

**SETTLEMENT AGREEMENT BETWEEN BROWARD COUNTY
AND NORTH SPRINGS IMPROVEMENT DISTRICT**

This Settlement Agreement ("Settlement Agreement") is entered into between Broward County, a political subdivision of the State of Florida (the "County") and North Springs Improvement District ("NSID") (the County and NSID collectively referred to herein as the "Parties").

A. Following the Parties' conclusion of Chapter 164 conflict resolution proceedings, on or about December 31, 2012, NSID filed a lawsuit against the County titled *North Springs Improvement District v. Broward County*, Case No. CACE 12-35870 (02) (Broward Cir. Ct.) (the "Action"), relating to the Large User Wastewater Agreement Between Broward County and North Springs Improvement District, dated May 23, 1989 (the "Large User Agreement"), and seeking certain relief, including a declaratory judgment regarding termination of the Large User Agreement and the effect of the Large User Agreement on certain property annexed by NSID in approximately 2010.

B. The County and NSID have extensively litigated the Action, and have reached an amicable resolution that is set forth in this Settlement Agreement.

C. The County and NSID agree that the resolution of the Action on the terms set forth in this Settlement Agreement will benefit the residents of the County and NSID and constitutes a fair, reasonable, and complete resolution of the Action.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE 1. DEFINITIONS

- 1.1 Large User Agreement. The Large User Wastewater Agreement Between Broward County and North Springs Improvement District, dated May 23, 1989, as amended.
- 1.2 Effective Date. The date of signature by the last signing party such that on such date this Settlement Agreement will have been executed by authorized representatives of the Parties.
- 1.3 Facility. The County's North Regional Wastewater Treatment Plant, located at 2401 N Powerline Road, Pompano Beach FL, 33069.
- 1.4 Reuse Line. The County's main reuse line from the County's Facility to Palm Beach County.
- 1.5 Wedge Property. The property consisting of approximately 2,020 acres that was removed from Palm Beach County and included in Broward County in 2007, pursuant to Chapter 2007-222, Laws of Florida.

ARTICLE 2. TERMS OF SETTLEMENT

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree to fully and fairly resolve the Action as follows:

2.1 Unless and until the Parties agree in writing to amend or terminate the Large User Agreement or it is otherwise terminated in accordance with its terms, NSID will continue to deliver all existing and future wastewater flow collected by or on behalf of NSID, whether collected within or without its existing service area, including the Wedge Property, to the Facility pursuant to the terms of the Large User Agreement. All terms and conditions of the Large User Agreement, and amendments thereto, shall remain in full force and effect unless amended in writing by the Parties in a written document of equal solemnity and formality as the Large User Agreement.

2.2 The Parties execute simultaneously herewith a Fifth Amendment to the Large User Agreement (a copy of the Fifth Amendment is attached as Exhibit 1 hereto) to revise Exhibit B to the Large User Agreement to include the Wedge Property within NSID's Service Area, as defined in the Large User Agreement.

2.3 If and to the extent NSID determines that it desires or needs to increase its reserve capacity to account for the anticipated increase of wastewater treatment needed to service the Wedge Property, the Parties will cooperate in good faith to amend the Large User Agreement in accordance with the methodology set forth therein, including without limitation Section 5.3 of the Large User Agreement, to increase NSID's reserve capacity. At the time of any such amendment, the County will charge NSID, and NSID will timely pay, a one-time adjustment (a "square one payment") pursuant to Section 5.3 of the Large User Agreement to pay for all costs, including principal, interest, and bond coverage charges attributable to the additional amount of reserve capacity.

2.4 The County shall construct a connection reuse line from the County's Reuse Line to NSID's jurisdictional boundaries ("NSID Connection Line"). NSID will connect to the County's Reuse Line via the NSID Connection Line, at NSID's sole expense. The County will coordinate the construction of the NSID Connection Line with the construction of the Reuse Line on a timely basis. A construction schedule for the Reuse Line and NSID Connection Line is included as Exhibit 2 hereto.

2.4.1 The County will pay the expenses for constructing the NSID Connection Line to the jurisdictional boundaries of NSID via Lox Road or as otherwise agreed by the Parties. The County will also pay all costs necessary to establish metering and billing by the County for NSID's purchase of reuse water.

2.4.2 NSID will be solely responsible for any and all expenses associated with connecting to the Reuse Line from the NSID jurisdictional boundaries, including the cost of constructing any additional lines needed throughout NSID's Service Area (including as amended).

2.5 Upon construction of the Reuse Line and the NSID Connection Line, the County will permit NSID to purchase reuse water from the County at the same rate charged to all other users of the same class, which shall be established by separate agreement between the County and NSID. NSID may purchase up to an annual total of 3 MGD of reuse water from the County (or

such other amount as agreed to in writing by the Parties), and may resell reuse water to its customers at a retail rate.

2.6 Within thirty (30) days of the Effective Date of this Settlement Agreement, NSID will transfer, by warranty deed recorded in the public records of Broward County, ownership of Hillsboro Boulevard/County Line Road west of Nob Hill Road (Sta. 100+00 (Nob Hill Road) to Sta. 24+75 (western termination of the road) as shown on the County Line Road West PH-1 and PH-2 Paving, Grading and Drainage Construction Plans)¹ to the County. The Parties will cooperate in any ancillary actions necessary to effectuate the transfer. The County anticipates that the costs to repair the road amounts to approximately \$330,000.00. Within fifteen (15) days of the recording of the warranty deed to the road, NSID will pay the County \$330,000.00. The Parties agree that this amount is fair and reasonable, regardless of whether the actual cost to repair the road exceeds \$330,000.00 or is ultimately less than that amount.

2.7 NSID represents and stipulates that NSID will not, directly or indirectly, build a reuse facility or wastewater treatment facility of any kind within Broward County or elsewhere, without prior written approval by County. The foregoing representation and stipulation expressly does not prohibit NSID from constructing or operating a reuse facility for which the sole purpose, intent and operation is to provide additional treatment above and beyond the tertiary treatment that County provides to reclaimed wastewater, provided that any such treatment facility provides no initial or primary treatment of untreated wastewater for the purpose of producing reclaimed wastewater and only provides additional treatment to reclaimed wastewater that has already been subject to tertiary treatment by the County or any other third party expressly approved by the County; NSID shall provide County with prior written notice of NSID's intent to construct such a facility, but construction of such a facility will not require the County's consent.

2.8 NSID will voluntarily dismiss with prejudice the Action in its entirety within ten (10) days of the Effective Date of this Settlement Agreement.

ARTICLE 3. MISCELLANEOUS

3.1 Time is of the Essence. The Settlement Agreement shall become effective on the Effective Date. Time is of the essence for all performance required under this Settlement Agreement.

3.2 Termination. This Settlement Agreement may be terminated by either party for cause based on any breach that is not cured within ten (10) days after receipt of written notice from the aggrieved party identifying the breach.

3.3 Third Party Beneficiaries. The Parties acknowledge that there are no third party beneficiaries under this Settlement Agreement.

¹ The exact station locations will be confirmed by the County once the County receives roadway as built from NSID, and may change accordingly without any requirement to amend this Settlement Agreement.

3.4 Notices. In order for a notice to a party to be effective under this Settlement Agreement, notice must be sent via U.S. first-class mail with a contemporaneous copy via e-mail to the addresses listed below and shall be effective upon mailing. The addresses for notice shall remain as set forth herein unless and until changed by providing notice of such change.

NOTICE TO COUNTY:

Broward County Water and Wastewater Services
Attn: Director
2555 W. Copans Road
Pompano Beach, Florida 33069
Email address: agarcia@broward.org with copy to thutka@broward.org

NOTICE TO NSID:

North Springs Improvement District
Attn: District Manager
9700 N.W. 52nd Street
Coral Springs, Florida 33076
Email address: dough@nsidfl.gov

3.5 Joint Preparation. This Settlement Agreement has been jointly prepared by the Parties hereto, and shall not be construed more strictly against either party.

3.6 Headings And Interpretation. The headings contained in this Settlement Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Settlement Agreement. All personal pronouns used in this Settlement Agreement shall include the other gender, and the singular shall include the plural, and vice versa, unless the context otherwise requires. Terms such as "herein," "hereof," "hereunder," and "hereinafter," refer to this Settlement Agreement as a whole and not to any particular sentence, paragraph, or section where they appear, unless the context otherwise requires.

3.7 Governing Law, Venue And Waiver Of Jury Trial. This Settlement Agreement shall be interpreted and construed in accordance with, and governed by, the laws of the state of Florida. The Parties agree that jurisdiction of any controversies or legal problems arising out of this Settlement Agreement, and any action involving the enforcement or interpretation of any rights hereunder, shall be exclusively in the state courts of the Seventeenth Judicial Circuit in Broward County, Florida, and venue for litigation arising out of this Agreement shall be exclusively in such state courts, forsaking any other jurisdiction which either party may claim by virtue of its residency or other jurisdictional device. **BY ENTERING INTO THIS AGREEMENT, THE COUNTY AND NSID HEREBY EXPRESSLY WAIVE ANY RIGHTS EITHER PARTY MAY HAVE TO A TRIAL BY JURY OF ANY CIVIL LITIGATION RELATED TO THIS SETTLEMENT AGREEMENT.**

3.8 Amendments. No modification or amendment to this Settlement Agreement shall be effective unless it is in writing and executed by authorized representatives of each party.

3.9 Prior Agreements. This Settlement Agreement represents the final and complete understanding of the Parties regarding the subject matter hereof and supersedes all prior and contemporaneous negotiations and discussions regarding that subject matter. There is no

commitment, agreement, or understanding concerning the subject matter of this Settlement Agreement that is not contained in this written document.

3.10 Sovereign Immunity. Nothing in this Settlement Agreement is intended to serve as a waiver of sovereign immunity by the County or NSID to the extent sovereign immunity may be applicable.

3.11 Incorporation By Reference. Any and all Recital clauses stated above are true and correct and are incorporated herein by reference.

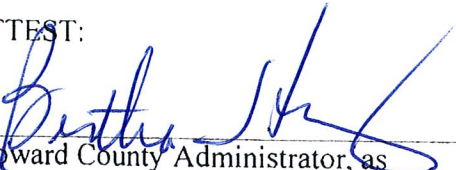
3.12 Counterparts. This Settlement Agreement may be executed in multiple originals, and may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

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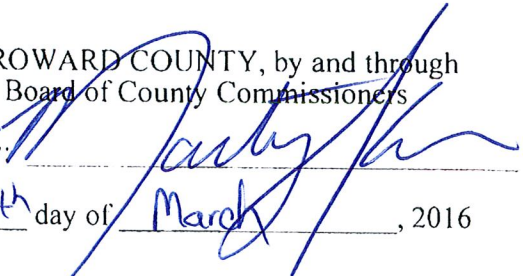
IN WITNESS WHEREOF, the Parties hereto have made and executed this Agreement: BROWARD COUNTY through its BOARD OF COUNTY COMMISSIONERS, signing by and through its Mayor or Vice-Mayor, authorized to execute same by Board action on the 8th day of March, 2016, and NORTH SPRINGS IMPROVEMENT DISTRICT, signing by and through its Mayor or Vice-Mayor, duly authorized to execute same.

COUNTY

ATTEST:

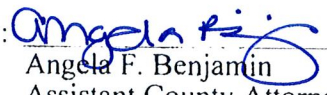

Broward County Administrator, as
Ex-officio Clerk of the Broward County
Board of County Commissioners

BROWARD COUNTY, by and through
its Board of County Commissioners

By: 
18th day of March, 2016

Approved as to form by
Joni Armstrong Coffey
Broward County Attorney
Governmental Center, Suite 423
115 South Andrews Avenue
Fort Lauderdale, Florida 33301
Telephone: (954) 357-7600
Telecopier: (954) 357-7641



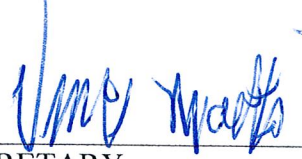
By:  2/23/16
Angela F. Benjamin (Date)
Assistant County Attorney

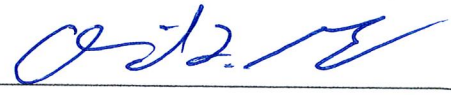
By:  2/27/16
Michael J. Kerr (Date)
Deputy County Attorney

NORTH SPRINGS IMPROVEMENT DISTRICT

ATTEST:

North Springs Improvement District


SECRETARY

By: 

David Gray
Print Name

President
Title

3rd day of February 2016

I HEREBY CERTIFY that I have approved this Settlement Agreement as to form and legal sufficiency subject to execution by the parties:


Counsel/Attorney

EXHIBIT 1

**FIFTH AMENDMENT TO LARGE USER WASTEWATER AGREEMENT
BETWEEN BROWARD COUNTY AND NORTH SPRINGS IMPROVEMENT
DISTRICT**

This is a Fifth Amendment to the Large User Wastewater Agreement between Broward County ("County") and North Springs Improvement District ("NSID" or "Customer"),(collectively referred to as the "Parties")..

WHEREAS, on May 23, 1989, County and Customer entered into a Large User Wastewater Agreement; and

WHEREAS, on February 25, 1993, the Agreement was amended to provide for an additional point of connection; and

WHEREAS, on August 18, 1998, a Second Amendment to the Agreement was approved to provide for additional Customer Service Area; and

WHEREAS, on October 16, 2001, a Third Amendment to the Agreement was approved to provide for an increase in the Reserve Capacity required by Customer; and

WHEREAS, on April 23, 2002, a Fourth Amendment to the Agreement was approved to provide for additional Customer Service Area; and

WHEREAS, Customer wishes to again increase the Customer Service Area and the Parties have determined that it is in the Parties' best interests to do so; NOW THEREFORE,

IN CONSIDERATION of the mutual terms and conditions, promises, and covenants hereinafter set forth, County and Customer agree as follows:

1. The truth and accuracy of each "Whereas" clause set forth above is acknowledged by the Parties, and the recitals contained in the Whereas clauses are incorporated herein.
2. Unless otherwise stated, words in strike-through type are deletions from existing text and words in underlined type are additions to existing text.
3. Section 2.4 of the Agreement is hereby amended as follows (original underlining omitted):

2.4 CUSTOMER SERVICE AREA

This term shall mean the geographic boundaries in which the CUSTOMER is responsible for providing wastewater collection and transmission services to the COUNTY as indicated on the attached Exhibit "B-2."

4. Exhibits B, B-1 and B-2 to the Agreement are deleted in their entirety and replaced with amended Exhibit B attached hereto. All references in the Agreement (inclusive of any amendments thereto) to Exhibits B, B-1, or B-2 shall be deemed to refer to this amended Exhibit B.
5. Except to the extent amended, the Agreement shall remain in full force and effect.

In the event of any conflict between the terms of this Fifth Amendment and the Agreement or any of the prior amendments to the Agreement, the Parties hereby agree that this document shall control.

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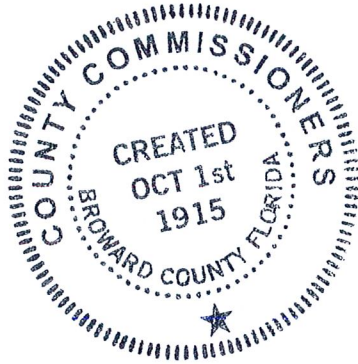
IN WITNESS WHEREOF, the Parties hereto have made and executed this Fifth Amendment: BROWARD COUNTY, through its BOARD OF COUNTY COMMISSIONERS, signing by and through its Mayor or Vice-Mayor, authorized to execute same by Board action on the 8th day of March, 2016, and NORTH SPRINGS IMPROVEMENT DISTRICT, signing by and through its Resident, duly authorized to execute same.

COUNTY

BROWARD COUNTY, by and through its Board of County Commissioners

By [Signature]
Mayor

8th day of March, 2016



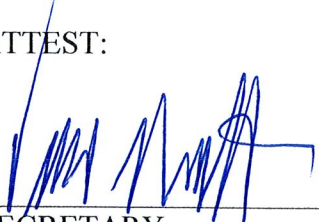
Approved as to form by
Joni Armstrong Coffey
Broward County Attorney
Governmental Center, Suite 423
115 South Andrews Avenue
Fort Lauderdale, Florida 33301
Telephone: (954) 357-7600
Telecopier: (954) 357-7641

By [Signature] 2/23/16
Al A. DiCalvo (Date)
Assistant County Attorney

By: [Signature] 2/24/16
Michael J. Kerr (Date)
Deputy County Attorney


NORTH SPRINGS IMPROVEMENT DISTRICT

ATTEST:



SECRETARY

North Springs Improvement District

By: 

David Gray

Print Name

President

Title

3rd day of February, 2016

I HEREBY CERTIFY that I have approved
this Settlement Agreement as to form and legal
sufficiency subject to execution by the parties:



Counsel/Attorney

EXHIBIT B
Service Area

EXHIBIT 2
Construction Schedule for the Reuse Line and NSID Connection Line

PBC Reclaimed Line from NRWTP to NW 39 Avenue and Hillsboro Canal

January 2018 – Construction Bidding
July 2018 – Construction Award
October 2018 – Construction Start
October 2020 – Construction Completion

NSID Line (From 7400 NW 39th Ave Coconut Creek to Loxahatchee Rd and Parkside Dr., Parkland)

January 2018 – Construction Bidding
July 2018 – Construction Award
October 2018 – Construction Start
October 2020 – Construction Completion