

RESOLUTION NO. 8-10UD

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT, PALM BEACH COUNTY, FLORIDA, CONSENTING TO THE RENEWAL OF THE ECR INTERLOCAL AGREEMENT FOR A TERM OF THIRTY YEARS COMMENCING SEPTEMBER 9, 2022 THROUGH SEPTEMBER 9, 2052; AND PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT RESOLVED BY THE UTILITY SPECIAL DISTRICT BOARD OF THE CITY OF RIVIERA BEACH, PALM BEACH COUNTY, FLORIDA, AS FOLLOWS:

SECTION 1: Pursuant to the Interlocal Agreement dated September 9, 1992 (the ECR Interlocal Agreement), a copy of which is attached hereto, which established the duties and responsibilities among the participating entities (Cities of Lake Worth, Riviera Beach and West Palm Beach, Town of Palm Beach, Palm Beach County) (hereafter collectively referred to as "Entities" or individually as "Entity") in the East Central Regional Wastewater Treatment Facility, the ECR Interlocal Agreement has an initial term of thirty years with a renewal term of thirty years upon the consent of all of the Entities.


SECTION 2: That the Utility District Board hereby consents to the renewal of the ECR Interlocal Agreement for a thirty year renewal term as provided in the Interlocal Agreement, which renewal term shall commence upon the expiration of the initial thirty year term of the ECR Interlocal Agreement.

SECTION 3: This Resolution shall take effect upon its passage and adoption by the Utility District Board.

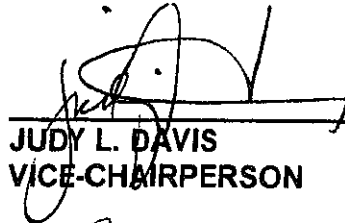
PASSED AND ADOPTED THIS 20th day of APRIL, 2010.

UTILITY SPECIAL DISTRICT BOARD OF DIRECTORS

APPROVED:



DAWN S. PARDO
CHAIRPERSON

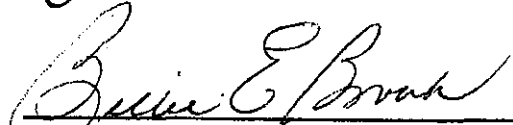


JUDY L. DAVIS
VICE-CHAIRPERSON

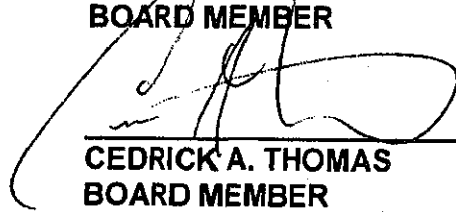
ATTEST:



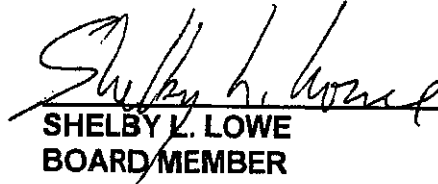
CARRIE E. WARD
MASTER MUNICIPAL CLERK
CITY CLERK



BILLIE E. BROOKS
BOARD MEMBER



CEDRICK A. THOMAS
BOARD MEMBER



SHELBY L. LOWE
BOARD MEMBER

MOTIONED BY: S. Lowe

SECONDED BY: J. Davis

D. PARDO aye

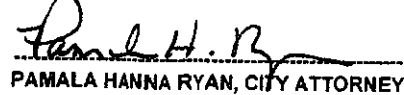
J. DAVIS aye

B. BROOKS aye

C. THOMAS aye

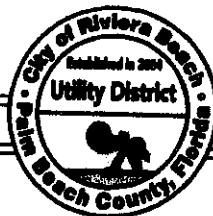
S. LOWE aye

REVIEWED AS TO LEGAL SUFFICIENCY



PAMALA HANNA RYAN, CITY ATTORNEY

DATE: 4/14/10



TO: Chairman and Board Members

DATE: April 4, 2008

FROM: Dr. Edward E. Sierra
Utilities Director

A handwritten signature in black ink, appearing to read "E. Sierra", is written over the printed name of the sender.

SUBJECT: EAST CENTRAL
REGIONAL FACILITY
(ECR) INTERLOCAL

Attached for your use is a copy of the Interlocal Agreement for establishing the duties and responsibilities for the operation of the ECR.

Should you have any questions, please contact me directly.

RECEIVED

APR 04 2008

CITY ATTORNEY'S OFFICE

cc: W. E. Wilkins, City Manager
P. Hanna-Ryan, District Attorney
File

RECEIVED
APR - 4 2008
CITY MANAGER'S OFFICE

INTERLOCAL AGREEMENT
 ESTABLISHING DUTIES AND RESPONSIBILITIES
 AMONG THE ENTITIES FOR THE OPERATION OF THE
 EAST CENTRAL REGIONAL WASTEWATER TREATMENT FACILITIES

THIS AGREEMENT entered into this 9 day of September 1992, by and among the CITY OF WEST PALM BEACH, a municipality organized under the laws of the State of Florida, hereinafter referred to as "WPB;" PALM BEACH COUNTY, a political subdivision of the State of Florida, hereinafter referred to as "COUNTY;" the CITY OF LAKE WORTH, a municipality organized under the laws of the State of Florida, hereinafter referred to as "LW;" the CITY OF RIVIERA BEACH, a municipality organized under the laws of the State of Florida, hereinafter referred to as "RB;" and the TOWN OF PALM BEACH, a municipality organized under the laws of the State of Florida, hereinafter referred to as "PB," collectively referred to as the "ENTITIES."

WITNESSETH:

WHEREAS, the COUNTY, LW, RB and PB currently have separate individual Interlocal Agreements with WPB, which involve the ownership, operation, maintenance, renewal, replacement and expansion of the existing East Central Regional Wastewater Facilities (the "FACILITIES"), as listed on Exhibit "A" - Interlocal Agreements.

WHEREAS, the ENTITIES believe that it is the most efficient use of their respective powers to cooperate with each other on a basis of mutual advantage to consolidate the separate Agreements into a single unified Interlocal Agreement, to own, operate and manage the FACILITIES, presently operated by WPB for the benefit of the ENTITIES, in a manner that will accord best with the citizens and utility consumers of the ENTITIES and with other geographic, economic and population factors influencing the needs and development of the ENTITIES; and

WHEREAS, the ENTITIES believe for the following reasons, without limitation, that it is essential, necessary and in the ENTITIES' best interest to establish rules and procedures under which WPB operates and manages the FACILITIES for the benefit of the ENTITIES.

(A) The ENTITIES must meet the comprehensive planning requirements of State law which mandate that each coordinate their community plans for future growth with available sources of funding and the availability of infrastructure. The provision of utilities is a major factor in such infrastructure coordination. The entering into of an Interlocal Agreement pursuant to Part I of Chapter 163, Florida Statutes (F.S.) will facilitate the ENTITIES' ability to meet their statutory mandate with respect to the utilities elements of the comprehensive plans.

(B) To provide for a unified system of wastewater service for Central Palm Beach County, to assure the continued provision of a safe and healthy environment for the users of the

FACILITIES.

(C) To ensure that the customers of the FACILITIES are provided efficient and cost-effective service and rates and assure that proper expansion of the FACILITIES will occur to meet the demands of development as approved in each jurisdiction.

(D) To ensure the public health, safety and welfare of the residents by establishing a cooperative arrangement among the ENTITIES to provide essential government services in the Central County area; and

WHEREAS, Chapter 163, F.S., Part I, provides a mechanism to accomplish the above-described purpose of the ENTITIES by permitting the joint exercise of any power, privilege or authority which each entity shares in common and which each might exercise separately.

NOW, THEREFORE, pursuant to Chapter 163, F.S., Part I, the ENTITIES do hereby enter into an Interlocal Agreement for the purposes as set forth herein, as follows:

1. Purpose. The purpose of this Interlocal Agreement is to establish uniform rules and procedures for the operation and management of the FACILITIES by WPB for the benefit of the ENTITIES, to provide wastewater treatment and disposal and sludge treatment and disposal services as herein defined in an economical and efficient manner and to provide wastewater treatment and disposal and sludge treatment and disposal services to all others who can be legally serviced.

2. Legal Authority/Consent to Serve. The ENTITIES designate and acknowledge that WPB shall be the ENTITY which formally retains legal title of the FACILITIES, which are held for the benefit of the ENTITIES, and WPB accepts full responsibility for the operation and management of the FACILITIES for the benefit of the ENTITIES, pursuant to the terms of this Agreement.

3. Definitions.

(A) "FACILITIES" shall mean and shall include all existing plant structures, equipment, piping, valves, roads, buildings, pumps, injection wells, electrical switchgear, and any improvement or expansion thereto required to receive, convey between process units, treat, stabilize, thicken, dewater, pump, and dispose of wastewater from the ENTITIES, and the real property and easements on which the FACILITIES are located, the real property encompassing the area described on Exhibit "B" - Legal Description, attached hereto, also commonly referred to as East Central Regional Wastewater Treatment Plant (ECRWTP).

(B) "Commission" shall mean the governing body of WPB, which holds the operating permits for the FACILITIES and operates and manages the FACILITIES in accordance with this Interlocal

Agreement for the benefit of the ENTITIES.

(C) "Cost" as applied to the acquisition and construction of expansions, additions or improvements to the FACILITIES shall include the cost of construction or reconstruction, the cost of all labor, materials, machinery and equipment, easements and franchises of any nature whatsoever, finance charges, interest, the creation of initial reserve or debt service funds, bond discount, cost of plans and specifications, surveys and estimates of costs and revenues, cost of engineering, financial, audit and legal services and all other expenses necessary or incidental in determining the feasibility or practicability of such construction, reconstruction, administrative expenses or such other expenses as may be necessary or incidental to financing authorized by law, and including reimbursement of the ENTITIES for any monies advanced in connection with any of the foregoing items of cost.

(D) "Reserve Capacity" shall mean the capacity allocations as defined in Section 19 below, as shown on Exhibit "E" - Reserve Capacity Percentages.

(E) "Excess Flow" shall mean any three month moving average that exceeds Reserve Capacity.

4. Establishment of BOARD Functions; Membership. The ENTITIES hereby create an Operation BOARD (hereinafter referred to as the "BOARD"), under Section 163.01(7), to administer this Agreement. The BOARD shall have the powers enumerated in this Agreement and the additional powers enumerated in Section 163.01(7). The BOARD shall decide all matters related to the FACILITIES, including, but not limited to, approval of all construction contracts, FACILITIES budget and expansion of the FACILITIES and direct WPB as to the operation and management of the FACILITIES. The BOARD so created shall be comprised of five (5) members, one from each ENTITY, who shall be the designated Staff Officials from the respective ENTITIES. Each ENTITY shall appoint an alternate, whom shall represent the ENTITY in the absence of the designated Staff Official, but shall not vote.

(A) Voting of the members of the BOARD shall be by one (1) vote per ENTITY for Administrative and Parliamentary matters including, but not limited to, operating budget approval, establishment of flow charges and dispute resolution amongst the ENTITIES (the "Equal Voting Percentages").

(B) Voting on matters involving the expenditure of capital for existing FACILITY improvements and renewal and replacement items, including, but not limited to, consultant selection and removal, change orders, award of construction contracts, value engineering, approval of engineering documents and settlement of contractor and other third-party disputes, shall be weighted as follows (the "Weighted Voting Percentages"):

The voting percentages shall be calculated

according to each of the ENTITIES' respective reserve capacity. Each ENTITY shall have a minimum of one percent (1%) voting percentage in all BOARD decisions. A super majority vote of greater than fifty percent (>50%) of reserve capacity is required on any decision except as delineated in Paragraph A above. In addition to greater than fifty percent of capacity for a vote to pass, a minimum of three ENTITIES must vote in the majority.

(C) The BOARD members so appointed shall serve at the pleasure of the ENTITY by whom the BOARD member was appointed, and may be removed at any time by such ENTITY, without cause or requirement of hearing. Members shall be deemed to hold office until a successor has been appointed.

(D) WPB shall be charged with providing operational reports as reasonably determined by the BOARD and financial reports to be provided quarterly within 60 days from the end of the quarter in accordance with generally accepted accounting principles at the meetings along with recording the meetings, and providing minutes of the meetings to all members. The BOARD members shall elect a Chair of the BOARD to serve on an annual basis. The elected Chair in conjunction with WPB shall set the agenda for the meetings in accordance with the requests of the BOARD members. The BOARD members shall elect a Vice-Chair to serve as Chair in the Chair's absence.

(E) The BOARD shall meet regularly at least once in every quarter at such time and places as the BOARD may prescribe by rule and all meetings shall be publicly noticed. Special meetings may be held on the call of the Chair or any other two BOARD members, and, whenever practicable, upon no less than twenty-four (24) hours' notice to each member and the public. The BOARD shall determine its own rules and orders of business. A majority (three out of five ENTITIES) of the members of the BOARD shall constitute a quorum; but a smaller number may adjourn from time to time and may compel the attendance of absent members in the manner and subject to the penalties prescribed by the rules of the BOARD. No action of the BOARD, except as otherwise provided in the preceding sentence, shall be valid or binding unless adopted as set forth above.

(F) The BOARD may, from time to time, create subcommittees to address specific issues related to the operation, improvement, permitting and expansion of the FACILITIES. The subcommittees shall serve in an advisory role and shall only provide recommendations to the BOARD for action.

(G) Decisions of the BOARD shall be administered and carried out by WPB. As a mechanism to carry out the actions of the BOARD, the BOARD shall utilize the personnel, purchasing, industrial pretreatment, and Minority Business Enterprise policies and procedures of WPB currently in existence as of

June 17, 1992, Exhibit "F" - WPB Policies and Procedures, and shall consider any future changes to such policies and procedures proposed by WPB, taking into consideration changes to such policies and procedures approved by the Board.

5. Wastewater Flow Charge Budget.

A. The BOARD shall establish, and WPB shall implement, a Regional Wastewater Enterprise Fund. Wastewater flow charges will be implemented to provide sufficient funding to properly and efficiently operate and maintain the FACILITIES, to fulfill all bonding requirements, including coverage tests, and to maintain compliance with all regulatory requirements. The BOARD shall establish an annual budget from which the wastewater flow charges will be determined using the formula for sewer flow charges in Exhibit "C" - Flow Charge Formula. Wastewater charges shall be adjusted for increases or decreases accordingly for ancillary charges such as sludge processing as applicable. The formula for establishing flow charges may be modified as determined by the BOARD. Penalties will be assessed by the BOARD for ENTITY flows exceeding reserve capacity on a three-months moving average basis at the rate of 150% of normal charges.

(B) WPB shall submit to the BOARD a proposed annual budget not later than one hundred fifty (150) days prior to the completion of the fiscal year. The proposed budget shall detail the operational expenditures for the FACILITIES for the previous two (2) years, the current year-to-date expenditure, projected year-end total and a budgetary amount for the upcoming fiscal year. The budget shall include the line items as listed in Exhibit "D" - Budget Line Items. The BOARD shall approve a final budget by July 1st or as amended by the BOARD. WPB shall implement the approved budget.

(C) The annual budget shall include the projected costs of services of outside consultants necessary to assist in the operation, maintenance, operational improvement and regulatory compliance of the FACILITIES. The cost of these services shall be included in the wastewater flow charge formula.

(D) WPB shall report monthly to the BOARD members on the year-to-date expenditures and projected year-end costs by line item. WPB may request the BOARD amend the budget to adjust line item expenditures. In the event that the annual budget will not be sufficient to properly operate and maintain the FACILITIES during any fiscal year, WPB shall so notify the ENTITIES through the BOARD and a revised budget and flow charge shall be established by the BOARD. If the budget insufficiency is directly related to gross negligence on the part of WPB in implementing the annual budget, WPB shall be responsible for shortfall.

(E) Decisions of the BOARD shall bind all ENTITIES, and for such decisions, WPB, COUNTY, LW, RB, PB, shall in no way be liable to any of the other ENTITIES of the BOARD.

6. Renewal and Replacement Fund. The BOARD shall ensure that adequate funds are available for renewal and replacement (R&R) of the FACILITIES. R&R funds shall be deposited into a separate Agency Fund for the sole purpose of funding each ENTITY's pro-rata share of extraordinary expenses, renewal and improvements, or replacement of capital assets or any part thereof at the FACILITIES. An annual payment shall be made by each ENTITY into the R & R Agency Fund according to the following formula:

(Replacement plant value) X (ENTITY reserve capacity percentage) X (one percent (1%)). Each ENTITY shall make R&R Agency Fund payments until the amount in the R&R Agency Fund allocated to such ENTITY has reached 10% of such ENTITY's proportionate share of the replacement plant value. No further payments to the R&R Agency Fund will be required by an ENTITY until that ENTITY's share of the Agency Fund falls below 5% of its proportionate share of the replacement plant value. At that time, annual payments shall again be made by the ENTITY until the 10% level has again been reached. The BOARD shall determine the replacement plant value of the FACILITIES at the first meeting of the BOARD every fiscal year, absent which the previous year's value shall carry over until changed by the BOARD. The replacement value as of the effective date of this Agreement shall be as shown on Exhibit "G" - Replacement Plant Value.

Under no circumstances shall any ENTITY's proportionate share of the R&R Agency Fund drop below 1% of its proportionate share of the replacement plant value, except when directed by the Board. From time to time the BOARD may require special non-annual payments be made by each ENTITY to the R&R Agency Fund in anticipation of projects which will require additional funding. Such special non-annual payments shall be calculated in accordance with each ENTITY's Reserve Capacity Percentage of anticipated project costs. All interest earned by the R&R Agency Fund shall accrue to the R&R Agency Fund and be credited proportionately to each ENTITY's account.

All funds currently held by WPB or in escrow on behalf of each ENTITY shall be transferred to the R&R Agency Fund upon execution of this Agreement and shall accrue to such ENTITY'S account, limited to 10% of such ENTITY'S replacement plant value at the request of the ENTITY. This accrual may require an ENTITY to commence making annual payments hereunder while other ENTITIES may already have attained their 10% maximum in the R&R Agency Fund. WPB shall submit to the BOARD a proposed annual budget for R&R not later than one hundred fifty (150) days prior to the completion of the fiscal year. The proposed R&R budget shall detail the improvements expenditures for the FACILITIES for the current year-to-date expenditure, projected year-end total and a budgeting amount for the upcoming fiscal year. WPB shall administer the R&R Agency Fund according to this Section and shall submit a monthly status report of the R&R Agency Fund to the BOARD members. At the end of each fiscal year, WPB shall submit, to the BOARD, a year-end financial analysis of the R&R Agency Fund which shall include all

debits, credits, investment, interest and year-end Fund balances prepared in accordance with generally accepted accounting principles. The analysis shall break this information out by ENTITY. The BOARD shall have the power to modify the R&R Agency Fund formula or percentages as needed.

7. Expansion Policy. Each ENTITY shall have the right to expand the FACILITIES to meet capacity or special treatment or disposal requirements of the ENTITY provided the following conditions are adhered to:

(A) The BOARD is given written notice, with a reasonable schedule, to provide the additional capacity or special treatment or disposal requirements, and such requirements can feasibly be accomplished given the state of the FACILITIES at the time of request.

(B) The ENTITY(s) involved in the expansion shall execute a separate Participatory Agreement with each other and the BOARD, which shall set forth the responsibility of the affected ENTITY(s) for all costs, direct and indirect, associated with the request. Prior to entering into construction contracts for such separate expansions the ENTITY or ENTITIES shall show financial capability and technical feasibility for such a project in a manner acceptable to the BOARD.

(C) The BOARD shall be responsible for directing WPB in the procurement of all services required to comply with the request, including but not limited to, consultant's selection and removal, award of construction contracts, change orders, approval of engineering documents and settlement of construction disputes.

8. System Operation. Operation and maintenance of the FACILITIES shall be the responsibility and obligation of WPB provided that an adequate budget is adopted by the BOARD. WPB shall provide sufficient personnel, with appropriate experience to undertake all FACILITIES operations and maintenance, comply with all regulatory requirements, including, but not limited to, those imposed by the Florida Department of Environmental Regulation, the Palm Beach County Health Department and U.S. Environmental Protection Agency. Each ENTITY shall comply with the rules and regulations governing a sewage flow into the FACILITIES as set forth in the Pretreatment Ordinance as adopted by the BOARD, and as such rules and regulations may be changed from time to time by the BOARD. If new regulatory requirements necessitate capital improvements or budget amendments, the BOARD shall take all necessary actions to accomplish the same, and WPB shall implement the decisions of the BOARD. The failure or inaction of the BOARD to carry out or authorize the recommendations as presented by WPB for compliance of any consent order, regulatory agency or operating permit by WPB shall preclude such liability as may be placed on WPB and shall entitle WPB to indemnification for all costs and penalties by the other ENTITIES. WPB shall be liable for all regulatory violations, including compliance costs or penalties assessed for same, which

arise out of or are solely related to: (1) material errors or omissions by its personnel and agents in the day-to-day operations of the FACILITIES; or (2) the failure of WPB to timely proceed administratively to undertake or complete a requirement imposed by any regulatory agency in any consent order or operating permit. Other regulatory violations, caused by action of the BOARD including the costs of bringing the FACILITIES into compliance and penalties assessed, shall be included as an expense of the FACILITIES and shared by the ENTITIES. WPB shall maintain adequate catastrophic insurance on the FACILITIES on such terms and amounts as set by the BOARD.

9. Metering. The metering for flow charges shall be accomplished by WPB as directed by the BOARD. This shall include a metering system owned by an ENTITY as approved by the BOARD. Such metering shall be acceptable to regulatory agencies in addition to the BOARD. The meters shall be calibrated quarterly by an independent contractor as selected by the BOARD. In the event of meter malfunction, flow shall be calculated using the previous year's 3-month average consisting of the month in question plus the preceding and subsequent months.

10. Reports of the System. WPB shall cause to be made, at least once each year, financial statements prepared in accordance with generally accepted accounting principles and shall have performed an independent audit in accordance with generally accepted auditing standards. Copies of such reports shall be filed promptly with the ENTITIES within 210 days and shall be open to public inspection. WPB shall also provide monthly operating and financial reports (including regulatory submissions) and quarterly financial statements in accordance with generally accepted accounting principles to the BOARD members. WPB shall comply with the requirements of Chapter 189, F.S., as it applies to the BOARD.

11. Payments to BOARD. On behalf of the BOARD, WPB shall invoice each ENTITY monthly thirty (30) days prior to the beginning of the month for its wastewater flow charges. The ENTITIES shall make required payments to WPB within thirty (30) days of the date of invoice. Payments not received within thirty (30) days shall accrue interest at the legal rate of twelve percent (12%) per annum, as amended by law from time to time. WPB shall hold all unspent funds in an interest-bearing account until expended.

12. Compensation. The members of the BOARD shall serve without compensation under this Agreement.

13. Expenses. The BOARD is established on the basis that the schedule of wastewater flow charges and other charges cause the FACILITIES to be self-sustaining. The BOARD shall not be authorized to create or distribute a profit or surplus to any ENTITY, including WPB. This shall not, however, prevent the BOARD from establishing reserves or adding to existing R & R Reserves, for capital projects and/or unanticipated expenses in keeping with sound, prudent, and reasonable operation of the system in accordance with industry standards or from fulfilling any other requirements imposed by bond financing, law, or previous agreements

not superseded.

14. **Term and Termination.** The term of this Agreement is for an initial period of thirty years with a renewable term of thirty years upon the mutual consent of the parties. This Interlocal Agreement shall terminate only upon the consent of one hundred percent (100%) of the ENTITIES. Any ENTITY can withdraw from participation in this Agreement but will lose its interest and allocation in the FACILITIES and shall continue to meet its obligations. Any ENTITY may assign its interest to one or more of the other ENTITIES or any other BOARD approved designee.

15. **Disposition of the System.** Should the FACILITIES be sold or disposed of by the BOARD (by one hundred percent (100%) vote), proceeds of the sale or disposition shall be prorated among the ENTITIES in proportion to the allocated reserve capacity of each jurisdiction as of the date of disposition.

16. **Miscellaneous.** This Agreement may not be amended, except upon the written agreement of the ENTITIES holding a cumulative capacity allocation of one hundred percent (100%). In the event of any dispute arising out of or in relation to this Agreement, the prevailing party shall be entitled to attorney's fees and costs, including attorney's fees through all appellate procedures.

17. **Dispute Resolution.** In the event of a dispute involving payment of an amount due from any ENTITY hereunder, the full amount shall be paid to WPB, with the amount in dispute to be held by WPB in escrow pending resolution of the dispute. Such escrow funds shall be invested with interest, with the interest accruing to the prevailing party (BOARD or disputing ENTITY).

In the event a dispute arises between or among any of the ENTITIES as to any matter arising out of this Agreement, exclusive of matters that relate to WPB's responsibility to comply with Federal, State, and local regulatory requirements, such dispute shall be resolved as follows:

(A) The disputed issue will be presented to the BOARD. If the parties in dispute do not agree with the majority (three out of five ENTITIES) decision of the BOARD, then the disputing parties may, if in full agreement, refer the item to non-binding arbitration before one (1) arbitrator, pursuant to the rules of the American Arbitration Association. The arbitrator shall be selected by joint agreement of all parties to the proceeding from a list of arbitrators prepared by the American Arbitration Association experienced in engineering and operation of municipal wastewater treatment facilities. If the parties do not agree within twenty (20) days of the date of request for arbitration, the selection shall be made pursuant to the rules of such Association.

The award rendered by the arbitrator shall be non-binding upon the parties to the proceeding. Each party shall pay its own expenses of arbitration and the expenses of the arbitrator shall be equally shared. Nothing herein shall prevent the parties from settling any dispute between or among them by mutual agreement at any time.

(B) Before filing any legal action in court pertaining to any dispute or other matter in question arising out of or relating to the Agreement or the breach thereof, the claimant/objector shall first define the dispute to the other party to this Agreement in writing and make a specific demand or offer a specific counterproposal thereto within thirty (30) days of the receipt of such claim demand and settlement proposal, or if the claimant/objector fails to accept any counterproposal from the other party within thirty (30) days of receipt thereof, the other party shall be free to pursue all legal remedies available in a court of competent jurisdiction in accordance with Paragraph C hereof.

(C) Any dispute arising out of the terms of this Agreement shall be litigated in the Fifteenth Judicial Circuit Court in and for Palm Beach County, Florida.

18. **Filing.** Upon execution of this Agreement and subsequent amendments thereto, this Agreement, and such subsequent amendments shall be filed with the Clerk of the Circuit Court of Palm Beach County. This Agreement shall be effective upon filing with the Clerk.

19. **Reserve Capacity Percentages.** The ENTITIES agree and acknowledge that the existing capacity allocated to each of the ENTITIES is as set forth in Exhibit "E" - Reserve Capacity Percentages attached hereto and made a part hereof. This capacity shall be adjusted from time to time by the BOARD to reflect changes due to expansion under Paragraph 7 above or agreement of the ENTITIES to reallocate capacity.

20. **Prior Agreement.** The ENTITIES agree that this Interlocal Agreement constitutes the entire agreement of the parties hereto on the matters set forth herein and supersedes only those prior Interlocal Agreements as shown in Exhibit "A" attached hereto, between the parties relating to the FACILITIES.

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

WITNESSES:

Peter B. Ebell
Cindy Cousins
(OFFICIAL SEAL)

TOWN OF PALM BEACH, FLORIDA

J. A. Cruz
Mayor

ATTEST:

By: Jaquelyn Reedy
Acting Clerk

WITNESSES:

Judith E. Cashie
Jimmie M. Blair
(OFFICIAL SEAL)

PALM BEACH COUNTY, FLORIDA

J. M. Morris
Chairman

ATTEST:

MILTON T. BAUER, CLERK
By: Linda C. Hucker
Deputy Clerk

WITNESSES:

David L. ...
(OFFICIAL SEAL)

CITY OF RIVIERA BEACH, FLORIDA

ATTEST:
By: Edna K. Williams
Mayor

WITNESSES:

Barbara A. ...
(OFFICIAL SEAL)

CITY OF LAKE WORTH, FLORIDA

ATTEST:
By: Frank G. ...
Mayor

WITNESSES:

Ames E. ...
(OFFICIAL SEAL)

CITY OF WEST PALM BEACH, FLORIDA

ATTEST:
By: Tracy M. ...
Mayor

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

Bill J. ...
COUNTY ATTORNEY