AND LOWER SUGARLOAF KEYS," in order to expand the project to include Onsite Sewage treatment and Disposal Systems for areas not in the Master Plan and to expand the areas encompassed by the original agreement, as amended, to include No Name Key and certain specified parcels on Boca Chica Key; and

**WHEREAS**, on September 16, 2009, the parties amended the agreement, through a document titled "SECOND AMENDMENT TO INTERLOCAL AGREEMENT FOR THE CUDJOE REGIONAL WASTEWATER SYSTEM," to revise County funding for the project; and

**WHEREAS**, on April 18, 2012, the BOCC approved a Fourth Amendment to provide the funding needed for bid preparation related to the Cudjoe Regional Wastewater System project; and

**WHEREAS**, on August 15, 2012, the BOCC approved a Fifth Amendment in order to increase funding by authorizing payment of an advance to the FKAA, no later than September 15, 2012, for the sum of nine hundred fifty thousand dollars (\$950,000) for planning, design and

contracting for the Cudjoe Regional Wastewater System project, bring the total advance paid for the third and fourth quarters of 2012 to one million four hundred fifty thousand dollars (\$1,450,000) and leaving remaining projected costs at one hundred forty-eight million five hundred fifty thousand dollars (\$148,550,000); and

**WHEREAS**, on October 17, 2012, the BOCC approved a Sixth Amendment to the ILA, which added sub-sections (A), (B), (C) and (D) to Section 1 of the ILA in order to specify a schedule for quarterly advance payments for the treatment plant, inner island project, and outer island project beginning with the first quarter of 2013 and ending with the fourth quarter of 2015; and

**WHEREAS**, on November 20, 2013, the Board of County Commissioners approved a Seventh Amendment to the ILA, in order to incorporate changes approved by the Board of County Commissioners at its October 16, 2013 meeting, specifically, FCAA Project # 4053-12 Change Order #3 for the Outer Island Collection & Transmission System, FCAA Project #4051- 12 Change Order #3 for the Cudjoe Regional Treatment Plant, and a design change from grinder pumps to gravity system for certain designated properties within the Cudjoe Regional Wastewater System Inner Islands and Outer; and

**WHEREAS**, on January 21, 2015, the Board of County Commissioners approved an Eighth Amendment to the ILA in order to modify the draw schedule from the FCAA, to address revised projected needs through the end of calendar year 2016; and

**WHEREAS**, on April 15, 2015, the Board of County Commissioners approved a Ninth Amendment to the ILA, in order to add \$7.1 million for design and construction of a deep injection well at the Cudjoe Regional Wastewater Treatment Plant; and

**WHEREAS**, on June 10, 2015, the Board of County Commissioners approved expansion of the Cudjoe Regional Wastewater System to include forty-two (42) additional properties on No Name Key, fifty-seven (57) additional properties on Middle and Big Torches, and 35 other additional properties throughout the CRWS, requiring an increase in construction cost of \$3.446 million; and

**WHEREAS**, on November 17, 2015, the Board of County Commissioners approved a policy whereby properties whose connections were not included in the project's design should have connections provided to their property line at project expense; and

**WHEREAS**, the cost for these additional properties through June 30, 2015 was \$2.51 million which is included within this amendment; and

**WHEREAS**, as the project nears completion the payment of retainage may result in large monthly payments to the contractors.

**NOW THEREFORE, IN CONSIDERATION** of the mutual consideration and premises set forth below, the parties agree as follows:

1. Sub-section (A) in Section 1, COUNTY FUNDING, of the Summerland/Cudjoe/Upper Sugarloaf Regional Wastewater System interlocal agreement dated September 20, 2006 (ILA), as amended, is removed and replaced with the following:

(A) The forecasted needs for the Cudjoe project are as follows:

1st Quarter 2013	\$4,786,903
2nd Quarter 2013	\$5,248,098
3rd Quarter 2013	\$8,100,924
4th Quarter 2013	\$10,420,141
1st Quarter 2014	\$15,057,579

2nd Quarter 2014	\$17,097,910
3rd Quarter 2014	\$15,216,755
4th Quarter 2014	\$13,450,497
1st Quarter 2015	\$12,593,114
2nd Quarter 2015	\$14,694,891
3rd Quarter 2015	\$18,185,222
4th Quarter 2015	\$17,682,418
1st Quarter 2016	\$18,000,000
2nd Quarter 2016	\$17,300,000
3rd Quarter 2016	\$6,800,000
4th Quarter 2016	\$1,200,000
1st Quarter 2017	\$700,000
<b>TOTAL</b>	<b>\$196,534,452</b>

The County shall advance sufficient funds to FKAA to bring the advance level to the amount shown for each subsequent quarter. The amount advanced shall be determined by subtracting the balance recorded as on hand by the FKAA as agreed by the County Administrator and the Executive Director or their designees from the amount above for a given quarter. The advance payment shall be made on the first day of the subject calendar quarter or as may be mutually agreed by the Executive Director and the County Administrator or their respective designees. Should FKAA payment requirements exceed the forecast levels, the County Administrator or his designee and Executive Director or designee may agree to modify the quarterly advance totals shown above to meet revised forecasted needs, however, the total will not be revised without BOCC approval.

- All other provisions of the ILA dated September 20, 2006 for the Summerland/Cudjoe/Upper Sugarloaf Regional Wastewater System, as amended April 16, 2008, August 3, 2009, September 16, 2009, April 18, 2012, August 15, 2012, October 17, 2012, November 20, 2013, and April 15, 2015 not inconsistent herewith shall remain in full force and effect.
- This Agreement will take effect on the 1<sup>st</sup> day of January 2016.

**IN WITNESS WHEREOF**, the parties hereto have set their hands and seals the day and year first above written.

(SEAL)  
AMY HEAVILIN, CLERK

BOARD OF COUNTY COMMISSIONERS  
OF MONROE COUNTY, FLORIDA

By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
Mayor/Chairperson

(SEAL)

THE FLORIDA KEYS AQUEDUCT  
AUTHORITY

Attest:  
\_\_\_\_\_  
Clerk

By: \_\_\_\_\_  
Kirk C. Zuelch, Executive Director

MONROE COUNTY ATTORNEY  
APPROVED AS TO FORM:  
*Cynthia L. Hall*  
\_\_\_\_\_  
CYNTHIA L. HALL  
ASSISTANT COUNTY ATTORNEY  
Date 1-11-2016