

RESOLUTION NO. 01-03-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF MARATHON AND THE FLORIDA KEYS AQUEDUCT AUTHORITY AUTHORIZING THE FLORIDA KEYS AQUEDUCT AUTHORITY TO ACT ON THE CITY'S BEHALF WITH RESPECT TO AN AGREEMENT BETWEEN THE CITY AND THE FLORIDA DEPARTMENT OF COMMUNITY AFFAIRS FOR THE DEVELOPMENT OF A FINANCIAL PLAN MODEL AND REQUEST FOR PROPOSALS FOR A WASTEWATER SYSTEM; AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO FINALIZE THE TERMS OF THE AGREEMENT; AUTHORIZING THE MAYOR TO EXECUTE THE INTERLOCAL AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City desires to authorize the Florida Keys Aqueduct Authority (the "FKAA") to act on its behalf with respect to all powers necessary for the successful administration of the Agreement between the City and the Florida Department of Community Affairs (the "DCA") (Contract Number 01-DR-16-11-54-02-002) in the implementation of the Agreement's Attachment A, Scope of Work, Wastewater Systems Request for Proposals, Financial Plan Model, and Little Venice Supplemental Cesspit Abandonment Funds.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AS FOLLOWS:

Section 1. **Recitals.** The above recitals are true and correct and are incorporated herein by this reference.

Section 2. **Approval of Agreement.** The Agreement between the City and the FKAA in substantially the form and substance that is attached as Exhibit "A" is approved.


The City Manager and City Attorney are authorized to finalize the terms and conditions of the Agreement and the Mayor is authorized to execute said Agreement on behalf of the City.

Section 3. Effective Date. This Resolution shall become effective immediately upon its adoption.

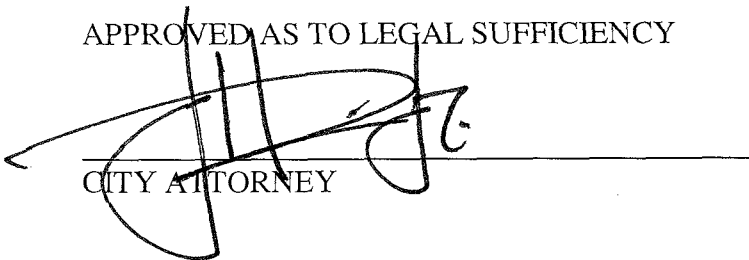
PASSED AND ADOPTED this 13th day of MARCH, 2001.


ROBERT MILLER, MAYOR

ATTEST:


CITY CLERK

APPROVED AS TO LEGAL SUFFICIENCY


CITY ATTORNEY

**INTERLOCAL AGREEMENT
BETWEEN
THE FLORIDA KEYS AQUEDUCT AUTHORITY
AND
THE CITY OF MARATHON, FLORIDA**

THIS INTERLOCAL AGREEMENT ("Agreement"), is made as of the 13th day of March, 2001, between the Florida Keys Aqueduct Authority, an independent special district of the State of Florida, Chapter 76-411, Laws of Florida, as amended, ("the Authority") and the City of Marathon, Florida, a Florida municipal corporation, ("the city"), (also collectively referred to as the "Parties").

WHEREAS, the City seeks to develop a Financial Plan Model for the funding, financing and rate structuring of a projected central wastewater collection system in conjunction with the development of a comprehensive Request for Proposals ("RFP") for a design/build/operate centralized wastewater management system to serve the entire City of Marathon; and

WHEREAS, the City and the Florida Department of Community Affairs have executed an Agreement ("Contract Number 01-DR-16-11-54-02-002") which includes such authority, responsibility, and allocated funding for the development of a Financial Plan Model and Request for Proposal; and

WHEREAS, the Authority has jurisdiction over the administration, maintenance, development and provision of wastewater system services as specifically defined in the Authority's enabling legislation; and

WHEREAS, the Authority per its enabling legislation has the power to make and enter into all contracts and agreements necessary or incidental to the performance or functions of the Authority and to contract with a Florida municipal corporation, as the Board of Directors shall determine to be necessary or desirable to carry out the purpose of the Authority.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, the Parties agree as follows:

I. SCOPE OF SERVICE/AUTHORIZATION

A. The City authorizes the Authority to act on its behalf with respect to all powers necessary for the successful administration of the Agreement between the City and the Florida Department of Community Affairs ("DCA"), Contract Number 01-DR-16-11-54-02-002, in the implementation the Agreement's Attachment A, Scope of Work, Wastewater System Request for Proposals, Financial Plan Model, and Little Venice Supplemental Cesspit Abandonment Funds.

B. The City shall directly reimburse the Authority in accordance with the amounts per the terms stated in Contract Number 01-DR-16-11-54-02-002, within one week upon the City's receipt of the funds from DCA, with the exception of Page 2 of 5, Attachment A, Scope of Work, Wastewater System Request for Proposals, paragraph 3, section e). The City shall directly pay to the Authority sixty-eight thousand dollars (\$68,000.) upon DCA's upon approval of the submitted RFP and within one week of the City's receipt of fifty-eight thousand dollars (\$58,000.) from DCA.

C. The City shall be responsible to DCA for Agreement compliance under Page 2 of 5, Attachment A, Scope of Work, Wastewater System Request for Proposals, paragraph 3, section e).

D. The City shall cooperate with the Authority in a timely manner within the time restrictions of Contract Number 01-DR-16-11-54-02-002, as to mutually agreed to negotiations on plant/vacuum station sites, proposed City Resolutions and Ordinances.

E. The Authority shall be solely responsible for timely compliance with all reporting, accounting, audit and other requirements associated with any of the terms of Contract Number 01-DR-16-11-54-02-002 applicable to the authority and responsibility as stated in SCOPE OF SERVICE/AUTHORIZATION,

Paragraph A, above, and any other applicable law, rule, regulation or order. The Authority assures the City that it will comply with the requirements of any applicable laws, rules, regulations, city policies and orders. The City shall provide the Authority with all information necessary to achieve such compliance to the extent that such information is in the possession of the City.

F. The Authority shall perform the duties and tasks as outlined in the following Agreement Attachments:

- Tab 1) Outline of Requirements for the Development of a Request for Proposals (Pages 1 of 2 thru 2 of 2)
- Tab 2) Attachment A, Narrative of tasks for Financial Plan Model, (Pages A-1 thru A-4)
- Tab 3) Attachment B, Table of Contents, Section Heading Listing of required documents to be included in the RFP. (Pages 1 & 2)
- Tab 4) Attachment C, Table of Contents, Section Heading Listing of required documents to be included in Design Criteria Package (Pages 1 thru 5)
- Tab 5) Attachment D Table of Contents, Section Heading Listing of required documents to be included in Operations & Maintenance Criteria Package (Page 1)
- Tab 6) Contract Number 01-DR-16-11-54-02-002 between the City and the Florida Department of Community Affairs, (Pages 1 thru 13 and Attachment A, Page 1 of 5 thru 5 of 5)

II. TERM/TERMINATION

A. Term.

1. This Agreement shall become effective upon execution by the Parties and shall be for the applicable term of Contract Number 01-DR-16-11-54-02-002 (as may be amended).

B. Termination.

1. Either party upon ninety (90) days written notification may terminate this Agreement.
2. Upon receipt of notification of termination by the City, the Authority shall provide the City with a report detailing the status of all pending work items, expenditures, and Agreement encumbrances within thirty (30) days. The Authority shall furnish a copy of all documents concerning finished and unfinished Agreement work items to the City within thirty (30) days.
3. Upon receipt of notification of termination by the City, the Authority shall not expend or encumber any additional funds or initiate any additional Agreement work items.
4. Upon receipt of notification of termination by the City, the City shall be responsible for payment to the Authority, within thirty (30) days for all of the Authority's expended and encumbered funds in the Authority's efforts to accomplish the work items of the Agreement.
5. Upon receipt of notification of termination by the Authority, the Authority shall provide the City with a report detailing the status of all pending work items, expenditures, and Agreement encumbrances within thirty (30) days. The Authority shall furnish a copy of all documents concerning finished and unfinished Agreement work items to the City within thirty (30) days. The Authority shall not expend or encumber any additional funds or initiate any additional Agreement work items.

III. GOVERNING LAW/ATTORNEYS FEES

A. This Agreement shall be construed in accordance with the laws of the State of Florida. Venue for any litigation shall be in Monroe County, Florida.

B. If either the Authority or the City is required to enforce the terms of this Agreement by court proceedings or otherwise, whether or not formal legal action is required, the prevailing party shall be entitled to recover from the other party all such costs and expenses, including but not limited to, reasonable attorneys' fees and costs.

OF 3701, 13.10 CITY OF MONROE MONTE ASSOCIATES 100170000

IV. NON-ASSIGNABILITY

A. The parties agree that this Agreement is not assignable in whole or in part without prior written mutual agreement.

V. AMENDMENTS

A. This Agreement may be amended from time to time only by written agreement of the Parties in compliance with federal, state, and local laws, rules and regulations. The Parties agree review this Agreement and agree to renegotiate those items necessary to bring the Agreement into compliance with the applicable federal or state laws, rules, and regulations.

B. The Authority shall be responsible for filing a copy of any amendments to this Agreement with the Clerk of the Circuit Court for Monroe County.

VI. INSURANCE

A. The Authority shall maintain separate worker's compensation insurance and fidelity bonds covering its personnel who are engaged in the operations of this Agreement as follows:

1. Applicable worker's compensation insurance classifications (\$100,000 employer's liability).
2. Comprehensive Commercial General Liability Insurance in the minimum amount of Five Hundred Thousand Dollars (\$500,000) for any single occurrence of bodily injury or property damage for any liabilities as to result of this Agreement.
3. Fidelity bond in the principal sum of Fifty Thousand Dollars (\$50,000).
4. Vehicle Liability Insurance with limits of One Hundred Thousand Dollars (\$100,000) combined single occurrence.

B. The City shall be named as an additional insured on all the above insurance policies. At all times during the term of this Agreement, the insurance coverage carried by the Authority in relation to the operation of the Agreement shall be extended and kept current at the expense of the Authority and certificates of insurance shall be provided to the City upon request. The Authority shall provide written notification to the City 30 days prior to any amendment, coverage reduction or elimination of policies.

VII. INDEMNIFICATION AND HOLD HARMLESS

A. The Authority shall, pursuant and subject to limitations of Paragraph 768.28, Florida Statutes, defend, indemnify and hold the city, its officials, employees and agents harmless, from any and all claims, liabilities, losses and causes of action which may arise out of the Authority's performance of this Agreement, except such claims, liabilities, losses and causes of action which may arise solely because of the City's negligent or intentional actions and omissions.

VIII. ASSURANCE AGAINST DISCRIMINATION

A. The Authority shall not discriminate against any person on the basis of race, creed, color, national origin, sex, age or any other characteristic or aspect which is not job related, in its recruiting, hiring, promotion, terminating or any other area affecting employment under this Agreement or with the provision of services of goods under this Agreement.

IX. CERTIFICATIONS

A. If applicable, and upon the City's request, the Authority and any subcontractor shall provide the City with executed copies of (1) Non-Collusive Affidavit, (2) Public Entity Crimes Statement, (3) Certification regarding lobbying, (4) Certification regarding drug free workplace and (5) Certificates of insurance.

X. NOTICES

A. Any notice required by this Agreement shall be hand delivered or sent by certified mail addressed to:

For the City: Craig Wrathell, City Manager
City of Marathon
Post Office Box 500430
Marathon, Florida 33050

Copy to: Nina Boniske, Esquire, City Attorney
Weiss, Serota, Helfman, Pastoriza & Gueddes, P.A.
2665 South Bayshore Drive, Suite No. 420
Miami, Florida 33131

For the Authority: Roger Braun, Executive Director
Florida Keys Aqueduct Authority
1100 Kennedy Drive
Key West, Florida 33040

Copy to: Robert Feldman, General Counsel
Florida Keys Aqueduct Authority
1100 Kennedy Drive
Key West, Florida 33040

XI. SEVERABILITY

A. If any provision of this Agreement or the application thereof to any person or situation shall to any extent be held invalid or unenforceable, the remainder of this Agreement, and the application of such provisions to persons or situations other than those as to which it shall have been held invalid or unenforceable shall not be affected thereby, and shall continue in full force and effect, and be enforced to the fullest extent permitted by law.

XII. COUNTERPARTS

A. This Agreement may be executed in several counterparts, each of which shall be deemed an original and such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Agreement on the respective dates under each signature: The City, signing by and through its Mayor, attested to by its City Clerk, duly authorized to execute same and by the Authority, by and through its Executive Director, Duly authorized to execute same.

CITY: City of Marathon, Florida

AUTHORITY: Florida Keys Aqueduct Authority

By: 
Robert Miller, Mayor

By: _____
Roger Braun, Executive Director

The 13th day of March, 2001

The _____ day of March, 2001

Attest: 
Katherine V. Selchan
City Clerk

Attest: _____
Secretary

Approved as to form: 
City Attorney

Approved as to form: _____
General Counsel

Florida Keys Aqueduct Authority (March 13, 2001)

**Draft outline of requirements for the development of a Request for Proposal/Central wastewater system
for the City of Marathon, Florida**

Activity name	Date					
	2001					
	Mar	Apr	May	Jun	Jul	Aug
FINANCIAL PLAN MODEL/CUSTOMER BASE/RATES (See Attachment A)						
-Data acquisition and review						
Three years water flow data	←-----→					
DEP permitted package plant flow data (65)	←-----→					
On-site review - commercial customers		←-----→				
Property data interface Appraiser's office (5,500 RE number references)	←-----→					
-Customer and sales forecast						
Identification of potential cold spot customer base		←-----→				
Customer class data/homestead property, single/ multi family, package plant/septic systems		←-----→				
-Revenue requirements forecast						
Additional service areas - i.e. Duck Key, Hawk's Cay, Conch Key						
Development of financial pro forma (project cost estimates/revenue requirements)				←-----→		
Identification of existing/potential revenue sources	←-----→			←-----→		
-Capital financing plan						
Computer matrix for financial funding/rate scenarios				←-----→		
-Design of wastewater rates and charges			←-----→	←-----→		
-Development of financial model			←-----→	←-----→		
-Report preparation and presentations						
Financing documentation requirements	←-----→			←-----→		←-----→
-Meetings				←-----→		←-----→
SITE(S)						
-Plant (Monroe County/City of Marathon)						
Surveyor - boundary survey, topographic survey	←-----→					
Geotechnical survey			←-----→	←-----→		
Biological/Environmental assessment			←-----→	←-----→		
Wetlands/uplands restoration plan						
Historical/archaeological resource survey						
Coastal barrier resource systems analysis/review					←-----→	←-----→
-Vacuum stations (FKAA/city of Marathon)						
General location per vacuum station					←-----→	←-----→
Property value information					←-----→	←-----→
Acquisition Review					←-----→	←-----→
ENGINEERING (See Attachment B, C, D)						
-Review Marathon Facilities Plan	←-----→					
-Vacuum system conceptual design		←-----→	←-----→			
-Force main system conceptual design		←-----→	←-----→			
-Existing collection system rehabilitation design		←-----→	←-----→			
-AWT plant conceptual design			←-----→	←-----→		
-Reclaimed water feasibility study/cost (by others)	←-----→					
-Reclaimed water system conceptual design			←-----→	←-----→		
-Effluent disposal system conceptual design					←-----→	←-----→
-Required RFP documents listing (See Attachment B)				←-----→	←-----→	←-----→
-Prepare the Design Criteria Package Documents (See Attachment C)			←-----→	←-----→	←-----→	←-----→
-Prepare O&M criteria package (See Attachment D)				←-----→	←-----→	←-----→
-Completion of project cost estimates						←-----→
-Value engineering and completeness review						←-----→
LEGAL						
-Draft design/build contract					←-----→	←-----→
-Draft operations/maintenance contract						←-----→
-License/lease documentation/private prop.		←-----→				←-----→
-Rules and regulations					←-----→	←-----→
-Coordinate draft city ordinances as applicable					←-----→	←-----→
-Development of rules and regulations, policies and			←-----→	←-----→		←-----→

Florida Keys Aqueduct Authority (March 13, 2001)

**Draft outline of requirements for the development of a Request for Proposal/Central wastewater system
for the City of Marathon, Florida**

Activity name	Date					
	2001					
	Mar	Apr	May	Jun	Jul	Aug
procedures						
-Finalization customer classifications			←-----→			
-Intergovernmental agreements as applicable	←-----→					
-Rate hearings (post-rfp, Phase II)						←-----→
PUBLIC PARTICIPATION PROCESS						
-Monthly status reports to city council	←-----→			←-----→		
-City council workshops				←-----→		←-----→
-Liaison mtgs. C of C, civic/neighborhood groups				←-----→	←-----→	←-----→
-Televised public information meetings				←-----→	←-----→	←-----→
-Customer base informational mail-outs				←-----→		←-----→
GENERAL (overall development coordination of RFP)						
-Review/analysis/compliance with Monroe County						
-Sanitary Wastewater Master Plan	←-----→					
-Land acquisition requirements (availability, zoning)		←-----→			←-----→	←-----→
-City's projected growth management plan info (ww future capacity)	←-----→	←-----→				

Note:

1. Marathon Council must officially determine by 7/1/01 whether a reuse element is to be included in the RFP
2. If reuse is required to be included in the RFP, the above timeline is to be extended through 9/30/01

ATTACHMENT A

Florida Keys Aqueduct Authority

Marathon Central Wastewater Program
Scope of Services

The project to be performed by the Florida Keys Aqueduct Authority (FKAA) includes the construction of a wastewater collection system and associated treatment and effluent disposal facilities necessary to service within the City of Marathon (the "City"). With respect to this project, the responsibilities associated with the scope of services to be performed by Public Resources Management Group, Inc. (PRMG) shall include the following:

1. Development of a five year financial forecast in order to identify a preliminary financial plan of the operations and financing of the capital improvements associated with providing service;
2. Development of a preliminary schedule of average monthly user charges for wastewater service based on the assumptions reflected in the financial model.
3. Development of a wastewater impact (connection) fee to recover a portion of the capital costs necessary to provide service;
4. Develop a report outlining the assumptions, analyses, and conclusions associated with the wastewater financial forecast and corresponding preliminary rate analysis conducted on behalf of the FKAA, including the development of a customer rate impact analysis for use in the public information program of the FKAA.

Based on the study responsibilities identified above, the scope of services to be performed by PRMG will include the following tasks.

Task 1 – Data Acquisition and Review. In order to initiate the analysis, PRMG will need to obtain information regarding the wastewater collection system program. PRMG will prepare a detailed data request for information that will be compiled by the FKAA and their consultants. Information will include, but not be limited to, demographic data regarding the service area (e.g., number of existing dwelling units by type, water sales data, level of vacant parcels, etc.), potential operating expense data, capital project expenditure requirements, financing data (e.g., assumptions regarding borrowing rates, covenant requirements, flow of funds assumptions), assumptions regarding facility operations applicable to the wastewater system including City operations allocable to the utility operations (e.g., indirect cost allocations, wages and benefits, etc.) and other data. PRMG will attend a kick-off meeting with the FKAA staff and their consultants to compile information and initiate the study.

Task 2 – Customer and Sales Forecast. PRMG will prepare a customer forecast and usage profile of the Marathon wastewater service area based on available data. Specifically, an evaluation of the water customer and sales data of the particular service area and the identification of wastewater revenue gallons that may be subject to the potential usage charge will be evaluated. Based on the amount of undeveloped property, a forecast of the potential growth of the service area will be performed. PRMG will assist the FKAA and their Consulting Engineers with the development of the level of service requirements for the determination of an equivalent residential connection (ERC). Additionally, based on the availability of data and the level of service requirements, a forecast of the ERCs will be performed.

Task 3 – Revenue Requirements Forecast. PRMG will prepare a forecast of the revenue requirements to be funded from the monthly wastewater rates and charges. The forecast will include: i) the identification of the expenses associated with daily operations (whether considered internal to the City or on a contract operations basis); ii) FKAA/City operating expenses allocated to the wastewater function (e.g., management and supervision, finance, customer service and billing, insurance, regulatory expenses, etc.); iii) financing costs for the capital program; iv) departmental capital; v) financing compliance issues such as the recognition of a fund for renewals and replacements; and vi) recognition of other requirements funded from rates (e.g., cash reserves, rate stabilization, etc.). This task will also include the identification of other available revenues that may be available to offset the revenue requirements from rates. Examples would include interest earnings on available cash balances, service fees, and other revenue sources.

Task 4 – Capital Financing Plan. PRMG will assist the FKAA and the City in the development of a preliminary capital finance plan (or model) for the purposes of developing rates for wastewater service. The capital finance plan will include the funding of the wastewater treatment and collection program, allowances for renewals, and other capital expenditures identified by the FKAA and their Consulting Engineers. The identification of funding sources based on the nature of the expenditure (e.g., renewals and replacements) and data availability will be performed in this task. This task will also include the development of a utility funds analysis, whereby a projection of available cash balances by fund will be projected (also assisting in interest earnings forecast). This task will affect the overall revenue requirements funded from rates and the development of the capital finance charges.

Task 5 – Design of Wastewater Rates and Charges. Based on the customer billing determinants and level of revenue requirements, PRMG will prepare a preliminary cost allocation model for the design of monthly wastewater rates. The rates will include a base charge (fixed and customer cost recovery) and volumetric charge (variable and portion of fixed cost recovery). Issues such as rate competitiveness, revenue stability, historical water rate form, cost classification for recovery (e.g., fixed costs), and other factors will be considered in the design of rates. PRMG will design preliminary system capacity (impact) fee. The fee will be based on: i) the functional plant requirements (type and cost) to provide service based on information made available to

PRMG; ii) the level of service requirements per ERC; iii) the plant capacity requirements of the functional plant in service; and iv) the overall rate policy of the FKAA/City. The model will allow for performing sensitivity analysis relative to the level of system capacity fees to be charged and the rates to be charged for monthly wastewater service. A comparison of the proposed system capacity (connection) fees will be prepared with other utilities to illustrate rate competitiveness and overall fee reasonableness.

Task 6 – Development of Financial Model. As a component of the above referenced tasks, PRMG will develop a financial model using (Microsoft Excel[®] computer software) which will allow for the City/FKAA to do a sensitivity analysis relative to i) cost of project and funding services; ii) charges in borrowing rates; iii) charges in its level of service requirements incurred for the operation and maintenance of the system; and other factors.

Task 7 – Report Preparation and Presentations. PRMG will prepare a report that will document the assumptions, analyses, and conclusions of the wastewater financial forecast and corresponding preliminary rate analysis. The report will be in sufficient detail in order to meet the full disclosure requirements necessary to implement the rates and inform the public.

Task 8 – Meetings. During the course of this project, several meetings between PRMG, the FKAA, and the City and their Consulting Engineers will be required. The attendance of these meetings will be by not more than two (2) members of PRMG. The scope of services recognizes the attendance of five (5) meetings as shown below:

	<u>Number of Meetings</u>
Kick-Off/Data Acquisition and Review	1
Review of Financial Forecast	2
Present Results to FKAA/City	1
Public Information Meetings	<u>1</u>
Total Meetings	<u>5</u>

This scope of services does not reflect the development of a detailed public information program or the attendance of meetings as it relates to an ongoing public information program. The scope of services does recognize the attendance of two (2) meetings to i) present the preliminary financial forecast to the FKAA Board and/or City Council for consideration of the financial forecast [only 1 meeting recognized]; and ii) attend a public information presentation before interested parties [only 1 meeting recognized]. The scope of services does provide flexibility regarding the best use of PRMG relative to the attendance of the two public presentation-related meetings but is limited in number (total of two (2) meetings).

Additional Services. During the course of the project, the FKAA or the City may request additional services to be performed by PRMG. Although no additional services are anticipated by PRMG to complete the project, no additional services to be performed by PRMG unless mutually agreed in writing between FKAA and PRMG. The cost to perform such additional

services, if any, will be based: i) on the application of the direct labor rates contained in the Agreement for service to the estimated direct labor hours estimated to perform such additional services; and ii) an allowance for other direct costs incurred to complete such additional services. Examples of additional services would include, but not be limited to, the following:

1. Attendance of meetings in addition to what is referenced in this scope of services (e.g., presentation of wastewater rates and charges to City Council or Monroe County).
2. Development of a Bond Feasibility Report required for the issuance of bonds, including presentations to rating agencies and insurance companies, the FDEP or other potential lenders. This would also include the preparation of loan/grant documents above what was referenced in the scope of services.
3. Development of a detailed cost allocation analysis to apportion general administrative, management and supervision, and support-related costs accounted for in the FKAA system which would be allocable to the wastewater function.
4. Development of a wastewater miscellaneous service charge analysis.
5. Drafting of the Utility Rate Ordinance by PRMG.
6. Preparation of a detailed Public Relations/Information Program relative to the presentation of the wastewater program to affected users, including the attendance of meetings in addition to what is referenced in the scope.
7. Development of a detailed customer bill frequency analysis of the water system usage for the service area under evaluation.
8. Implementation of a special assessment program and if using the Uniform Method of collection, the preparation of the necessary resolutions for assessment roll, rate, and method of billing adoption.
9. Providing a detailed review of the operations contract with the service provider for the Marathon Central wastewater system.

Delivery Schedule. The preliminary financial forecast and rate analysis model will be prepared such that a preliminary financial plan in support of funding programs associated with the Marathon Central wastewater project can be presented to the FKAA Board/City Council by September 1, 2001.

**ATTACHMENT B
FLORIDA KEYS AQUEDUCT AUTHORITY
DEVELOPMENT OF AN RFP FOR THE CITY OF MARATHON
CENTRAL WASTEWATER SYSTEM**

TABLE OF CONTENTS

SECTION 1 – General Guidelines, Instructions and Scope of Work

Title Page
Request for Proposals
Information and Instructions to Proposers
Format for Preparing Proposals
Evaluation Method
Location and Community Profile
Project Information Package
Statement of Work

SECTION 2 – PROPOSAL FORMS

Statement of Qualifications
Technical Proposal
Cost Proposal
Proposal Bond
Statement of Business Organization
Certificate as to Corporate Principal
Certificate as to Authorized Corporate Personnel
Affidavit of Non-Collusion
Drug-Free Workplace Form

**SECTION 3 – SAMPLE CONTRACT, GENERAL CONDITIONS, SUPPLEMENTAL
GENERAL CONDITIONS AND POST AWARD FORMS**

Sample Design/Build Contract
Sample Operations and Maintenance Contract
Certificate of Insurance
Performance Bond
Payment Bond
Affidavit for Surety Company
General Conditions
Supplemental General Conditions
Notice of Intent to Award
Notice to Commence with Conceptual Design
Notice to Commence with Final Design
Notice to Proceed with Construction
Acknowledgement of Conformance with OSHA Standards
Trench Safety Affidavit

**ATTACHMENT B
FLORIDA KEYS AQUEDUCT AUTHORITY
DEVELOPMENT OF AN RFP FOR THE CITY OF MARATHON
CENTRAL WASTEWATER SYSTEM**

Acknowledgement of Conformance with ADA Requirements
Schedule of Values
Schedule of Materials/Equipment Delivered and Suitably Stored
Application for Payment / Contractor's Affidavit
Warranty of Title (for Periodic Progress Payments)
Final Warranty of Title
Submittal Form
Request for Information
Change Order
Certificate of Substantial Completion
Contractor's Certification of Final Completion
Certificate of Final Acceptance
Contractor's Release
Contractor's Affidavit and Final Release of Lien
Subcontractor's Final Waiver and Release of Lien Upon Final Payment
Request for Adjustment of Retainage
Consent of Surety (for Reduction of or Partial Release of Retainage)
Consent of Surety for Final Payment

SECTION 4 – ATTACHMENTS

Maps: City of Marathon – showing subdivisions, street names, etc.
Land Use Maps

SECTION 5 – DESIGN CRITERIA PACKAGE

See Attached Exhibit B

SECTION 6 – OPERATIONS AND MAINTENANCE CRITERIA PACKAGE

See Attached Exhibit C

**ATTACHMENT C
FLORIDA KEYS AQUEDUCT AUTHORITY
DEVELOPMENT OF AN RFP FOR THE CITY OF MARATHON
CENTRAL WASTEWATER SYSTEM
DESIGN CRITERIA PACKAGE**

TABLE OF CONTENTS

1. GENERAL FACILITY REQUIREMENTS

Objectives
Functional Requirements
Codes and Standards

2. GENERAL REQUIREMENTS DURING CONSTRUCTION

Survey / Limits of Construction
Subsurface Explorations
Protection of Environmentally Sensitive Areas During Construction
Temporary Site Drainage, Erosion and Sediment Control
Spill Prevention and Control
Dust Control / Burning
Temporary Utilities
Site Maintenance
Access During Construction
Field Office Facilities

3. WASTEWATER TREATMENT PLANT PROCESS

General Overview
Chemical Mixing and Metering
Influent Screening, Flow Metering and Flow Distribution
Aerated Biological Activated Sludge
Nitrogen and Phosphorus Nutrient Removal
Filtration and Backwashing
Disinfection
Disinfection Contact Tank

4. RESIDUALS HANDLING

General Overview
Thickened Sludge Digestion
Digested Sludge Stabilization
Stabilized Sludge Dewatering and Disposal
Odor Control

**ATTACHMENT C
FLORIDA KEYS AQUEDUCT AUTHORITY
DEVELOPMENT OF AN RFP FOR THE CITY OF MARATHON
CENTRAL WASTEWATER SYSTEM
DESIGN CRITERIA PACKAGE**

5. EFFLUENT DISPOSAL SYSTEM

- General Overview
- Deep Injection Well
- Dual Zone Monitor Wells
- Surge Control System
- Deep Well Disposal Pumps

6. CIVIL / SITE WORK

- Site Preparation
- Excavation, Filling and Backfilling
- Piping and Valves
- Grading and Drainage
- Topsoil and Seeding
- Roads, Sidewalks and Parking
- Site Lighting and Security

7. ARCHITECTURAL WORK

- Aesthetics
- Quality and Durability
- Allowable Materials
- Laboratory facilities
- Maintenance and Storage
- Landscape Design

8. STRUCTURAL WORK

- General
- Design Loads
- Geotechnical Design Criteria
- Concrete Design
- Reinforcing
- Masonry Design
- Structural Steel
- Roofing Material
- Miscellaneous Metals

9. BUILDING SERVICE SYSTEMS

- Electrical Service
- Sanitary Service

**ATTACHMENT C
FLORIDA KEYS AQUEDUCT AUTHORITY
DEVELOPMENT OF AN RFP FOR THE CITY OF MARATHON
CENTRAL WASTEWATER SYSTEM
DESIGN CRITERIA PACKAGE**

Potable Water
Non-Potable Process Water
Fire Protection
Fire Alarm System
Telephone System

10. POWER SUPPLY / ELECTRICAL

Power Connection
On-Site Power Distribution
Motors
Lighting
Boxes and Cabinets
Back-up Power Supply

11. PROCESS INSTRUMENTATION AND CONTROLS

Operational Control Philosophy
Control System Architecture
Control System Reliability
Features
Architecture and Expansion Capabilities
Redundancy
Operator Interface
Historical Data Storage and Report Generation
Self Diagnostics
Alarm Management
Unattended Operation

12. WASTEWATER COLLECTION / TRANSMISSION SYSTEM

General Overview
Vacuum and Pumping Stations
Vacuum Collection Mains
Pressure Force Mains
Existing Gravity Collection Mains
Existing Lift Stations

13. RECLAIMED WATER SYSTEM

General Overview
High-Level Disinfection
Chemical Mixing and Metering

**ATTACHMENT C
FLORIDA KEYS AQUEDUCT AUTHORITY
DEVELOPMENT OF AN RFP FOR THE CITY OF MARATHON
CENTRAL WASTEWATER SYSTEM
DESIGN CRITERIA PACKAGE**

Turbidity and Residual Monitoring
Transfer Pumping
Storage Tanks
High Service Pumping
Reject Water Storage Tank

14. REMOTE MONITORING AND CONTROL

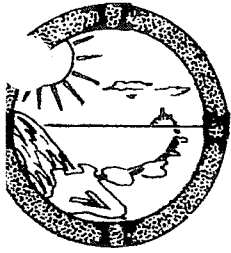
Wastewater Treatment Plant
Vacuum and Pumping Stations
Lift Stations

15. GENERAL SPECIFICATIONS

Protection of the Environment	Field Engineering
Project Coordination	Construction Schedules
Submittals	Protection of Existing Facilities
Schedule of Values	Project Meetings
Field Offices and Storage Trailers	Site Access and Storage
Permits and Fees	Construction Photographs
Testing Laboratory Services	Video Pre-construction Records
Quality Control	Construction Facilities & Temporary Controls
Material, Equipment and Products	Substitutions and Product Options
Pipeline Testing	Equipment Testing
Facility Startup	Traffic Regulation
Operations and Maintenance Data	Record Drawings
Contract Close-out	Testing Hydraulic Structures
Mobilization / Demobilization	

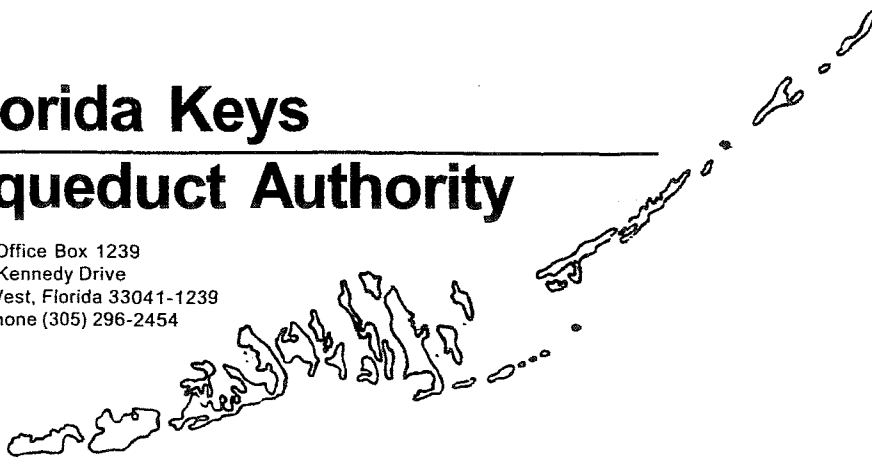
16. SITE WORK SPECIFICATIONS

Subsurface Investigation	Site Preparation
Clearing and Grubbing	Existing Utilities & Underground Structures
Stabilized Subgrade	Limerock Base
Termite Control	Dewatering
Paving and Surfacing	Concrete Sidewalk
Concrete Curb and Gutter	Driveway Removal and Replacement
Pavement Repair	Pavement marking and Traffic Signs
Chain Link Fences and Gates	Flow Bypass Pumping
Boring and Jacking	Horizontal Directional Drilling
Trenching, Backfill and Compaction	Pipeline Cleaning



Florida Keys Aqueduct Authority

Post Office Box 1239
1100 Kennedy Drive
Key West, Florida 33041-1239
Telephone (305) 296-2454



J. Robert Dean, Chairman
Key West

Thomas R. McDonald
Vice-Chairman
Tavernier

Fred Shaw
Secretary-Treasurer
Big Pine

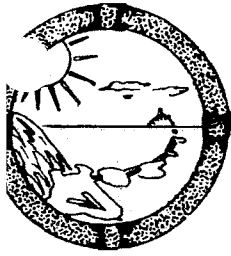
Albert O. Appell
Duck Key

Linda B. Wheeler
Key West

Roger Braun
Executive Director

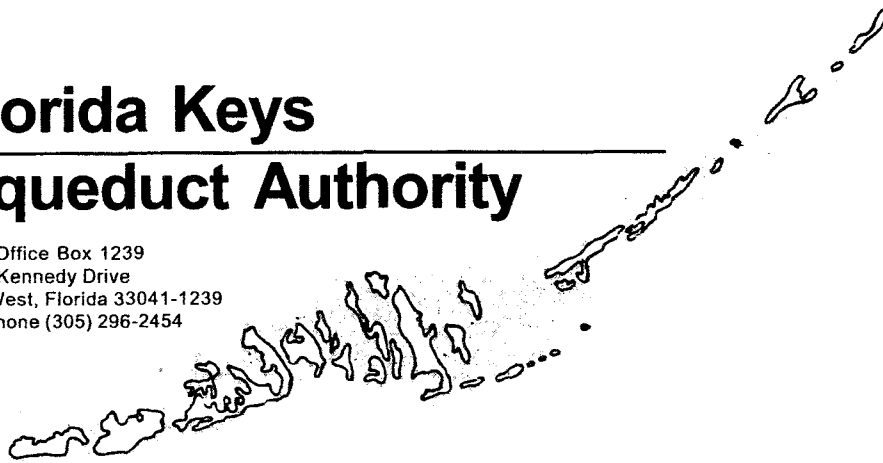
**INTERLOCAL AGREEMENT
BETWEEN
THE FLORIDA KEYS AQUEDUCT
AUTHORITY
AND
THE CITY OF MARATHON, FLORIDA
FOR THE
DEVELOPMENT OF A COMPREHENSIVE
REQUEST FOR PROPOSALS OF A
PROJECTED CENTRAL
WASTEWATER MANAGEMENT SYSTEM
AND A
FINANCIAL PLAN MODEL**

MARCH 2001



Florida Keys Aqueduct Authority

Post Office Box 1239
1100 Kennedy Drive
Key West, Florida 33041-1239
Telephone (305) 296-2454



J. Robert Dean, Chairman
Key West

Thomas R. McDonald
Vice-Chairman
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Albert O. Appell
Duck Key

Linda B. Wheeler
Key West

Roger Braun
Executive Director

Mr. Craig Wrathell, City Manager
City of Marathon
11090 Overseas Highway
Marathon, Florida 33050

March 6, 2001

Subject: Inter-local Agreement between the Florida Keys Aqueduct Authority
and the City of Marathon, Florida
(Development of a Comprehensive Request for Proposals for a Design,
Build, Operate of a Central Wastewater System & a Financial Plan Model)

Dear Mr. Wrathell:

Attached please find individual copies of the above for the Council members and staff.
I have sent informational copies to Ann Lazar, DCA and Dick Smith, DEP.

As previously discussed, it is imperative that this be a Council agenda item for the 13th.
Please prepare the necessary proposed (motion or resolution). FKAA will be present.

Due to the Council's re-scheduling of their February meeting to an earlier date and the
absence of formal approval of the Agreement, we have informally begun the necessary
preliminary work items in order to stay on schedule.

We have previously provided you a list of items that should be included in your Reclaimed
Water Feasibility Study along with proposed (draft) ordinances for Connection and
Pretreatment. Requirements.

Please note in the Agreement's Tab 1 it requests the Council to decide by July as to whether
they want "reclaimed water" included in the RFP. If so, then as indicated an additional 30-days
of preparation will be required.

If you have any questions, please have staff or yourself contact us ASAP.

Sincerely,

Roger Braun
Executive Director

**ATTACHMENT C
FLORIDA KEYS AQUEDUCT AUTHORITY
DEVELOPMENT OF AN RFP FOR THE CITY OF MARATHON
CENTRAL WASTEWATER SYSTEM
DESIGN CRITERIA PACKAGE**

17. MAJOR EQUIPMENT AND MATERIAL SPECIFICATIONS

Wastewater Treatment Plant
Effluent Disposal System
Reclaimed Water Treatment System
Building Services
Power Supply / Electrical
Instrumentation and Controls
FKAA Minimum Design and Construction Standards - Wastewater
 General
 Design Guidelines
 Approved Materials and Specifications
 Wastewater Collection / Transmission Mains
 Wastewater Lift Stations and Vacuum/Pump Stations
 Record Information
FKAA Minimum Design and Construction Standards – Reclaimed Water
 General
 Design Guidelines
 Approved Materials and Specifications
 Reclaimed Water Transmission / Distribution System
 Record Information
Painting and Coating

18. DRAWINGS AND SKETCHES

Boundary and Topographic Surveys
Utility Easement Legal Descriptions and Sketches
Wastewater Collection / Transmission System Construction Details
Reclaimed Water Transmission / Distribution System Construction Details

19. SUPPORT INFORMATION AND REPORTS

Geotechnical Survey Reports
Phase I Environmental Audits
Biological / Environmental Assessments
Wetlands / Uplands Restoration and Remediation Plan
Historical / Archaeological Resources Survey
Coastal Barrier Resources System Survey

20. REFERENCES

Marathon Wastewater Facilities Plan
Monroe County Sanitary Wastewater Master Plan

**ATTACHMENT D
FLORIDA KEYS AQUEDUCT AUTHORITY
DEVELOPMENT OF AN RFP FOR THE CITY OF MARATHON
CENTRAL WASTEWATER SYSTEM
OPERATION AND MAINTENANCE CRITERIA PACKAGE**

TABLE OF CONTENTS

1. PERMITS AND APPROVALS

Responsibilities
Required Permits and Approvals

2. PERFORMANCE STANDARDS

Wastewater Treatment Requirements
Reclaimed Water Treatment Requirements

3. ACCEPTANCE TESTING

Acceptance Tests – Wastewater Treatment Plant
Acceptance Tests – Wastewater Collection / Transmission System
Acceptance Tests – Reclaimed Water System
Re-Testing

4. FACILITY OPERATIONS AND MAINTENANCE

General
Preliminary Project Startup Plan
Facility Management and Staffing
Long-Term Regulatory Compliance Program
Operations and Maintenance (O&M) Plan
Operations and Maintenance Manual
Communication Plan
Operations and Maintenance Training Plan

5. MAINTENANCE, RENEWAL AND REPLACEMENT PLAN

Baseline Equipment Status
Ongoing and Preventative Maintenance
Preliminary Maintenance, Renewal and Replacement Plan
Final Maintenance, Renewal and Replacement Plan
Renewal and Replacement Reserve Fund Requirements

6. MONITORING AND REPORTING REQUIREMENTS

Regulatory Tests Required
Testing and Reporting Plan
Quality Assurance / Quality Control (QA/QC) Plan

Contract Number: 01-DR-16-11-54-02-002

AGREEMENT

THIS AGREEMENT is entered into by and between the Florida Department of Community Affairs, with headquarters in Tallahassee, Florida (hereinafter referred to as the "Department"), and the City of Marathon, (hereinafter referred to as the "Recipient").

THIS AGREEMENT IS ENTERED INTO BASED ON THE FOLLOWING FACTS:

A. WHEREAS, the Recipient represents that it is fully qualified, possesses the requisite skills, knowledge, qualifications and experience to provide the services identified herein, and does offer to perform such services, and

B. WHEREAS, the Department has a need for such services and does hereby accept the offer of the Recipient upon the terms and conditions hereinafter set forth, and

C. WHEREAS, the Department has authority pursuant to Florida law to disburse the funds under this Agreement.

NOW, THEREFORE, the Department and the Recipient do mutually agree as follows:

(1) SCOPE OF WORK.

The Recipient shall fully perform the obligations in accordance with the Scope of Work, Attachment A of this Agreement.

(2) INCORPORATION OF LAWS, RULES, REGULATIONS AND POLICIES.

Both the Recipient and the Department shall be governed by applicable State and federal laws, rules and regulations.

(3) PERIOD OF AGREEMENT.

This Agreement shall begin upon execution by both parties and shall end December 31, 2003, unless terminated earlier in accordance with the provisions of paragraph (8) of this Agreement.

(4) MODIFICATION OF CONTRACT; REPAYMENTS

Either party may request modification of the provisions of this Agreement. Changes which are mutually agreed upon shall be valid only when reduced to writing, duly signed by each of the parties hereto, and attached to the original of this Agreement.

All refunds or repayments to be made to the Department under this Agreement are to be made payable to the order of "Department of Community Affairs", and mailed directly to the Department at the following address:

Department of Community Affairs
Cashier
Finance and Accounting
2555 Shumard Oak Boulevard
Tallahassee FL 32399-2100

In accordance with s. 215.34(2), Fla. Stat., if a check or other draft is returned to the Department for collection, the Department must add to the amount of the check or draft a service fee of Fifteen Dollars (\$15.00) or Five Percent (5%) of the face amount of the check or draft.

(5) RECORD KEEPING

(a) All original records pertinent to this Agreement shall be retained by the Recipient for three years following the date of termination of this Agreement or of submission of the final close-out report, whichever is later, with the following exceptions:

1. If any litigation, claim or audit is started before the expiration of the three year period and extends beyond the three year period, the records will be maintained until all litigation, claims or audit findings involving the records have been resolved.
2. Records for the disposition of non-expendable personal property valued at \$5,000 or more at the time of acquisition shall be retained for three years after final disposition.
3. Records relating to real property acquisition shall be retained for three years after closing of title.

(b) All records, including supporting documentation of all program costs, shall be sufficient to determine compliance with the requirements and objectives of the Scope of Work and Schedule of Deliverables - Attachment A - and all other applicable laws and regulations.

(c) The Recipient, its employees or agents, including all subcontractors or consultants to be paid from funds provided under this Agreement, shall allow access to its records at reasonable times to the Department, its employees, and agents. "Reasonable" shall be construed according to the circumstances but ordinarily shall mean during normal business hours of 8:00 a.m. to 5:00 p.m., local time, on Monday through Friday. "Agents" shall include, but not be limited to, auditors retained by the Department.

(6) MONITORING.

The Recipient shall constantly monitor its performance under this Agreement to ensure that time schedules are being met, the Scope of Work is being accomplished within specified time periods, and other performance goals are being achieved. Such review shall be made for each function or activity set forth in Attachment A to this Agreement.

(7) LIABILITY.

Any Recipient who is a state agency or subdivision, as defined in Section 768.28, Fla. Stat., agrees to be fully responsible for its negligent acts or omissions or tortious acts which result in claims or suits against the Department, and agrees to be liable for any damages proximately caused by said acts or omissions. Nothing herein is intended to serve as a waiver of sovereign immunity by any Recipient to which sovereign immunity applies. Nothing herein shall be construed as consent by a state agency or subdivision of the State of Florida to be sued by third parties in any matter arising out of any contract.

(8) DEFAULT; REMEDIES; TERMINATION.

(a) If the necessary funds are not available to fund this agreement as a result of action by Congress, the state Legislature, the Office of the Comptroller or the Office of Management and

Budgeting, or if any of the following events occur ("Events of Default"), all obligations on the part of the Department to make any further payment of funds hereunder shall, if the Department so elects, terminate and the Department may, at its option, exercise any of its remedies set forth herein, but the Department may make any payments or parts of payments after the happening of any Events of Default without thereby waiving the right to exercise such remedies, and without becoming liable to make any further payment:

1. If any warranty or representation made by the Recipient in this Agreement or any previous Agreement with the Department shall at any time be false or misleading in any respect, or if the Recipient shall fail to keep, observe or perform any of the terms or covenants contained in this Agreement or any previous agreement with the Department and has not cured such in timely fashion, or is unable or unwilling to meet its obligations thereunder;

2. If any material adverse change shall occur in the financial condition of the Recipient at any time during the term of this Agreement from the financial condition revealed in any reports filed or to be filed with the Department, and the Recipient fails to cure said material adverse change within thirty (30) days from the time the date written notice is sent by the Department.

3. If any reports required by this Agreement have not been submitted to the Department or have been submitted with incorrect, incomplete or insufficient information;

4. If the Recipient has failed to perform and complete in timely fashion any of the services required under the Scope of Work and Schedule of Deliverables attached hereto as Attachment A.

(b) Upon the happening of an Event of Default, then the Department may, at its option, upon written notice to the Recipient and upon the Recipient's failure to timely cure, exercise any one or more of the following remedies, either concurrently or consecutively, and the pursuit of any one of the following remedies shall not preclude the Department from pursuing any other remedies contained herein or otherwise provided at law or in equity:

1. Terminate this Agreement, provided that the Recipient is given at least thirty (30) days prior written notice of such termination. The notice shall be effective when placed in the United States mail, first class mail, postage prepaid, by registered or certified mail-return receipt requested, to the address set forth in paragraph (10) herein;

2. Commence an appropriate legal or equitable action to enforce performance of this Agreement;

3. Withhold or suspend payment of all or any part of a request for payment;

4. Exercise any corrective or remedial actions, to include but not be limited to, requesting additional information from the Recipient to determine the reasons for or the extent of non-compliance or lack of performance, issuing a written warning to advise that more serious measures may be taken if the situation is not corrected, advising the Recipient to suspend, discontinue or refrain from incurring costs for any activities in question or requiring the Recipient to reimburse the Department for the amount of costs incurred for any items determined to be ineligible;

5. Exercise any other rights or remedies which may be otherwise available under law;

(c) The Department may terminate this Agreement for cause upon such written notice as is reasonable under the circumstances. Cause shall include, but not be limited to, misuse of funds; fraud; lack of compliance with applicable rules, laws and regulations; failure to perform in a timely manner; and refusal by the Recipient to permit public access to any document, paper, letter, or other material subject to disclosure under Chapter 119, Fla. Stat., as amended.

(d) Suspension or termination constitutes final agency action under Chapter 120, Fla. Stat., as amended. Notification of suspension or termination shall include notice of administrative hearing rights and time frames.

(e) The Recipient shall return funds to the Department if found in non-compliance with laws, rules, regulations governing the use of the funds or this Agreement.

(f) This Agreement may be terminated by the written mutual consent of the parties.

(g) Notwithstanding the above, the Recipient shall not be relieved of liability to the Department by virtue of any breach of Agreement by the Recipient. The Department may, to the extent authorized by law, withhold any payments to the Recipient for purpose of set-off until such time as the exact amount of damages due the Department from the Recipient is determined.

(9) NOTICE AND CONTACT.

(a) All notices provided under or pursuant to this Agreement shall be in writing, either by hand delivery, or first class, certified mail, return receipt requested, to the representative identified below at the address set forth below and said notification attached to the original of this Agreement.

(b) The name and address of the Department contract manager for this Agreement is:

Mike McDaniel
Growth Management Administrator
Room 300D
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 487-4545

(c) The name and address of the Representative of the Recipient responsible for the administration of this Agreement is:

Craig Wrathell
City Manager
City of Marathon
11090 Overseas Highway
Marathon, Florida 33050
(305) 743-9604

(d) In the event that different representatives or addresses are designated by either party after execution of this Agreement, notice of the name, title and address of the new representative will be rendered as provided in (9)(a) above.

(10) OTHER PROVISIONS.

(a) The validity of this Agreement is subject to the truth and accuracy of all the information, representations, and materials submitted or provided by the Recipient in this Agreement, in

any subsequent submission or response to Department request, or in any submission or response to fulfill the requirements of this Agreement, and such information, representations, and materials are incorporated by reference. The lack of accuracy thereof or any material changes shall, at the option of the Department and with thirty (30) days written notice to the Recipient, cause the termination of this Agreement and the release of the Department from all its obligations to the Recipient.

(b) This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall lie in Leon County. If any provision hereof is in conflict with any applicable statute or rule, or is otherwise unenforceable, then such provision shall be deemed null and void to the extent of such conflict, and shall be deemed severable, but shall not invalidate any other provision of this Agreement.

(c) No waiver by the Department of any right or remedy granted hereunder or failure to insist on strict performance by the Recipient shall affect or extend or act as a waiver of any other right or remedy of the Department hereunder, or affect the subsequent exercise of the same right or remedy by the Department for any further or subsequent default by the Recipient. Any power of approval or disapproval granted to the Department under the terms of this Agreement shall survive the terms and life of this Agreement as a whole.

(d) The Agreement may be executed in any number of counterparts, any one of which may be taken as an original.

(e) The Recipient agrees to comply with the Americans With Disabilities Act (Public Law 101-336, 42 U.S.C. Section 12101 et seq.), if applicable, which prohibits discrimination by public and private entities on the basis of disability in the areas of employment, public accommodations, transportation, State and local government services, and in telecommunications.

(f) A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime or on the discriminatory vendor list may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids 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 a public entity, and may not transact business with any public entity in excess of Category Two for a period of 36 months from the date of being placed on the convicted vendor list or the discriminatory vendor list.

(11) AUDIT REQUIREMENTS.

(a) The Recipient agrees to maintain financial procedures and support documents, in accordance with generally accepted accounting principles, to account for the receipt and expenditure of funds under this Agreement.

(b) These records shall be available at all reasonable times for inspection, review, or audit by state personnel and other personnel duly authorized by the Department. "Reasonable" shall be construed according to circumstances, but ordinarily shall mean normal business hours of 8:00 a.m. to 5:00 p.m., local time, Monday through Friday.

(c) The Recipient shall also provide the Department with the records, reports or financial statements upon request for the purposes of auditing and monitoring the funds awarded under this Agreement.

(d) In the event that the Recipient expends a total amount of State awards (i.e., State financial assistance provided to recipient to carry out a State project) from all state sources equal to or in excess of \$300,000 in any fiscal year of such Recipient, the Recipient must have a State single or project-specific audit for such fiscal year in accordance with Section 216.3491, Florida Statutes; applicable rules of the Executive Office of the Governor and the Comptroller, and Chapter 10.600, Rules of the Auditor General.

In determining the State awards expended in its fiscal year, the Recipient shall consider all sources of State awards, including State funds received from the Department, except that State awards received by a nonstate entity for Federal program matching requirements shall be excluded from

consideration. The funding for this Agreement was received by the Department as a Grant and Aid appropriation.

1. The annual financial audit report shall include all management letters and the Recipient's response to all findings, including corrective actions to be taken.

2. The annual financial audit report shall include a schedule of financial assistance specifically identifying all Agreement and other revenue by sponsoring agency and Agreement number.

3. The complete financial audit report, including all items specified in (11)(d) 1 and 2 above, shall be sent directly to:

Department of Community Affairs
Office of Audit Services
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100

and

State of Florida Auditor General
Attn: Ted J Sauerbeck
Room 574, Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32302-1450

5. In connection with the audit requirements addressed in (d) above, the Recipient shall ensure that the audit complies with the requirements of Section 216.3491(7), Florida Statutes. This includes submission of a reporting package as defined by Section 216.3491(2)(d), Florida Statutes, and Chapter 10.600, Rules of the Auditor General.

6. If the Recipient expends less than \$300,000 in State awards in its fiscal year, an audit conducted in accordance with the provisions of Section 216.3491, Florida Statutes, is not required. In the event that the Recipient expends less than \$300,000 in State awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of Section 216.3491, Florida Statutes, the cost of the audit must be paid from non-State funds (i.e., the cost of such an audit must be paid from recipient funds obtained from other than State entities).

(e) In the event the audit shows that the entire funds disbursed hereunder, or any portion thereof, were not spent in accordance with the conditions of this Agreement, the Recipient shall be held liable for reimbursement to the Department of all funds not spent in accordance with these applicable regulations and Agreement provisions within thirty (30) days after the Department has notified the Recipient of such non-compliance.

(f) The Recipient shall retain all financial records, supporting documents, statistical records, and any other documents pertinent to this contract for a period of three years after the date of submission of the final expenditures report. However, if litigation or an audit has been initiated prior to the expiration of the three-year period, the records shall be retained until the litigation or audit findings have been resolved.

(g) The Recipient shall have all audits completed in accordance with 216.3491, Fla. Stat. by an independent certified public accountant (IPA) who shall either be a certified public accountant or a public accountant licensed under Chapter 473, Fla. Stat. The IPA shall state that the audit complied with the applicable provisions noted above.

(h) The audit is due seven (7) months after the end of the fiscal year of Recipient or by the date the audit report is issued by the state Auditor General, whichever is later.

(i) An audit performed by the State Auditor General shall be deemed to satisfy the above audit requirements.

(12) SUBCONTRACTS.

(a) If the Recipient subcontracts any or all of the work required under this Agreement, a copy of the executed subcontract must be forwarded to the Department within thirty (30) days after execution of the subcontract. The Recipient agrees to include in the subcontract that (i) the subcontractor is bound by all applicable state and federal laws and regulations, and (ii) the subcontractor shall hold the Department and Recipient harmless against all claims of whatever nature arising out of the subcontractor's performance of work under this Agreement, to the extent allowed and required by law.

(13) TERMS AND CONDITIONS.

The Agreement contains all the terms and conditions agreed upon by the parties.

(14) ATTACHMENTS.

(a) All attachments to this Agreement are incorporated as if set out fully herein.

(b) In the event of any inconsistencies or conflict between the language of this Agreement and the attachments hereto, the language of such attachments shall be controlling, but only to the extent of such conflict or inconsistency.

(c) This Agreement has the following attachments:

Attachment A, Scope of Work and Schedule of Deliverables.

(15) FUNDING/CONSIDERATION

This is a fixed fee agreement. As consideration for performance of work rendered under this Agreement, the Department agrees to pay a fixed fee of up to \$ 269,288. Payment will be made in accordance with the provisions of Attachment A, Scope of Work and Schedule of Deliverables. An invoice shall be submitted with each deliverable which is in detail sufficient for a proper preaudit and postaudit thereof.

(16) STANDARD CONDITIONS.

The Recipient agrees to be bound by the following standard conditions:

(a) The State of Florida's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature, and subject to any modification in accordance with Chapter 216, Fla. Stat. or the Florida Constitution.

(b) If otherwise allowed under this Agreement, the Agreement may be renewed on a yearly basis for a period of up to two (2) years after the initial agreement or for a period no longer than the term of the original agreement, whichever period is longer, specifying the terms under which the cost

may change as determined in the invitation to bid, request for proposals, or pertinent statutes or regulations.

(c) All bills for fees or other compensation for services or expenses shall be submitted in detail sufficient for a proper preaudit and postaudit thereof.

(d) If otherwise allowed under this Agreement, all bills for any travel expenses shall be submitted in accordance with s. 112.061, Fla. Stat.

(e) The Department of Community Affairs reserves the right to unilaterally cancel this Agreement for refusal by the Recipient to allow public access to all documents, papers, letters or other material subject to the provisions of Chapter 119, Fla. Stat., and made or received by the Recipient in conjunction with this Agreement.

(f) If the Recipient is allowed to temporarily invest any advances of funds under this Agreement, any interest income shall either be returned to the Department or be applied against the Department's obligation to pay the contract amount.

(g) The State of Florida will not intentionally award publicly-funded contracts to any contractor who knowingly employs unauthorized alien workers, constituting a violation of the employment provisions contained in 8 U.S.C. Section 1324a(e) [Section 274A(e) of the Immigration and Nationality Act ("INA")]. The Department shall consider the employment by any contractor of unauthorized aliens a violation of Section 274A(e) of the INA. Such violation by the Recipient of the employment provisions contained in Section 274A(e) of the INA shall be grounds for unilateral cancellation of this Agreement by the Department.

(17) STATE LOBBYING PROHIBITION.

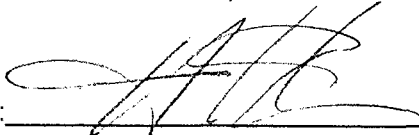
No funds or other resources received from the Department in connection with this Agreement may be used directly or indirectly to influence legislation or any other official action by the Florida Legislature or any state agency.

(18) LEGAL AUTHORIZATION.

The Recipient certifies with respect to this Agreement that it possesses the legal authority to receive the funds to be provided under this Agreement and that, if applicable, its governing body has authorized, by resolution or otherwise, the execution and acceptance of this Agreement with all covenants and assurances contained herein. The Recipient also certifies that the undersigned possesses the authority to legally execute and bind Recipient to the terms of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed by their undersigned officials as duly authorized.

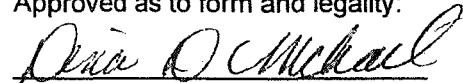
CITY OF MARATHON, CITY COUNCIL

BY: 

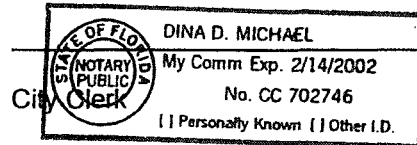
Bob Miller, Mayor

Date: 12/12/00

Approved as to form and legality:

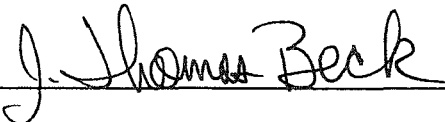


ATTEST:



STATE OF FLORIDA

DEPARTMENT OF COMMUNITY AFFAIRS

BY: 

J. Thomas Beck, Division Director of Community Planning

Approved as to form and legality:

Date: 1-17-01

ATTACHMENT A
Scope of Work

Wastewater System Request for Proposals

1. The Recipient shall develop a design/build/operate Request for Proposals (RFP) for a centralized wastewater management system to serve the entire City of Marathon. The wastewater management system desired shall incorporate the facilities being provided for the Little Venice neighborhood under EPA Grant C12060204. The RFP shall establish a two step process for establishing the order of preference for contract award. Respondents' qualifications, technical concepts (including those for reuse of reclaimed water) for the proposed project, bonding and insurance shall be evaluated in the first step. The second step shall be the evaluation of proposals for maximum costs for the design/build work and for the operation of the system over a specific period (e.g., 20 years). The procedures for responding to the RFP and for evaluating the responses shall be specified. The preliminary budget for project shall be identified. Sufficient engineering work shall be reflected in the RFP to enable the identification of project technology to be considered and the identification of the sites necessary for location of major transmission and treatment facilities. Issues of the availability and suitability (location, environmental soundness, public participation, zoning, access, subsurface conditions) of project sites, including those involving private property, for construction, operation, and maintenance for the useful life of the facilities shall be resolved. The Recipient's sewer use ordinance(s) governing wastewater management services and requiring mandatory hookup or connection of all on-site treatment and disposal systems and all other sewage treatment facilities to the centralized wastewater management system shall be explained in the RFP. The negotiation and contract award procedures shall be described. The contemplated design/build and operating contracts to be awarded shall be part of the RFP.
2. The Recipient shall submit, or cause to have submitted to the Department, the deliverables as outlined under 3 below. The Department shall have thirty (30) days to review and accept reports or return the report to the City for correction.
3. The Department shall pay a total amount not to exceed \$132,000 in accordance with schedule of deliverables and disbursements as specified below:
 - a) The Recipient shall submit, by no later than six weeks after contract award by the Department, a draft RFP. Upon approval of the draft, the Department shall pay the Recipient \$22,000.
 - b) The Recipient shall submit a progress and status report that certifies and outlines that 50% completion, with graphic and text, of the task by no later than four months after the contract award by the Department. Upon approval of the report, the Department shall pay the Recipient \$42,000.
 - c) Ten copies of the final version of the RFP shall be submitted to the Department no later than seven months after contract award by the Department. Upon approval, the Department shall pay the Recipient \$58,000.

- d) A list of potential respondents to the RFP shall be prepared prior to issuance of the RFP.
- e) The RFP shall be sent to the potential respondents no later than 60 days after approval of the RFP by the Department. Upon completion of the distribution, the Department shall pay the Recipient \$10,000.

Water Reuse Study

1. The Recipient shall prepare a Reclaimed Water Reuse Study in conjunction with the Request for Proposals for the Wastewater System for the City of Marathon. The Study shall identify at least three different viable reuse options having varying reuse capacities. The study area shall be the entire City of Marathon. Except for the basic treatment plant and its operation, all capital costs (including incremental treatment and storage costs associated with reuse) as well as operation and maintenance costs shall be identified for each options. Reuse locations and application rates (and quantities) shall be identified and shall be consist with local soil and vegetation uptake limitations (nutrient and water balances shall be performed). Evidence of property owner agreements to accept the reclaimed water proposed under each option shall be provided. Information developed in the Study shall be included in the RFP.
2. The Recipient shall submit, or cause to have submitted to the Department, the deliverables as outlined below to the Department. The Department shall have thirty (30) days to review and accept reports or return the report to the City for correction.
 - a) The Recipient shall submit, no later than four weeks after the Department's contract award, a Scope of Work for services to be performed.
 - b) The Recipient shall submit ten copies of the final Reclaimed Water Reuse Study no later than five months after the Department's contract award. The Department shall pay the Recipient \$40,000 to complete the Reclaimed Water Reuse Study. Once the study is approved by the Department the payment will be made to the Recipient.

Financial Plan Model

1. The Recipient shall prepare a Financial Plan Model addressing rates, hookup fees, and all other charges for providing wastewater management services within the Marathon service area in conjunction with the Request for Proposals (RFP) for the Wastewater System for the City of Marathon. Information on customer base, location, and level of service shall be presented in the RFP. The distribution of grants, including sources of funding and disbursement of those funds, under any existing program for which appropriations or other funding is available at the time that the final report is due shall be addressed in the Model. This work shall be undertaken before the maximum costs for providing such services are identified via the RFP process. Therefore, the Model shall be developed such that actual project costs (capital and annual operation/maintenance) and reductions thereto resulting from grant-in-aid can be input as variables. Other variables include the capital (including financing), operation, and maintenance costs for the Little Venice facilities to be built under EPA Grant C1206020 and analogous costs for the greater Marathon facilities for which the RFP is being prepared. The Model shall identify incremental costs to be incurred for the Little Venice neighborhood resulting from consolidation of the project to be built under EPA Grant C1206020 with the greater Marathon facilities contemplated by the design/build/operate RFP.
2. The Recipient shall submit, or cause to have submitted to the Department, the deliverables as outlined below. The Department shall pay a total amount not to exceed \$42,000 in accordance with the schedule and disbursements as specified below. The Department shall have thirty (30) days to review and accept reports or return the report to the City for correction.
 - a) The Recipient shall submit, no later than four weeks after the Department's contract award, a Scope of Work for services to be performed. Upon approval of the Scope of Work, the Department shall pay the Recipient \$12,000.
 - b) The Recipient shall submit a progress and status report that certifies and outlines that 50% completion, with graphics and text, of the task by no later than two and one half months after the contract award by the Department. Upon approval of the report, the Department shall pay the Recipient \$10,000.
 - c) The Recipient shall submit ten copies of the final report on the Financial Plan Model no later than five months after the Department's contract award. The Department shall pay the Recipient \$20,000 to complete the Financial Plan Model.

Little Venice Supplemental Cesspit Abandonment Funds

1. The Recipient shall use the Financial Plan Model results to allocate subsidies associated with cesspit abandonment in the Little Venice neighborhood. The schedule (distribution plan) for such subsidies is subject to approval by the Department.
2. The Department shall pay to the Recipient \$55,288 as specified below:
 - a) The Recipient shall submit, no later than five months after the Department's contract award, a report identifying a draft schedule outlining the costs per resident and the distribution to such residents of all supplemental funds, including those to be made available under this agreement, to be based upon income level or residential property value. The residential costs shall be identified for the Little Venice neighborhood.
 - b) If the Department approves the schedule and its estimated costs, the Department shall disburse to the Recipient the sum of \$55,288 to be deposited by the Recipient into an escrow account with the Florida Keys Aqueduct Authority as escrow agent. The Department and the Recipient shall enter into an escrow agreement with the escrow agent which provides that said funds and investment earnings thereon shall only be used for the crediting of Little Venice neighborhood residential accounts for hookup or connection charges at such time as hookup fees or connection charges are to be collected for centralized wastewater system service. The payment will be made no later than November 15, 2001. All such funds and investment earnings shall be returned to the Department if centralized wastewater system service is not available to the Little Venice neighborhood by July 12, 2003.
 - c) The Recipient shall submit to the Department five copies of a semiannual progress report for each year during which any funds available under this agreement have not been credited to the hookup or connection charge accounts of the Little Venice neighborhood residents. Reports shall be due on November 30 and May 31 of each year beginning on November 30, 2001, and ending on December 31, 2003.

Schedule of Deliverables

Deliverable	Due date	Payment
Wastewater System Request for Proposals (RFP)		
a. Draft RFP	Six weeks after contract award	\$ 22,000
b. Progress Report	Four months after contract award	\$ 42,000
c. Final RFP	Seven months after contact awarded	\$ 58,000
d and e. RFP sent to potential respondents	Sixty days after the RFP is approved	\$ 10,000
Water Reuse Study		
a. Scope of Work	Four weeks after contract awarded	\$ 0
b. Final Water Reuse Study	Five months after contract awarded	\$ 40,000
Financial Plan Model		
a. Scope of Work	Four weeks after contract award	\$ 12,000
b. Progress report	Two and one half months after contract award	\$ 10,000
c. Final Financial Plan Model	Five months after contract awarded	\$ 20,000
Little Venice Supplemental Cesspit Abandonment Funds	Five months after contract awarded	\$ 55,288

Total \$269,288

LITTLE VENICE
WASTEWATER SYSTEM

ACTIVITY / TASK / WORK ITEM	MAR 01	APR 01	MAY 01	JUN 01	JUL 01	AUG 01	SEP 01	OCT 01	NOV 01	NOV 02	DEC 02	JAN 03	JUN 03
WASTEWATER RULES AND REGULATIONS				←									
(FKA) Initial Approval 03/28/01, Public Hearings 30/60 Days.													
FKA Board Formal Approval 30 Days													
(Admin. Appeal Process / Judicial Appeal Process 2 - 6 mos.)													
(Exclusive of Admn. / Judicial Appeals Process 2 - 6 mos.)													
PROJECT FINANCING / COMMERCIAL LOAN													
(\$3-4 Million Commitment 12/20 - Local Match/Private Loan Pool)													
Low Income Assistance Applications / M.C. SHIP Program													
REVISE / FINALIZE PLANS AND SPECIFICATIONS													
Updated A&E Cost Estimates													
PREPARE EPA / FDEP GRANT DELIVERABLES:													
Easements (Ocean Isles Fishing Village, etc. / Vac. Coll. Sys. (126 EDUs)													
Wastewater Service Agreements / Approx. 600 Properties													
Drain Wastewater Facilities Use Ordinance													
Preliminary Plan of Operation (Startup Plan)													
Preliminary Rates and Fees / User Charge System													
INTERGOVERNMENTAL COORDINATION:													
Wastewater Facilities Use Ordinance / City of Marathon													
Mandatory Connection Ordinance / City of Marathon													
Department of Health Abandonment / Inspection Schedule (DCH/FKAMAR)													
Code Enforcement Meeting Re: Mandatory Connection (M.C. Code 15.5MAR)													
City Council Meetings													
County Commission Meeting(s)													
Monroe County DRC / Planning Commission													
FDOT Permits													
PUBLIC OUTREACH													
Pre-Bid Public Information Meeting													
Post-Bid Public Information Meeting													
Pre-Construction Public Information Meeting													
ADVERTISE FOR BIDS													
RECEIVE AND REVIEW BIDS													
CONTRACT AWARD / NOTICE TO PROCEED													
CONSTRUCT PLANT AND COLLECTION SYSTEM (14 Months)													
PLANT CLEAN WATER STARTUP AND EQUIPMENT TESTING													
INITIAL PLANT STARTUP AND OPERATIONAL TESTING													
CONNECT HOMES AND BUSINESSES (6 Months)													
PLANT / COLLECTION SYSTEM OPERATIONS AND MAINTENANCE													
Prepare "Operations and Maintenance" Bid													
Advertise "Operations and Maintenance" Bid													
Receive & Award "Operations and Maintenance" Bid													