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Director of Financial Services

"Committed to Quality"

MEMORANDUM

TO: Fort Pierce City Commission

FROM: John K. Tompeck, P.E.
FPUA Director of Utilities

DATE: February 23, 2018

SUBJECT: City Commission Agenda Request for March 19, 2018 Meeting
Memorandum of Understanding (MOU) - City of Fort Pierce (CFP) and Fort Pierce Utilities Authority (FPUA)

FPUA is requesting approval of the attached Memorandum of Understanding with the City of Fort Pierce that was approved by the FPUA Board on February 20, 2018. I intend to discuss this item in conjunction with the Special Warranty Deed and Easement for the King Plant site at the City Conference Agenda Meeting on March 12, 2018, as requested by Mr. Nick Mimms.

This MOU was drafted in 2013. Based on recent discussions regarding these issues, it appears this would be an appropriate time to formalize the understanding of both parties.

If you have any questions or are in need of additional information, please contact me.

Attachment: MOU approved by FPUA Board

cc: City Manager
City Clerk

MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF FORT PIERCE, FLORIDA AND FORT PIERCE UTILITIES AUTHORITY

THIS MEMORANDUM OF UNDERSTANDING is made and entered into this _____ day of _____, 2018, by and between **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, the City, upon the formation of FPUA on May 30, 1972 by referendum election, transferred to FPUA a number of properties for its use; and

WHEREAS, FPUA, since its formation on May 30, 1972, has purchased a number of properties with its separate funds; and

WHEREAS, in order to resolve any issues regarding the encumbrance or disposal of any of the City-owned properties being utilized by FPUA or the properties purchased by FPUA;

NOW, THEREFORE, the City and FPUA hereby agree to the following terms and conditions concerning the encumbrance of or disposal of the above-described properties:

1. **Expenses.** FPUA will be responsible for all expenses related to FPUA activities (such as non-ad valorem assessments or environmental cleanup) associated with all properties utilized by FPUA, whether those properties were owned by the City upon FPUA's formation on May 30, 1972 or were purchased by FPUA after that date and are titled in the City's name for the use and benefit of FPUA.

2. Granting Future Easements.

a. For all properties owned by the City upon FPUA's formation on May 30, 1972, which FPUA is currently utilizing, FPUA will communicate any easement requests to the City. The City may charge the requesting party a reasonable fee for the easement as compensation for the encumbrance of that easement on the property, which fee the City will retain. FPUA may charge a separate easement fee for the inconvenience or costs, if any, associated with granting the easement, which fee FPUA shall retain.

b. For all properties acquired by FPUA after May 30, 1972, FPUA may charge the requesting party a reasonable fee for the easement as compensation for the encumbrance of that easement on the property, which fee FPUA shall retain, and the City shall not charge an easement fee. The City, at its option, may charge a processing fee.

3. Sales or Release of FPUA Properties.

a. As to properties owned by the City upon FPUA's formation on May 30, 1972 which FPUA deems it will have no need to utilize either now or in the future, upon notification by FPUA to the City of such non-utilization, the properties will revert back to the City to keep or dispose

of as it sees fit. Such transfers of properties from FPUA to the City shall be in accordance with the following general guidelines:

(i) For utility sites (e.g., water/wastewater plants, lift stations, electric substations, etc.), FPUA shall demolish and remove all utility facilities, fund and complete all necessary environmental cleanup not covered by grant funding, and return the site to the City in a condition suitable for sale or new construction.

(ii) For sites with buildings used primarily for office or administrative purposes, FPUA shall return the site to the City with buildings and grounds clean and in presentable condition for sale or use by the City.

(iii) If FPUA has made permanent improvements to the property and the City agrees that the improvements add value to the property for the City's future use or sale of the property, FPUA and the City shall work out mutually agreeable terms for compensating FPUA for the improvements.

b. Proceeds from the disposal of any properties acquired by FPUA after May 30, 1972, shall be retained by FPUA for its own account, free of any claim by the City.

IN WITNESS WHEREOF, the parties have caused the execution of this Memorandum of Understanding by their duly-authorized officials.

ATTEST:

_____
City Clerk

(Seal)

CITY OF FORT PIERCE

By: _____
Linda Hudson, Mayor

Approved as to Form and Correctness:

_____
City Attorney

ATTEST:

_____
Secretary

(Seal)

FORT PIERCE UTILITIES AUTHORITY

By: _____
Chairman 2/20/18

Approved as to Form and Correctness:

_____
FPUA Attorney