RESOLUTION NO. 14-11-83

A RESOLUTION OF THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA APPROVING CHANGE ORDER NO. 10 TO THE DESIGN BUILD AND OPERATE (DBO) AGREEMENT BETWEEN ISLAMORADA VILLAGE OF ISLANDS AND REYNOLDS WATER ISLAMORADA, LLC, PROVIDING FOR REVISIONS TO THE DESIGN/BUILD WORK; AUTHORIZING VILLAGE OFFICIALS TO IMPLEMENT THE TERMS AND CONDITIONS OF CHANGE ORDER NO. 10; AUTHORIZING THE VILLAGE MANAGER TO EXPEND BUDGETED FUNDS; AUTHORIZING THE VILLAGE MANAGER TO EXECUTE CHANGE ORDER NO. 10; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, on August 21, 2012, the Village entered into a Design Build and Operate (DBO) Agreement with Reynolds Water Islamorada, LLC ("Reynolds") to provide design, construction and operation of a Village-wide wastewater system ("DBO Agreement"); and

WHEREAS, Article X "Changes in the Design/Build Work" of the DBO Agreement provides for changes, modifications, and additions to the Design/Build Work; and

WHEREAS, per the direction of the Village Council, the Village Owners Representative Team ("ORT"), Village Staff, and Reynolds developed Change Order No. 5 which provided for the design and construction of a Residential Grinder Pump Program (the "Program"); and

WHEREAS, per the direction of the Village Council, the ORT, Village Staff, and Reynolds developed Change Order No. 7 which provided for the operations and maintenance of the Grinder Pump Stations and Grinder Pump Service lateral connections for all properties in the Program; and

WHEREAS, the Village Council has further directed the ORT and Village Staff to include those residential properties that can be served by up to a duplex grinder pump into the Program; and

WHEREAS, Change Order No. 10 to the DBO Agreement provides for the inclusion of
residential properties that can be served by up to a duplex grinder pump station into the Program; and

WHEREAS, the Village Council finds that approval of Change Order No. 10 to the DBO Agreement between the Village and Reynolds, attached hereto as Attachment “A”, is in the best interest of the Village.

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA, AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and incorporated into this Resolution by this reference.

Section 2. Approval of Change Order. The Village Council of Islamorada, Village of Islands, hereby approves Change Order No. 10 between the Village and Reynolds, a copy of which is attached hereto as Attachment “A”, together with such non-material changes as may be acceptable to the Village Manager and approved as to form and legality by the Village Attorney.

Section 3. Authorization of Village Officials. The Village Manager and/or her designee and the Village Attorney are hereby authorized to take all actions necessary to implement the terms and conditions of Change Order No. 10.

Section 4. Authorization of Fund Expenditure. Notwithstanding the limitations imposed upon the Village Manager pursuant to the Village’s Purchasing Procedures Ordinance, the Village Manager is authorized to expend budgeted funds to implement the terms and conditions of Change Order No. 10.

Section 5. Execution of Change Order. The Village Manager is authorized to execute Change Order No. 10 on behalf of the Village, to execute any required agreements and/or documents to implement the terms and conditions of Change Order No. 10 and to
authorize any further acts necessary to implement the terms thereof, subject to approval as to form and legality by the Village Attorney.

**Section 6. Effective Date.** This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this 6th day of November, 2014.

Motion to adopt by Councilman Mike Forster, second by Councilman Ken Philipson.

**FINAL VOTE AT ADOPTION**

<table>
<thead>
<tr>
<th>Name</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor Ted Blackburn</td>
<td>YES</td>
</tr>
<tr>
<td>Vice Mayor Deb Gillis</td>
<td>YES</td>
</tr>
<tr>
<td>Councilman Mike Forster</td>
<td>YES</td>
</tr>
<tr>
<td>Councilman Ken Philipson</td>
<td>YES</td>
</tr>
<tr>
<td>Councilman Dave Purdo</td>
<td>YES</td>
</tr>
</tbody>
</table>

ATTEST:

TED BLACKBURN, MAYOR

KELLY TOTH, VILLAGE CLERK

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND BENEFIT OF ISLAMORADA, VILLAGE OF ISLANDS:

ROGET V. BRYAN, VILLAGE ATTORNEY
CHANGE ORDER NO. 10

VILLAGE/OWNER: Islamorada, Village of Islands

COMPANY: Reynolds Water Islamorada, LLC

PROJECT: Design, Build, Operate (DBO) Agreement for Wastewater Collection and Transmission

DATE: November 6, 2014

This Change Order will authorize the following changes to the Design/Build Work and DBO Agreement:

The Design/Build Work as set forth in the DBO Agreement is hereby amended as set forth in Exhibit “A” attached hereto and by this reference made a part hereof for all purposes.

This Change Order constitutes full, final, and complete compensation to the Company for all costs, expenses, overhead, and profit that the Company may incur in connection with the above referenced changes to the Design/Build Work, and any other effect on any of the Design/Build Work under the DBO Agreement. The Company acknowledges and agrees that (a) the Design/Build Price under the DBO Agreement will be changed by this Change Order, (b) the Operations Service Fee under the DBO Agreement will be changed by this Change Order, (c) the Operations Period for the performance of the Operations Services for the Wastewater Facilities will be unchanged by this Change Order, (d) the Project Schedule and Contract Time for performance of the Design/Build Work for design and construction of the Wastewater Facilities will be unchanged by this Change Order. Except as herein or heretofore expressly modified, all terms of the DBO Agreement shall remain in full force and effect and shall cover the performance of, and payment for, any changes in the Design/Build Work and the Operations Services authorized hereunder. Any defined terms not defined in this Change Order shall have the meanings set forth in the DBO Agreement.

By signing below the parties indicate acceptance of this Change Order as set forth herein.

[Signatures Follow on the Next Page]
VILLAGE/OWNER:

ISLAMORADA, VILLAGE OF ISLANDS
a Florida municipal corporation

By: Maria I Aquilan
Name: Maria I Aquilan
Title: Village Manager
Date Executed: 11/9/14

COMPANY:

REYNOLDS WATER ISLAMORADA, LLC
a Delaware Limited Liability Company

By: [Signature]
Name: [Name]
Title: President
Date Executed: 11/26/14

ATTEST:

[Signature]
Village Clerk

Approved as to form and legal sufficiency for the use and benefit of Islamorada, Village of Islands:

[Signature]
Village Attorney
**EXHIBIT “A”**

**CHANGE ORDER NO. 10**

<table>
<thead>
<tr>
<th>Date of Change Order:</th>
<th>November 6, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title of Change Order:</td>
<td>Residential Grinder Pump Program for Residential Properties served by up to a Duplex Grinder Pump Station</td>
</tr>
<tr>
<td>Original Design/Build Price:</td>
<td>$90,900,000.00</td>
</tr>
</tbody>
</table>
| This Change Order Value:  
(Increase or Decrease in Design/Build Price) | $316,875.00 Increase in Design/Build Price |
| Value of Previous Change Orders: | $10,976,095.41 (With Phase 1 and Phase 2 of Paving Work)  
Up to a maximum lump sum amount of $11,869,023.41 should Village authorize all private roads within Phase 3 of Paving Work. |
| Current Design/Build Price  
(including this CO): | $102,192,970.41 (with Phase 1 and Phase 2 Paving Work)  
Up to a maximum lump sum amount of $103,085,898.41 should Village authorize all private roads within Phase 3 of Paving Work. |
| Changes in Operations Service Fee | As attached hereto in the Cost Breakdown |
| Original Project Completion Dates: | Substantial: June 1, 2015  
Final: December 1, 2015 |
| Changes in Contract Time from this Change Order: | Substantial: 0 Days  
Final: 0 Days |
| Previous Changes in Contract Time: | Substantial: 0 Days  
Final: 0 Days |
| Current Project Completion Dates  
(Wastewater Facilities): | Substantial: June 1, 2015  
Final: December 1, 2015 |
| Current Project Completion Date as to Paving Work only (including CO No. 2): |  
Final: May 29, 2016 |
DESCRIPTION OF CHANGE(S) IN DESIGN/BUILD WORK AND/OR CONTRACT TIME;
SCOPE OF WORK:
This Change Order No. 10 consists of two items of work. The Scope of Work for each of these
items of work included in this Change Order No. 10 shall be incorporated into the Work as
follows:

Item No. 1 – Furnish and Install Residential Duplex Sized Grinder Pump Stations and
Grinder Pump Service Lateral Connections; Addition of Residential Properties to
Residential Grinder Pump Program

Expand the Village’s Residential Grinder Pump Program to include additional residential
properties not already included in previously approved Change Order No. 5 establishing the
Residential Grinder Pump Program, to furnish and install Grinder Pump Stations and Grinder
Pump Service Lateral Connections on residential properties that are included in the Village’s
Wastewater Assessment Program, having greater than four (4) Equivalent Dwelling Units
(EDUs) and capable of being served with a Duplex sized Grinder Pump Station, and who have
not opted out of the Village’s Wastewater Assessment Program, to be serviced by low pressure
sewer, or by vacuum sewer when a gravity connection is not feasible, and located within the
Village (“Premises”). The Project’s Design Drawings and the Middle Plantation Key Collection
System and Vacuum Pump Station Improvements drawings include serving certain residential
properties with low pressure sewer. Village residents served in such cases will be required to
connect to the Village’s wastewater system using Grinder Pump Stations. Pursuant to this
Scope of Work, the DBO Contractor shall be responsible to obtain residential easements, work
closely with residents in locating the Grinder Pump Stations and Grinder Pump Service Lateral
Connections, provide all design and permitting services, and furnish and install the Grinder
Pump Stations and Grinder Pump Service Lateral Connections for connection at the Point of
Connection to the Village’s wastewater system at the property line for the “Premises”.

The detailed Scope of Work for this Item No. 1 of Change Order No. 10 is the Scope of Work as
set forth in Change Order No. 5, which is incorporated herein and made applicable to the
“Premises.”

Item No. 2 – Provide Operations Services for the Residential Duplex Sized Grinder Pump
Stations and Grinder Pump Service Lateral Connections Provided for in Change Order
No. 10

Provide Operation and Maintenance Services (O&M) including maintaining, managing,
operating, repairing, and replacing the Grinder Pump Stations and the Grinder Pump Service
Lateral Connections installed as part of the Wastewater Facilities under Item No. 1 of this
Change Order No. 10, including the grinder pump assemblies, electrical power between the
disconnect and the pump through the control panel, and monitoring system. The Grinder Pump
Stations and Grinder Pump Service Lateral Connections shall be operated and maintained in
accordance with Manufacturers' recommendations, the Village’s Utility Policy, this Change
Order No. 10, the Agreement, and FDEP requirements, as applicable.

The detailed Scope of Work for this Item No. 2 of Change Order No. 10 is the Scope of Work as
set forth in Change Order No. 7, which is incorporated herein and made applicable to the
“Premises”, excluding (i) Item 2 of Change Order No. 7 (Contingency Plan), and (ii) the supply of additional mobile electric generators as set forth in Item 3.4 of Change Order No. 7.

REASON FOR CHANGE(S) IN DESIGN/BUILD WORK AND/OR CONTRACT TIME:

On October 8, 2014, during a Regularly Scheduled Village Council Meeting, Village Council directed staff to develop a Residential Grinder Pump Program that provided equity for its residential property owners included in the Village’s Wastewater Assessment Program with greater than four (4) EDUs and capable of being served with a Duplex sized Grinder Pump Station. These residential properties that would be added to the existing Residential Grinder Pump Program previously developed under the Project’s Change Order Nos. 5 and 7. Staff developed an expanded Residential Grinder Pump Program including additional residential properties for the Village to furnish, install, operate and maintain Grinder Pump Stations, and operate and maintain Grinder Pump Service Lateral Connections for Village residents connecting to low pressure sewer systems within the Village. The intent of the program was to remove the cost to furnish, install, and maintain Grinder Pump Stations from Village residents connecting to low pressure systems and placing that cost on the Village. A resident connecting to a low pressure sewer would then have the cost to connect their structure to the Village’s Wastewater Collection System, similar to those Village residents connecting to a vacuum sewer. This Change Order No. 10 compensates the DBO Contractor for installing the Grinder Pump Stations and Grinder Pump Service Lateral Connections to the additional “Premises”, with each property owner reimbursing the Village for the installation costs of the Grinder Pump Service Lateral Connection.

This Change Order No. 10 provides for furnishing and installing the Grinder Pump Stations and Grinder Pump Service Lateral Connections, as well as providing Operation Services, for additional residential properties that are included in the Village’s Wastewater Assessment Program, having greater than four (4) Equivalent Dwelling Units (EDUs) and capable being served with a Duplex sized Grinder Pump Station, and who have not opted out of the Village’s Wastewater Assessment Program.

SCHEDULE:

The Scope of Work described in this Change Order No. 10 shall commence immediately upon approval and Notice to Proceed. For those properties that have provided an Easement and a completed “Grinder Pump Station Location Worksheet” by March 1, 2015, the DBO Contractor will complete the Scope of Work for that property on or before October 31, 2015, which is also the date of Substantial Completion for this Scope of Work. Final Completion for this Scope of Work will be December 1, 2015. For installations where Easements and “Grinder Pump Station Location Worksheets” are not completed by property owners and received by the DBO Contractor by March 1, 2015, the DBO Contractor will not be required to complete this Scope of Work for those properties.

COST BREAKDOWN/CHANGE IN DESIGN/BUILD PRICE:

The cost breakdown associated with Changes in the Design/Build Work in connection with the Work in this Change Order No. 10 is based on unit pricing for all Grinder Pump Stations and Grinder Pump Service Lateral Connections installed as follows:

Cost for Item No. 1 – Furnish and Install Residential Duplex Sized Grinder Pump Stations and Grinder Pump Service Lateral Connections
<table>
<thead>
<tr>
<th>Work Item</th>
<th>Description</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Extension</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capital Cost</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Furnish and Install Simplex Grinder Pump Station</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>2</td>
<td>Furnish and Install Duplex Grinder Pump Station</td>
<td>15</td>
<td>EA</td>
<td>$16,800.00</td>
<td>$252,000.00</td>
</tr>
<tr>
<td>3</td>
<td>Obtain Easements and Title Work</td>
<td>15</td>
<td>EA</td>
<td>$375.00</td>
<td>$5,625.00</td>
</tr>
<tr>
<td>4</td>
<td>Furnish and Install Grinder Pump Service Lateral Connections (1.25&quot; dia.)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>5</td>
<td>Furnish and Install 1.25&quot; Lateral Valve Kit Assembly</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>6</td>
<td>Furnish and Install Grinder Pump Service Lateral Connections (2&quot; dia.)</td>
<td>1,500</td>
<td>LF</td>
<td>$30.00</td>
<td>$45,000.00</td>
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<tr>
<td>7</td>
<td>Furnish and Install 2&quot; Lateral Valve Kit Assembly</td>
<td>15</td>
<td>EA</td>
<td>$950.00</td>
<td>$14,250.00</td>
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<tr>
<td>8</td>
<td>Furnish and Install HiTide Collectors and Power</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Project Implementation, Customer Service, Resident Meetings, Design, Permits,</td>
<td>1</td>
<td>LS</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td></td>
<td>Record Drawings, Technical Submittals, etc.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Bonds and Insurance</td>
<td>1</td>
<td>LS</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>Cost for Item No. 2 – Provide Operations Services for the Residential Duplex Sized Grinder Pump Stations and Grinder Pump Service Lateral Connections Provided for in Change Order No. 10</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The cost breakdown associated with Item No. 2 in this Change Order No. 10 is shown below. Costs associated with Work Item 3.2b shall be adjusted effective the first day of each Contract Year based on the formula included in Section 9.6.2 of the Agreement.

<table>
<thead>
<tr>
<th>Work Item</th>
<th>Description</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Extension</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>Service and Monitoring Call-Outs</td>
<td>Costs included in 3.2b</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.0</td>
<td>Contingency Plan</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>3.1</td>
<td>Grinder Pump Station (excluding pump) MRRR</td>
<td>1</td>
<td>LS</td>
<td>Provisionary Allowance</td>
<td>Provisionary Allowance</td>
</tr>
<tr>
<td>3.2a</td>
<td>Grinder Pumps MRRR – Simplex</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>3.2b</td>
<td>Grinder Pumps MRRR – Duplex</td>
<td>15</td>
<td>EA</td>
<td>$378.00</td>
<td>$5,670.00</td>
</tr>
<tr>
<td>3.3</td>
<td>Grinder Pump Service Lateral Connections MRRR</td>
<td>1</td>
<td>LS</td>
<td>Provisionary Allowance</td>
<td>Provisionary Allowance</td>
</tr>
<tr>
<td>3.4</td>
<td>Annual System Costs</td>
<td>1</td>
<td>LS</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>4.0</td>
<td>Post Storm Events and Emergency Response</td>
<td>1</td>
<td>LS</td>
<td>Provisionary Allowance</td>
<td>Provisionary Allowance</td>
</tr>
</tbody>
</table>

At the Village’s discretion, the Village will assign work authorizations to the Company as required for work in accordance with Work Items 3.1, 3.3 and 4.0. These Work Items with a Provisionary Allowance will be paid for on a negotiated lump sum basis in accordance with Section 7.23.2 of the Agreement. Should the Village elect, or should the additional required work be an emergency in nature, the Provisionary Allowance items will be paid for on a time and material basis in accordance with Section 10.2.3 of the Agreement.