

City of South Daytona

Office of the City Manager


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MEMORANDUM

AGENDA ITEM
C14 DATE 3/9/2021

To: The Honorable Mayor and Members of the City Council

From: James L. Gillis, Jr., City Manager 

Re: Consideration of Approving the Termination of the Amended Interlocal Agreement Establishing the Eastern Volusia Regional Water Authority

Date: March 4, 2021

In 2007, the City of South Daytona entered an Interlocal Agreement with the cities of Daytona Beach and Holly Hill creating the Eastern Volusia Regional Water Authority (EVRWA). The need to be a part of a water authority was a requirement of the Consumptive Use Permit (CUP) issued by the St. Johns River Water Management District (SJRWMD) for those cities that had a water treatment plant. That requirement is no longer in effect. As a result, there is no longer a need for the EVRWA.

The representatives from the three member governments are all in agreement that the EVRWA needs to be dissolved at this time. The attorneys for the three member governments developed a termination agreement that needs to be executed by all three member governments to dissolve the EVRWA. The termination agreement has been attached as Exhibit A for your review.

The termination agreement has been scheduled on all three member government's council or commission meetings this month for approval and signature. If approved, the Mayor will sign the termination agreement along with the mayors of Daytona Beach and Holly Hill. Once the termination agreement is executed by all three member governments, the EVRWA will no longer exist. There is a fund balance of \$39,875.93 which will be disbursed to the three member governments based on our pro rata level of contribution. For South Daytona, that pro rata share is 14% which means the City will receive \$5,582.63 once the organization is dissolved. Staff is recommending that the termination agreement be approved and signed to effectively dissolve the EVRWA.

EXHIBIT A

TERMINATION AGREEMENT

TERMINATION OF AMENDED INTERLOCAL AGREEMENT CREATING THE EASTERN VOLUSIA REGIONAL WATER AUTHORITY

This **Termination of the Amended Interlocal Agreement Creating The Eastern Volusia Regional Water Authority** (“**Termination Agreement**”) is made and entered into as of the date of last execution below (Effective Date), by and between The City of Daytona Beach, a Florida municipal corporation (“**Daytona Beach**”), City of South Daytona, a Florida municipal corporation (South Daytona), and City of Holly Hill, a Florida municipal corporation (“**Holly Hill**”). Daytona Beach, South Daytona, and Holly Hill may also be referred to herein individually as a “**Party**” or collectively as the “**Cities**.”

RECITALS

WHEREAS, in 2007 the Cities entered into the **INTERLOCAL AGREEMENT CREATING THE EASTERN VOLUSIA REGIONAL WATER AUTHORITY** (the “**Agreement**”) to create an organization (“**EVRWA**”) for the purpose of supporting, planning, development, and conservation of water resources with a broader regional context such as to facilitate the mutual supply of water, optimize the use of existing and new facilities, implement water conservation programs, develop new water supply sources, and work cooperatively with the Water Authority of Volusia.

WHEREAS, in 2012, the Cities entered into an Amended Interlocal Agreement creating The Eastern Volusia Regional Water Authority (“**Amended Agreement**”) to address audit requirements; and

WHEREAS, the Amended Agreement provided that the member Cities were able to develop water projects independent from EVRWA, and the Cities have continued to developed water projects independently; and

WHEREAS, the Water Authority of Volusia that served a similar purpose for other regions of Volusia County has ceased to exist and the need for coordination with EVRWA was eliminated; and

WHEREAS, during their September 24, 2020, meeting, the Board of Directors of EVRWA made the determination that the need for the EVRWA no longer existed and voted to have EVRWA dissolved; and

WHEREAS, the Cities agree to terminate the interlocal agreement and dissolve EVRWA.

NOW THEREFORE, for and in consideration of the recitals above made, and the promises and agreements that follow, and for other good and valuable consideration, the Cities agree as follows:

1. The Cities hereby terminate the Amended Interlocal Agreement Creating the Eastern Volusia Regional Water Authority as of the Effective Date and thereby dissolve the Eastern Volusia Regional Water Authority.
2. As of the date of termination, South Daytona and Holly Hill will deliver to Daytona Beach, copies of all books and records of the EVRWA in their possession belonging to EVRWA. Daytona Beach will maintain the records as required by law.
3. As of August 31, 2020, EVRWA has a fund balance of \$39,875.93. Those funds will be distributed among the Cities, based on their pro rata level of contribution, as follows:

City of Daytona Beach	72%
City of South Daytona	14%
City of Holly Hill	14%

4. The City of Daytona Beach will hold the funds in escrow until all financial obligations are paid in full. Existing financial obligations include auditor costs and fees and any winding down costs.

5. As of the Effective Date, the obligations of the Cities and EVRWA shall cease.

IN WITNESS WHEREOF, the parties hereto attached their hands and seals on the dates set forth below.

The City of Daytona Beach, Florida

By: _____
Derrick L. Henry, Mayor

Date signed: _____

Attest: _____
Letitia LaMagna, City Clerk

Approved as to legal form:

By: _____
Robert Jagger, City Attorney

The City of South Daytona, Florida

By: _____
William C. Hall, Mayor

Date signed: _____

Attest: _____
James L. Gillis, Jr., City Manager / City Clerk

Approved as to legal form:

By: _____
Wade C. Vose, City Attorney

The City of Holly Hill, Florida

By: _____
Chris Via, Mayor

Date signed: _____

Attest: _____
Valerie Manning, City Clerk

Approved as to legal form:

By: _____
Scott Simpson, City Attorney