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PO Box 3191, Fort Pierce, FL 34948

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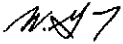
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**Director of Finance**  
*"Committed to Quality"*

**MEMORANDUM**

TO: Fort Pierce City Commission

FROM: Nina B. Hurtubise, CPA   
FPUA Director of Finance

THROUGH: William G. Thiess, P.E.   
FPUA Director of Utilities

DATE: August 6, 2014

SUBJECT: City Commission Agenda Request for August 18, 2014 Meeting  
Memorandum of Understanding for Advance Distribution Payment to the City  
Memorandum of Understanding for City Streetlight Retrofit

I am forwarding for consideration and approval by the City Commission during the August 18, 2014 City Commission meeting, the following Memorandums of Understanding:

- 1) Memorandum of Understanding between Fort Pierce Utilities Authority (FPUA) and the City of Fort Pierce (the City) authorizing FPUA to make an advance distribution payment to the City in the amount of \$1,250,000.00 to be repaid by deductions from future distribution payments.
- 2) Memorandum of Understanding between FPUA and the City formalizing changes requested by the City related to the billing of streetlights due to the City's streetlight retrofit program.

Please return one original signed copy to me in order to process the payment. If you have any questions or are in need of additional information, please feel free to contact me.

cc: City Manager  
City Clerk



Our mission is to provide our customers with economical, reliable and friendly service  
in a continuous effort to enhance the quality of life in our community.

[www.fpu.com](http://www.fpu.com)

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
CITY OF FORT PIERCE, FLORIDA AND FORT PIERCE UTILITIES AUTHORITY  
CITY STREET LIGHT RETROFIT**

**THIS MEMORANDUM OF UNDERSTANDING** is made by and between the **CITY OF FORT PIERCE** ("City"), a Florida Municipal Corporation, and **FORT PIERCE UTILITIES AUTHORITY** ("FPUA"), a municipal authority created by the Charter of the City of Fort Pierce, FL.

**WHEREAS**, FPUA currently bills the City monthly for street light energy and maintenance; and

**WHEREAS**, the City has initiated a program to retrofit existing streetlights with light emitting diode (LED) technology;

**NOW, THEREFORE**, the City and FPUA hereby agree to the following terms and conditions concerning the City's energy savings initiative as it relates to City-owned street lighting:

- 1. Adjustments to Monthly Billing.** For each of the high pressure sodium and metal halide lights for which FPUA currently has maintenance responsibilities and that the City retrofits with LED technology, FPUA will modify the energy and maintenance charges as follows:
  - a. The energy portion will be recalculated using the rated kW value provided to FPUA by ConEdison Solutions ("new rate"). At the completion of the project, FPUA will take measurements to verify the actual consumption. If any adjustments are found to be necessary, FPUA will notify the City and discuss appropriate actions to adjust and reconcile the billing calculations.
  - b. The maintenance portion will be eliminated. Any work performed by FPUA on the LED lights and their associated components will be billed to the City on a time and material basis. FPUA shall provide the City with detailed invoices on a monthly basis. This billing shall recover all FPUA internal costs for labor (including contract labor when applicable), parts, and vehicle costs. Appropriate overhead costs shall apply. The current unit prices for FPUA labor and vehicles, which are subject to future revisions without the need to amend this Memorandum, are provided in Attachment A.
  
- 2. Exchange of Information.** The City will provide all relevant information for the lights converted to LED in order to update FPUA's electric system records and adjust the monthly billing records. To that end, FPUA will assist the City Engineering department to establish a web-based interface to be used by the City contractor that will track the changes made in the field.

- 3. Timing of Billing Adjustments.** In order to minimize the administrative burden, FPUA will rely on regular updates from the City occurring, at a minimum, on a weekly basis throughout the course of the project in order to adjust the monthly billing as follows:
- a. Lights that are replaced on or before the 15th calendar day of the month will be billed for that month at the new rate as described above and for all subsequent billing cycles.
  - b. Lights replaced after the 15th calendar day of the month will be billed at the current rate for that month and the new rate will go into effect for all subsequent billing cycles.
- 4. Warranty Replacements.** The City will provide, at no cost to FPUA, spare LED fixtures to make replacements as necessary when a fixture fails during the initial warranty period. The failed fixtures removed from the field by FPUA will be provided to the City with relevant data (e.g., date removed and FPUA pole number) so that the City may pursue a warranty replacement.

**IN WITNESS WHEREOF**, the parties have caused the execution of this Memorandum of Understanding by their duly-authorized officials the day and year set forth below.

**ATTEST:**

\_\_\_\_\_  
City Clerk

(Seal)

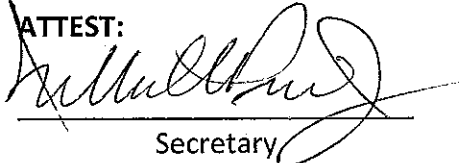
**CITY OF FORT PIERCE**

**BY:** \_\_\_\_\_  
Linda Hudson  
Mayor

**DATE:** \_\_\_\_\_

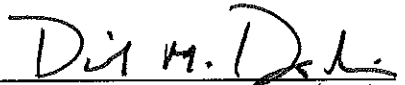
Approved as to Form and Correctness:

**BY:** \_\_\_\_\_  
City Attorney

**ATTEST:**  
  
Secretary

(Seal)

**FORT PIERCE UTILITIES AUTHORITY**

**BY:**   
Chairman 8/5/14

**DATE:** 8/5/14

Approved as to Form and Correctness:

**BY:**   
FPUA Attorney

**ATTACHMENT A**

**SCHEDULE OF UNIT PRICES AS OF JULY 1, 2014**

<b>Labor Rates</b>	
<b>Classification</b>	<b>Straight Time<sup>1,2</sup> (base hourly rate)</b>
Line Specialist	\$32.25
Line Specialist In Charge	\$32.75
Winch Truck Operator	\$19.66
Apprentice Line Specialist	\$15.38 – \$29.21 <sup>3</sup>
Crew Supervisor	\$35.72
Foreman	\$34.29

<b>Vehicle Rates</b>	
<b>Vehicle Type<sup>4</sup></b>	<b>Hourly Rate</b>
Pickup truck	\$19.00
Dump truck	\$25.00
Small bucket truck	\$44.75
Medium bucket truck	\$50.25
Large bucket truck	\$93.50
Small digger truck	\$59.00
Large digger truck	\$91.00
Mini derrick & trailer	\$39.50
Pole trailer	\$10.25

**Notes:**

1. Most City street light maintenance will be performed during regular hours with FPUA crews. Work performed during emergency conditions may be billed at 1.5 or 2.0 times the regular rate in accordance with FPUA Rules and Regulations. If contract labor is utilized, the contracted unit prices as billed by the contractor will be billed to the City.
2. Overhead adders are calculated by applying 50.63% increase to the base rate plus \$13.13 per hour.
3. Actual rate for Apprentice Line Specialist will vary according to progression in apprenticeship program.
4. Vehicles listed are those that are most commonly used. If other vehicles are utilized, they will be billed at the customary rate used by FPUA. If rental equipment is utilized, it will be billed at the actual cost to FPUA.