

SEWAGE DISPOSAL  
SERVICE CONTRACT  
BETWEEN  
MIAMI-DADE WATER AND SEWER AUTHORITY  
AND  
CITY OF CORAL GABLES

THIS CONTRACT, made and entered into this 3rd  
day of May, 1979, by and between the  
Miami-Dade Water and Sewer Authority, an agency and instru-  
mentality of Dade County, Florida, its successors and assigns,  
hereinafter designated as the "AUTHORITY", and the City of  
Coral Gables, a municipal corporation organized and existing  
under the laws of the State of Florida, hereinafter designated  
as the "CITY";

W I T N E S S E T H:

WHEREAS, Public Law 92-500, styled Amendments to the  
Federal Water Pollution Control Act, as amended by the Clean  
Water Act of 1977, declares as its objective the restoration  
and maintenance of the chemical, physical, and biological  
integrity of the Nation's waters, and

WHEREAS, pursuant to Sec. 204 (2) of said Act, appro-  
priate guidelines and regulations applicable to payment of  
waste treatment costs by industrial and nonindustrial  
recipients of waste treatment services have been and will  
continue to be promulgated and amended by the Administrator  
of the United States Environmental Protection Agency, and

WHEREAS, both the AUTHORITY and the CITY recognize  
that the "regional agency" concept of Federal pollution

abatement mandates that both parties conform to such regulations as they are from time to time promulgated and amended, and

WHEREAS, the AUTHORITY must conform to Federal and State regulations in order to obtain funding for large sewage transmission and disposal projects for its County-wide regional sewerage system, and

WHEREAS, in order to comply with said Public Law 92-500, the AUTHORITY has constructed and will continue to construct wastewater treatment facilities and interceptor facilities, which facilities shall be utilized in order to provide sewage transmission and disposal service for the CITY, and

WHEREAS, the AUTHORITY'S regional wastewater treatment and transmission facilities installed and to be installed to meet the requirements of said Public Law 92-500 will be financed partially by Federal Grants but also by General Obligation Bonds, and

WHEREAS, the AUTHORITY'S rates for sewer service must be established to provide sufficient revenues to cover the debt service of the aforesaid bonds, and

WHEREAS, as successors to the Department of Water and Sewers of the City of Miami, the AUTHORITY provides sewage disposal service to the CITY under that certain Service Contract dated April 28, 1965, hereinafter referred to as the "Existing Contract," and

WHEREAS, the CITY recognizes that the AUTHORITY must conform to changing governmental regulations and standards over the period of time this Contract is in effect, and

WHEREAS, the parties hereto agree that a new Contract superseding the aforesaid contract is required due to such changing governmental regulations and standards, and

WHEREAS, the AUTHORITY is willing to provide the sewage disposal service described herein, if all of the terms and

conditions hereinafter recited shall be observed and carried into effect;

NOW, THEREFORE, in consideration of the covenants herein stated, the parties hereto agree as follows:

SECTION I

POINTS OF CONNECTION

The AUTHORITY agrees to provide sewage disposal service to the CITY by allowing the connection of the CITY'S sewage collection systems to the AUTHORITY'S sewage transmission facilities at the point of connection shown on the location plan attached hereto. That point of connection is located approximately at S. W. 28th Street and S. W. 38th Avenue. Additional points of connection may be established at such times and places as shall be mutually agreed upon by the parties hereto. Except for facilities installed under the Dade County 201 Facilities Plan, the CITY shall bear the entire cost and expense of establishing each such additional point of connection, obtaining such easements as may be needed and furnishing all necessary labor and materials, except the meters, required to connect with force mains or gravity interceptors of the AUTHORITY, all in accordance with plans and specifications to be approved by the AUTHORITY. Any new meter installation, including vault, valves, piping and appurtenances, but excluding the meter which shall be furnished by the AUTHORITY, shall be deeded to the AUTHORITY by proper bill of sale. The operation and maintenance of all facilities on the CITY side of a point of connection shall be the sole responsibility of the CITY, except as otherwise provided herein.

A reading of the meter at each point of connection shall be taken by the AUTHORITY on or about the 28th day of each month and shall be used for monthly billing purposes under the provisions of Section IV hereof. It is hereby agreed

that the variable tolerance of accuracy of the meters shall be within 2% +/- . Either the AUTHORITY or the CITY may check the accuracy of the meters at a time mutually agreeable to the CITY and the AUTHORITY but no more often than once every three months unless there is a disagreement between the parties hereto regarding such accuracy.

In the event that the CITY should desire to connect to its sanitary sewer collection system additional customers from outside the CITY or the CITY'S sewer service area, as the boundaries or territorial limits of the CITY exist on the date hereof, as described in Exhibit "A" attached hereto, the AUTHORITY reserves the right to make a separate contract with, and to approve of, such additional customer or customers for the disposal of sanitary sewage and liquid wastes. The existing connection with the City of South Miami, as its outer boundaries or territorial limits exist on the date hereof, is hereby excepted from this reservation because the City of South Miami is served through the CITY system.

## SECTION II

### CONSTRUCTION, OPERATION AND MAINTENANCE

The CITY agrees and warrants that its sewage collection and transmission system and any extensions thereof shall be constructed, operated and maintained in accordance with the requirements of all applicable governmental agencies.

The CITY, at its sole cost and expense, shall operate and maintain (except as otherwise provided herein) all structures, force mains, pumps, equipment and other facilities required for the collection of sewage from within the CITY'S system and for transporting said sewage to the Sewage Disposal System of the AUTHORITY at the points of connection specified in Section I herein.

The maintenance of the CITY'S collection and transmission system shall include, but not be limited to, all maintenance necessary to conform to the requirements of Section III herein-after specified. The AUTHORITY, at no cost to the CITY,

reserves the right to inspect the CITY'S collection and transmission system to ascertain that said system is being maintained in accordance with the requirements of this Section.

The AUTHORITY has provided and will continue to provide repair service as may be required by the CITY to that portion of the CITY'S 36-inch force main within the CITY to assure continuous operation of the system. Said 36-inch force main is located approximately between the intersections of Bird Road and Granada Boulevard and S. W. 28th Street and 38th Avenue. This service will be provided by the AUTHORITY, and billed to the CITY, at actual cost of labor and materials, without addition of administrative overhead charges. This service will be made available to the CITY as soon as possible upon notification, in the same manner in which the AUTHORITY provides repair service to other public agencies.

### SECTION III

#### TYPE OF WASTES TO BE DISCHARGED

##### AND REGULATORY CHANGES

A. Except as hereinafter provided, the CITY shall not discharge or cause to be discharged any wastes into the AUTHORITY'S intercepting sewers that exceed the AUTHORITY'S current Rules and Regulations and/or as they may be amended in the future to conform to changes in governmental regulations.

B. The CITY recognizes that the AUTHORITY is subject to modification of existing regulations, concerning water and sewer service, of governmental bodies, and that the AUTHORITY must conform to such changes in order to insure a continuing flow of governmental grant funds which considerably reduce the local financing burden in the construction of regional sewage facilities. Therefore, the AUTHORITY will modify its regulations as necessary to conform to such changes in governmental regulations, and the CITY agrees

that it will also conform to such changes.

C. Upon notifying the CITY, the AUTHORITY shall have the right to collect samples of sewage and industrial wastes at various locations within the CITY'S service area at any time for the purpose of monitoring the CITY'S sewerage system by making laboratory analyses of these wastes. Upon notification by the AUTHORITY that an Industrial Cost Recovery program must be placed into effect to meet Federal Government requirements, the CITY shall supply the AUTHORITY with a list of the producers of industrial wastes, as defined under AUTHORITY'S Rules and Regulations, and shall update this list annually. The CITY shall require that each major producer of industrial wastes, as defined by the AUTHORITY'S Rules and Regulations, submit to the AUTHORITY annually a complete laboratory analysis of both the raw and treated wastes. The CITY shall submit to the AUTHORITY similar laboratory analyses of composite samples of the combined wastes discharged to the AUTHORITY'S regional sewerage system, annually. The laboratory analyses shall conform to the AUTHORITY'S requirements contained in its Rules and Regulations.

D. Plans, specifications and design information for all proposed pre-treatment facilities shall be submitted to the AUTHORITY for approval, and construction of any such proposed facilities shall not be commenced until the AUTHORITY issues written approval of such facilities.

E. If at any time the CITY shall not comply with the restrictions imposed upon it in the preceding portion of this Section III, or if the CITY or any of its sewer service customers shall create any condition which the AUTHORITY should determine destructive to any of its installations which carry and dispose of material discharged by the CITY into the facilities of the AUTHORITY, the AUTHORITY shall

give thirty (30) days notice to the CITY to discontinue or cause to be discontinued such harmful operation or practice. If such operation or practice is not discontinued within said period of time, then the CITY shall pay to the AUTHORITY one hundred dollars (\$100.00) per day until such harmful operation or practice is discontinued in order to defray the AUTHORITY'S cost for repairing any damage to the AUTHORITY'S sewerage system. These daily payments shall be held by the AUTHORITY in a fund and credited against the total actual costs for such repairs, payment of which shall be the responsibility of the CITY.

#### SECTION IV

##### CHARGES TO BE PAID MONTHLY BY THE CITY

A. Prior to July 1, 1979, the CITY shall pay to the AUTHORITY, and the AUTHORITY shall accept such payments from the CITY as compensation for the transmission, treatment and disposal of all sewage received from the CITY and any outside customers connected to the CITY'S system, monthly sewage disposal service charges computed as specified in Section III of the Existing Contract.

B. On and after July 1, 1979, a new rate will be computed and placed into effect by the AUTHORITY which will serve as the basis for sewage treatment and disposal service charges for the AUTHORITY'S volume (regional) customers, consisting of a minimum charge and a volume service charge, to be billed by the AUTHORITY to the CITY. The CITY shall pay to the AUTHORITY monthly sewage treatment and disposal charges based on that new rate. That rate shall be calculated for each AUTHORITY Fiscal Year based on projections from the prior AUTHORITY Fiscal Year. The AUTHORITY'S charge shall be computed by the following method:

##### 1. Minimum Charges

The minimum charge per customer shall be based on the summation of 50 percent of the

projected \* annual Administration and General Expenses and 100 percent of the projected annual User's Accounting and Collecting Expenses, divided by the projected average number of AUTHORITY sewage disposal customers within the City of Miami and the projected average number of AUTHORITY sewage disposal customers outside the City of Miami, for the ensuing twelve (12) month period, such that the present minimum rate differential favoring City of Miami customers of \$0.57/month is maintained until the outstanding City of Miami General Obligation Bonds issued for the sewage disposal project have been retired, at which time the rate differential will be eliminated.

Presented in formula terms:

where X = minimum monthly charge per customer within the City of Miami

X + \$0.57 = minimum monthly charge per customer outside the City of Miami

Y = projected average number of AUTHORITY sewage disposal customers within the City of Miami for the ensuing twelve month period

Z = projected average number of AUTHORITY sewage disposal customers outside the City of Miami for the ensuing twelve (12) month period

\* Projected - estimate made for Authority fiscal year in question based on engineering and accounting principles and prior years' experience.



a = 50% of projected annual Administration  
and General Expenses

b = 100% of projected annual User's Account-  
ing and Collecting Expenses

The formula for monthly billing would be

$$YX + Z (X + \$0.57) = \frac{a + b}{12}$$

A single minimum charge shall be applied  
monthly.

2. Volume Service Charge (Flow Charge)

In addition to Item 1 above, the volume  
service charge shall be the amount resulting  
from the multiplication of the customer's  
total metered volume of sewage flow in thou-  
sands of gallons each month by a rate per  
thousand (1,000) gallons consisting of and  
equal to the sum of the following projected  
Items (2a through 2j):

a) That portion of all projected  
annual operating and maintenance  
expense, including taxes assessed,  
if any, experienced by the AUTHORITY  
in connection with its Regional Force  
Main and Regional Gravity Interceptor  
sewer system divided by the projected  
total amount of flow \*\* used for billing  
all the AUTHORITY'S sewage disposal  
customers over the same time period.

b) That portion of all projected annual  
operating and maintenance expenses, includ-  
ing taxes assessed, if any, experienced by  
the AUTHORITY in connection with its

Regional Sewage Pumping Stations, divided by the projected total amount of flow \*\* used for billing all the AUTHORITY'S sewage disposal customers over the same time period.

c) That portion of all projected annual operating and maintenance expenses, including taxes assessed, if any, experienced by the AUTHORITY in connection with its sewage treatment plants and sewage effluent outfalls and/or deep disposal wells divided by the projected total amount of flow \*\* used to bill all the AUTHORITY'S sewage disposal customers over the same time period.

The AUTHORITY'S regional plants have been designed for a 5 day B.O.D. concentration of 200 ppm and a Suspended Solids concentration of 200 ppm. In the event the CITY should exceed these limits for sewage effluent as determined by monitoring the CITY'S sewage effluent at the point of connection, Item (c) shall be multiplied by the following projected factor:

$$(0.4) + (0.0015) (\text{B.O.D.})\text{ppm} + (0.0015) (\text{S.S.})\text{ppm}$$

d) A charge for renewal and replacement of all the AUTHORITY'S regional capital wastewater facilities, including "Work in Progress - Construction", according to the AUTHORITY'S policy in effect at the time for determining a rate consistent with good municipal utility accounting practices and the budgeted renewal and replacement projects for the

ensuing fiscal year divided by the total projected amount of flow \*\* used to bill all the AUTHORITY'S sewage disposal customers during the ensuing fiscal year.

e) A charge for payment of all the AUTHORITY'S projected annual interest obligations of outstanding notes and bonds for its Regional Sewerage System, divided by the projected total amount of flow \*\* used to bill all the AUTHORITY'S sewage disposal customers over the same time period.

f) An annual charge for the orderly amortization of AUTHORITY'S outstanding notes and bonds for its Regional Sewerage System to be consistent with the requirements under law divided by the total projected amount of flow \*\* used to bill all the AUTHORITY'S sewage disposal customers over the same time period.

g) That 50 percent portion of projected annual Administration and General Expenses that is not covered by the minimum charge divided by the total projected amount of flow \*\* used to bill all the AUTHORITY'S sewage disposal customers over the same time period.

h) A charge for coverage of debt service for the various bond issues that require a coverage factor. This factor depends on the particular covenant governing the bond

issue and is achieved by generating sufficient net operating revenues from all customers to exceed debt service requirements by the percentage prescribed in the covenant. The projected total flow \*\* component shall be used to obtain the debt service coverage charge on bond issues for regional capital improvements. It is anticipated that the normal relative relationships between funding required for operating and maintenance expenses, renewal and replacement expenditures, and debt service will be such that no special charge for debt service coverage will be required. However, if this should not be the case, funds collected specifically for this purpose will be regularly reimbursed to the customers on a pro rata basis, as legally permissible, to avoid the accumulation of surplus funds from this source.

i) An annual adjustment debit or credit, equitably distributed between volume and retail customers, based on the projected variances in the AUTHORITY'S Sewer Division Operating Expenditures from those used in the prior year's sewage treatment and disposal charge calculations, including but not necessarily limited to operating and maintenance expenses, debt service and the funding of renewal and replacement (depreciation), divided by the total projected amount of flow \*\* used to bill all the AUTHORITY'S sewage disposal customers during the ensuing year taking into consideration the following:

The above Items 1 and 2a through 2h are projected items determined partially from the current year's costs. Therefore, there will likely be a variance at the end of each fiscal year depending on the accuracy of the previous year's projection which took into account the effect of the projected inflation and system growth. This item, therefore, will reduce or increase the total of previous volume and/or minimum charge rate components depending on whether an increase (or decrease) is projected for the current Fiscal Year.

j) A surcharge factor per thousand gallons equal to the projected annual debt service for City of Miami General Obligation Sewer Bonds of 1953 (refinanced as of January 1, 1962) less that portion of the annual debt service which is offset by the differential in minimum charges established under Item 1 divided by two times the total projected amount of flow \*\* used for billing all the AUTHORITY'S customers (including Volume Customers) outside the City of Miami during the ensuing Fiscal Year. This factor shall be applied as a surcharge only until such time as the City of Miami has retired its General Obligation Sewer Bonds of 1953 (refinanced as of January 1, 1962).

\*\* The projected amount of flow will be expressed in 1,000 gallons and can be converted into units of 100 cubic feet if necessary.

The AUTHORITY'S total service charge to the CITY shall be the sum of Items 1 and 2 (a through j) described above. Said charge shall be paid by the CITY within thirty (30) days of its receipt of each bill. Any bill unpaid after thirty (30) days bill be rebilled to include an interest charge of eight (8) percent per annum but not less than the legal rate of interest. Legal rate of interest is hereby defined as the rate of interest which must be paid in all cases where the law of the State of Florida allows interest without the assent of the debtor.

C. The AUTHORITY hereby grants the CITY the right to audit all AUTHORITY records related to the computation of the aforesaid rates. The AUTHORITY shall make available for the CITY and/or its auditors said records at the offices of the AUTHORITY on an annual basis. In the event that such audit indicates any discrepancy between the rates used by the AUTHORITY in computing the monthly service charges to the CITY and those rates determined as a result of the audit, with the mutual agreement of the parties hereto, the AUTHORITY shall make an adjustment, fully retroactive, in the service charges previously paid by the CITY to the AUTHORITY.

#### SECTION V

##### RATES TO BE CHARGED BY THE CITY

The CITY shall establish, impose, maintain and collect, or shall cause to be established, imposed, maintained and collected at all times throughout the effective period hereof, such rates and charges for sewage received into its sewerage system as will enable it to pay in full all amounts to which the AUTHORITY shall be entitled hereunder. The rates established by the CITY shall conform to all Federal, State and County laws and regulations and shall be established in such a manner that they will not prevent the AUTHORITY from

receiving to the fullest extent possible Federal and State Grants for the improvement of its sewerage system.

In order for the AUTHORITY to receive full participation by the Federal Government in providing grants for construction of wastewater facilities as delineated by Public Law 92-500, or by other Federal legislation as may be enacted in the future, the AUTHORITY may be required to charge all industrial users who contribute wastewater to its regional wastewater disposal system an Industrial Cost Recovery Charge. This charge has been established to insure that an industrial user pays back its share of the Federal funds advanced for construction of wastewater facilities. When such charge must be imposed, the AUTHORITY will establish rates to be used in determining this charge which comply with the requirements. The AUTHORITY will bill directly the industrial users within the CITY'S sewage disposal system for reimbursement to the Federal Government according to the requirement of Federal law. In the event the industrial user refuses to pay this charge, the CITY will join with the AUTHORITY in all required legal action to enable the AUTHORITY to obtain the required Industrial Cost Recovery Charges.

#### SECTION VI

#### INDEMNIFICATION

The CITY agrees to hold and save harmless the AUTHORITY from any damage to the AUTHORITY'S transmission or treatment facilities or any litigation by other parties resulting in a final judgment for damages, including reasonable attorney's fees (including appeals) and court costs caused by the improper introduction by the CITY or its users into the AUTHORITY'S sanitary sewage facilities of any solid, liquid, gas or other effluent as described in Section III of this Agreement.

The AUTHORITY agrees to hold and save harmless the CITY

from any litigation resulting in final judgment for damages, including reasonable attorney's fees (including appeals) and court costs resulting from the AUTHORITY'S negligence in the operation of the AUTHORITY'S sewage transmission and treatment facilities.

#### SECTION VII

##### TEMPORARY CESSATION OF SERVICE

Any temporary cessation of disposal of sewage caused by an Act of God, fire, strike, casualty, civil or military authority, act of a third party, insurrection or riot shall not constitute a breach of this Agreement on the part of the AUTHORITY and the AUTHORITY shall not be liable to the CITY or its inhabitants for any damage resulting from such cessation of disposal. It is agreed between the parties hereto that if a decision on any matter arising out of or under this Contract cannot be resolved by the parties hereto, the matter shall be submitted to arbitration in accordance with Section X herein-after specified.

#### SECTION VIII

##### EFFECTIVE PERIOD OF CONTRACT

This Contract shall be and remain in full force and effect for and during a period of thirty (30) years from and after the 3rd day of May, 1977, provided, however, that this Contract may be terminated at any time by mutual consent and agreement of the parties hereto. The AUTHORITY agrees that no later than six (6) months prior to the expiration of this Contract it will notify the CITY, in writing, of the approaching termination date, and further agrees to renegotiate the Contract at that time for an additional period of time up to thirty (30) years.



SECTION IX

ARBITRATION

It is agreed by and between the parties that should any dispute arise concerning this Contract, which the parties between themselves cannot adjust and reconcile, such matter or matters in dispute shall be settled by arbitration in this manner: either party may give to the other party the name of an arbitrator selected by it, in writing; thereupon, within three (3) days such party shall designate its arbitrator, in writing, and the two so named shall then name a third, the three to hear the matter in dispute, promptly; the parties agree to be bound by the decision of a majority of such three with no further action, whatever. In the event that, after being notified of the selection of an arbitrator, the other party should fail within the time set forth to name its arbitrator, any Judge of the Eleventh Judicial Circuit of Dade County, not as such judge but as an individual and acting unofficially, may name the arbitrator for such party, and the two so named shall then select a third and then proceed as hereinbefore set forth, the parties agreeing to be bound by the findings of the arbitrator.

SECTION X

CONTRACT BINDING UPON SUCCESSORS

This Contract shall inure to and be binding upon the successors of each of the parties hereto, provided, however, that in the event that, at any time during the effective period hereof, the CITY shall decide to sell, lease or otherwise dispose of a portion of its sewage system, no sale, lease or other act of disposal shall be consummated unless the AUTHORITY first shall agree thereto in writing prior to the consummation of such sale, lease or other act of disposal, but all provisions of this Contract shall continue to be in full force and effect and binding upon both parties hereto

with respect to all portions of the sewage system of the CITY not covered by such sale, lease or other method of disposal.

#### SECTION XI

##### CONTRACT SUPERSEDING PRIOR CONTRACT

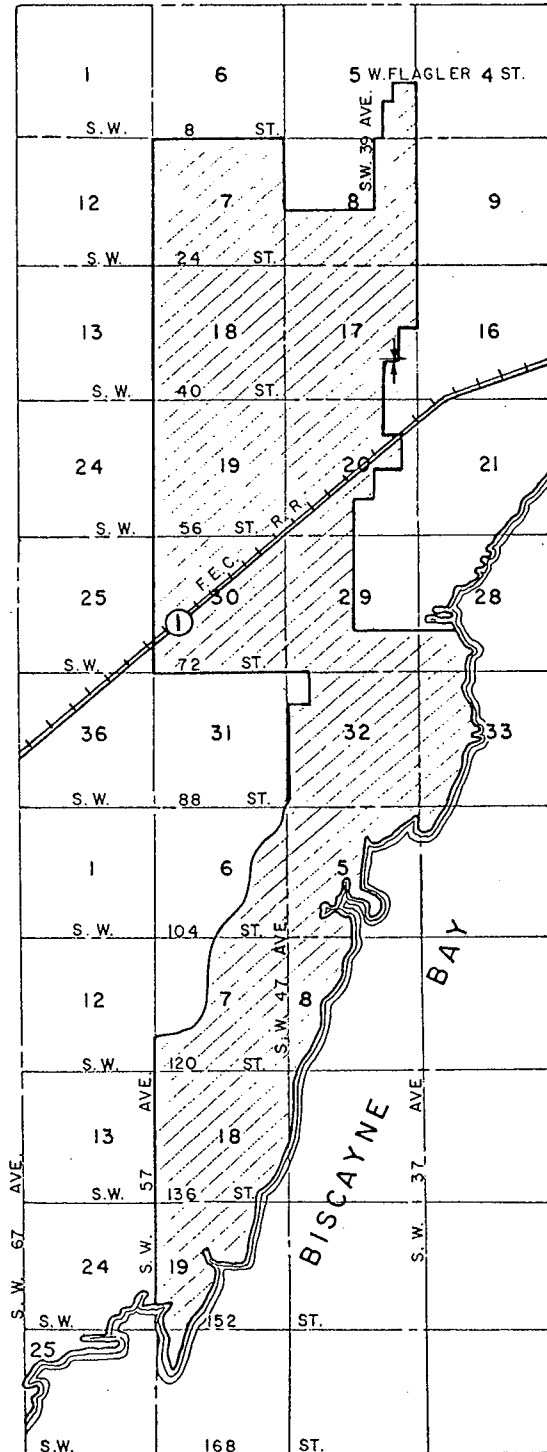
This Contract supersedes that certain Service Contract dated April 28, 1965 between the City of Coral Gables and the Department of Water and Sewers of the City of Miami, predecessor to the AUTHORITY. Said Existing Contract shall be of no further force and effect as of the date of execution of this Contract, except for the monthly service charge computations detailed in Section III of the Existing Contract which shall be utilized until July 1, 1979 as described in Section IV herein.

#### SECTION XII

##### CONFORMITY OF CONTRACTS

The AUTHORITY shall, upon written request from the CITY, include any additional or modified language from any of the AUTHORITY'S sewage disposal service contracts with other volume customers incorporating a "user charge" and dated after January 1, 1979, by addendum to this Contract. Upon request from the CITY, the AUTHORITY shall provide one copy of any such other contract for the CITY.

DADE COUNTY  
 SEC. 5, 7, 8, 18, 17, 19, 20,  
 30, 29, 28, 32, 33-  
 54-41  
 6, 5, 7, 8, 18, 19-55-40



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 L.C.  
 KED

POINT OF CONNECTION  
 S.W. 28 ST. & S.W. 38 AVE

EXHIBIT "A"

LOCATION PLAN FOR  
 CITY OF CORAL GABLES  
 SEWER SERVICE AREA

MIAMI DADE

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their respective officials thereunto duly authorized, all as of the day and year hereinbefore first above written.

MIAMI-DADE WATER AND SEWER AUTHORITY

Witnesses as to the  
Miami-Dade Water and  
Sewer Authority

By: Garrett Sloan  
Garrett Sloan, Director

Florida Hill

ATTEST:

Christina C. Bissinger By: Gordon Boddington (SEAL)  
Gordon Boddington, Secretary

THE CITY OF CORAL GABLES, FLORIDA

Authority of Resolution No. 22478  
passed and adopted April 24, 1979.

Witnesses as to The City  
of Coral Gables, Florida

Deanna L. Zucchi  
Marta Mayol

By: Martha Laine  
City Manager

ATTEST:

By: Virginia Paul (SEAL)  
City Clerk

Approved as to form and  
correctness this 26<sup>th</sup>  
day of APRIL,  
1979.

William P. Burns  
General Counsel of the  
Miami-Dade Water and  
Sewer Authority

Approved as to form and  
correctness this 5<sup>th</sup>  
day of May,  
1979.

Charles H. Sprunt  
City Attorney of The  
City of Coral Gables,  
Florida