

CONTRACT, LEASE, AGREEMENT CONTROL FORM

Date: 10/10/2014

Contract/Lease Control #: C15-2215-WS

Bid #: N/A

Contract/Lease Type: CONTRACT

Award To/Lessee: 96TH TEST WING, EGLIN AFB

Owner/Lessor: OKALOOSA COUNTY

Effective Date: 10/01/2014

Term: INDEFINITE

Description of
Contract/Lease: MOU WITH 96TH TEST WING, OKALOOSA COUNTY & CITY OF
NICEVILLE

Department: WS

Department Monitor: LITTRELL

Monitor's Telephone #: 850-651-7171

Monitor's FAX # or E-mail: JLITTRELL@CO.OKALOOSA.FL.US

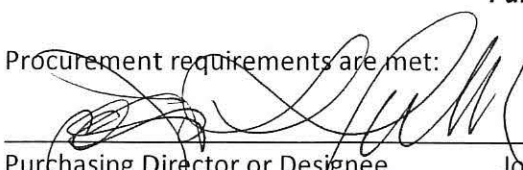
Closed: _____

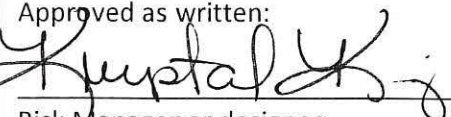
cc: Finance Department Contracts & Grants Office

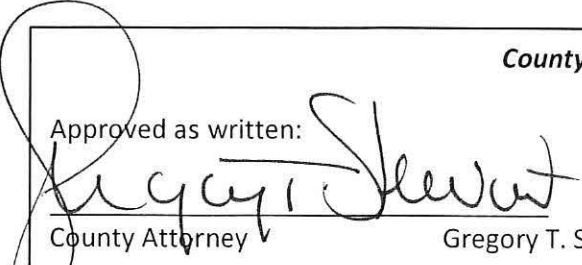
ORIGINAL

CONTRACT & LEASE INTERNAL COORDINATION SHEET

Contract/Lease Number: <u>C15-2215-WS</u>	Tracking Number: <u>1117-14</u>
Contractor/Lessee Name: <u>MOU</u>	Grant Funded: YES <input type="checkbox"/> NO <input type="checkbox"/>
Purpose: <u>Eglin AFB 96th Test Wing</u>	
Date/Term: <u>Indefinite</u>	1. <input checked="" type="checkbox"/> GREATER THAN \$50,000
Amount: <u>\$85,000</u>	2. <input type="checkbox"/> GREATER THAN \$25,000
Department: <u>WS</u>	3. <input type="checkbox"/> \$25,000 OR LESS
Dept. Monitor Name: <u>L. Hrell / Wise</u>	
Document has been reviewed and includes any attachments or exhibits.	

Purchasing Review	
Procurement requirements are met:	
	Date: <u>9-24-14</u>
Purchasing Director or Designee	Joanne Kublik

Risk Management Review	
Approved as written:	
	Date: <u>9-24-14</u>
Risk Manager or designee	Kay Godwin or Krystal King

County Attorney Review	
Approved as written:	
	Date: <u>9-23-14</u>
County Attorney	Gregory T. Stewart or Lynn Hoshihara

Following Okaloosa County approval:

Contracts & Grants	
Document has been received:	
_____	Date: _____
Contracts & Grants Manager	

**MEMORANDUM OF UNDERSTANDING BETWEEN
EGLIN AFB 96th TEST WING, OKALOOSA COUNTY,
AND THE CITY OF NICEVILLE**

This Memorandum of Understanding (the "MOU") is entered into this 1st day of October, 2014 between the Eglin Air Force Base, 96th Test Wing ("Eglin"), Okaloosa County, Florida, a political subdivision of the State of Florida (the "County") and the City of Niceville, a municipal corporation (the "City").

WHEREAS, the southern portion of Okaloosa County has been deemed a "Water Use Caution Area" by the Northwest Florida Water Management District (the "NFWFMD"); and

WHEREAS, as a result of this designation, utilities operating within the Area, and their customers, are urged to conserve water and reuse water supplies to help offset strained aquifers that are experiencing saltwater intrusion and a declining water table; and

WHEREAS, the NFWFMD and the Florida Department of Environmental Protection (the "FDEP") have strongly encouraged the use of reclaimed water, as a way to keep the environment and water supply sustainable for the long term; and

WHEREAS, Senate Bill 536, which was recently passed in the 2014 legislative session, requires FDEP, in coordination with stakeholders, to conduct a comprehensive study on the expansion of reclaimed water use and other water supplies; and

WHEREAS, with regards to reclaimed water, the County has an available resource (effluent from water reclamation facility), and both Eglin and the City have a need for reclaimed water, in the short term and/or long term; and

WHEREAS, Eglin, the County and the City have been working together on the Eglin AFB Community Partnership Initiative (the "Initiative") which is a Department of Defense initiative aimed at bringing Air Force and community leadership together to develop, prioritize, and implement community partnership ideas, such as sharing of resources and innovative projects; and

Instr # 2955085 BK: 3167 PG: 861, Page 1 of 7
Recorded 10/06/2014 at 04:39 PM.
RECORDING: \$33.00 RECORDING ARTICLE V: \$28.00

**CONTRACT # C15-2215-WS
96TH TEST WING, EGLIN AFB
MOU WITH COUNTY & CITY OF NICEVILLE
EXPIRES: INDEFINITE**

WHEREAS, under the Initiative, the Department of Defense has developed a seven step process to identify and prioritize proposals. Among the proposals which have been identified as projects for Eglin, the County and the City is the Supplemental Reclaimed Water Main Project (the "Project"). This Project has been prioritized as an important project that benefits Eglin, the County and the City.

NOW THEREFORE, Eglin, the County and the City agree as follows:

1. The above recitals are true and correct and are incorporated into the MOU.
2. Eglin, the County and the City agree to work together in spirit of cooperation to seek to obtain funding for and execute the Project including the submittal of a grant application for funding (subject to all applicable laws and regulations) from the NFWFMD.
3. Rates and flow commitments would be negotiated between the Parties and memorialized in future agreements. However, rates and flow commitments would be, at a minimum, sufficient to allow the County to recoup monthly operations and maintenance costs.
4. Alternatively or in conjunction with an increase in rates, should the Project not be fully funded through grant funding or other outside sources, then the County may agree to finance the construction of the Project, and increase the monthly usage charges by including the capital costs and debt service. The determination of the County to finance the construction of the Project in this manner shall be subject to the sole determination of the County.

5. The Project generally shall consist of the following (all sizes and distances are approximate and subject to change, pending design):
- 10.1 miles of 20" reclaim water main from OCWS' Arbennie Pritchett Water Reclamation Facility ("APWRF") to the City of Niceville reclaim water service area
 - 1.1 miles of 12" reclaim water main from the above mentioned pipeline to the general vicinity of the Eglin's Northwest Gate
 - New facilities at the APWRF to produce public-access reclaim water, such as filtration, disinfection, a pumping station, and other needed equipment
 - With the above-mentioned infrastructure, OCWS would be able to transmit reclaimed water to Eglin and/or the City for use as an irrigation source.
 - Said proposed infrastructure would be designed, permitted, constructed, owned, maintained, and operated by OCWS in an Eglin AFB Utilities Easement or public rights-of-way. However, the Project is currently unfunded. Total rough-order-of-magnitude cost is estimated at \$8,000,000.
6. The Project provides the following benefits:
- Effluent disposal for OCWS' APWRF, which may offset the need for effluent disposal expansion in the future and mitigate the severity of future water & sewer rate increases, of which Eglin is a major customer
 - Supplemental reclaimed water for the City of Niceville, an existing reclaimed water utility, who has a need for additional reclaimed water for current and future customers, recreational areas, and common areas
 - Supplemental reclaimed water as irrigation on Eglin's "Eagle" and "Falcon" golf courses
 - Future reclaimed water for Eglin Main Base, such as the Northwest Gate, for long-term strategic planning and posturing
 - Sustainable solution for the community in terms of the environment and water supply by reusing and sharing available resources in the Water Use Caution Area

7. At the connection point to the City, near the intersection of State Road No. 85 and College Blvd, the County would charge the City for usage.
 - a. Any reclaimed water to the Eagle and Falcon golf courses would be from the City's existing reclaimed water infrastructure.
 - b. At the connection point to Eglin Main Base near the vicinity of the Northwest Gate, the County would charge Eglin for usage.
8. OCWS is currently applying for a NFWFMD Water Supply Development Community Assistance Initiative grant for funding of all "soft costs" of the Project, such as engineering design and environmental studies.
 - a. If awarded, OCWS will provide surveying, easement preparation, and grant management by in-house staff outside of the grant.
 - b. The grant application will be for funding in the amount of \$215,000 from the NFWFMD, which will be matched with \$85,000 from the County and \$130,000 from the City – for a total funding of \$430,000. The County and the City agree to fund these amounts, provided that the grant from NFWFMD is awarded for the funding of the Project. If awarded, the City would transfer its matching share of \$130,000 to the County within 180 days of the executed grant agreement.
 - c. If the Project receives the grant funding, and the "soft costs" are completed and deliverables received, and it is determined that the total costs of the Project are less than \$430,000, then the County would agree to refund to the City its proportionate fair share based on the \$85,000/\$130,000 County/City cost ratio.
9. In consideration of the benefits above and the commitments from the County, the City, and Eglin, the Parties agree that Eglin will charge less than fair market value for the Eglin AFB Utilities Easement if permitted by the Secretary of the Air Force, in accordance with 10 USCS §2668. In the event that the federal government levies the fair market value or more for an easement, then the cost would be added as a surcharge to the per thousand gallon usage rate charged to the City and/or Eglin.

Based upon the foregoing, the Parties do agree and enter into this MOU as of the date set forth above, being the last date executed by all of the Parties.

THE BOARD OF COUNTY
COMMISSIONERS OF OKALOOSA
COUNTY

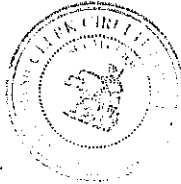
Charles K. Windes, Jr.
Charles K. Windes, Jr., Chairman



Date: 9/24/14

ATTEST:

Dany J. Stanford
Clerk of the Court



APPROVED AS TO LEGAL SUFFICIENCY

Regina Stewart
County Attorney

THE EGLIN AFB 96th TEST WING

A handwritten signature in cursive script, appearing to read "David A. Harris", is written over a horizontal line.

Brigadier General David A. Harris
Commander, 96th Test Wing

Date: 1 OCT 14

CITY OF NICEVILLE

Randall Wise

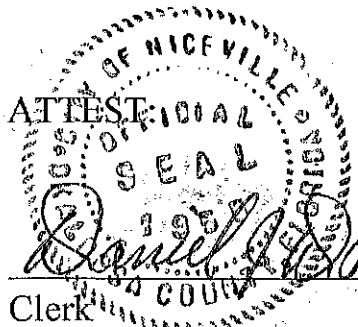
Randall Wise, Mayor

Date: 10-1-14

APPROVED AS TO LEGAL SUFFICIENCY

Dixie Dan Powell

City Attorney Dixie Dan Powell



Clerk