School Board of Lake County  
and  
Town of Howey-in-the-Hills  
and  
Central Lake Community Development District

INTERLOCAL AGREEMENT  
for  
Wastewater Service for the ESE Center

This INTERLOCAL AGREEMENT ("Agreement") is hereby entered into on this 25th day of June, 2008, by and between The School Board of Lake County, Florida, a political subdivision of the State of Florida (hereinafter referred to as the "School Board"), the Town of Howey-in-the-Hills, a Florida Municipal Corporation (hereinafter referred to as "Howey"), and the Central Lake Community Development District, a Florida Special District created pursuant to Chapter 190 of the Florida Statutes (hereinafter referred to as the "CDD"), sometimes collectively referred to as the "parties."

WITNESSETH:

WHEREAS, on or about August 7, 2007, Howey and the CDD entered into a Wholesale Wastewater Service Agreement (hereinafter referred to as the "WWSA"); and

WHEREAS, the CDD entered into service agreements with three (3) developments located within Howey known as The Mission Rise, The Reserve, and Venezia North and South (collectively the "Developments") to connect to the CDD's Wastewater System and for the Developers to purchase wastewater capacity on a wholesale basis from the CDD; and

WHEREAS, the Developments were interested in obtaining centralized sewer service and Howey was interested in providing centralized sewer service to the Developments because the Developments were not suitable for septic systems; and

WHEREAS, the WWSA permitted Howey to transmit the wastewater to be generated at the Developments to the CDD's wastewater treatment facilities on a wholesale basis in order for Howey to serve the Developments; and

WHEREAS, the CDD assigned Howey the right to be the retail Wastewater Service Provider for the Developments under the WWSA; and

WHEREAS, under the WWSA, the CDD retained the right to provide wastewater service to the Developments but only as a wholesale provider to Howey; and
WHEREAS, the School Board agreed to share in the costs of Howey’s Collection Facilities being installed by the Developments in exchange for the ability to use Howey’s Collection Facilities as a way of transmitting untreated wastewater to be generated by the School Board’s newly constructed ESE Center (hereinafter the “Property”) to CDD’s wastewater Treatment Facility; and

WHEREAS, the Property is located within Howey and is more particularly described in the legal description attached as Exhibit “A”, which is incorporated by reference herein; and

WHEREAS, this Agreement does not amend, change, alter or modify the WWSA, and shall govern the wastewater utility service to be provided to the Property only; and

WHEREAS, upon complete installation of the required wastewater collection system, the School Board will have the right, as a retail wastewater customer of Howey, to transmit its wastewater from the Property to the CDD’s wastewater treatment facilities for treatment and disposal; and

WHEREAS, §1013.31(1)(a), Florida Statutes provides that all public educational and auxiliary plants constructed by educational boards must conform to the Florida Building Code and the plants are exempt from all other state building codes; county, municipal, or other local amendments to the Florida Building Code; building permits, and assessments of fees for building permits and impact fees or service availability fees; and

WHEREAS, §1013.51(1)(a), Florida Statutes provides that education boards may expend funds, separately or collectively, by contract or agreement, for sanitary sewer, water, stormwater, and utility improvements upon, or contiguous to, any existing or proposed educational plant; and

WHEREAS, §1013.51(1)(b), Florida Statutes provides that educational boards may pay their proportionate share of the cost of on-site and off-site system improvements necessitated by the educational facility development; and

WHEREAS, §190.012(1)(g) requires an interlocal agreement between the CDD and Howey before the CDD can treat wastewater being transmitted from the Property; and

WHEREAS, §163.01, Florida Statutes permits local government units to make the most efficient use of their powers by enabling them to enter into interlocal agreements; and

WHEREAS, the School Board, Howey, and the CDD are entering into this Agreement pursuant to and in compliance with the requirements of sections 190.012, 163.01, 1013.371, and 1013.51 of the Florida Statutes (2007), to provide Wastewater
Treatment Capacity to the School Board for the Property and to allocate costs for such capacity.

**NOW, THEREFORE,** in consideration of the mutual benefits accruing to the parties to this Agreement, and for other good and valuable considerations, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**Section 1. Recitals.** The above recitals are true and correct and by reference are incorporated herein and made a part hereof.

**Section 2. Definitions.** The parties agree that in construing this Agreement, the following words, phrases, and terms shall have the following meanings unless the context indicates otherwise:

2.1 "CDD’s Wastewater System" means the CDD’s wastewater treatment and disposal facilities in which Sewage is treated and disposed of, and which are operated and maintained by the CDD.

2.2 "ERU" means equivalent residential unit, and is equal to 250 GPD.

2.3 "Howey’s Collection Facilities" means the lines, pipes, meters, and appurtenant equipment owned and operated by Howey to collect Sewage from the Property and the Developments.

2.4 "Interconnect Facilities" means the wastewater meters and other facilities owned and operated by the CDD at the Point of Connection between Howey’s Collection Facilities and the Treatment Facilities.

2.5 "GPD" means gallons per day, average annual basis.

2.6 "Point of Connection" means the location where Howey’s Collection Facilities connect to the CDD’s Interconnect Facilities at the edge of the CDD service area boundary. Appropriate metering will be installed by the CDD at the Point of Connection or at a location between the Point of Connection and the Treatment Facilities to measure the flow of wastewater from Howey’s Collection Facilities.

2.7 "Sewage" or "Wastewater" means water-carried wastes from residences, business buildings, commercial establishments, institutions, industrial establishments, and other customers, but does not mean or include hazardous or toxic wastes. For the purpose of this Agreement, Wastewater includes any flow resulting from flushing the lines.

2.8 "Treatment Facilities" means those treatment and disposal facilities and rights used by the CDD to treat wastewater and detain, transmit, and dispose of said
treated wastewater in accordance with applicable governmental and regulatory requirements.

2.9 “Wastewater Treatment Capacity” means the volume of wastewater, measured in GPD, to be generated on the Property, and which the CDD agrees to accept for treatment on a continuing basis into the CDD’s Wastewater System in accordance with the terms of this Agreement.

Section 3. Provision and Allocation of Wastewater Treatment Capacity from CDD. On and after the date the last party executes this Agreement, treatment and disposal of wastewater generated at the Property shall be provided by the CDD in the following manner and subject to the following terms and conditions:

3.1 Construction of On-site Improvements. The School Board, at its expense and without cost or expense to Howey or the CDD, will design, permit, and construct all on-site improvements. Nothing herein, however, shall relieve the School Board of the responsibility of obtaining and complying with any permit or approval necessary from any regional, local, state, or national governmental authority, as required by law. Such approvals include any Howey approvals required by Howey’s Land Development Regulations or Code of Ordinances as are legally applicable to School Board.

3.2 Conveyance of Improvements. Any portion of the system to be constructed by the School Board pursuant to this Agreement shall be conveyed to Howey or, if such portion is beyond the Point of Connection, to the CDD within ten (10) business days of the Florida Department of Environmental Protection (“FDEP”) issuing final clearance permits, Howey’s or the CDD’s final inspection of that portion of the system and Howey’s or the CDD’s acceptance of that portion of the system. All portions of the system constructed by School Board shall be warranted for at least one (1) year from the date of acceptance by Howey or the CDD.

3.3 Contributions in Aid of Construction Charge (“CIAC Charge”).

(1) The School Board and the CDD acknowledge that based on engineer’s estimates of wastewater flow, the Property requires approximately 3,500 GPD of Wastewater Treatment Capacity. The School Board will pay the CDD a one-time CIAC Charge of $18,445.00 for the wastewater capacity referenced above, based upon a one-time charge of $5.27 per gallon. The School Board’s CIAC Charge referenced above shall be paid to the CDD at the time the CDD provides treatment and disposal of the Property’s Wastewater. Howey shall have no liability for any charges for the capital costs of capacity at the Treatment Facilities or any other capital costs associated with expanding the CDD’s Wastewater System to serve the Property.

(2) In consideration of the payment of the CIAC Charge outlined above, the CDD shall provide the Wastewater Treatment Capacity necessary based on the
projected capacity needs set forth in Subsection 3.3(1) above to provide treatment and disposal of the Wastewater for the Property beginning March 1, 2008.

(3) The CDD commits that the Wastewater Capacity as set forth in Subsection 3.3(1) above, is currently available.

(4) The parties agree that wastewater flows on the Property shall be metered monthly by the Town and if such monitoring shows that for three (3) consecutive months, actual flows exceed the flow estimate upon which the CIAC Charge was calculated, the School Board shall pay the incremental difference to the CDD based upon the CIAC Charge in effect at the time such additional capacity is required. Howey’s basis for determining wastewater flow from the Property will be potable water meter flows to the Property. Such metered potable water will not include any water used for irrigation, which will be metered separately.

Section 4. Use of Howey’s Collection Facilities. The Developments and the School Board shared in the cost of constructing Howey’s Collection Facilities to provide Wastewater Treatment Capacity to the Property. As such, the parties agree that the School Board shall have all access and use rights of Howey’s Collection Facilities installed by the Developments. Such use shall include, but not be limited to, connection to and use of the Treatment Facilities.

Section 5. CDD’s Wastewater User Charge to the School Board. The CDD agrees to provide treatment and disposal of the Property’s wastewater for a monthly charge equal to the CDD’s retail wastewater only customer rate (currently $35.00 per ERU). The Property will be charged for wastewater treatment and disposal based upon a 100% pass-through of the actual metered potable water usage. The base charge shall be calculated on actual potable water usage divided by 250, multiplied by $35.00. The School Board acknowledges that the CDD may review its rates from time to time and adjust its rates accordingly. The CDD shall send the first invoice to Howey 30 days after the meter at the Interconnect Facilities reflect that Wastewater is actually being transmitted from the Property to the Treatment Facilities. Thereafter, after the first day of each month, the CDD shall submit an invoice to Howey for treatment services rendered to Howey during the previous month for the Property.

Howey will not pay wholesale charges, as set forth in the WWSA, for the wastewater flow generated by the Property, assuming wastewater flow is based upon 100% of the metered potable water usage.

Section 6. Wastewater Service Charge. The School Board will be a retail customer of Howey. The rate payable by the School Board to Howey shall equal the rate negotiated by the School Board and the CDD as set forth in Section 5 above, plus Howey’s operation, maintenance, and administration fees. Howey’s operation, maintenance, and administration fees for the Property shall be 24% of the rate paid by Howey to the CDD on behalf of the School Board. The School Board shall have the right
to review and audit Howey’s documentation of its operation, maintenance, and administration fees. Said fees shall not exceed 24% or the actual cost to maintain the lift station and administer collection of monthly sewer utility charges, whichever is lower. Notwithstanding the above, in the event an audit of Howey’s documentation of its operation, maintenance, and administration fees associated with this Agreement reveals a cost to Howey that exceeds the 24% then Howey may increase the percentage but only to the extent necessary to cover its actual costs. In such event, Howey shall provide the School Board with written notice of its increase and upon request, submit supporting documentation to the School Board illustrating its actual costs.

Upon the School Board’s request, the operation, maintenance, and administration fees shall be reviewed by Howey 180 days following the completion of the first phase of any residential or commercial developments contributing flows to the lift station and any subsequent phases. Such review may result in an adjustment in the percentage rate charged by Howey to cover its actual costs. Notwithstanding the above, the School Board acknowledges that Howey may review its operation, maintenance and administration fees from time to time and adjust the percentage rate by a resolution of the Town Council, without an amendment to this Agreement.

Section 7. Service Standards. The parties mutually agree that after the School Board connects to Howey’s Collection Facilities, the CDD shall comply with all state, regional, and federal requirements and rules applicable to the provision of Wastewater Treatment Capacity to the public. Notwithstanding the above, the CDD does not guaranty or warrant any special service, pressure, quality, capacity, availability, or other facility other than what is required to fulfill a duty of reasonable care to the customers to whom it provides such Wastewater Treatment Capacity.

Section 8. Independent Contractor Relationship; No Liability for Howey or CDD Debt.

8.1 Neither the School Board, the CDD nor Howey is or shall be deemed to be an agent of the other, and neither shall have the authority or power to obligate or act for or on behalf of the other. Each is entering into this Agreement as an independent contractor.

8.2 The parties agree expressly that no party has any obligation whatsoever to the creditors or other third parties of the others, for any existing or future debts or other obligations of the parties of any type or nature.

Section 9. Disclaimer of Third Party Beneficiaries. This Agreement is solely for the benefit of the formal parties herein, and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto.

Section 10. Assignment. This Agreement shall be binding on the parties hereto and their representative, successors, and assigns. Neither party shall assign this
Agreement or the rights and obligations to any other party without the prior written consent of the other party hereto, which may not be unreasonably withheld.

Section 11. Indemnification.

11.1 No party hereto waives sovereign immunity, except that, consistent with applicable Florida law, including, but not limited to Chapter 768, Florida Statutes, each party shall hold the other harmless for the negligent acts of itself and its officers, agents, and employees, but only to the extent permitted by law.

11.2 If service provided hereunder is discontinued to School Board due to failure of School Board to pay for services provided, the party responsible for discontinuing service shall hold the other party harmless as to any and all claims or suits regarding such action.

Section 12. Default.

12.1 Any party to this Agreement, in the event of or act of default by the other, shall have all remedies available to it under the laws of the State of Florida including but not limited to injunction to prevent default or specific performance to enforce this Agreement. Each party agrees to pay all reasonable costs and attorneys fees to the other party not in default provided such costs and attorneys fees are payable under this section only to the prevailing party in such suit. The rights of the parties shall be considered cumulative and shall not be waived now or in the future by the exercise of any rights and remedies provided under the terms of this Agreement and authorized by law.

12.2 In the event of a default by any party, the CDD agrees that it will not discontinue service to the remaining parties except in the case of an emergency resulting from a substantial and material default, provided all payments for service required hereunder are made by the parties and until such time as a court of competent jurisdiction has rendered an adjudication of default.

12.3 Except for the payment of the Wastewater User Charge referenced in Section 5 above, each of the parties hereto shall give the other party written notice of any defaults hereunder and shall allow the defaulting party thirty (30) days from the date of receipt to cure such defaults (or if the default cannot be cured within thirty (30) days, the defaulting party shall commence the cure within such period and shall complete such cure within a reasonable period thereafter), and shall otherwise comply with any state law related to resolving disputes between local governments.

Section 13. Notices. Any notice required or allowed to be delivered hereunder shall be in writing and be deemed to be delivered when either (1) hand-delivered to the official hereinafter designated, or (2) upon receipt of such notice when deposited in the U.S. mail, postage prepaid, certified mail, return-receipt requested, addressed to a party at
the address set forth opposite the party’s name below, or at such other address as the party’s name below, or at such other address as the party shall have specified by written notice to the other party delivered in accordance herewith:

CDD: Mr. Bud Beucher
Central Lake Community Development District
201 East Pine Street, Suite 950
Orlando, Florida 32801

with a copy to: George S. Flint
District Manager
Central Lake Community Development District
201 East Pine Street, Suite 950
Orlando, Florida 32801

and: Daniel B. Harrell
Gonano & Harrell
1600 S. Federal Highway, Suite 200
Fort Pierce, Florida 34950

Howey: The Honorable Kenneth Green
Mayor, Howey-in-the-Hills
(101 North Palm Ave. 34747)
P.O. Box 128
Howey-in-the-Hills, Florida 34737

with a copy to: Heather M. Blom-Ramos
GrayRobinson, P.A.
(301 E. Pine Street, Suite 1400, Orlando, FL 32801)
P.O. Box 3068
Orlando, Florida 32802

School Board: Superintendent
Lake County School Board
201 West Burleigh Blvd.
Tavares, FL 32778

With a copy to: Steve Johnson
McLin & Burnsed P.A.
1000 West Main Street
Leesburg, Florida 34748

Section 14. Severability. If any court finds any part of this Agreement invalid or unenforceable, such invalidity or unenforceability shall not affect the other parts of the Agreement if the rights and obligations of the parties contained herein are not materially
prejudiced and if the intentions of the parties can continue to be effected. To that end, this Agreement is declared severable.

Section 15. Recordation. The parties hereto agree that an executed copy of this Agreement and Exhibits attached hereto shall be recorded in the Public Records of Lake County at the expense of the parties, said expense to be shared equally.

Section 16. Time of the Essence. Time is hereby declared of the essence to the lawful performance of the duties and obligations contained in this Agreement.

Section 17. Applicable Law. This Agreement and the Provisions contained herein shall be construed, controlled, and interpreted according to the laws of the state of Florida.

Section 18. Force Majeure. In the event that the performance of this Agreement by either party is prevented or interrupted in consequence of any cause beyond the control of either party, including but not limited to an Act of God or of the public enemy, war, national emergency, allocation or of other governmental restrictions upon the use or availability of labor or materials, rationing, civil insurrection, riot, racial or civil rights disorder or demonstration, strike, embargo, flood, tidal wave, fire, explosion, bomb detonation, nuclear fallout, windstorm, hurricane, earthquake, or other casualty or disaster or catastrophe, governmental rules or acts or orders or restrictions or regulations or requirements, acts or action of any government or public or governmental authority or commission or board or agency or agent or official or officer, the enactment of any statute or ordinance or resolution or regulation or rule or ruling or order, order or decree or judgment or restraining order or injunction of any court, such party shall not be liable for such non-performance.

Section 19. Effective Date: Term. This Agreement shall be effective as of the date last executed by the parties. This Agreement shall expire on the same date as the WWSA. The School Board may terminate this Agreement by providing 365 days written notice to the CDD and Howey. If the School Board terminates this Agreement to obtain wastewater treatment and disposal services other than from a School Board owned treatment facility, the School Board will grant the CDD a sixty (60) day right of first refusal, which shall give the CDD sixty (60) days to match any competitive service terms, conditions, and rates.

Section 20. Entire Agreement; Effect on Prior Agreement. This instrument constitutes the entire Agreement between the parties and supersedes all previous discussions, understandings, and agreements between the parties relating to the subject matter of this Agreement. Amendments to and waivers of the provisions herein may be made only by the parties in writing, by formal waiver or amendment approved by majority vote of Howey’s Town Council, the CDD’s Board of Supervisors, and the School Board.
Section 21. Counterparts. This Agreement may be executed in any number of
counterparts, and signature pages exchanged by facsimile or email, and each counterpart
shall be regarded for all purposes as an original, and such counterparts shall constitute,
but one and the same instrument, it being understood that all parties need not sign the
same counterpart. The signature page of any counterpart, and facsimiles and photocopies
of that counterpart, may be appended to any other counterpart and when so appended
constitute an original. In the event that any signature is delivered by facsimile
transmission or by facsimile signature, such signature creates a valid and binding
obligation of the party executing (or on whose behalf such signature is executed) the
contract with the same force and effect as if such facsimile signature page were an
original.

IN WITNESS WHEREOF, the parties hereto have executed this Interlocal
Agreement on the respective dates under each signature.

THE SCHOOL BOARD OF LAKE COUNTY,
FLORIDA

By: [Signature]
Larry Metz, Chairman

Date: [Signature]
Feb 25, 2008

ATTEST:
[Signature]
Anna P. Cowin, Superintendent

Approved as to form:
[Signature]
School Board Attorney
CENTRAL LAKE COMMUNITY DEVELOPMENT DISTRICT

By: Board of Supervisors

Mr. Bud Beucher, Chairman

Date: 3-14-08

Approved as to form and correctness:

By: [Signature]

ATTEST: [Signature]
TOWN OF HOWEY-IN-THE-HILLS

By:      Town Council

Mayor Kenneth Green

Date:   March 3, 2008

ATTEST:

Approved as to form and correctness

By: Brenda Baster
Town Clerk

By: Dietrich Ramos
Town Attorney

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Verified Legal Description Form
HOWEY-IN-THE-HILLS

The following legal description has been prepared by Jody W. Steckel and submitted to the Town of Howey-In-the-Hills for verification.

Signature
Date

Application Request (Office Use Only):

Legal Description Including Acreage (To be Typed By Applicant):

BLOCK C-10 AND THAT PORTION OF PALM AVENUE AND DIVISION STREET ACCORDING TO THE UNRECORDED PLAT FOR HOWEY IN THE HILLS, LYING IN SECTION 36, TOWNSHIP 20 SOUTH, RANGE 25 EAST, LAKE COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY FOR LAKEVIEW AVENUE AND THE WESTERLY RIGHT OF WAY FOR PALM AVENUE AS SHOWN ON THE PLAT OF PALM GARDENS, HOWEY-IN-THE-HILLS, PLAT BOOK 12, PAGE 11 OF THE PUBLIC RECORDS OF LAKE COUNTY, FLORIDA; THENCE NORTH 72°56'00" EAST FOR 50.00 FEET TO THE CENTERLINE OF PALM AVENUE; THENCE SOUTH 17°04'00" EAST ALONG SAID CENTERLINE OF PALM AVENUE AND ITS SOUTHERLY EXTENSION FOR 1529.97 FEET TO THE WESTERLY PROJECTION OF THE SOUTHERLY RIGHT OF WAY LINE FOR GREENBRIAR AVENUE AS SHOWN ON SAID UNRECORDED PLAT FOR HOWEY IN THE HILLS AND THE POINT OF BEGINNING; THENCE CONTINUE SOUTH 17°04'00" EAST ALONG SAID SOUTHERLY PROJECTION OF THE CENTERLINE OF PALM AVENUE FOR 1126.07 FEET TO THE CENTERLINE OF DIVISION STREET AS SHOWN ON SAID UNRECORDED PLAT; THENCE SOUTH 89°40'00" EAST ALONG SAID CENTERLINE FOR 404.51 FEET TO THE WESTERLY RIGHT OF WAY LINE FOR LAKE SHORE BOULEVARD AS SHOWN ON SAID UNRECORDED PLAT; THENCE NORTH 09°54'27" WEST ALONG SAID WESTERLY RIGHT OF WAY LINE FOR 1256.84 FEET TO THE AFORESAID SOUTHERLY RIGHT OF WAY LINE FOR GREENBRIAR AVENUE; THENCE SOUTH 72°56'00" WEST ALONG SAID SOUTHERLY RIGHT OF WAY LINE AND ITS WESTERLY PROJECTION FOR 542.63 FEET TO THE POINT OF BEGINNING.

LEGAL DESCRIPTIONS CANNOT BE ATTACHED TO THIS FORM. THE LEGAL DESCRIPTION MUST BE TYPED OR INSERTED ON THE FORMS WITH SIGNATURES. MULTIPLE COPIES OF THIS FORM MAY BE MADE AND ATTACHED, AS NECESSARY.