

**INTERLOCAL BILLING AGREEMENT**  
**BETWEEN**  
**PANACEA AREA WATER SYSTEM, INC.**  
**AND**  
**WAKULLA COUNTY, FLORIDA**

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**THIS INTERLOCAL AGREEMENT** (this "Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, ~~2009~~ 2010 between Wakulla County, Florida (hereinafter called "COUNTY") a political subdivision of the state of Florida, by and through the Board of County Commissioners, and Panacea Area Water System, Inc. (hereinafter called "PAWS"), a non-profit Florida corporation;

**WHEREAS**, PAWS has historically provided the sewer billing services for all of COUNTY's sewer customers within PAWS service area, and

**WHEREAS**, COUNTY has recently begun contracting with entities having access to the water meter usage information for those sewer customers whose water service is provided by Sopchoppy Water and Talquin Electric for those entities to provide the sewer billing services for customers so served, and

**WHEREAS**, PAWS has agreed to continue providing sewer billing services for those COUNTY sewer customers who reside within the PAWS water service area, and

**WHEREAS**, COUNTY desires to contract with PAWS to provide the sewer billing services and to pay PAWS for those services, as described herein, and

**WHEREAS**, the manner in which PAWS has received payment for their services over the past months has been in dispute.

**NOW, THEREFORE**, in consideration of the foregoing, and the benefits to be derived by each party, the undersigned parties do hereby agree as follows:

1. COUNTY shall remain responsible for operations and maintenance of the sewer system including the collection, treatment and disposal systems currently in use or to be constructed in the future if consistent with and/or controlled by the County.

2. ~~Upon approval of~~ This Agreement, which has been approved by USDA Rural Development, ~~such~~ will supersede and replace any prior agreement, written or verbal between the two parties regarding the County sewer system billing services provided for the County by PAWS.

3. PAWS will be responsible for billing and collecting wastewater account deposits and monthly wastewater service fees/charges from all wastewater customers utilizing PAWS' water system based on the water usage information available and will bill such fees/charges as a separate, designated charge on the water service bill in accordance with the schedule of wastewater service rates established by the County. PAWS will read

each individual residential water meter within its service area ~~for each December, January, and February and March of each calendar year~~ and except for invoicing the actual usage amount for ~~December, January, and February and March~~ for initial hookup, will invoice the average amount of the ~~December, January, and February readings by, and March~~ applying such average as the invoice amount for sewer charges for each residential customer ~~for the subsequent from April to March to February of each calendar year~~. PAWS will read each individual ~~commercial-non-residential~~ water meter within its service area ~~for sewer~~ each calendar month and invoice such amount for sewer charges to each ~~commercial-non-residential~~ customer on a monthly basis. PAWS will provide this information to the COUNTY at the end of ~~December, January, and February and March~~ of each ~~calendar~~ year for residential customers and at the end of each month ~~of each calendar year~~ for ~~commercial-non-residential~~ customers. PAWS will also be responsible for billing and collecting monthly wastewater service fees/charges from all COUNTY wastewater customers who are in the PAWS water service area, in accordance with current COUNTY policy, which may be amended by resolution from time to time.

4. PAWS will submit an invoice to the County by hand delivery, facsimile or email on a monthly basis, ~~an invoice,~~ within a reasonable time ~~after the closing of PAWS books~~. The Circuit Court Clerk's office, upon receipt of said invoice, funds the wastewater fees/charges due to the County, and PAWS' invoice, as well as a balance summary (Monthly AR Reports), and request for customer deposit refunds with detailed backup, shall immediately time stamp all said documents. The Clerk will, within five (5) business days of receipt of the above, ~~documents and funds,~~ electronically deposit (ACH deposit) into the current bank account of PAWS, which they will provide in writing to the County at the time of execution of this Agreement (if at anytime in the future PAWS changes banking facilities PAWS will notify the County in writing at least 30 days in advance of the change), an amount equal to the verified, invoiced amount for services provided for in this Agreement. This procedure shall take effect ~~October-February 1, 2009-2010~~ and shall continue unless the County fails to make the deposit into the PAWS bank account by direct deposit within five (5) business days, three (3) times within any fiscal year beginning ~~October-February 1, 2009-2010~~ (except for reasons beyond their control).

5. (a) Water and wastewater service charges shall be sent to customers on a single monthly invoice. PAWS shall provide customers written notification that the water and sewer bill must be paid. All invoices must clearly state failure to pay the total water and sewer bill will result in termination of water service. The bill shall provide that wastewater service fees/charges are due and payable at the same time as the water charges.

(b) Fees collected from customers for the express purpose of convenience payments such as EFT, online banking, and credit or debit payments, shall be retained by PAWS to reimburse expenditures related to implementation of said payment options for customers. Electronic payments made to PAWS will in turn be electronically transferred into the County's bank account in accordance with the terms of the agreement with Wakulla Bank or the County's current bank account, incorporated herein by reference.

6. As part of this Agreement, PAWS agrees that upon the failure of any customer to pay for wastewater services ~~fees/sewer~~ charges within thirty (30) days after billing, PAWS

shall discontinue water services to such customer, and shall not furnish or permit the customer to receive future water or sewer service until all obligations on account of services rendered have been paid in full. In addition, if a sewer utility deposit is not already established, the customer shall be required to pay a sewer utility deposit ~~of not less than a minimum of fifty dollars (\$50.00)~~ in the manner provided in paragraph 9 hereof. PAWS agrees to observe the same diligence, policies, and procedures in the billing and collection of the wastewater service fees/charges as is used by PAWS in billing and collecting its water service accounts, except that PAWS shall not be obligated to institute or maintain suits at law or equity for collection of unpaid wastewater accounts.

7. PAWS shall collect and retain all fees associated with disconnect/reconnect of the sewer service for non-payment of the ~~sewer wastewater bill~~ and PAWS shall perform all services to disconnect and reconnect delinquent wastewater accounts.

8. In the event of a documented water leak, meter malfunction, incorrect meter reading, or other customary and proper adjustments as are granted to water customers by PAWS, along with the monthly report described in paragraph 4, above, PAWS will reasonably adjust the wastewater service fee/charges for the effected customer(s), for the applicable time period ~~such leak occurred~~, in order to prevent the effected customer(s) paying for wastewater services not rendered. PAWS shall provide the County with an adjustment report as a part of the monthly report provided in accordance with paragraph 4 above.

9. Before opening new wastewater accounts and providing new wastewater connections, PAWS shall charge all new ~~customers accounts~~ a sewer utility deposit in accordance with current COUNTY policy. These deposits are to be held and administered by PAWS. These deposits will remain available to remit to COUNTY in the event that the customer moves or otherwise discontinues sewer services with a delinquent bill. COUNTY acknowledges that PAWS will hold such deposits in ~~an a non-~~ interest bearing account ~~of which regardless of events involved PAWS will retain any and all interest from such account for benefit of customer.~~ PAWS will remit to COUNTY only such amount to cover the delinquent bill and send the remainder of the deposit, if any, to the customer. All wastewater deposits currently being held by the County for wastewater accounts within the PAWS water service area shall be transferred to PAWS and shall thereafter be held and administered by PAWS in the same manner as new account deposits as provided herein.

~~\*need further clarification with County\*~~

10. Before opening new wastewater accounts and providing new wastewater connections, PAWS may charge a customer a one-time sewer set up charge to establish a new account of not more than \$25.00 of which PAWS shall retain as payment for the setup.

11. COUNTY may charge and collect a wastewater capital facilities charge or connection fee prior to the establishment of service for all new wastewater connections. PAWS shall not open any new wastewater accounts nor provide any new wastewater connections until this wastewater capital facilities charge or connection fee has been paid to the County. In the event a new wastewater account or connection is provided by mistake or inadvertence prior to payment of all such fees to the County, PAWS shall

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include the amount of the unpaid wastewater capital facilities charge or connection fee on the customer's next bill and collect said amount in accordance with the terms of this Agreement.

~~412.~~ Any customers who ~~has~~have not paid their sewer bills by the due date stated on the monthly sewer bill should be charged a late fee of not less than \$5.00 per month. PAWS shall retain all collected late fees as payment for overhead involved in collecting the invoice amount.

~~4213.~~ Florida Statutes and COUNTY ordinances require that wastewater utility providers notify ~~residence and business~~all property owners when wastewater service is available to them, and the owner shall then have a maximum of 365 days in which to connect to the available system. COUNTY will identify and notify those properties required to connect to the COUNTY sewer system ~~or those properties that are connected and not being billed.~~ At such time PAWS is notified by COUNTY in writing that a new connection should be made to the County wastewater system or of the existence of an unbilled, existing connection ~~Certificate of Completion or Certificate of Occupancy is issued to the home or building in question~~ and water is turned on, PAWS will make the required connection and/or open a new account and immediately begin billing ~~immediately~~ for ~~water and sewer~~wastewater services.

~~4314.~~ Neither the COUNTY nor PAWS shall provide any free sewage disposal service to any person, firm or corporation in the County, and each and every agency, department or entity thereof which uses the service shall pay therefore, at the rates fixed by the COUNTY. COUNTY assures that all county established rates will be applied consistently throughout Wakulla County.

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~~4415.~~ PAWS shall prepare a statement of their services under this Agreement and submit such to COUNTY each month. The amount of the statement shall be \$2.75 per customer billed during the preceding month. ~~PAWS shall retain the invoice amount from their remittance to COUNTY under paragraph 4 herein.~~

~~4516.~~ PAWS shall annually cause the books, records, and accounts relating to its business to be audited by a recognized independent firm of certified public accountants. Such audit shall show a breakdown of revenues collected, collection services, charges, expenditures, and a breakdown between water billings and collections, costs, and those associated with a sewer system. A copy of this audit shall be provided to COUNTY.

~~4617.~~ The term of this Agreement shall begin on the date the Agreement is executed, and shall run for an initial term of 3 years. This Agreement shall renew for successive three (3) year periods only upon the written mutual agreement by both parties no later than ninety days before the end of the current renewed term; otherwise the Agreement shall terminate on the last day of the current renewal term.

~~4718.~~ If a material breach of the Agreement occurs by either party, then the nonbreaching party shall, by written notice to the breaching party, provide an opportunity for the breaching party to cure the breach or end the violation. If the breaching party does not cure the breach or end the violation within sixty (60) days after such notice, the nonbreaching party may terminate this Agreement upon 90 days written notice. Said

notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery. The breaching party shall be held liable for damages resulting from such breach, including reasonable attorney fees, as determined by a court of competent jurisdiction. Venue for any legal proceedings will be Wakulla County, Florida.

~~1819~~. Waiver of breach of any provision of this Agreement shall not be deemed to be a waiver of any other breach and shall not be construed to be a modification of the terms of this Agreement. The provisions herein do not limit the right of either party to remedies at law or to damages.

~~1920~~. Any changes to this Agreement must be mutually acceptable to both parties, established by formal written Amendment, approved by each of their respective governing bodies, and executed by their agents.

~~2021~~. This Agreement shall not be transferred or assigned.

~~2122~~. COUNTY shall provide written notice to PAWS at least 60~~90~~60 days in advance of all written protocol and instruction on the application and implementation of changes to any policy, procedure or applicable rates as maybe amended from time to time in the PAWS water area before PAWS will be required to implement such.

~~2223~~. Upon execution of this Agreement, all parties agree that all previous amounts owed by the parties to the other are hereby absolved and all liability between the parties is null and void. All previous customers of PAWS with outstanding balances and who are no longer within the service area of PAWS will be removed from the accounting books of PAWS forthwith.

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

**Panacea Area Water System, Inc.**

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By: \_\_\_\_\_  
Board Chairman

**Wakulla County, Florida**

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By: \_\_\_\_\_  
Howard Kessler, Board Chairman

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By: \_\_\_\_\_  
Brent X. Thurmond, County Clerk

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(Seal)

Approved as to form:

By: \_\_\_\_\_  
~~Ren Mowery~~Heather Encinosa, County

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Attorney