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**AGENDA ITEM
ST. JOHNS COUNTY BOARD OF COUNTY COMMISSIONERS**

Deadline for Submission - Wednesday 9 a.m. – Thirteen Days Prior to BCC Meeting

7/16/2024

BCC MEETING DATE

TO: Joy Andrews, County Administrator

DATE: June 20, 2024

FROM: Neal Shinkre, Utility Director

PHONE: 904 209-2721

SUBJECT OR TITLE: Wholesale Reclaimed & Potable Water Agreement - JEA

AGENDA TYPE: Business Item, Consent Agenda, Resolution

BACKGROUND INFORMATION:

St. Johns County Utility Department (SJCUD) currently provides water service to a portion of its customers along the US 1 North and CR 210W corridors through an agreement with JEA. The Twin Creeks DRI, which is along the CR210 W corridor, is required to utilize all available lower-quality sources of water for irrigation, which may include reclaimed water. The Utility Service Area Boundary for the County and JEA is currently divided by County Road 210 (JEA on the Northside and SJCUD on the Southside), which bisects the Twin Creeks DRI. SJCUD currently does not have the ability to provide reclaimed water service in the Twin Creeks area, however, it wishes to serve and provide reclaimed water services to the County’s Twin Creeks Service area via a Utility Services Agreement with JEA. This agreement provides for a wholesale rate of 83% of the retail reclaimed water rate to SJCUD as well as a wholesale rate of 83% of retail potable water rates.

1. IS FUNDING REQUIRED? Yes

2. IF YES, INDICATE IF BUDGETED. Yes

IF FUNDING IS REQUIRED, MANDATORY OMB REVIEW IS REQUIRED:

INDICATE FUNDING SOURCE: Utility Department Water Treatment - Contractual Services (4411-53120)

SUGGESTED MOTION/RECOMMENDATION/ACTION:

Motion to adopt Resolution 2024-_____, approving the terms, conditions, provisions, and requirements of the Wholesale Reclaimed Water and Potable Water Utility Services Agreement between St. Johns County and JEA, and authorizing the County Administrator, or designee, to execute the agreement on behalf of the County, in substantially the same form and format as attached hereto.

For Administration Use Only:

Legal: Lex Taylor 7/2/2024

OMB: JN 7/3/2024

Admin: Colin Groff 7/3/2024

RESOLUTION NO. 2024-___

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, APPROVING THE TERMS, PROVISIONS, CONDITIONS AND REQUIREMENTS OF A WHOLESALE RECLAIMED WATER AND POTABLE WATER UTILITY SERVICES AGREEMENT BETWEEN THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA AND JEA, AND AUTHORIZING THE COUNTY ADMINISTRATOR, OR DESIGNEE, TO EXECUTE THE AGREEMENT ON BEHALF OF THE COUNTY.

WHEREAS, JEA is in the business, among others, of constructing and operating water, wastewater, and reclaimed water facilities, and providing water, wastewater, and reclaimed water utility services; and

WHEREAS, the Twin Creeks DRI is required to utilize all available lower-quality sources of water for irrigation, which may include reclaimed water, when deemed feasible; and

WHEREAS, the Utility Service Area Boundary for the County and JEA is currently divided by County Road 210 (JEA on the Northside and the County's Utility on the Southside), which bisects the Twin Creeks DRI; and

WHEREAS, the County and JEA entered into a wholesale water and sewer service agreement on April 20th, 1999 to provide water and wastewater service to the County to provide service to the County's Northeast service area; and

WHEREAS, the County and JEA entered into the St Johns County/JEA Water and Wastewater Interlocal Agreement ("Interlocal Agreement") on July 20, 1999 to establish terms and conditions related to the provision of water, wastewater, and reclaimed water (or reuse) water services by JEA in the County in connection with the acquisition by JEA of the JCP utility; and

WHEREAS, the County and JEA amended the St Johns County/JEA Water and Wastewater Interlocal Agreement (“First Addendum”) on December 19, 2001, which included expanding the term of the 1999 wholesale agreement to match the Interlocal Agreement; and

WHEREAS, the County and JEA amended the St Johns County/JEA Water and Wastewater Interlocal Agreement two additional times (Second Addendum on July 2, 2003) and (Third Addendum on January 30, 2014), neither of which substantially modified the terms or intent of the 1999 wholesale agreement; and

WHEREAS, both the County and JEA desire to have the same expiration date for this Agreement, and the St. Johns County/JEA Water and Wastewater Interlocal Agreement (dated July 20, 1999, First Addendum dated December 19, 2001); and

WHEREAS, the County currently does not have the ability to provide reclaimed water service in the Twin Creeks area, however, it wishes to serve and provide reclaimed water services to the County’s Twin Creeks Service area via a service agreement with JEA; and

WHEREAS, JEA has confirmed that they will have capacity to provide reclaimed water service to the County to serve the County’s service territory within the Twin Creeks DRI, contingent on the terms and conditions set forth herein; and

WHEREAS, the Parties are in the process of preparing a Consolidated, Amended and Restated Interlocal Agreement intended to simplify, streamline, and put into one document the various promises, terms and conditions of the existing outstanding contracts and agreements between the Parties, completion of which will effectively replace this Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, as follows:

Section 1. The above Recitals are hereby incorporated by reference into the body of this Resolution and such Recitals are adopted as finds of fact.

Section 2. The Board of County Commissioners of St. Johns County, Florida hereby

approves the terms, conditions, provisions, and requirements of the Wholesale Reclaimed Water and Potable Water Utility Services Agreement between St. Johns County and JEA, and authorizes the County

Administrator, or designee, to execute the agreement on behalf of the County, in substantially the same form and format as attached hereto.

Section 3. If there are typographical or administrative errors or omissions that do not change the tone, tenor, or context of this Resolution, this Resolution may be revised without subsequent approval of the Board of County Commissioners.

Section 4. This Resolution shall be effective upon adoption by the Board of County Commissioners.

PASSED AND ADOPTED by the Board of County Commissioners of St. Johns County, Florida, this _____ day of _____, 2024.

**BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA**

By: _____
Sarah Arnold, Chair

ATTEST: Brandon J. Patty, Clerk of the Circuit & Comptroller

By: _____
Deputy Clerk

**WHOLESALE RECLAIMED WATER and POTABLE WATER
UTILITY SERVICES AGREEMENT**

THIS AGREEMENT is made as of this _ day of _____, 2024 between JEA a public body corporate and politic of the State of Florida, whose address is 225 N. Pearl Street, Jacksonville, Florida 32202 (“JEA”), and ST. JOHNS COUNTY, a political subdivision of the state of Florida, whose address is 500 San Sebastian View, St. Augustine, Florida 32084 (the "County").

W I T N E S S E T H:

WHEREAS, JEA is in the business, among others, of constructing and operating water, wastewater, and reclaimed water facilities, and providing water, wastewater, and reclaimed water utility services; and

WHEREAS, the Twin Creeks DRI is required to utilize all available lower-quality sources of water for irrigation, which may include reclaimed water, when deemed feasible; and

WHEREAS, the Utility Service Area Boundary for the County and JEA is currently divided by County Road 210 (JEA on the Northside and the County’s Utility on the Southside), which bisects the Twin Creeks DRI; and

WHEREAS, the County and JEA entered into a wholesale water and sewer service agreement on April 20th, 1999 to provide water and wastewater service to the County to provide service to the County’s Northeast service area; and

WHEREAS, the County and JEA entered into the St Johns County/JEA Water and Wastewater Interlocal Agreement (“Interlocal Agreement”) on July 20, 1999 to establish terms and conditions related to the provision of water, wastewater, and reclaimed water (or reuse) water services by JEA in the County in connection with the acquisition by JEA of the JCP utility; and

WHEREAS, the County and JEA amended the St Johns County/JEA Water and Wastewater Interlocal Agreement (“First Addendum”) on December 19, 2001, which included expanding the term of the 1999 wholesale agreement to match the Interlocal Agreement; and

WHEREAS, the County and JEA amended the St Johns County/JEA Water and Wastewater Interlocal Agreement two additional times (Second Addendum on July 2, 2003) and (Third Addendum on January 30, 2014), neither of which substantially modified the terms or intent of the 1999 wholesale agreement; and

WHEREAS, both the County and JEA desire to have the same expiration date for this Agreement, and the St. Johns County/JEA Water and Wastewater Interlocal Agreement (dated July 20, 1999, First Addendum dated December 19, 2001); and

WHEREAS, the County currently does not have the ability to provide reclaimed water service in the Twin Creeks area, however, it wishes to serve and provide reclaimed water services to the County’s Twin Creeks Service area via a service agreement with JEA; and

WHEREAS, JEA has confirmed that they will have capacity to provide reclaimed water service to the County to serve the County’s service territory within the Twin Creeks DRI, contingent on the terms and conditions set forth herein; and

WHEREAS, the Parties are in the process of preparing a Consolidated, Amended and Restated Interlocal Agreement intended to simplify, streamline, and put into one document the various promises, terms and conditions of the existing outstanding contracts and agreements between the Parties, completion of which will effectively replace this Agreement.

NOW, THEREFORE, it is hereby mutually agreed as follows:

1. CERTAIN DEFINITIONS

The following terms shall have the meanings set forth below:

- 1.1 “Basic Monthly Charges” shall mean the monthly rates defined for the appropriate customer classes for reclaimed water in the latest edition of JEA’s WATER AND SEWER SYSTEM TARIFF DOCUMENT.
- 1.2 "County Service Area" shall mean the area anticipated by the Parties to be eventually served under this Agreement as shown on *Exhibit A*.
- 1.3 “DRI” shall mean the Twin Creeks DRI collectively as defined by DOE 2009-94, DOE 2010-77, DOE 2010-82, DOE 2010-83, DOE 2012-34, DOE 2016-122, DOE 2016-132, DOE 2017-60, DOE 2017-61, DOE 2017-107, DOE 2018-23, DOE 2018-24, DOE 2018-162, DOE 2019-51, DOE 2019-52, DOE 2020-16, DOE 2020-17, DOE 2020-51, DOE 2020-52, DOE 2020-53, DOE 2021-13.
- 1.4 “JEA’s Rate Document” shall mean the latest edition of JEA’s published WATER AND SEWER RATE SYSTEM TARIFF DOCUMENT which defines rates and customer classes for JEA’s System.
- 1.5 “JEA System” means the pumps, meters, mains, pipes, connections, and other property located upstream of the Point of Connection used to provide reclaimed water which shall have capacity of 700,000 gallons per day annual average day demand available with the ability to meet anticipated peak demand flows in order to serve the St Johns County System.
- 1.6 "Party" shall mean JEA or the County; "Parties" shall mean JEA and the County.
- 1.7 "Person" shall include governmental, non-profit, business and professional entities, however organized.
- 1.8 “Point of Connection” shall mean the point of reclaimed water system where ownership and maintenance responsibility transitions from JEA to the County as illustrated on *Exhibit B*.
- 1.9 “Reclaimed Water” means treated wastewater effluent meeting the applicable federal, state, and local laws and regulations for irrigation, and non-potable forms of consumption by business and industry as allowed by law.

- 1.10 "Services" shall mean the provision and transport of Reclaimed Water, and the transport and processing by JEA through JEA System to County System, as the case may be, to the County Service Area for the County's use in providing retail reclaimed water service in the DRI.
- 1.11 "St. Johns County System" means the meters, mains, pipes, connections, and other property, used to provide Reclaimed Water to serve the County Service Area as depicted in *Exhibit A*.
- 1.12 "Volume Charges" shall mean collectively the Volume Charges per Thousand Gallons rate, as defined for the applicable customer classes for reclaimed water in the latest edition of JEA's Water AND SEWER RATE SYSTEM TARIFF DOCUMENT.

2. SCOPE AND TERM OF THE AGREEMENT

2.1 This Agreement shall become binding on the date herein provided. JEA shall not be obligated to begin providing reclaimed water services to the County until the necessary Capacity Fees are paid.

2.2 The term of this Agreement shall be from the date of initial retail services by JEA to the County as defined by payment of the capacity fees, or as mutually amended by the Parties, and expire on the same date as set forth in the St. Johns County/JEA Water and Wastewater Interlocal Agreement (dated July 20, 1999, First Addendum dated December 19, 2001). In the event the Parties cannot reach a mutual agreement for renewal, either Party may elect to not renew this Agreement by providing notice twenty-four (24) months prior to the termination of the Original Term or any Renewal Term.

3. OWNERSHIP AND CONSTRUCTION OF THE FACILITIES

3.1 JEA has constructed facilities, as illustrated on *Exhibit B*, in order to provide reclaimed water service to the DRI and surrounding JEA service area as depicted in *Exhibit A*. Upon execution of the terms of this Agreement, JEA agrees to facilitate appropriate capacity to provide service to the County's service territory within the DRI.

3.2 A physical connection between the JEA and County systems was constructed by South Jacksonville Properties as part of the Twin Creeks CR 210 Reconstruction Project. The County shall be served through the 10-inch master meter shown on *Exhibit B*.

4. OPERATION OF THE SYSTEM

4.1 The County shall manage the operation of the St. Johns County System as a whole downstream of the point of connection identified in *Exhibit B*. JEA shall bear the cost of maintaining and operating the JEA System located upstream of the point of connection identified in *Exhibit B*. The Parties agree to carry out their respective responsibilities in accordance with all applicable federal, state and local environmental statutes, laws, ordinances, rules and regulations and in accordance with generally accepted industry practices throughout the term of the Agreement.

4.2 The County shall be responsible for all customer relations, including, without limitation, initiation of service, customer relations and communications, complaints, billing and collections for the customers within the boundary of the County Service Area.

4.3 The Parties agree to collaborate and coordinate in good faith on any service disruption or outage issues that may arise during the term of this Agreement. A list of emergency contacts is attached as *Exhibit C*.

4.4 The County agrees to provide JEA pressure monitoring data from the St Johns County Facilities when requested for the Twin Creeks Service area to assist JEA in the operation

of their booster facilities. Pressure monitoring data sharing shall be provided in relative real time from SJCUD SCADA System, if available.

4.5 Additional Points of Connection shall be mutually determined and agreed upon by the Parties. The costs of such installation shall be borne by the Party desiring the connection. Additional Points of Connection shall be master metered. A master meter shall not impact Level of Service to the County Service Area.

5. RATES AND PAYMENTS BY THE COUNTY

5.1 As payment for the Reclaimed Water Services JEA provides to the County under this Agreement, the County shall pay to JEA a wholesale rate of 83% of retail rates, described as follows:

- (a) The County shall pay to JEA a monthly charge, consisting of (1) Basic Monthly Charges for Reclaimed Water fees and (2) Volume Charges for Reclaimed Water fees, based on JEA's uniform published rates.
- (b) The County understands and accepts that JEA's rates, fees and charges may change from time to time during the term of this Agreement.

5.2 The following table details the units that the County anticipates serving within the County Service Area of the Twin Creeks DRI.

Development Type	Quantity
Single Family Units	1,871 Units
Multi-Family Units	196 Units
Commercial	112,408SF

JEA has constructed its facilities appropriately to provide adequate reclaimed service to serve the County's Service Area.

5.3 The County has collected reuse unit connection (a.k.a. capacity) fees from customers that have previously connected to the County's System within the DRI. The County shall continue to track customers and capacity fees collected prior to reuse service being initiated, and pay JEA uniform published capacity fees for all exiting reclaimed water connections as defined in JEA's Rate Document upon the first quarterly payment of fees following initiation of service.

5.4 The County shall track and collect appropriate capacity fees from all customers in the County Service Area, and pay JEA the uniform published capacity fees for all reclaimed water connections as defined in JEA's Rate Document up to or until termination of this Agreement. The County shall make payment to JEA for collection of new reclaimed water capacity fees quarterly to JEA.

5.5 As set forth above, the County and JEA entered into a wholesale water and sewer service agreement on April 20th, 1999 where the parties agreed upon a rate to be paid by the County to JEA after the project costs were fully recovered by JEA. The parties agree the provisions contained in Section 5.3 of the original service agreement should be superseded and replaced by the following terms for payment. For the Potable Water Services JEA is providing to the County under this Agreement, the County shall pay to JEA a wholesale rate of 83% of retail rates. The County shall pay to JEA a monthly charge, consisting of (1) Basic Monthly Charges for potable water fees and (2) Volume Charges for potable water fees, based on JEA uniform published rates.

6. GENERAL

6.1 The Parties shall at all times use reasonable care and act in good faith in performing its duties hereunder.

6.2 JEA and the County both agree that during the term of this Agreement each shall at all times comply with applicable federal, state or local statutes, laws, ordinances, rules and regulations, including environmental laws and regulations. In the event any investigation or

monitoring of site conditions or any clean-up, containment, restoration, removal or other remedial work (collectively, the "Remedial Work") is required pursuant to any applicable federal, state, local law, ordinance, rule or regulation, any judicial order, or by any governmental entity, due to the actions or activities of either party, the party whose actions or activities made the Remedial Work necessary shall bear the responsibility to perform or cause to be performed the Remedial Work in compliance with such law, ordinance, rule or regulation or order. The County agrees and acknowledges that JEA shall not be responsible for any environmental liability within the Twin Creeks Service Area resulting from a condition or activity by the County prior to commencement of the Project.

6.3 JEA shall continuously provide the County with all Reclaimed Water Services needed by the County per Section 1.10 of this Agreement for the County Service Area, provided, however, JEA shall not be liable to the County for any failure to perform or delay in performance hereunder where such failure or delay is occasioned by circumstances beyond JEA's control.

6.4 JEA and the County shall comply with applicable federal, state, county and local laws, ordinances, regulations and codes in the performance of this Agreement and shall, by providing timely information to each other, assist each other in complying with such laws to the extent that it is their obligation to so do. All obligations under this Agreement shall be performed in compliance with all applicable legislation and government agency orders and regulation prohibiting discrimination against any employee or applicant for employment because of race, color, religion, sex, national, origin, age or handicap. Where required by law, certificates of compliance shall be provided. JEA and the County shall comply with the provision of the Fair Labor Standards Act of 1938, as amended, and all other applicable federal, state and local laws.

6.5 All the terms, provisions and conditions of this Agreement shall inure solely to the benefit of and shall be enforceable solely by the Parties hereto and their respective successors and assigns. This Agreement is not intended to and shall not benefit any third party, nor shall any third party have any rights hereunder or as a result of this Agreement or any right to enforce any provisions of this Agreement.

6.6 Subject to the terms and conditions hereof: (a) this Agreement contains the entire understanding of the Parties hereto in respect of the Project; (b) there are no restrictions, promises, warranties, covenants or undertakings other than those expressly set forth herein; (c) this Agreement supersedes all prior agreements and understandings between the Parties with respect to such subject matter; (d) this Agreement may be amended only by a written instrument duly executed by the Parties hereto or their respective successors or assigns; and (e) any condition to a Party's obligations hereunder may be waived by such Party.

6.7 All notices, requests, demands or other communications pertaining to this agreement hereunder shall be in writing and shall be deemed to have been duly given if delivered or mailed by Certified or Registered mail, return receipt requested, postage prepaid. Notices regarding operational coordination and collaboration shall be made by direct contact in good faith and in a timely manner utilizing the contacts provided in *Exhibit C*.

If to JEA:

JEA, Chief Legal Officer and Chief Operating Officer
225 N. Pearl St. Jacksonville, FL 32202

If to the County:

St. Johns County Utilities, Utility Director
1205 State Road 16
St. Augustine, Florida 32084-8646

The person and address to whom notices are to be delivered or sent may be changed by delivering written notice thereof to the other party in the manner provided above not less than ten (10) days prior to the effective date of said change.

6.8 If any one or more of the covenants, conditions, agreements, terms or provisions of this Agreement shall be held to be invalid, illegal, or unenforceable in any respect, in whole or in part, by judgment, order or decree of any court or other judicial tribunal of competent

jurisdiction; then such covenants, conditions, agreements, terms or provisions shall be null and void, and shall be deemed separable from the remaining covenants, conditions, agreements, terms or provisions, and shall in no way affect the validity of any of the other provisions of this Agreement.

6.9 The rights and obligations of the Parties hereunder are not assignable and may not be transferred without the prior written consent of the other Party hereto, which will not be unreasonably withheld.

6.10 *St. Johns County/JEA Interlocal Agreements.* The County and JEA have previously entered into (i) that certain Water and Wastewater Utility Services Agreement, dated as of April 13, 1999, as amended and (ii) that certain St. Johns County/JEA Water and Wastewater Interlocal Agreement, dated as of July 20, 1999, as amended (the “Interlocal Agreements”). The parties agree that this Wholesale Reclaimed Water and Potable Water Utility Services Agreement shall not extend any expiration date for the Interlocal Agreements.

6.11 The terms and conditions of this Agreement shall be construed, controlled, and interpreted according to the laws of the State of Florida.

{The remainder of this page was intentionally left blank. Signatures to follow.}

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date set forth above.

Signed, sealed and delivered
in the presence of:

**BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA**

Print Name

By: _____

Print Name: _____

Title: _____

Print Name

ATTEST: Brandon J. Patty, Clerk of the
Circuit Court and Comptroller

By: _____

Deputy Clerk

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this day__ of _____, 2024, by _____, as _____ of St. Johns County, Florida.

(Print Name) _____

NOTARY PUBLIC

State of Florida at Large

Commission # _____

My Commission Expires: _____

Personally known ___ or Produced I.D. ___

[check one of the above]

Type of Identification Produced: _____

Signed, sealed and delivered
in the presence of:

JEA

By: _____
Print Name: _____

By: _____
Print Name: _____

By: _____
Print Name: _____

By: _____
Print Name: _____

STATE OF FLORIDA
COUNTY OF ST. JOHNS

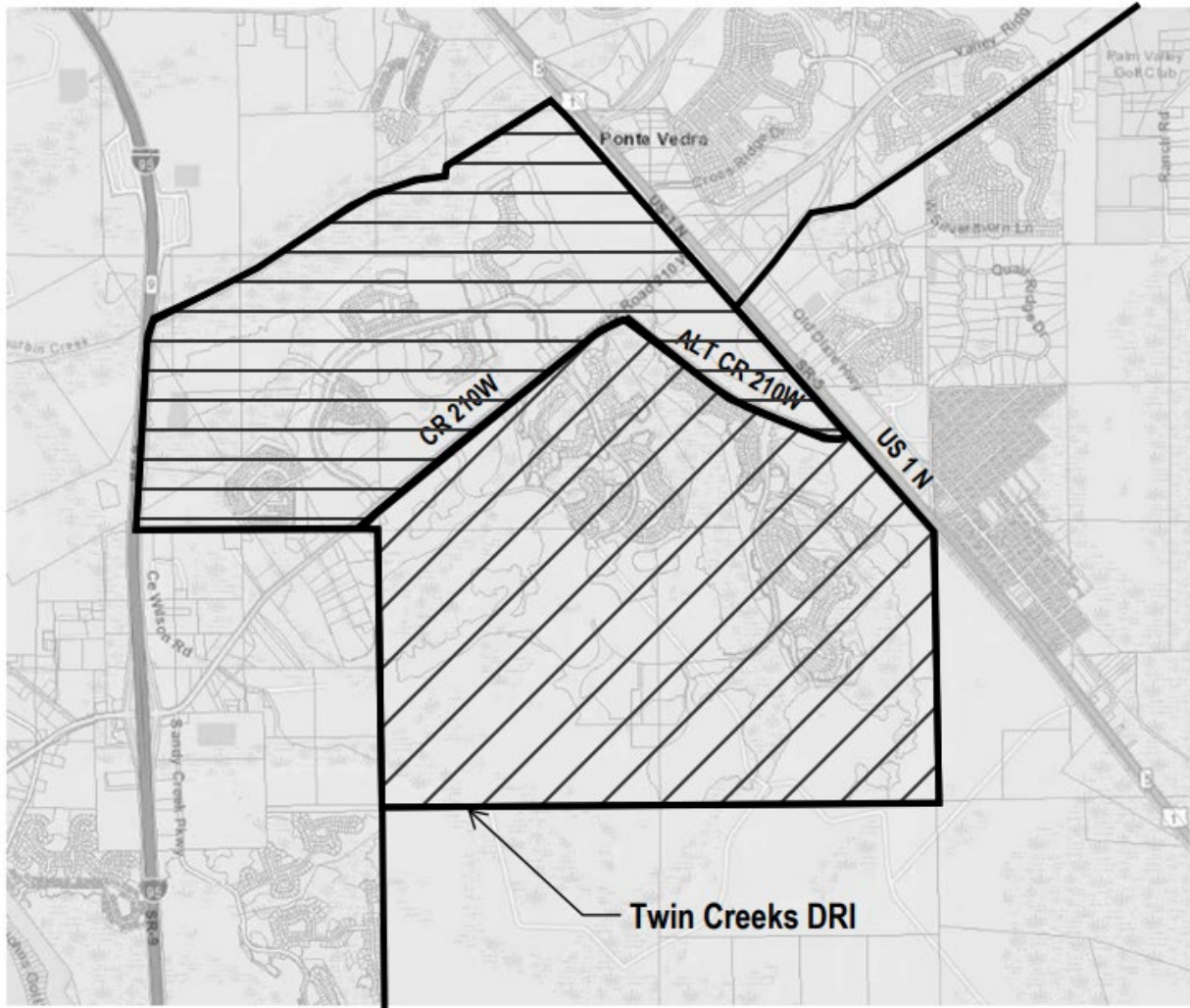
The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this day__ of _____, 2024, by _____.

(Print Name) _____
NOTARY PUBLIC
State of Florida at Large
Commission # _____
My Commission Expires: _____
Personally known ___ or Produced I.D. ___
[check one of the above]
Type of Identification Produced: _____

EXHIBIT LIST

- A. JEA and County Service Area Map
- B. Project Map – Connection Point
- C. Emergency Contacts

Exhibit A: JEA and County Service Area Map




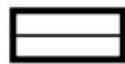

-  County Service Area within Twin Creeks
-  JEA Service Area within Twin Creeks
-  Utility Service Area Boundary

Exhibit B: Project Map – Connection Point

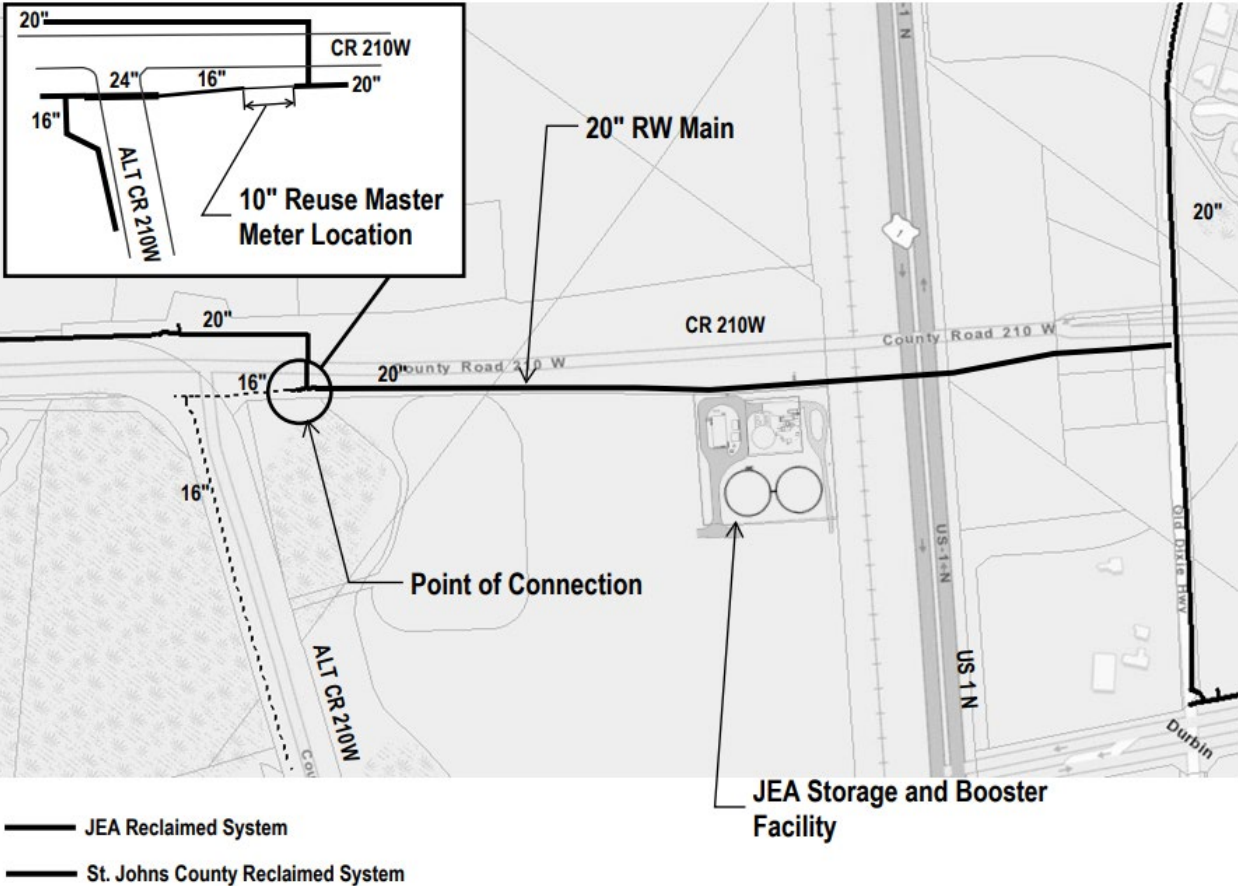


Exhibit C: Emergency Contacts

JEA: Water Operations Desk: 904-665-4553

SJC Utility Department: 904-209-2700

CERTIFICATION

I, _____, _____ to the JEA Board, do hereby certify that the attached is a true and exact copy of the action taken by the JEA BOARD at a regular meeting assembled on _____, 2024, pertaining to:

COOPERATIVE RECLAIMED WATER AND N.E. POTABLE WATER UTILITY SERVICES AGREEMENT WITH ST. JOHNS COUNTY UTILITIES.

WITNESS my hand and Official Seal of the JEA this ____ day of _____, 2024.

(SEAL)