

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (“Agreement”) is knowingly and voluntarily entered into on this ____ day of September, 2025 by and between the City of Hollywood, Florida (“**Hollywood**”), on the one hand, and the City of Pembroke Pines, Florida (“**Pines**”) on the other. For purposes of this Agreement, Hollywood and Pines are collectively referred to as the “**Parties**” and individually as “**Party**.”

RECITALS

WHEREAS, Hollywood and Pines executed that certain Large User Wastewater Agreement dated September 28, 1990 (“**1990 Large User Agreement**”), which encompassed attached exhibits, including, but not limited to, Exhibit D titled “Evaluation and Updating of Large User Wastewater Treatment Agreements”; and

WHEREAS, Hollywood and Pines executed an Addendum to the Large User Agreement, dated June 15, 1990 (“**First Addendum**”), and a Second Addendum to the Large User Agreement, dated September 22, 1999 (“**Second Addendum**”) (collectively, the 1990 Large User Agreement, First Addendum and Second Addendum the “**Large User Agreement**”); and

WHEREAS, pursuant to the Large User Agreement, Hollywood provides waste water treatment and collection services to Pines; and

WHEREAS, in and after 2001, Pines initiated three separate lawsuits against Hollywood relating to the Large User Agreement in the Circuit Court for the Seventeenth Judicial Circuit in and for Broward County, Florida: (i) *City of Pembroke Pines v. City of Hollywood*, Case No. 01-014030; (ii) *City of Pembroke Pines v. City of Hollywood*, Case No. 18-002017; and (iii) *City of Pembroke Pines v. City of Hollywood*, Case No. 18-015330 (collectively, the “**Lawsuits**”); and

WHEREAS, four appeals are currently pending before the Fourth District Court of Appeal arising from Case No. 18-015330: (1) 4DCA Case No. 4D23-2252, (2) 4DCA Case No. 4D24-1064, (3) 4DCA Case No. 24-0715, and (4) 4DCA Case No. 4D25-1891 (collectively, the “**Appeals**”); and

WHEREAS, this Agreement is intended to discharge, compromise, settle, and resolve any and all disputes and claims between the Parties hereto, including, without limitation, those that were raised or that could have been raised in the Lawsuits, the Appeals, and any and all other claims, causes of action, or appeals that the Parties may have or claim to have arising from and/or in connection with the Large User Agreement, the Lawsuits, the Appeals or any past litigation between the Parties related to the Large User Agreement (collectively the Lawsuits, the Appeals, and any past litigation between the Parties, the “**Litigation**”); and

WHEREAS, the Parties intend that this Agreement shall result in a full, final, and complete resolution of the Lawsuits, the Appeals, the Litigation, and all other claims and disputes between the Parties through and including the Effective Date of this Agreement, as defined herein below, and the Parties make this Agreement expressly recognizing that this Agreement does not in any

way constitute an admission of wrongdoing or liability on the part of any of the Parties, or a confirmation of the validity of any of the disputed orders or judgments currently being considered in the Appeals.

NOW THEREFORE, for value received, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereto agree as follows:

1) **Recitals.** The aforementioned recitals are true and correct and are incorporated into this Agreement as if fully set forth herein.

2) **No Admission of Liability.**

- a) The Parties acknowledge that this is a compromise settlement and that claims raised in the Lawsuits, the Appeals and the Litigation are disputed. The Parties in no way admit any liability with respect to the matters raised in the Lawsuits, the Appeals or the Litigation, and in fact, expressly deny any liability with respect thereto. In no event shall anything contained herein be construed as an admission of liability on the part of any of the Parties hereto.
- b) Within seven (7) calendar days of the execution of this Agreement by both Parties (the “**Execution Date**”), the Parties agree to file and submit joint motions to relinquish jurisdiction as referenced below. Within ten (10) calendar days of the relinquishment of jurisdiction by the Fourth District Court of Appeal, the Parties agree to file the joint motion to vacate orders and judgments and the proposed order granting the joint motion, drafts of which are attached hereto as **Composite Exhibit A**, requesting, *inter alia*, that the trial court vacate the following orders and judgments entered in the Lawsuits: (i) the Findings of Fact and Conclusions of Law Following Trial, dated August 17, 2023 (Filing # 179938986,¹ Filing # 179938979,² and Filing # 179938982³), (ii) the Order Denying City of Hollywood’s Motion for Rehearing on the Court’s Findings of Fact and Conclusions of Law Following Trial, dated October 9, 2023 (Case No. 18-015330 Filing # 183579797), (iii) the Final Judgment, dated March 14, 2024 (Case No. 18-015330 Filing # 194056191), (iv) the Order granting Plaintiff, City of Pembroke Pines’, Motion for Attorneys’ Fees and Costs, dated February 15, 2024 (Case No. 18-015330 Filing # 192083042), (v) the Stipulated Final Judgment, dated May 29, 2025 (Case No. 18-015330 Filing # 224119042), and (vi) the Order Granting Hollywood's Motion for Attorney Fees, dated February 7, 2024 (Case No. 01-014030 Filing # 191504633) (collectively, (i)-(vi) the “**Orders and Judgments**”). The Parties will submit the proposed order to the trial court for execution as an agreed order. No hearing shall be required unless specifically requested by the trial court. If the trial court requires a hearing, both Parties, through their counsel, will not take any position that is contrary to the trial court granting the joint motion to vacate Orders and Judgments in its entirety. This Agreement shall only become effective upon the trial court’s entry of an order vacating the Orders and Judgments in their entirety (the “**Effective**

¹ Separately filed in Case No. 18-015330.

² Separately filed in Case No. 18-002017.

³ Separately filed in Case No. 01-014030.

Date”). In the event the trial court declines to vacate the Orders and Judgments in their entirety, this Agreement shall be deemed null and void.

3) Payment.

- a) Provided that the trial court vacates the Orders and Judgments listed in Paragraph 2(b) in their entirety, Hollywood shall make a one-time lump sum payment in the amount of EIGHT MILLION FIVE HUNDRED THOUSAND DOLLARS (\$8,500,000) (the “**Settlement Payment**”) to Pines in accordance with the wire instructions to be provided in the format set forth (without bank account numbers) in **Exhibit B**. The Settlement Payment shall be made with immediately available funds and dispatched within ten (10) calendar days of the Effective Date. The Parties acknowledge and agree that the Settlement Payment shall be made using funds derived from any Hollywood account, including the Utility System Reserve Account.
- b) Provided that the trial court vacates the Orders and Judgments listed in Paragraph 2(b) in their entirety, Hollywood shall provide Pines a credit of TWO HUNDRED TWENTY THOUSAND DOLLARS (\$220,000) to be applied to the fiscal year 2025 true up, which is anticipated to be finalized in or around June 2026.

4) Debt Service. Hollywood agrees to no longer include any debt service coverage component in the large user wastewater rate or annual true up beginning with fiscal year 2026 but will continue to include the actual debt service charge, absent any debt service coverage component, in the large user wastewater rate which shall not be considered or adjusted in the annual true up. This change shall be effective in the large user wastewater rate for fiscal year 2026 starting October 1, 2025.

5) Allocation Percentage. The Parties agree to execute an Amendment to the Large User Agreement, in substantially the form as attached hereto as **Exhibit C**, to permanently set the transmission system and lift station allocation percentage for the large users at 18.5%. The 18.5% allocation percentage shall be used for each and every annual large user wastewater rate and annual true up indefinitely or until the Large User Agreement, as amended, is terminated. Pines acknowledges that the 18.5% allocation percentage will not be subject to change, and will be applied to the categories in the Large User Agreement where the allocation percentage is required to be applied. Those categories of costs are subject to the true up, with the 18.5% being applied as it has been historically. To effectuate the agreed upon Amendment to the Large User Agreement, the Parties agree that pages 31, 31A, and 31B of Exhibit D of the Large User Agreement shall be deemed null and void, and deleted from the Large User Agreement, and replaced by and with the amendments to Exhibit D contained within the agreed upon Amendment to the Large User Agreement that is attached hereto as Exhibit C.

6) General Administrative Expenses, Payment In Lieu of Taxes, Depreciation. Except as specifically provided by Paragraph 4 herein above, Pines agrees that Hollywood shall maintain the current methodology for the calculation of the large user wastewater rate and annual true

up, including, but not limited to, the calculations of (i) General Administrative Expenses, (ii) Payment in Lieu of Taxes, (iii) Depreciation, and (iv) renewal, replacement, and improvement account.

7) Dismissal of Appeals.

- a) Within seven (7) calendar days of the Execution Date of this Agreement, the Parties shall file joint motions to relinquish appellate jurisdiction to the trial court in all of the Appeals, in substantially the form as attached hereto as **Exhibit __**.
- b) Within ten (10) calendar days of the Effective Date upon which the trial court entered an order or otherwise vacated the Orders and Judgments listed in Paragraph 2(b) in their entirety, the Parties shall file joint stipulations for voluntary dismissal with prejudice in each of the Appeals, in substantially the form as attached hereto as **Exhibit _**. The joint stipulations shall provide that the Parties shall each bear their own attorneys' fees and costs incurred in connection with the Lawsuits and the Appeals.

8) Dismissal of Lawsuits. Within ten (10) calendar days of the Effective Date upon which the trial court entered an order or otherwise vacated the Orders and Judgments listed in Paragraph 2(b) in their entirety, the Parties shall file joint stipulations for voluntary dismissal with prejudice in each of the Lawsuits, in substantially the form as attached hereto as **Exhibits __**. The joint stipulations shall provide that the Parties shall each bear their own attorneys' fees and costs incurred in connection with the Lawsuits and the Appeals.

9) Mutual Release.

- a) Pines, on its own behalf and on behalf of its current and future City Commissioners, City Manager, City Clerk, City Attorney, City Finance Director, Public Utilities Department, employees, representatives, agents, outside attorneys and legal counsel, utility consulting engineers, utility rate consultants, litigation expert witnesses, and their respective predecessors, successors and assigns, other representatives, and/or anyone else making a claim on their behalf (the "**Pines Releasors**"), hereby release, acquit, and forever discharge Hollywood and its current and future City Commissioners, City Manager, City Clerk, City Attorney, City Finance Director, Public Utilities Department, employees, representatives, agents, outside attorneys and legal counsel, utility consulting engineers, utility rate consultants, litigation expert witnesses, and their respective predecessors, successors and assigns, and other representatives (the "**Hollywood Released Parties**") from any and all actions, causes of action, claims, controversies, suits, judgments, executions, losses, bills, options, promises, specialties, covenants, liabilities, debts, defenses, disabilities, accounts, demands, damages, claims for indemnification or contribution, costs, or expenses (including attorneys' fees and costs), whether known or unknown, actual or potential, certain or speculative, asserted or unasserted, suspected or unsuspected to exist, now existing or later acquired, which the Pines Releasors ever had, now have or hereafter can,

shall or may have, including, without limitation, any and all claims that exist as of the date of this Agreement relating to or arising out of the Large User Agreement or any annual true up and also including without limitation claims asserted in or that could have been asserted in the Lawsuits, the Appeals, or the Litigation, including, but not limited to, claims for damages relating to debt service charges, general administrative charges, payment in lieu of taxes, depreciation, and the renewal, replacement, and improvement account. This release shall not include any claims brought solely to enforce the terms and conditions of this Agreement.

- b) Hollywood, on its own behalf and on behalf of its current and future City Commissioners, City Manager, City Clerk, City Attorney, City Finance Director, Public Utilities Department, employees, representatives, agents, outside attorneys and legal counsel, utility consulting engineers, utility rate consultants, litigation expert witnesses, and their respective predecessors, successors and assigns, other representatives, and/or anyone else making a claim on their behalf (the “**Hollywood Releasors**”), hereby release, acquit, and forever discharge Pines and its current and future City Commissioners, City Manager, City Clerk, City Attorney, City Finance Director, Public Utilities Department, employees, representatives, agents, outside attorneys and legal counsel, utility consulting engineers, utility rate consultants, litigation expert witnesses, and their respective predecessors, successors and assigns, and other representatives (the “**Pines Released Parties**”) from any and all actions, causes of action, claims, controversies, suits, judgments, executions, losses, bills, options, promises, specialties, covenants, liabilities, debts, defenses, disabilities, accounts, demands, damages, claims for indemnification or contribution, costs, or expenses (including attorneys’ fees and costs), whether known or unknown, actual or potential, certain or speculative, asserted or unasserted, suspected or unsuspected to exist, now existing or later acquired, which the Hollywood Releasors ever had, now have or hereafter can, shall or may have, including, without limitation, any and all claims that exist as of the date of this Agreement and also including without limitation claims asserted in or that could have been asserted in the Lawsuits, the Appeals, or the Litigation. This release shall not include any claims brought solely to enforce the terms and conditions of this Agreement.

10) Further Assurances. The Parties agree that they will cooperate with each other and timely sign and deliver the documents referenced herein and any other documents that are required in order to effectuate the terms of this Agreement.

11) Representations and Warranties. Each of the Parties acknowledges that it has reviewed and fully understands this Agreement, and fully and freely agrees to be bound by its provisions, including, but not limited to, their respective releases contained herein. The Parties agree to the provisions of this Agreement knowingly and voluntarily and acknowledge that they have had the assistance of counsel in considering this Agreement. Each of the representatives signing this Agreement on behalf of the respective Parties represents and warrants that he or she has full right, power, and authority to enter into this Agreement and to make all of the

grants, promises, and covenants contained herein, and his or her execution of this Agreement has been duly approved by the Parties' respective city commissions.

12) Covenant Not to Sue. The Parties, on behalf of themselves, individually, and their officers, directors, employees, administrators, members, managers, independent contractors, consultants, principals, shareholders, divisions, agents, representatives, attorneys, associates, affiliates, partners, joint venturers, licensees, parents, subsidiaries, predecessors, successors, insurers, assignees, appointees, heirs, and legal representatives, and each of them, covenant not to file any liens, lawsuits, complaints, claims, charges, or appeals, on their behalf or in any representative capacity, in any state or federal court, in any arbitration forum, or before any federal, state, or local administrative agency, board, or governing body against any of the other Parties and/or their employees, managers, independent contractors, principals, agents, representatives, attorneys, associates, affiliates, consultants, insurers, partners, joint venturers, licensees, assignees, appointees, heirs, trusts, family members, spouses, siblings, and/or legal representatives, on and/or for any and all of the claims or rights resolved through this Agreement.

13) Agreement as Defense. This Agreement may be pleaded as a full and complete defense by the Parties hereto, and may be used as the basis for an injunction against any action, suit, motion, claim or other proceeding based on rights, claims, or interests compromised, resolved or released by this Agreement, provided however that the Parties may enforce the provisions of paragraph 4 herein.

14) Notice. All notices pursuant to this Agreement shall be provided to the Parties by certified mail, return receipt, or overnight via a nationally recognized delivery service, and e-mail, as follows:

To Hollywood:

City of Hollywood
c/o [INSERT NAME]
2600 Hollywood Boulevard
Hollywood, FL 33020
Email: [INSERT EMAIL]

With a copy to:

Greenberg Traurig, P.A.
401 East Las Olas Boulevard
Suite 2000
Fort Lauderdale, Florida 33301
Attention: Phillip Gildan, Esq.
Caran Rothchild, Esq.
Samuel Bookhardt IV, Esq.

E-mail: Phillip.Gildan@gtlaw.com

RothchildC@gtlaw.com
BookhardtS@gtlaw.com

To Pines:

City of Pembroke Pines
c/o City Manager
601 City Center Way
Pembroke Pines, FL 33025
Email: [INSERT EMAIL]

With a copy to: Office of the City Attorney
[INSERT ADDRESS]
[INSERT EMAIL]

- 15) **Governing Law and Venue.** The Parties hereto consent and agree to the exclusive jurisdiction and venue in Broward County, Florida for any dispute concerning or arising from this Agreement and agree that any such dispute shall be governed by and interpreted in accordance with the laws of the State of Florida, without regard to choice of law principles. The Parties consent to such venue and jurisdiction and waive any claims that such venues constitute an inconvenient forum.
- 16) **Attorneys' Fees.** The prevailing Party in any lawsuit arising out of, relating to, or connected with this Agreement, including a lawsuit to enforce the terms of this Agreement, shall be entitled to recover its reasonable attorneys' fees and costs, whether incurred before the lawsuit, during the lawsuit, during mediation, at trial, or at the appellate level.
- 17) **Jury Trial Waiver.** THE PARTIES AGREE THAT IN ANY ACTION OR PROCEEDING ARISING FROM, UNDER, OR PURSUANT TO THIS AGREEMENT, THE PARTIES TO THIS AGREEMENT SHALL, AND DO HEREBY, ABSOLUTELY AND UNCONDITIONALLY WAIVE TRIAL BY JURY.
- 18) **Merger and Entire Agreement.** The Parties agree and acknowledge that no promise, inducement, or agreement not expressly contained in this Agreement and the Exhibits hereto has been made to them. This Agreement and the Exhibits hereto supersede all previous settlement communications between the Parties, whether written or oral, and contain the entire Agreement between the Parties as to the resolution of their disputes. This Agreement may not be altered, modified, or amended except in a writing signed by all Parties. The Parties represent and acknowledge that in executing this Agreement they have not relied upon any representation or statement made by the other Party or by any of the Parties' agents, representatives, or attorneys with regard to the subject matter, basis, or effect of this Agreement or otherwise, other than those specifically stated in this written Agreement and the Exhibits hereto.
- 19) **Binding.** This Agreement shall be binding upon and inure to the benefit of each Party hereto and, to the extent applicable, such Party's respective present and future city commissions and commissioners, trustees, personal representatives, legal representatives, directors, officers, consultants, affiliated entities, parents, subsidiaries, divisions, franchisees, partners, joint

venturers, agents, shareholders, investors, creditors, insurers, attorneys, employees, representatives, heirs, estates, successors, licensees, and assigns.

20) Construction. In giving meaning to this Agreement, the singular shall be held to include the plural, the plural shall be held to include the singular, and the use of any gender shall be held to include every other and all genders. Further, this Agreement shall be deemed to have been jointly drafted by the Parties hereto and shall be construed in accordance with its fair meaning, and not strictly against any Party. The Parties agree that no Party shall be entitled to the benefit of any favorable interpretation or construction of any term or provision hereof under any rule of law.

21) Headings. The section headings contained herein are included for convenience only and are not to be deemed part of this Agreement.

22) Execution. The Parties to this Agreement may execute their signatures in counterpart, which may be transmitted between the Parties via electronic mail or other means of communication, each of which may be considered as an original when executed. The Parties mutually represent and warrant to each other that this Agreement has been duly executed and delivered by the Parties in counterparts and constitutes the legal, valid and binding obligation of the Parties enforceable against them in accordance with the terms hereof.

23) Opportunity to Consult with Counsel. The Parties acknowledge that they have had an opportunity to obtain counsel and by their signatures represent and warrant that they have executed this Agreement only after consultation with counsel and hereby expressly waive the right to rely on lack of counsel as a claim or defense. The Parties also warrant and represent that they have entered into this Agreement without any undue influence, fraud, coercion, or restraints having been practiced upon them by any other Party, and that this Agreement is neither procedurally nor substantively unconscionable. The Parties agree that they speak and read English fluently and fully comprehend the terms and conditions of this Agreement.

[Signature page to follow]

IN WITNESS WHEREOF, the undersigned Parties have knowingly and voluntarily executed this Agreement.

City of Hollywood

By: [INSERT NAME]
Its: [INSERT TITLE]

City of Pembroke Pines

By: Charles Dodge,
Its: City Manager