



FLORIDA RURAL WATER ASSOCIATION

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Contract Operations and Agreements

Important Issues to Be Included and Considered in Your Contract

As Circuit Riders visiting small water and wastewater systems while traveling throughout Florida, we get many questions regarding the responsibilities of water & wastewater contract operators. The questions range from what they should be doing, to how much they should be compensated. When we ask the system owners what they require their present contract operator to do; the most common response is “*whatever the Florida Department of Environmental Protection (FDEP) requires them to do.*” This often leads to unnecessary conflict.

There are many responsibilities the system owners obviously think should be included in the agreement. They take care of the water or wastewater facility, they take care of the collection and distribution system, they do the lab testing, they deliver the samples to the lab, they take care of everything in regards to our water or wastewater facility and fill out all paperwork involved and mail to “DEP”. However very seldom do their Agreement cover all of these items. The most consistent characteristic of Owner-Operator Service Agreement is they are all different and each seems to include at least a few – different opinions of what the contract operator should be doing. Depending on who you are talking to they all have different opinions of what the contract operator should be doing. When I ask the system/owner “do you have a written agreement with your operator that covers the specific duties and responsibilities”. The answer is, “No.” or if they do have a written agreement the language is very vague.

Most agreements simply state that water or wastewater treatment contract operators must keep the treatment plant operating and produce an adequate supply of water and/or wastewater disposal of the effluent that meets DEP regulations. The operator’s job is to monitor raw

water and/or wastewater influent entering the treatment plants and keep an eye on the process as the water travels through treatment plant. Operators must also monitor the effluent exiting the plant. Make sure that equipment and facilities are maintained and repaired as necessary to keep a reliable supply of drinking water and/or an effluent from the wastewater plant that meets DEP requirements. Accomplishing these goals in a cooperative manner is the purpose of the owner/operator service agreement.

Some recommended items to include in your contract:

1. General Information:

- Include the business name and address, the 24 hour contact number. The name of the contract operators and the name and address of the water or wastewater system receiving the contracted services if different.
- The contract operator must be DEP certified. Be sure to check the contract operator’s certification status, work experience, and references before selecting an operator. Ensure the contract operator’s certification number is listed in the contract and ensure the status is appropriate for your water or wastewater system.
- A description of your water or wastewater system is needed. Indicate the number of service connections, population served, the treatment present, your water source, etc.

2. Period of Service and Effective Date:

- The effective start and end date for the service agreement.

- Service Agreements are recommended for a period no longer than three years.

3. Scope of Services:

- The number of sites the contract operator is expected to visit and the number of hours he/she is expected to spend each week. The contract operator should be required to document and submit to you the actual amount of time spent at your water or wastewater system.
- Specifically describe the scope of services including duties and responsibilities of the contract operator.
- Services provided may include and not be limited to things such as:
 - Site Work
 - Sampling
 - Laboratory responsibilities
 - Chain of custody for sampling
 - Communications
 - Reporting responsibilities
 - Facility improvements
 - Basic Equipment Maintenance
 - Chemical make-up and feed equipment calibration
 - Basic interior housekeeping
 - Distribution and Collection system Maintenance (Annual flushing, gate and hydrant checks, etc.)

When creating your agreement and you need a more specific “Scope of Services”, for help contact your local DEP office or Florida Rural Water Association circuit rider.

4. Compensation:

- List a detailed fee structure for the agreement.
- Consider there are likely to be major costs incurred above normal operations.

5. Time and Method of Payment:

- Specify a payment method.
- Consider things such as who will make the payments and whether or not the contractor will submit monthly invoices.
- Consider the requirement of additional fees for emergency call out services.

6. Owner’s Responsibilities:

- Clearly document the responsibility that the owner or responsible person will retain. Such as, some owners will state in the agreement, “they will maintain all equipment”. Differentiate routine operator requirements. Such as, lubrication of equipment, cleaning of chlorine injection points, replacement of dosing tubes and cleaning of weirs. These items are continuous and acceptable operational status. Major maintenance such as, removing a pump for repair needs to be addressed separately.
- The contract operator should provide a list of routine operations checks made by the system/owner or responsible person. The owner or responsible person will notify the contract operator of any scheduled or unplanned system problems, repairs, or modifications that arise in the contract operator’s absence.
- The owner is responsible for communicating all required regulatory information to the operator.
- Who is responsible for FDEP fines and fees? The owner is always responsible, but what if fines come from monitoring violations, DBPs because of overfeeding chlorine, lack of flushing, well Bactee hits because of poor wellhead sanitation, etc. The agreement should clearly delineate who is responsible and pays these fines.

7. Accessibility:

- The distances between a contract operator and a water or wastewater system should be such that, if there is an emergency, the contract operator is able to reach the water or wastewater system within one hour of the first notification of the emergency.

8. Insurance:

- Specify whether the contract operator will provide comprehensive general liability insurance to cover bodily injury and property damage resulting from negligent performance of the service covered in the contract.
 - Workers' Compensation
 - Employer's Liability
 - Personal Injury & Property Damage
 - Excess or Umbrella Liability
 - Automobile Liability
 - Contractual Liability
- The owner is responsible to provide a safe working environment and should have its own insurance similar to the list above. The owner should consult with its legal counsel and insurance provider.

9. Termination:

- The contract should have an agreement of termination (by either party by advanced, written notice of a specified number of days). Never list any reasons that must be met for termination of an agreement.
- Having a contract that clearly shows responsibility will help both parties during an emergency.
- Remember to have your contract looked over by your attorney.

When you are ready to find a contract operator some great places to advertise your include trade journals for contract operators such as the *Florida Water Resources Journal* at www.fwrj.com. FRWA Members find a listing of contract operators online at www.frwa.net; just click on Associate Members and scroll down to find the category of "Utility Operations/Contract Operators."

You can also check with your local neighboring cities and towns. They will have full time operators looking for part time work. Contact your Florida Rural Water Circuit Rider he or she may have some recommendations and will pass it along during their travels.