

**FORT PIERCE UTILITIES AUTHORITY
REGULAR MEETING
AGENDA**

TUESDAY

January 21, 2020, 4:00 p.m.

City Commission Chambers

100 North U.S. #1, Fort Pierce, Florida

MEETING TO ORDER

Opening Prayer by Carol Wilson of Human Resources.

Pledge of Allegiance.

ROLL CALL AND DECLARATION OF A QUORUM.

A. SET THE AGENDA.

B. APPROVAL OF MINUTES:

1. Approve the Minutes of the Regular Meeting of January 7, 2020.

C. COMMENTS FROM THE PUBLIC:

D. CONSENT AGENDA:

POA 20-21: Approve Contract for the single source purchase of a Cash Balancing Machine from Coin Currency & Document Systems of Florida, Inc., of Thonotosassa, Florida, in an amount not to exceed \$43,400, and the associated maintenance service in an amount not to exceed \$3,700 for the first and second years of service. The initial term of this contract will be from January 22, 2020 to April 21, 2021 with four one-year renewal options, contingent on receiving the required Certificate(s) of insurance.

E. LETTERS OF APPRECIATION:

F. OLD BUSINESS:

G. NEW BUSINESS:

1. FY 2019 Capital Budget Carryover to FY 2020 - For Information Only.
2. Generator Installation at Water Reclamation Facility - For Information Only.

3. Approve a decrease to the Purchased Gas Adjustment (PGA) of \$0.04 per ccf from -\$0.15 per ccf to -\$0.19 per ccf, effective February 1, 2020.
4. Approve a decrease to the Power Cost Adjustment (PCA) of \$1 per 1,000kWh, from -\$10 to -\$11 per 1,000kWh, effective February 1, 2020.

H. AWARD OF BID:

I. RESOLUTIONS:

J. DIRECTOR:

K. ATTORNEY:

L. COMMENTS FROM BOARD MEMBERS:

M. ADJOURN.

Contracts under \$25,000 in Board Packet for Chairman and Secretary Signature:

1. Treasure & Space Coast Radio – MOEC advertising - \$3,600
2. Seacoast Air Conditioning & Sheet Metal, Inc. – AC system WTP - \$23,540

MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY, TUESDAY, JANUARY 7, 2020, 4:00 P.M., CITY COMMISSION CHAMBERS.

Members Present: Chairman Glynda Cavalcanti; Vice Chairman Charlie Frank Matthews; Secretary Darryl Thomas-Bey; Deputy Secretary Frank H. Fee, IV; Mayor Linda Hudson; and Nick Mimms, Ex-Officio Member/City Manager.

Others present: John K. Tompeck, Director of Utilities; Rupert N. Koblegard, III, FPUA Attorney; Barbara A. Mika, Director of Financial Services; Nina B. Penick, Director of Financial Services; Paul A. Jakubczak, Director of Electric & Gas Systems; Bowdoin G. Hutchinson, Director of W/WW Systems, Javier Cisneros, Director of Utility Support Services, and Joshua P. Gang, Director of Regulatory Affairs.

The meeting was called to order by Chairman Cavalcanti.

Opening Prayer was by Alice Lodomirak of TCEC.

The Pledge of Allegiance was recited.

The roll was called and a quorum declared.

A motion was made by Mayor Hudson, seconded by Mr. Bey, and unanimously carried to approve the set agenda.

A motion was made by Mr. Matthews, seconded by Mr. Bey, and unanimously carried to approve the Minutes of the Regular Meeting of December 3, 2019.

Mr. Mathews said on Consent Item 4 he thinks we made a good choice for the new position and certainly we want to recognize that. He said if Mr. Josh sticks with us, he will be a good person.

Mayor Hudson said congratulations.

A motion was made by Mayor Hudson, seconded by Mr. Matthews, and unanimously carried to approve the Consent Agenda items.

1. RFP No. 20-02: Accept proposals and approve contract for Lawn and Grounds Maintenance at various FPUA sites with Mow 4 Less Lawn Care LLC, of Fort Pierce, Florida, in an amount not to exceed \$92,360 annually. The initial term of this Contract will be from December 7, 2019, to December 6, 2020, with four one-year renewal options, contingent on receiving the required Certificate(s) of Insurance.

2. Approve POA 14-68: The purchase of 50 desktop computers in an amount not to exceed \$59,500, from Dell Marketing L.P., of Round Rock, Texas, under Florida State Contract Number 43211500-WSCA-15-ACS and WSCA-NASPO Master Agreement MNWNC-101, for purchases through March 31, 2020.
3. Approve POA 20-09: The piggyback of Utilities Commission, City of New Smyrna Beach, Florida ITB 11-18 and Contract with Synagro South, LLC, of Baltimore, Maryland, for Emergency Biosolids Disposal in an amount not to exceed \$50,000 annually. The initial term of this Contract will be from January 7, 2020 through January 6, 2021 with four one-year renewal options, contingent on receiving the required Certificate(s) of Insurance.
4. Confirm appointment of Josh Gang to the new position of Director of Regulatory Affairs.

Mr. Tompeck said the first item is an information presentation by Bo Hutchinson on the WRF relocation strategy.

Bo Hutchinson, Director of Water/Wastewater Systems, presented the Island Water Reclamation Facility Relocation Strategies update. He said today's presentation is on some of the initiatives we have been working on in order to move the wastewater plant off the island. All of these slides you have seen before in strategic planning and there are a few of them staff is working on now. There are a couple of other initiatives we would like to put out there informally and see if it is something the Board is interested in and if so we will come back with a more formal submittal on those items as well. Mr. Hutchinson said the slide displayed shows some annually supporting projects such as the 16" force main along Orange Avenue that is under construction. He said this specific area is from Jenkins Road to 39th Street and is about 80% to 85% done with the construction and we will move on to testing and certification. Right on its heels is the downtown force main and our plan is to start on the survey this year and if we are able to move forward with the engineering, we will. This is going to be a very challenging project, there is a lot of conflicts downtown. We have to cross the railroad tracks and have to make it work with the new Kings Landing development. We will be going right through the edge of that property as well. The project will take a little bit of time to get through the design phase for sure.

Mr. Hutchinson said an update on the joint venture we have with St. Lucie County is to do a new planning study for the MRWF. He said the first and probably the most important item to look at is the cost. The original study was done back in 2008 and we have been working off those numbers ever since. There is a cost escalator in there that should keep us pretty close, but the further from the premise we get, the further off we could potentially be. We need to update the study which will include looking at our existing service territories and also the future service territories. We will look at the planning areas and the land uses and try to extrapolate the amount of flow we will be getting from those, also the times we will be getting those flows, and how many years into the future. That is a bit of a crystal ball, but we have to have a baseline to

start with. This will help us size the plant because there has been some discussion anywhere from as small as a 5 mgd all the way up to a 15 mgd, depending on how fast the growth comes at us. Mr. Hutchinson said he has a very strong feeling we will end up dead smack in the middle of those two numbers. He said the location has been discussed quite a bit, as we know FPUA has a site where we have a substantial investment. St. Lucie County also has a site at the airport, which is more centralized to the overall service territory as well. We have also tasked our consultant with, forget about both of those sites and just see what makes the most sense. Of course however what washes out has to do with the economics of it as well. The reuse is the big component of that, the irrigation water, currently all of the water goes down in a deep injection well after it is treated. If we can sell that as irrigation water, it is a good revenue source that can help offset the cost of the plant and also our simple O&M costs as well. Technology is always changing, but not so fast in this particular industry, we want to make sure we are designing a plant that is on the cutting edge and not designing something that is from 1940. We will take the information we get from the sizing of the plant and the type of plant and compare it to other similar facilities around the state, some that are managed by municipalities and other ones managed by private contractors to get a good idea of what the O&M costs will be for that facility. That can start the discussion on potentially how the cost share can work with our St. Lucie County partner as well.

Mr. Hutchinson said FPUA is also looking into future regulatory requirements. He said a month or two ago, we started shipping our biosolids to a different facility as opposed to land applying it. That is not in the regulations as of yet, but is definitely coming and we like to stay a little ahead of the curve and demonstrate our environmental stewardship as well. We would like to do this with this plant as well. This is a fairly big undertaking that our consultant has taken on and we are passing information back and forth continually, at least a couple times a week between us, the County, and the Consultant. We are hoping to have a draft of this to look at perhaps by strategic planning. Mr. Tompeck is shooting for that sometime around March and hopefully we will have something to give the Board a more specific update at that time.

Mr. Hutchison said one of another of our ongoing initiatives is the Capital Improvement Charge (CIC) fund designation. He said this is where FPUA takes 10% of all of the wastewater impact fees and sets them aside for projects that specifically support the relocation of the plant. To date we have about \$100,000 in there and it is not a lot of money, but keep in mind most of the growth we are seeing right now is mostly the new meters, which is substantial. The Water Operations Department is installing between 30 and 50 meters per month, which is a very good number for FPUA. Most of those meters are in developments that are covered under the Capacity Reduction Option so they still have a significant amount of capacity they purchased years ago to work off before they would start paying impact fees again and start contributing to this fund. We are expecting over the next year or year and a half for this to ramp up rapidly.

Mr. Hutchinson said we are now moving into some other items the Board has seen from strategic planning, but have not moved forward with. He said we are just looking to informally present

this to the Board and if interested, then we could potentially move forward with it. The slide displays a surcharge and the first question is, a surcharge versus just tacking it onto the rate. There is a value to creating the public awareness and showing them where that extra dollar or extra charge whatever the amount happens to be, it would specifically show it on the bill as a surcharge. The public awareness adds a lot of value to our effort. We also have to consider the timing of this, it is the first year and Mr. Hutchinson said he knows of since he has been here that we have not had a rate increase on the wastewater side or have not needed one. There may be an opportunity there, but that is a decision for the Board. The table displayed is an example chart that was put together by our rate consultant Raftelis and the numbers, dollar amounts, and percentages are just for discussion purposes. There is nothing in stone, it is completely up to us if we want to do anything with it. The very first option was just tack on an extra dollar on every meter, which is where we started. There are some problems with that being someone that has a single family home is paying the same amount as a single meter that services an entire condo with maybe a couple hundred residents. So that is probably not the best way to do it. We looked at it on a per ERC bases and that has some difficulty in calculating the fees. Do we charge it on the initial fees they purchased or on what they are using today or what they have used over the last five year average. We would have to decide on that and there is also a lot of tracking there as well. The percent of revenues is a simple way to do it and also the per 1,000 gallons is the initiative staff is looking at the most. If you were at \$0.15 per 1,000 gallons and in five years based on interest rate of about 3% rate of return, we would have about \$1.2 million. If you go down to the upper end that we have a \$0.30 per 1,000 gallons that would put us at about \$2.4 million. This is just something with a little bit more detail to see if the Board is interested in it. If you are then you can let us know and we can bring it back as a more formal proposal. If there is any specific numbers or scenarios you would like staff to run, let us know that as well.

Mr. Hutchinson said the next item is another idea from strategic planning. He said this is to collaborate with St. Lucie County, City of Fort Pierce, and FPUA to create a realistic site plan for the Causeway. We are calling that a holistic view because we are including the FPUA plant site, Mr. DePeyster's property immediately to the east, and St. Lucie County's property on the north side of the bridge. This would start with a marketing analysis where we would try to find the highest and best use for the property. We have heard a lot of discussions for hotels, restaurants, and that type of usage including retail. We will need some experts in that field that can tell us what is the best way to redevelop the property, which will also include a traffic study and very high level drainage as well. Back in the 2012 charrette, these were two concerns the residents brought up and rightly so. You come across south bridge, it pinches down into two lanes and even with today's density sometimes there is back up so he can understand their concern. On the traffic side, it is not just on A1A, it is also the egress and ingress into and out of this development we are talking about that has to be considered. All of that takes up land just like the drainage takes up space so that has to be included in the conceptual site plan as well, just to make sure we are not throwing our numbers off. St. Lucie County has their historical museum on the north side of the property which is proposed to be relocated. They would like to take a look at that and look into some other good options so if this happens to not be very popular with

the public, they will at least have something we can present to the public. If we move it off the beach, look at the great little place in historic downtown Fort Pierce. We use all of this to create our conceptual site plan, which is the big pretty picture we can frame and put up here in City Hall or use it as a sales tool going forward, but something realistic would be very beneficial. Hopefully everybody understands that FPUA does not own our site plan, which has been mentioned many times. We have to buy it out from the State. The cost of that is dependent on what we want to build on there, the more public use, the less it is going to cost and vice versa, the less public use, the more it is going to cost. Tallahassee will not talk to us until we have some kind of ratified site plan, which is something the City and the County have signed off on that we can take up there. Then Mr. Mimms can go talk to the politicians and find out exactly what that will cost. From there we start to get into the real value of this. We can use the conceptual site plan to determine the value of this area when we have an idea of what we have per square footage available for restaurants and hotels. There is plenty of empirical data on what income per room hotels have and seats in restaurants and all of that good stuff. We can use that to try and determine what the end result value of this property is, that would include property taxes and all of the other items listed on this slide. Job creation is very big with the Department of Economic Development right now that can open us for potentially for some grants in the future. This is not going to build out overnight, there is going to be some period of time where we start from nothing and then build on up. It may be ten years, fifteen years, or twenty years, he does not know. It is something the experts will have to tell us, but that becomes very important when we start looking at the potential debt service on the new plant. We are not going to want our payments front-loaded, we want to have them more end-loaded something in line with the projected uptake rates for this site as well to offset some of those costs. Item 8 on the slide displayed is probably the most important part of this, we want to demonstrate the long term value of the Causeway. Now we have the cost of \$110 million to \$120 million to move the plant, which is a tremendous financial burden, that is the way it is perceived. The goal is to demonstrate the overall value of this site with all of these things mentioned such as the taxes and spinoff fees and actually switch the paradigm from this being a cost to actually being an investment. That is what is going to get people behind this, in our opinion.

Mr. Hutchinson said staff has been talking with Kimley Horn putting together a scope to do this work for us and the game plan is to share cost among all three entities, City of Fort Pierce, St. Lucie County, and FPUA as a joint venture. That is the end of the presentation and he said he would be happy to answer any questions.

Mr. Bey asked back in 2008 what the cost was to build the plant at that time.

Mr. Hutchinson said he thinks at that time it goes up a few percent every year, but he thinks it was somewhere around \$98 million. He said a couple of things have happened such as the cost is escalated and we have also been constructing other infrastructure that has been coming off that as well. The further from the initial estimate we get, the less accurate it is.

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Mr. Bey asked if this part of town is in the CRA District.

Mayor Hudson said it is.

Mr. Bey said he was having such a wonderful time listening to the City Commission meeting.

Mayor Hudson said we aim to please.

Mr. Bey said the discussion of A1A/Seaway Drive was a lengthy discussion. He asked what kind of impact will the plant being moved and will any funds from that whole transaction go toward helping to make Seaway Drive legitimate, up to code.

Mr. Hutchinson said typically when a developer comes in, not to say we would be a typical developer, there is contributions or cost share or sometimes depending all on them or depending on how it is. He said there are too many variables to answer the question accurately right now, depending on what happens with the site and how it is developed. If the City kept a portion of that property they owned and leased out, that is a different scenario than if you sold off a specific site to a developer. You will have a different outcome there and you also have to look at the timing. If this is sometime soon, he would assume it would have to cover some of its own impact anyway. However, if it is far enough down the road it might be something that is already being handled by the City ahead of time. At least we will have the concept we would be able to present to the City in that particular scenario or this is what we are looking at and this is the egress and ingress and see if we can make the whole plan work together.

Mr. Bey said the reason he raised that question is because when he was listening to the meeting last night and it seemed to him the thoughts of doing all this building came first and then they thought about Seaway Drive, what about A1A and how are people going to get in and out of Harbor Isle. He is raising that question now so that maybe hopefully somebody might remember it ten years down the road when he is dead and gone.

Ms. Cavalcanti asked if this site is considered a Brownfield.

Mr. Tompeck said we could certainly apply to the Brownfield Program. He said we may have to do it in a similar fashion like we did for the King Plant. Have the FPRA make the application because it could be said that the City and FPUA were responsible for the contamination, if there is any. He suspects there probably is some.

Ms. Cavalcanti said she would guess too.

Mr. Tompeck said he is hoping there are not PCBs and that kind of thing, but he is certain there is some contamination, it has been there a long time.

Mayor Hudson said Kimley Horne did a study for the City of Fort Pierce and presented it last night in connection with the Cumberland Farms. She said they were not the original ones who did the traffic study for the applicant. Kimley Horn is pretty much up to speed on what is happening on Seaway Drive currently, for right now. There was a lot of discussion about Seaway Drive and what could come in the future, the developer, and the impact on what is going to happen right now to that tiny little road from Binney to the base of the bridge. Mr. Mimms and she were talking earlier today that it has more lead way from Binney to the ocean, which you cannot do a whole lot with that. Mayor Hudson said Seaway Drive is going to be impacted by a lot, more than this in the future probably so that has to be looked at. She said maybe Kimley Horn already has a jump start on it because they certainly had some good figures for the Commission last night. She asked if the study for the site plan is separate from the study that is going to be done in March.

Mr. Hutchison said that is correct.

Mayor Hudson said in March we are going to have some ideas about locations of the plant and this is beyond that and what can happen in the future. She asked if we spent roughly \$20 million already in preparation of moving.

Mr. Hutchinson said that is right.

Mayor Hudson said she thinks that is really important to emphasize when we are talking to people because she does not know how often she hears it, but she hears it all the time "you guys talk about moving that, but you do not do anything, nobody has done anything, it is just conversation, you are not really interested in it". She said this shows what FPUA reports and what we are doing with St. Lucie County and what we hope to do in terms of the site conception shows we are serious about this. Legislators want to know that beyond Fort Pierce, people want to know that as you know when we met with Senator Harrell. Nobody wants the plant on the island, everybody wants it off, and everybody wants to know we are serious about doing it. Mayor Hudson said she appreciates this and the efforts we are making because right now we are the only ones that have skin in the game in terms of actually putting up money to move the plant. She said the force main, the public may not know why that is important, but it is important in preparation. All those kinds of things we need to tell our story that we are indeed interested and doing it in a practical and efficient manner and hope not to have our customers to bear the whole burden.

Mr. Hutchison said those are very good points and all of the initiatives we have already taken including the money we spent here. He said the other initiatives presented today are all demonstrating that effort.

Attorney Koblegard asked if the pictures displayed are Jenkins Road.

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Mr. Hutchinson said yes it is. He said it is Orange Avenue very close to Jenkins Road.

Attorney Koblegard asked if it is the Jenkins to 39th Street.

Mr. Hutchinson said yes it is.

Attorney Koblegard asked if once that is completed to get to our plan assuming it is the location that is picked, is there any other pipe laid or do we still have to go all the way.

Mr. Hutchinson said on the displayed bonus slide there is already quite a bit that is in place. He said there is a significant amount of 16" force main that is already constructed on Moore's Creek and we have the section being constructed now that will get us to Jenkins Road from there. We still have the downtown force main that has to be put in for the flows to be rerouted in the opposite direction. This particular piece and the other pieces we have already in place allow us to support the growth we have now and still bring it east. We would still be able to turn the flow around in the future to go west. In answer to Mr. Koblegard's question specifically, at Jenkins Road we have a 24" force main that would then go south from there and it goes all the way to Okeechobee Road as of now. There are a couple other small pieces that are south of there and the next phase of that would be to pick up construction from Okeechobee and start moving south down the end of Jenkins Road to potentially cross the Creek.

Mayor Hudson said they are eventually going to connect Jenkins to Midway.

Mr. Hutchinson said yes, which would save us a tremendous amount of money in clearing if that is done before we get there.

Mayor Hudson said it is on the TPO list to do in the next 5-10 years.

Attorney Koblegard asked if the same thing would apply if we were going to go north to the airport.

Mr. Hutchinson said if you look at either one of those two options. He said either you would hit Jenkins Road and Orange Avenue and you would go south to the FPUA location or you would start constructing force main and go north to the north extension of Jenkins Road, you could work your way back around to the airport. If that is the scenario, the only significant loss is we would not need a 24" force main on Jenkins Road, just for collections. That is major transmission, so there would be some loss capital there, but it is not a complete loss. It is still going to be a very centralized hub that needs to be there to collect everything to either send north or south.

Mr. Tompeck said the next items is an information item by Javy Cisneros on the Identity Theft Detection and Prevention Program.

Javy Cisneros, Director of Utility Support Services, said he was going to review FPUA's Identity Theft Detection and Prevention Program and provide some highlights from 2019. The agenda today will be similar to previous years, review the history and purpose of the program and identify members of the committee and their responsibilities, look at some types of theft and fraud that we consistently deal with every day, and use red flags to identify those. We will also look at some key performance indicators to get an insider look into FPUA. The Federal Fair and Accurate Credit Transactions Act of 2003 (FACTAct) or Red Flags Rule, the purpose of the act was to provide protection to creditors to include utilities to develop a program to help protect consumer accounts from any reasonable risk of identity theft. Even though the Act was approved in 2003, it did not become effective until January 1, 2008. There were provisions for utilities to have a program approved by their Board by November 1, 2008 and FPUA did in fact approve the program on October 21, 2008. There is a current version of that program included in your packet and is about 80 to 90 pages.

Mr. Cisneros said the Privacy Committee is a team effort to prevent theft and identity at FPUA. He said the Privacy Committee's primary objective is to provide the leadership and the appropriate resources allocated to ensure a successful program. The team members include the Director of Utilities who provides the overall leadership for the committee, Director of Utility Support Services is the privacy officer and provides oversight of the program, Director of Financial Services provides the oversight of FPUA funds, Customer Service Manager oversees the day to day operation for existing and new accounts to include billing and collections, ITS Manager oversees the day to day operation of the data and network security systems, Community Relations Manager oversee the distribution of critical information to our customers and employees, and Human Resources Manager oversees all critical employee related information. The timing could not be better because we are always looking for new blood on the Committee and Mr. Cisneros said he is going to add the Director of Regulatory Affairs to the committee, congratulations to Josh.

Mayor Hudson said welcome to the world of meetings.

Mr. Cisneros said Red Flags is defined as an activity that looks suspicious and a couple of examples are shown on the screen. He will go through them quickly, a discrepancy in an address is very common, a discrepancy in a customer report, altered or forged identification to include lease agreements and we have personally seen that. Other examples are social security discrepancies and the addition or subtraction of authorized signatories which is a big deal, we want to make sure the people making changes to their accounts are authorized to do so. Dishonored payments is a big one which he will talk about a little bit later. A full list of Red Flags are provided in the Program on pages 7-11. This year in 2019, we did not have any fraudulent voucher payments, but in 2018 we had two. One of those was a medical voucher that was obviously not valid and we did not accept and there was a promissory note from a local church, which was fraudulent. In 2019, we did receive fake money, there were two \$100 bills and one \$5 bill. All money is turned

over to the Secret Service for investigation and as you can see the displayed, it was from last year. The money shown on the screen is only valid for overpriced popcorn and candy at your local theatre, you are not able to use that.

Mr. Cisneros said last but certainly not least especially in today's world, we have cyber security. He said the dots shown on the map indicate the originating location of an attempts on our system that thankfully were blocked. There are attempts from all over the world especially from Europe and Asia. The only cyber incident was in 2014 which we resolved without issue, but it is really important to protect our system. We had three incidents of currency fraud this year and last year we had five. We had five employee unemployment claims, which are claims against an employee who was either still working at FPUA or someone that was not eligible for it, last year we had five and this year we had zero. This year there were twelve attempts to change checking account information where someone tried to get one of our employee's accounts routed to a different account and last year we had only three. Luckily we did not have any known customer fraud incidents in 2019.

Mr. Cisneros said he would like to close with a couple of "Did You Know" items. He said did you know FPUA would not call you to collect payments, we have customers that will receive a call to let them know their payment is due, but FPUA will not call you to collect payment. Some of FPUA's approved payment locations that are important for customers that may be watching today are FPUA's main lobby which is a very popular location at 206 South 6th Street and in the next couple of months there will be a Kiosk outside so customers can make payments after hours. That will be coming in the first quarter of 2020. A couple of offsite locations are Fort Pierce Discount Pharmacy on Delaware Avenue, Seacoast Bank on US 1 Fort Pierce location only, Dixon Cash Checking on Avenue D and 25th Street, Down South Beverage Cash Checking on US 1 and Avenue D, and Pay Near Me which gives customers the opportunity to pay at any CVS, 7-11, or Family Dollar, you can pay at these three locations throughout the country. Mr. Cisneros said it is important to note FPUA does not process payments, we take payment at locations, but we do not process them. We use a 3rd party vendor for payment processing so FPUA does not store any customer payment information. We use a 3rd party vendor to comply with the Payment Card Industry Data Security Standard and the compliance falls on them and it really is quite a bit of work. We use a third party vendor for that which is Invoice Cloud.

Mr. Cisneros said he talked to a couple of Board Members this year about phone scams and our area does get quite a bit of phone scams. He said if there is any doubt whatsoever, if a customer is concerned about being disconnected or an issue with their account, they can hang up from that phone scam and call FPUA at 466-1600. This is an information item only and he would be happy to answer any questions.

Mayor Hudson asked if on the fraud does FPUA report it to law enforcement.

Mr. Cisneros said currency frauds we do and we do work with law enforcement if we were to have a breach.

Mayor Hudson said so the people that are trying to do it, she asked if they are prosecuted.

Mr. Cisneros said if we catch them and he is pretty sure in 2014, we dealt with law enforcement and he confirmed that with Tom Fryar.

Mr. Fryar said we reported it to law enforcement, but there was no further investigation.

Mr. Cisneros said it is really hard to catch some of the cyber concerns. He said he has had identity theft himself and it went nowhere. He was number 2000 for his incident.

Mayor Hudson said she was wondering how aggressive they pursue that. She said it is hard to find and catch them.

Mr. Cisneros said he thinks the Sheriff's Department only has two employee detectives and their job is identity theft. He does not know if the Police Department has anybody on identity theft, it takes a lot of time and resources.

Mr. Bey said with the new kiosk that is coming in October, he asked if there are any security measures planned since it is going to be outdoors. He said people will probably have access to it 24 hours.

Mr. Cisneros said it will be in a well-lit area, secured to the ground, and there will be cameras pointing at the kiosk. He said one camera will be looking over the kiosk to see the money going in so if there is an issue with the customer we can address it. We have cameras throughout the building so we can see people coming in and out of the area where the kiosk will be and cameras looking directly at the kiosk. We will be able to see people's faces and what they are wearing. We will have security measures in place.

Mr. Bey said thank you.

Mr. Cisneros said we are actually going to have the outside kiosk in the first quarter of 2020, we already have a kiosk inside the main lobby.

Mr. Tompeck said the next item requests approval of the disposition of obsolete inventory and Nina Penick will make the presentation.

Nina Penick, Director of Financial Services, said she is here today to request the Board's approval of our disposition of obsolete inventory. She said the Board has been provided a detailed list of

every piece of inventory staff is requesting the disposal of. The amount totals \$222,060.35 and the Board may recall back on October 15th of this past year we did also bring to the Board the disposition of 23 vault transformers and on pole mounted transformer, which was an additional \$70,856.43 and approved by the Board. Mrs. Penick said what is a little bit unique about Fort Pierce Utilities Authority is the inventory that sits in our warehouse, sits in our warehouse. She said in many cases, it sits there for just in case and the inventory is recorded as an asset in our financial statements. Over time, those pieces of inventory deteriorate, become obsolete over time, and there are other items that turn fairly often and we are using them regularly. We did light a fire under staff this past year and tried to get them to initiate the disposition of some of these assets. Some of them came off the shelf and went to the departments so they would be closer at hand and staff would know the items were available for use at no costs because it has already been charged out to them. Mrs. Penick said some of the stuff went into the dumpster. She said when there are items that have rubber gaskets on them and are that old, you would have to basically rebuild those items in order to bring them back up to the original value anyway. It is not beneficial to and we do not want to put good money after bad. These were items identified throughout the organization, all the departments are pretty much represented here and this is really just a tip of the iceberg. There are still many more items in our inventory that are extremely old and you should see more of this moving in the future. If we are not using it, we should not be housing it, we do not want to count it every year. It is just something we need to keep up to date. Mrs. Penick said it is something our external auditors have encouraged us to do in year's past and we are very pleased to do now. She said the Board will need to approve the disposition of the obsolete inventory in the amount of \$222,060.35.

Ms. Cavalcanti said it is just essentially an accounting item, correct.

Mrs. Penick said it is, the items have already been purchased, but it does hit expense.

Ms. Cavalcanti said it will hit expense and these are items of no use. She is assuming the shirts have been given away.

Mrs. Penick said some cases we do not want to give them away. She said we do not want to throw them in a dumpster because we do not want someone to assume the identity of an FPUA employee.

Ms. Cavalcanti said when she said given away, she meant employees and are they using them at all or burning them.

Mrs. Penick said they are generally being given to the departments that were using them in the first place and they are used when the employee may have a dirty job to do where they may get dirty or stained.

A motion was made by Mayor Hudson, seconded by Mr. Matthews, and unanimously carried to approve disposition of obsolete inventory, in the amount of \$222,060.35.

Mr. Tompeck said the next item is the bill comparison for the month of October 2019 and Barbara Mika will make the presentation.

Barbara Mika, Director of Utilities, said she is presenting to the monthly update on the comparisons of municipal electric rates in the State of Florida, and of the local Treasure Coast utility bills for the month October 2019. She said in the first graph is the comparison of residential electric rates for 1,000 kWh of consumption for the month of October for the 13 municipal utilities, in the State of Florida, which are members of the "All-Requirements Project" (ARP) and are displayed and ranked based upon their base bill for 1,000 kWh of consumption. As members of the All-Requirements Power supply project, these municipalities benefit through the economies of scale, operating as part of a larger group of cities. In the graph we can see where FPUA ranks among the 13 ARP participants. Our October rates at \$108.84, depicted with the yellow bar, ranks FPUA with the 6th lowest rate of this group. Also presented in this comparison, by the blue bar, is the relative position that FPUA would hold with the additional \$2 per kWh approved PCA decrease which went into effect on December 1st. The next graph displays the October comparison of Florida residential electric rates for that same level of consumption and includes all of the municipal utilities in the state. The data for all of the graphs has been compiled by Florida Municipal Electric Association (FMEA). FPUA's October bill for this level of consumption, at \$108.84, has maintained its standing since last month among the other municipalities in this graph, our position has not changed. October brought rate decreases for seven of the 13 ARP participants. Two significant decreases were with the cities of Jacksonville Beach and Newberry, both with decreases in the \$25.00 range per 1,000 kWh. The overall impact on the averages shown in this graph was a decrease of \$4.39 for the ARP and \$1.64 for all of the Municipal Utilities. For the 1,000-kWh comparison, FPUA is just below the municipal average of \$108.95. Mrs. Mika said she would also like to point out in this full residential comparison, which includes all 32 municipal utilities and FPUA's position in blue, which includes the approved December 1st PCA decrease.

Mrs. Mika said the next graph presents a similar comparison of municipal utility bills within the State of Florida for the consumption of 2,500 kWh. She said in this comparison, FPUA's October bill at \$274.80 has fallen back by just one position. The averages for this level of consumption for all three of these groups were impacted by the same changes that were noted on the 1,000-kWh bill. The average for the ARP bill fell \$11.20 for this level of consumption and the Municipal average decreased by \$4.67. The table displayed is the October comparison of the average residential utility bills on the Treasure Coast. The comparison includes the bills for electric, water, and wastewater services that a residential customer with average consumption would have experienced if they resided in one of these service territories. These figures include all of the applicable taxes and fees and have been verified to actual or historical bills. In this comparison,

FPUA's utility bill for services provided inside city limits for FPUA is shown in the first column. All other bills represent electric services provided by FP&L and water and wastewater services by the locality's provider. There were no changes on any of the local utility bills since September. This item is for information only and requires no action on your part; however, if you have any questions she would be happy to address them.

Mr. Tompeck said he would like to add something and said at the last meeting we talked a little bit about the chart for 1,000 kWh and the fact it appeared most of the ARP Members were on the right hand side of the chart versus the left hand side of the chart. You can see that has swung around a little bit and some of these numbers are fairly volatile. He went back and talked to some of the FMPA folks about this and he thinks the reason for some of these in brown, the non ARP Members, a lot of those have short term power contracts. In other words they do not have the same contract or buying power from ARP like FPUA does. Right now there is a lot of surplus power on the market so they are actually getting a little bit better deal. As a matter of fact, FMPA ARP is selling power at less than what they are charging their Members because is excess power and they can make some money on it, which will eventually go back to reducing our bills. It is a little bit less than we are paying just so they can use the power. A lot of people have a problem with that, but it makes since to do that. Mr. Tompeck said he thinks that is why you see some of these other ones are a little bit lower than you expect for the ARP. He said he knows he did not make that clear last time and hopes it is a little clearer this time.

Ms. Cavalcanti said she remembers it was pretty complicated last time

Mr. Tompeck said the next item is the status report on the power cost adjustment for November 2019 and Barbara Mika will continue.

Mrs. Mika said she will be providing information about November's power cost and updated projections through November 2020. She said as the Board is aware, the Power Cost Adjustment, or PCA, is the mechanism by which FPUA recovers power costs that are in excess of the \$79.52 base power cost, which is included in the base rate. The cost of power purchased from FMPA for the month of November was billed to FPUA at the rate of \$72.43 for 1,000kWh, this is an increase of \$9.07 as compared to the billing for October. The over-recovery from the customer for the month of November totaled \$434,174. The cumulative over-recovery as of November 30th was \$5.2 million. In the chart displayed, the bars depict the balance of the PCA over-recovery and the dark blue line represents the PCA. The PCA for November is negative \$8.00 falling off to negative \$10.00 per kWh effective December 1st. The blue bars represent the actual amount over-recovered while the orange bars depict what the over-recovery would be if the projections are correct. These projections have been prepared by Raftelis Financial Consultants, which in turn were based on projections prepared by Florida Municipal Power Agency. Since the October forecast, FMPA's estimate of the cost of purchased power for the upcoming 12 months has decreased by 2.8%. This graph takes a look at the PCA trending through September 2021. While

this a long range look, we can see that in the shorter term, in June, the upcoming 7 months, the PCA comes closer to the \$4 million mark and summer months that will ensue. While natural gas prices are down, the uncertainty of the impact on pricing for the impending winter months, staff is suggesting to wait another month for updated February cost estimates and recommends no change to the Power Cost Adjustment at this time. This item is for information only and requires no action on your part.

Mr. Tompeck said the next item is an award of bid for replacement of electric distribution poles and Larry Lammers will make the presentation.

Larry Lammers, Electric Supervising Engineer, said before he asks for the Board to award the bid to replace poles, he would like to take a moment to describe how we use information to try to make the best decisions possible and ensure we have a very reliable electric distribution system. It all starts when we are talking about poles specifically with inspection of our poles. We try to make sure we are at the very least inspecting every pole at least once every eight years. That is a requirement placed on us by the Public Service Commission that we inspect these poles. The main reason for that is wooden poles rot and we actually live in an area where wood rots pretty rapidly so it is even more important for us here in Florida to stay on top of what condition our poles are in. To that end, we hire a contractor to inspect the poles and they go through a process called sound boring and excavation. During that process, they hit the pole with a hammer, see where it sounds a little bit hollow, then they drill it to see how much solid material is there. They then excavate to see how deep that rot might go. After they do all of that inspection, they compile a report and send to it FPUA the estimated remaining strength of that pole. Mr. Lammers said staff looks at the report and some of our field personnel who are very familiar with indicators of what shape a pole is in, they take that information and say yes we should replace this one or we can consider bracing it and get additional life out of the pole. He said FPUA has a long list of poles that is increasingly shrinking as we attack this issue and part of that list contains these 222 poles that we put out for bid. We would like to award the bid and contract for replacement of 222 electric distribution poles to SPE Utility Contractors FD, L.L.C., in an amount not to exceed \$487,734.

Mr. Matthews asked how long it takes for a poles to arrive after they are ordered.

Mr. Lammers said as soon as we award this bid, he believes SPE said they could be ready to start replacing these poles within one month. He said they estimate it will take them between 40 and 60 days to replace them, if he remembers correctly. We already have the poles in stock to be replaced.

Mr. Matthews said that cuts his second question out because we have some on hand.

January 7, 2020

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Mr. Bey said that is an interesting process, he went out with a company when he was a newbie on the Board, he believes it was Osmose.

Mr. Lammers said that is correct.

Mr. Bey said he went out and saw the process and he is wondering since wood rots fast especially in this environment, he asked if we are replacing wooden poles with concrete poles or just replacing wooded poles with new wooden poles.

Mr. Lammers said for all of our feeder poles, which are by far the most important poles we are replacing with concrete and in some instances depending on the location of the pole, ductile iron. He said ductile iron is lighter which means we do not need as big of equipment to lift it and it will probably last longer. He says probably because it is a new material for the electric distribution industry, but it is more expensive. If it was not more expensive than concrete, then we would probably only use ductile iron for our feeder poles. Concrete or ductile iron for our feeder poles, to answer Mr. Bey's question, and then in scenarios where we have non-feeder poles either secondary or lateral poles we are replacing them with wood poles. If we find a location where Osmose goes and does those inspections and we identify a lot of lateral or secondary poles that are rotten, we will strongly consider undergrounding that portion. It is economical to underground lateral lines.

Mayor Hudson asked if most of this is operational or is this labor.

Mr. Lammers said the whole contract is for labor.

Mayor Hudson said we have the poles.

Mr. Lammers said we provide the materials.

Mayor Hudson asked if they remove the old ones and put in the new ones.

Mr. Lammers said they install the new one, get it all framed up, do the transfers, then they will top the old pole, and eventually come back and remove the old pole.

Mayor Hudson asked what happens to the old pole.

Mr. Lammers said it goes to landfill at some point.

Mayor Hudson said it would not make good firewood.

Mr. Lammers said they treat it with a preservative so it does not rot as quickly as it would otherwise. He said just like if you build an outdoor deck, you are going to use treated lumber, but you do not want to burn that stuff.

A motion was made by Mayor Hudson, seconded by Mr. Bey, and unanimously carried to approve Bid No. 18-36B: Award of Bid to and Contract for the replacement of 222 Electric Distribution Poles with SPE Utility Contractors FD, L.L.C., of Port Huron, Michigan, in an amount not to exceed \$487,734. The contract will commence upon written Notice to Proceed and end upon completion and acceptance by FPUA, contingent on receiving required Certificate(s) of Insurance.

Mr. Tompeck said On December 18th, FPUA Staff and Mayor Hudson met with Representative Johnson and Senator Harrell on an appropriations request we made for septic to sewer funding for our expansion project at Fleetwood Acres. He said he thinks the meetings went well because the topic is an environmental issue that has widespread bi-partisan support. We are hopeful the funding, or at least a portion of the funding, will be approved. The money will be used for infrastructure and to off-set the cost of individual customers hooking into the system. It will be several months before we know the status of that.

Mr. Tompeck said work on the installation of the new backup generator at the Water Reclamation Facility has been completed, which will close out the DEP Consent Order. He said we will give the Board a full information presentation on the project at the 21st Board meeting.

Mr. Tompeck said a quick update he would call a sad update on FEMA reimbursements for hurricanes. He said for Hurricane Matthew, we anticipate reimbursement of \$560,000 total, of which we received \$72,000 so far. On Hurricane Irma, we anticipate reimbursement of ~\$1.1 million of which we have received ~\$58,000 so far and on Dorian we anticipate \$200,000 of which we have received nothing so far. In total we have ~\$1.7 million outstanding with FEMA for these three hurricanes. It is a slow process which we will continue to press to recoup the outstanding expenses.

Mr. Tompeck said on December 30th, he sent the Board a note on strategic planning and is interested in the Board's input prior to setting up the agenda and preparing for the session. He asked them to let him know their thoughts on the key result areas and goals they would like to see emphasized at our next strategic planning session. We are trying to think of some ways to make it a little more interesting and interactive because we recognize that being bombarded with hours of PowerPoint presentations is a difficult way to spend the day. If you have any suggestions about that as well, we will be glad to entertain them.

Attorney Koblegard thanked FPUA for his nice warm jacket.

Mayor Hudson asked how FPUA arrives at the date for the strategic planning in March so she can plan.

Mr. Tompeck said we are looking similar to the way we try to schedule the budget and are looking at the dates associated with other activities. He said he will send out a note with some potential dates before it is set up, we will not just tell you what the date is. We will get the Board's input on that. He said staff is thinking about maybe an all-day session in which he has not discussed with Mr. Mimms yet. Maybe we could do the joint part with the City in the morning and in the afternoon do some of the more detailed parts that are more important to our Board rather than torture the City Commission with all that detail.

Mayor Hudson said unless they want to be tortured.

Mr. Tompeck said they are welcome to stay, of course.

Mayor Hudson said she would like to thank all the efforts of the staff during the holidays with all the different activities they were involved in terms of charity and doing things for people who are less fortunate. She thinks it is a great thing for the staff to do and she really appreciates it.

Mr. Bey thanked Javy for the jacket and said it comes in real handy.

Ms. Cavalcanti said for today in this meeting.

There being no further business, the meeting was adjourned.

ATTEST:

SECRETARY

CHAIRMAN

D-1

Fort Pierce Utilities Authority

206 South Sixth Street (34950) | PO Box 3191, Fort Pierce, FL 34948-3191 | Phone: 772.466.1600



Board Submission Form

1/17/2020

Department: 32 - Information Technology Svcs

Board Meeting Date: 01/21/2020

Item Type: Consent, Contract Agreement

Subject: Cash Balancing Machine

Recommendation:

POA 20-21: Approve Contract for the single source purchase of a Cash Balancing Machine from Coin Currency & Document Systems of Florida, Inc., of Thonotosassa, Florida, in an amount not to exceed \$43,400, and the associated maintenance service in an amount not to exceed \$3,700 for the first and second years of service. The initial term of this contract will be from January 22, 2020 to April 21, 2021 with four one-year renewal options, contingent on receiving the required Certificate(s) of insurance.

Reviewed By Attorney: NA (FPUA Standard Contract)

Funds Available From: No Funds Needed X Budgeted Contingency

Approvals:

System Director: CISNEROS, JAVIER Jan 16 2020 3:33PM

Director of Finance: MIKA, BARBARA A. Jan 16 2020 4:13PM

Director of Utilities: TOMPECK, JOHN K. Jan 17 2020 8:58AM



Memorandum

TO: John K. Tompeck, P.E., Director of Utilities
THROUGH: Javier Cisneros, P.E., Director of Utility Support Services
FROM: Thomas A. Fryar, I T Services Manager
DATE: January 17, 2020
SUBJECT: Cash Balancing Machine

RECOMMENDATION:

POA 20-21: Approve Contract for the single source purchase of a Cash Balancing Machine from Coin Currency & Document Systems of Florida, Inc., of Thonotosassa, Florida, in an amount not to exceed \$43,400, and the associated maintenance service in an amount not to exceed \$3,700 for the first and second years of service. The initial term of this contract will be from January 22, 2020 to April 21, 2021 with four one-year renewal options, contingent on receiving the required Certificate(s) of insurance.

SUMMARY/SUPPORTING INFORMATION

A new Cash Balancing Machine will consolidate the two existing cash counters, which are nearing their end-of-life. The system will dispense pre-programmed till amounts, provide change, and the ending till can be deposited and be able to authenticate all currency for an immediate balance. It will also shorten the time and number of employees needed to maintain the cash and coin while providing status and balance information to back-office electronically for accountability of the day's transactions. Unlike other Cash Balancing Systems, this system already has software hooks into FPUA's Core Business System (Cogsdale), which will increase accuracy and efficiency.

ALTERNATIVES (IF ANY):

Do not approve and continue to use existing equipment which is nearing end-of-life that will result in costly third party maintenance, extended downtime, and decrease in productivity.

ATTACHMENTS:

FPUA Contract

**FORT PIERCE UTILITIES AUTHORITY CONTRACT
FOR
CASH BALANCING MACHINE**

Contract is made between Fort Pierce Utilities Authority (FPUA) and Coin Currency & Document Systems of Florida, Inc., of the City of Thonotosassa, State of Florida, hereinafter referred to as Contractor.

The parties to this Contract in consideration of the mutual covenants and stipulations set out herein agree as follows:

Section 1

Contractor shall be defined as an individual, firm, or corporation having a direct contract with FPUA or with any other subcontractor in the performance of a part of the work contracted for under the terms of Contractor's direct contract with FPUA.

Section 2

Contractor is hereby contracted with to perform the following services: purchase and installation of a cash balancing machine, cabinet, related peripherals and software, and one-year of maintenance in accordance with POA 20-21 and Attachment A appended hereto, hereinafter referred to as Specifications, and made a part thereof of this Contract.

Section 3

The services to be performed by Contractor shall be on the following site(s), hereinafter referred to as Project Site: Admin Building 206 S. 6th Street, Fort Pierce, FL.

Section 4

The job upon which Contractor is to perform the services shall be referred to as the Cash Balancing Machine, POA 20-21 job.

Section 5

Contractor shall be paid by FPUA in the following manner: per job and in accordance with the Local Government Prompt Payment Act, sections 218.70-79, Florida Statutes. The calculations shall begin using the date the invoice w

Total job price: not to exceed \$43,400.00 (forty-three thousand four hundred dollars and no cents) (which includes \$39,700.00 (thirty-nine thousand seven hundred dollars and no cents) for the initial purchase and \$3,700.00 (three thousand seven hundred dollars and no cents) for the first 12 (twelve) months of service beginning after the 90 day warranty), and then \$3,700.00 (three thousand seven hundred dollars and no cents) annually for maintenance service for each of the following two (2) years on the terms contained in Contractor's said proposal for the doing of said work and the said award therefore, and the Specifications herein specifically referred to and made a part of this Contract.

Section 6

Contractor shall, under no circumstances, look to FPUA to provide any labor or equipment for Contractor. Contractor shall provide all of the labor and equipment necessary to perform the job or services contracted for at the expense of Contractor. Property of any kind that may be on the premises, which are the site of the performance of this Contract, during the performance of this Contract, shall be at the sole risk of Contractor.

Section 7

Contractor shall provide certificate of insurance to FPUA setting forth the type and amount of insurance carried by Contractor and conforming to the minimum requirements set forth in Attachment B. All requirements of this section shall be approved by FPUA.

Section 8

This instrument contains the entire agreement between the parties and no statement, promises or inducements made by either party or agent of either party that is not contained in this written Contract shall be valid or binding and this Contract may not be enlarged, modified, or altered except in writing signed by the parties and endorsed hereon.

Section 9

This Contract shall commence on January 22, 2020 and end on April 21, 2021. There shall be four (4), one (1)-year renewal options on terms and conditions that are mutually acceptable in writing to the parties. This Contract will remain in effect in the event of a natural disaster or other emergency event.

Section 10

Contractor acknowledges and understands that he is an independent contractor in his relationship to FPUA.

Section 11

This Contract shall inure to the benefit of and be binding upon the heirs, executors, administrator, assignees and successors of the respective parties.

Section 12

FPUA shall have the right to terminate said Contract by giving Contractor thirty (30) days written notice if the service that is being provided is not maintained at levels necessary to provide the required service. FPUA will determine in its sole judgment what constitutes a satisfactory level of service.

FPUA may terminate this Contract in accordance with the following terms and conditions:

- A. Termination for Convenience. FPUA may, when in the interests of FPUA, terminate performance under this Contract by Contractor, in whole or in part, for the convenience of FPUA. FPUA shall give written notice of such termination to Contractor specifying when termination becomes effective. Contractor shall incur no further obligation in connection

with the work so terminated, other than warranties and guarantees for completed work, and Contractor shall stop work when such termination becomes effective. Contractor shall also terminate outstanding orders and subcontracts for the affected work. Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders. FPUA may direct Contractor to assign Contractor's rights, title and interest under termination orders or subcontracts to FPUA or its designee. Contractor shall transfer title and deliver to FPUA such completed or partially completed work and materials, equipment, parts, fixtures, information and contract rights as Contractor has in their possession or control. When terminated for convenience, Contractor shall be compensated as follows:

- i. Contractor shall submit a termination claim to FPUA specifying the amounts due because of the termination for convenience together with costs, pricing or other data required by FPUA. If Contractor fails to file a termination claim within one (1) year from the effective date of termination, FPUA shall pay Contractor an amount derived in accordance with subsection (iii) below:
- ii. FPUA and Contractor may agree to the compensation, if any, due to Contractor hereunder;
- iii. Absent agreement to the amount due to Contractor, FPUA shall pay Contractor the following amounts:
 - a) Contract costs for labor, materials, equipment and other services accepted to FPUA's satisfaction under this Contract;
 - b) Reasonable costs incurred in preparing to perform and in performing the terminated portion of the work, and in terminating Contractor's performance, plus a fair and reasonable allowance for direct job site overhead and earned profit thereon (such profit shall not include anticipated profit or consequential damages); provided however, that if it reasonably appears that Contractor would have not profited or would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss, if any; and
 - c) Reasonable costs of settling and paying claims arising out of the termination of subcontractors or order pursuant to subsection A of this section (if contingent assignment of such contracts has not been elected as provided herein). These costs shall not include amounts paid in accordance with other provisions hereof. This clause is subject to and Contractor shall be limited by FPUA's right to direct the replacement of subcontractors under section 12.A.

The total sum to be paid Contractor under this subsection A shall not exceed the total contract amount, as properly adjusted, reduced by the amount of payments otherwise made, and shall in no event include duplication of payment.

- B. Termination for Cause. If Contractor does not perform the work, or any part thereof, in a timely manner, supply adequate labor, supervisory personnel or proper equipment or materials, or if it fails to timely discharge its obligation for labor, equipment and materials, or proceeds to disobey applicable law, or otherwise commits a violation of a material provision of this Contract, then FPUA, in addition to any other rights it may have against Contractor or others, may immediately terminate the performance of Contractor, in whole or in part at

FPUA's sole option, and assume possession of the Project Site and all materials and equipment at the site and may complete the work.

In such case, Contractor shall not be paid further until the work is complete. After completion has been achieved, if any portion of the contract price, as it may be modified hereunder, remains after the cost to FPUA of completing the work, including all costs and expenses of every nature incurred, has been deducted by FPUA, such remainder shall belong to Contractor. Otherwise, Contractor shall pay and make whole FPUA for such cost. This obligation for payment shall survive the termination of the Contract.

In the event the employment of Contractor is terminated by FPUA for cause pursuant to this subsection B and it is subsequently determined by a Court of competent jurisdiction that such termination was without cause, such termination shall thereupon be deemed a Termination for Convenience under subsection A and the provisions of subsection A shall apply.

- C. Termination for Non-Appropriation. FPUA may also terminate this Contract in whole or in part, for non-appropriation of sufficient funds to complete or partially complete the project, regardless of the source of such funds, and such termination shall be on the terms of subsection A.
- D. FPUA's rights under this section shall be in addition to those contained elsewhere herein or provided by law.

Section 13

- A. Contractor shall indemnify and hold harmless FPUA and its officers, agents and employees, from any liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of Contractor and persons employed or used by Contractor in the performance of this Contract.
- B. In accordance with section 2-63 of the City of Fort Pierce Code of Ordinances, FPUA has the right to audit the books and records of Contractor under any Contract other than a firm fixed-price contract to the extent that such books and records are pertinent to the performance of such Contract. Such books and records shall be maintained by Contractor for a period of three (3) years from the date of final payment under the Contract.
- C. Contractor shall not assign any interest in this Contract, and shall not transfer any interest in the same without the prior written approval of FPUA.
- D. Nothing in this Contract shall be construed to give any rights or benefits to anyone other than FPUA and Contractor.
- E. Venue: This Contract shall be constructed in accordance with the laws of the State of Florida and venue shall be St. Lucie County.
- F. Pursuant to Section 287.135, Florida Statutes, a company is ineligible and may not bid on, submit a proposal, or enter into or renew a contract with an agency or local governmental entity, and FPUA is prohibited from contracting or renewing contracts for goods or services: (1) for any amount with a company that is on the Scrutinized Companies that Boycott Israel List, created pursuant to Section 215.4725, or is engaged in a boycott of Israel; (2) for

\$1,000,000 or more with a company that is on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Section List, created pursuant to Section 215.473; or (3) is engaged in business operations in Cuba or Syria. By signing below Contractor certifies that it is not on any of the above referenced lists, is not engaged in a boycott of Israel, and is not engaged in business operations in Cuba or Syria. The company further acknowledges that FPUA may immediately terminate any contract if the company is found to have falsely certified that it is not on any of the foregoing lists, been placed on any of the foregoing lists, been engaged in a boycott of Israel, or engaged in business operations in Cuba or Syria.

G. IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT PUBLICRECORDS@FPUA.COM, (772) 466-1600, OR PO BOX 3191, FORT PIERCE, FL 34948-3191.

To the extent the Contract includes providing services and acting on behalf of a FPUA as provided under section 119.011(2), Florida Statutes, the Contractor agrees to comply with Florida Public Records Law, Chapter 119, Florida Statutes, and shall:

- 1) Keep and maintain public records required by FPUA to perform the service;
- 2) Upon request from FPUA's custodian of public records, provide FPUA with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119 or as otherwise provided by law;
- 3) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to FPUA;
- 4) Upon completion of the Contract, transfer, at no cost to FPUA, all public records in possession of the company or keep and maintain public records required by FPUA to perform the service. If all public records are transferred to FPUA upon completion of the contract Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor maintains public records upon completion of the contract, it shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to FPUA upon request in a format compatible with FPUA's information technology systems.

[signatures are on the following page]

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals to this Contract the day and year set forth below.

Signed, sealed and delivered in the presence of:

COIN CURRENCY & DOCUMENT SYSTEMS OF FLORIDA, INC.

BY: [Signature]
Signature/Officer of Firm (Manual)

LARRY L. BUSCHOW
Name (Typed or Printed)

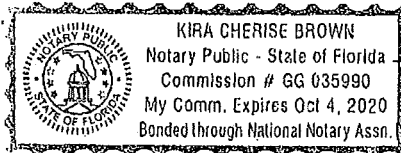
TITLE: CHAIRMAN CFO

STATE OF: Florida

COUNTY OF: Hillsborough

The foregoing instrument was acknowledged before me this 14 day of January, 2020, by Larry L. Buschow Chairman/CFO, of Coin Currency + Document Systems a Florida corporation, on behalf of the corporation.
Officer of Firm Title Name of Firm of Florida State

He/She is personally known to me or has produced FDL B200 .532.37.282.0 as identification.



[Signature]
Notary Public

My commission expires: October 4, 2020

ATTEST: _____
Secretary
(FPUA Seal)

FORT PIERCE UTILITIES AUTHORITY
BY: _____
Chairman

DATE: _____

APPROVED AS TO FORM & CORRECTNESS:
BY: [Signature]
Fort Pierce Utilities Authority Attorney



12516 N US Hwy 301
 Thonotosassa, Florida 33592
 PH. # 1-800-282-2936
 Fax # 813 632-9415

Sales Quote

**Coin, Currency & Document
 Systems, Inc.**

Quote Number 1a31518
 DATE September 28, 2018

TO Tammy Malin
 Fort Pierce Utilities Authority
 206 S. 6th Street
 Fort Pierce, FL
 772 466-1600 ext 3278

SHIP TO Revised 11/04/19

SALESPERSON	PO	SHIPPING METHOD	SHIPPING TERMS	DELIVERY DATE	Quote Expiration
Max	Quote only		Additional		12/31/19

QTY	ITEM #	DESCRIPTION	UNIT PRICE	UNIT DISCOUNT	LINE TOTAL
1	Cima 7000 N	Currency Recycler	\$ 24,999.00		\$ 24,999.00
1	CRU cabinets	Coin sorter and dispenser cabinet	5,899.00		\$ 5,899.00
1	Mach 3	coin sorter and peripherals	4,199.00		\$ 4,199.00
1	Caos System	Software, PC & peripherals	4,499.00		\$ 4,499.00
1	CDA	Coin dispenser assy & PC drive sys	2,599.00		\$ 2,599.00
1	*****	System discount	4495.00 each	\$ 4,495.00	\$ (4,495.00)
1	view it	Back office software	WAVED	WAVED	Waved
1	shipping	Shipping and delivery to site	1500.00 each	\$ 500.00	\$ 1,000.00
1	install	Installation & programing	1,000.00		\$ 1,000.00
	On site training	On site training/2 day training per sit	\$800 per day	first site free	Waved
24	till cups	Bank tray coin cups	\$2.75 each		Waved
1	MA Contract	support	\$3,700.00		\$ 3,700.00
1	MA Contract	12 mos. following 90 day warranty			

TOTAL DISCOUNT	\$ 6,595.00
SUBTOTAL	\$ 43,400.00
SALES TAX	Yes
Freight	
TOTAL	\$ 43,400.00

This quote is only valid till the expiration date. Used equipment is sold on a first come first server bases.

THANK YOU FOR YOUR BUSINESS!

SERVICE AGREEMENT TERMS AND CONDITIONS

This agreement is between Coin Currency and Document Systems, Inc. and the customer listed on the Service Contract invoice, hereafter referred to as "Customer."

Preventative maintenance will be scheduled with Customer for at least one cleaning per year. [more if deemed necessary by the area tech] If the tech is turned away by Customer upon arrival for a **previously** scheduling cleaning, cleaning will be treated as met for that period. All service is to be performed by certified personnel, and invoice rendered annually or as agreed, unless otherwise requested by the customer.

Maintenance shall include all labor during scheduled maintenance periods, Monday through Friday 8:00 AM CST through 5:00 PM CST –to include replacement parts if so covered, but does not include supplies or other expendable items such as spray cleaners, die & drum, ink rolls, tape, batteries, blades, printer paper, coin tubes and cups. Any service call will have the first attempt to be corrected by phone with a support technician, if problem is not fixed then a technician will be dispatched. The maintenance contract covers all of the before hour and after hour phone support, on site emergency service, all parts and scheduled maintenance cleanings to keep the product in top condition. Any demand service calls initiated after normal working hours (see above) will not be covered and will be rendered at an additional charge.

Customer shall provide at the site adequate and suitable space for maintenance personnel. As to equipment maintained by Coin Currency and Document System, Inc., only its employees shall perform service on it.

Repair or replacement of equipment necessitated by fire, water, other casualty, acts of God or by Customer negligence, movement, vandalism, or acts of a third party is not included in the maintenance service charge, and shall be performed at Customer's expense.

Complete overhauls are not covered by this agreement. If a machine becomes worn, or inoperable to require a complete overhaul, a cost estimate will be submitted for your approval.

Coin Currency and Document Systems, Inc. liability to the Customer resulting from the performance of maintenance service shall be limited to restoring the equipment covered by the agreement to good operating condition.

The maintenance charges do not include any sales, use, or gross receipts taxes imposed on the services furnished by Coin Currency and Document Systems, Inc., and the Customer agrees to pay such taxes if applicable.

The term of this Service Agreement shall begin following the 90-day warranty period and continue for a period of 12 months. The Service Agreement may be renewed annually on terms and conditions that are mutually agreeable to the parties in writing. Either party on a 90-day prior written notice may terminate this agreement at any time. If the maintenance agreement has been paid in full, the Customer will receive a pro-rated refund from the date of termination if no

service or preventative maintenance has been done during current contract period. Coin Currency and Document Systems, Inc. will automatically drop any agreement that has not been paid within the forty-five days. If either party cancels a contract, and payment is received after the cancellation date, the contract will begin again from the date payment is received.

Any controversy or claim arising out of, or related to this agreement shall be settled by arbitration. A Single arbitrator under the current rules of the American Arbitration Association shall conduct the arbitration. The arbitrator shall be chosen from a panel of persons knowledgeable in business information and the equipment's systems. The decision and award of the arbitrator shall be final and *binding* and the award so rendered may be entered into any court having jurisdiction thereof. The arbitration shall be deemed to be made in the city where the Coin Currency and document Systems, Inc. office servicing the equipment is located.

Maintenance on any equipment declared obsolete by manufacturer will be continued as long as parts are available from the manufacturer.

Rates shall be fixe for the first three (3) years, after which the rates are subject to change on the basis of age, and work history. Coin Currency and Document Systems Inc., shall have discretion to continue to cover equipment over five years old. Rates for equipment five years or older will increase by ten percent annually if the equipment is in regular use.

Special provisions for All County Tax Collectors as well as other county affiliates are as follows:

1. First response to an emergency service need will be within 4 hours from submitting the service call during normal operating hours Monday -Friday 8:00 AM - 5:00 PM excluding Holidays.
2. All parts are included to maintain the performance of the device.
3. All software updates applicable to the CIMA system will be provided to full coverage service agreement Customers at no additional cost.
4. Before 8:00 AM and after 5:00 PM phone support is included with the full coverage service agreement.

Agreement acceptance and execution by signature line with date:

Customer Authorized Officer Signature

[signature is on the contract signature page] _____ Date _____

REQUIRED LIMITS OF INSURANCE
FOR
FORT PIERCE UTILITIES AUTHORITY
TYPE III

Contractor shall, at its own expense, procure and maintain throughout the term of this Agreement, with insurers acceptable to the Fort Pierce Utilities Authority (FPUA), the types and amounts of insurance conforming to the minimum requirements set forth herein.

Workers' Compensation/Employers' Liability - Such insurance shall be no more restrictive than that provided by the Florida Workers Compensation Act. In addition to coverage for the Florida Workers' Compensation Act, where appropriate, coverage is to be included for the Federal Employer's Liability Act and any other applicable Federal or State law. The Workers' Compensation policy must be endorsed to waive the insurer's right to subrogate against FPUA, and its members, officials, officers and employees.

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Part One:	"Statutory"	
Part Two:	\$ 500,000	(Each Accident)
	\$ 500,000	(Disease-Each Employee)
	\$1,000,000	(Disease-Policy Limit)

Commercial General Liability - The limits are to be applicable only to work performed under the Contract and shall be those that would be provided with the attachment of the Amendment of Limits of Insurance (Designated Project or Premises) endorsement (ISO Form CG 25 01) to a Commercial General Liability policy. FPUA and FPUA's board members, officials, officers and employees shall be included as "Additional Insureds" on a form no more restrictive than ISO Form CG 20 10 (Additional Insured - Owners, Lessees, or Contractors).

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Each Occurrence	\$1,000,000
Personal and Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000

Contractor shall continue to maintain products/completed operations coverage in the amounts stated above for a period of three (3) years after the final completion of the Work. The insurance shall be on a form no more restrictive than, and shall cover those sources of liability which would be covered by Coverage A of, the latest occurrence form edition of the Commercial General Liability Coverage Form (ISO Form CG 00 01), or of the occurrence Products/Completed Operations Liability Coverage Form (ISO Form CG 00 37), as filed for use in the State of Florida by ISO, without restrictive endorsements other than mandatory endorsements under an ISO filing.

Automobile Liability - Such insurance shall cover all owned, non-owned, and hired autos used in connection with the performance of the work, and shall not be subject to any aggregate limit.

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Each Occurrence Bodily Injury and Property Damage Liability Combined	\$500,000
---	-----------

Property Insurance - If the Contract includes construction of or additions to above-ground buildings or structures, or installation of machinery or equipment, the Contractor shall provide Builder's Risk insurance or an Installation Floater. Such insurance shall be provided on an all risk basis. The minimum amount of insurance shall be 100% of the installed replacement value of the installation.

Professional Liability - If the Contract includes a requirement for professional liability insurance, such insurance shall be on a form acceptable to FPUA and shall cover the Contractor for those sources of liability arising out of the rendering or failure to render professional services in the performance of the services required in the agreement. Coverage must either be on an occurrence basis; or, if on a claims made basis, the coverage must respond to all claims reported within three (3) years following the period for which coverage is required and which would have been covered had the coverage been on an occurrence basis.

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Each Occurrence/Annual Aggregate	\$1,000,000
	Project Specific

Miscellaneous Provisions - The insurance provided by Contractor shall apply on a primary and non-contributory basis to any insurance or self-insurance maintained by FPUA. Any insurance, or self-insurance, maintained by FPUA shall be excess of the insurance provided by Contractor.

The insurance maintained by Contractor shall apply on a first dollar basis without application of a deductible or self-insured retention. Under limited circumstances, FPUA may permit the application of a deductible or permit Contractor to self-insure, in whole or in part, one or more of the insurance coverages required by this Agreement. In such instances, Contractor shall pay on behalf of FPUA or FPUA's board members, officials, officers and employees any deductible or self-insured retention applicable to a claim.

Compliance with these insurance requirements shall not limit the liability of Contractor or the remedies available to FPUA under this Agreement or otherwise. If Contractor obtains insurance with higher limits than the requirements herein, those higher limits shall apply.

Evidence of Insurance - Contractor shall not commence work until the required insurance is in force and evidence of insurance acceptable to FPUA has been provided and approved by FPUA. **An appropriate Certificate of Insurance (identifying the project) signed by an authorized representative of the insurer(s), with copies of the actual additional insured endorsement and notice of cancellation endorsement as issued on the policies, shall be satisfactory evidence of insurance.** With respect to Property Insurance, Contractor shall provide a Certificate of Property Insurance form or other evidence satisfactory to FPUA.

Until such insurance is no longer required by this Agreement, Contractor shall provide FPUA with renewal or replacement evidence of insurance at least thirty (30) days prior to the expiration or termination of such insurance. Contractor shall, within thirty (30) days of a written request from FPUA, provide FPUA with a certified copy of the policy or policies providing the coverage required herein. Contractor or its agent may redact or omit provisions of the policy that are not relevant to the insurance required herein.

Policies shall be endorsed to provide FPUA with 30 days' notice of cancellation.

Certificates of Insurance must be completed as follows:

Additional Insured:

Fort Pierce Utilities Authority and its board members, officials, officers and employees

Certificate Holder

Fort Pierce Utilities Authority

Attn: Risk Program Manager

PO Box 3191

Fort Pierce FL 34948-3191

Certificates may be emailed to: risk@fpu.com

(Rev. 02/2019)

G-1

Fort Pierce Utilities Authority

206 South Sixth Street (34950) | PO Box 3191, Fort Pierce, FL 34948-3191 | Phone: 772.466.1600



Board Submission Form

1/16/2020

Department: 21 - Finance

Board Meeting Date: 01/21/2020

Item Type: Regular Agenda

Subject: FY 2019 Capital Budget Carryover to FY 2020

Recommendation:

For Information only.

Reviewed By Attorney:

Funds Available From: No Funds Needed Budgeted Contingency

Approvals:

System Director: MIKA, BARBARA A. Jan 16 2020 2:03PM

Director of Finance: MIKA, BARBARA A. Jan 16 2020 2:03PM

Director of Utilities: TOMPECK, JOHN K. Jan 16 2020 3:52PM



Memorandum

TO: John K. Tompeck, P.E., Director of Utilities
FROM: Barbara A. Mika, Director of Financial Services
DATE: January 16, 2020
SUBJECT: FY 2019 Capital Budget Carryover to FY 2020

RECOMMENDATION:

For Information only.

SUMMARY/SUPPORTING INFORMATION

At the end of each fiscal year, funding for some capital projects remains unspent due to unexpected delays. On June 4, 2019, the Board authorized staff to carry over budgeted funds for partially completed projects, which remained from FY 2019, to be carried over and spent in FY 2020, without additional Board approval. A report on those capital projects, including the amounts spent through September 30, 2019, and amounts to be carried over to FY 2020 is attached. This procedure has no impact on rates, since this funding was already included in the FY 2019 Capital Budget, so the funds are available to be spent when needed.

ALTERNATIVES (IF ANY):

None.

ATTACHMENTS:

FY 2019 Capital Budget Carryover to FY 2020

FY 2019 CAPITAL BUDGET CARRYOVER TO FY 2020

NO.	PROJECT NAME	SYSTEM	FISCAL YEAR STARTED	AMOUNT SPENT THRU 9/30/2019	CARRYOVER AMOUNT
523	ADVANCED METERING INFRASTRUCTURE	Electric	2019	116,153	2,848,537
Advanced Metering Infrastructure				116,153	2,848,537
684	MIDWAY ROAD - US 1 TO 25TH ST	Water	2015	581,600	85,670
884	MIDWAY ROAD - US 1 TO 25TH ST	WW	2017	32,478	12,557
686	MIDWAY ROAD - ELM AVE TO 25TH	Water	2016	892,736	141,381
886	MIDWAY ROAD - ELM AVE TO 25TH	WW	2017	67,155	2,674
Midway Road Total				1,573,969	242,282
690	KINGS HWY-OKEE RD TO ORANGE AV	Water	2017	258,140	657,757
726	KINGS HWY-OKEE RD TO ANGLE RD	Gas	2018	35,144	135,356
890	KINGS HWY-OKEE RD TO ORANGE AV	WW	2017	65,271	424,995
Kings Hwy - Okee Rd to Orange Ave/Angle Rd				358,555	1,218,108
631	EDWARDS ROAD	Water	2019	1,119	383,881
831	EDWARDS ROAD	WW	2019	500	149,500
Edwards Road				1,619	533,381
556	SEDONA PHASE 1 PUD	Electric	2018	126,780	3,261
560	ST LUCIE VILLAGE - CONVERT TO UG	Electric	2019	22,642	4,300
566	CARRIAGE POINTE	Electric	2019	200,171	7,798
Electric Other Total				349,593	15,359
635	17 ST - ORANGE AVE TO AVE D	Water	2019	791	299,885
644	SAVANNAH REPUMP REHABILITATION	Water	2018	512,811	464,187
652	WM LOOP EAST OF SELVITZ	Water	2017	544	13,000
659	MURA MSBU	Water	2019	3,383	472,616
669	CAMPING WORLD/GANDER OUTDOORS	Water	2019	-	27,029
671	ORANGE BLOSSOM ESTATES W.M.	Water	2019	23,164	26,835
680	DRYER BUILDING REUTILIZATION	Water	2018	5,750	129,250
681	NORTH 8TH ST - ORANGE	Water	2019	2,171	547,828
Water Other Total				548,614	1,980,630
830	7TH STREET - 10TH TO WENDELL	WW	2019	165,716	35,742
832	IWRF DIFFUSER RECONSTRUCTION	WW	2019	60,971	239,028
834	LS E PUMP/ELECTRIC UPGRADE	WW	2016	771,907	706,938
835	ORANGE AVENUE 16-IN FORCE MAIN	WW	2018	108,032	1,591,966
838	IWRF EMERGENCY STANDY GEN	WW	2018	2,220,847	994,151
840	DIGIORGIO ROAD SANITARY	WW	2018	20,201	903,798
863	17 ST - ORANGE AVE TO AVE D	WW	2016	3,237	349,789
896	MWRF RELOCATION STUDY	WW	2019	-	50,000
Wastewater Other Total				3,350,911	4,871,412
734	SCADA MONITORING	Gas	2017	193,539	30,598
746	WASTE PRO LOOP	Gas	2019	-	50,000
Gas Other Total				193,539	80,598
940	FPUANET WTP EXPANSION	FPUAnet	2019	37,662	62,337
FPUAnet Other Total				37,662	62,337
006	CASH BALANCING MACHINE	ITS	2019	-	39,760
008	MOBILE WORKORDER	ITS	2019	-	43,230
009	FORMS PACKAGE	ITS	2019	-	45,500
402	SECURITY ASSESSMENT	Electric	2019	53,500	37,300
Other Total				53,500	165,790
Grand Total				\$ 6,467,962	\$12,018,434



BOARD SUBMISSION FORM

Fort Pierce Utilities Authority
"Committed to Quality"
206 South Sixth Street (34950)
PO Box 3191 | Fort Pierce, FL 34948-3191
Phone: 772.466.1600

Department: 82 - Water Reclamation

Board Meeting Date: 1/21/2020

Item: X Regular Agenda Consent Agenda

Subject: Standby Generator Installation at Water Reclamation Facility

Recommendation:

For information only.

Reviewed By Attorney: Yes X No

Funds Available From: X No Funds Needed Budgeted

Approvals:

System Director: [Signature]

Director of Financial Services: N/A

Director of Utilities: [Signature]

Fort Pierce Utilities Authority



Memorandum

To:	John K. Tompeck, P.E., Director of Utilities
Through:	Bo Hutchinson, P.E., Director of Water Wastewater Systems
From:	Mark Kobbe, Water Reclamation Superintendent
Date:	1/16/2020
Subject:	Generator Installation at Water Reclamation Facility

RECOMMENDATION:

For Information Only.

SUMMARY/SUPPORTING INFORMATION:

Presentation by Mike Martin, Operations Supervisor, Water Reclamation. Mr. Martin will provide a presentation on Island Water Reclamation Facility, Emergency Standby Generator and Power Improvements project.





FPUA
COMMUNITY PROUD

2019
ISLAND WATER RECLAMATION FACILITY
GENERATOR INSTALLATION

Completed by:



PURPOSE OF PROJECT

- THE IWRF IS FED POWER VIA TWO FEEDERS FROM DISCRETE SUBSTATIONS.
- DURING EXTREME EVENTS, POWER FROM BOTH FEEDERS COULD BE LOST.
- EXTENDED PERIODS OF NO POWER AT THE ISLAND WATER RECLAMATION FACILITY COULD CREATE THE FOLLOWING SCENARIOS:
 - POSSIBLE VIOLATIONS OF THE IWRF FDEP OPERATING PERMIT
 - FINES ASSOCIATED WITH THESE VIOLATIONS
 - NEGATIVE PUBLIC IMAGE
 - POSSIBLE SURFACE WATER DISCHARGE WHICH COULD ADVERSELY AFFECT THE LOCAL ENVIRONMENT
- DURING ACTIVE-STORM AND RECOVERY OF HURRICANE IRMA, THE IWRF HAD MULTIPLE SURFACE WATER DISCHARGES. THESE LED TO A CONSENT ORDER AGREEMENT BETWEEN FDEP AND FPUA WHICH MANDATED CORRECTIVE ACTIONS AND AN EMERGENCY GENERATOR PROJECT TO BE COMPLETED.
- IN EARLY 2018, THE FPUA BOARD APPROVED A SPECIFIC AUTHORIZATION IN THE AMOUNT OF NOT-TO-EXCEED **\$2,945,770.57** FOR THE INSTALLATION OF AN ON-SITE GENERATOR.

SCOPE OF PROJECT

- INSTALL RENTAL GENERATOR AND TRANSFER SWITCH AT DEEP INJECTION WELL PUMP MOTOR CONTROL CENTER FOR IMMEDIATE STANDBY EMERGENCY POWER DURING THE INSTALL OF THE PERMANENT GENERATOR.
- UPGRADE UTILITY POWER FEED SYSTEM AND REPLACE PAD MOUNT TRANSFORMERS.
- DESIGN AND INSTALL (2) AUTOMATIC TRANSFER SWITCHES (ONE FOR EACH POWER FEED).
- INSTALL 20,000 GALLON DOUBLE-WALL STEEL DIESEL STORAGE TANK AND FUEL SUPPLY LINES.
- INSTALL 2,000 Kw 480 VOLT GENERATOR THAT IS LARGE ENOUGH TO RUN ENTIRE PLANT AT 100% LOAD.
- MODIFY AND IMPROVE BLOWER ROOM BUILDING AND GROUNDS TO ACCOMMODATE THE GENERATOR INSTALLATION.

TRANSFORMER INSTALLATION (APRIL 2019)

Original feed transformers



Side-by-side of new vs. old transformers



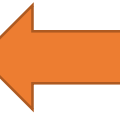
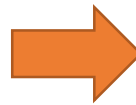
BLOWER ROOM (BEFORE)



RENTAL GENERATOR FOR DIW PUMPS



Permanent automatic transfer switch and junction box installed at deep injection well MCC; provides direct generator switching capabilities for DIW pumps. Can be used as a final redundancy in case of generator failure.



Rental generator that provided emergency standby power to the deep injection well pumps for the duration of the permanent generator project. This generator was wired to the transfer switch pictured below in preparation for the 2019 Hurricane Season.



DIESEL FUEL TANK INSTALLATION



DIESEL FUEL TANK (CONTINUED)



Fuel lines and electric conduits being fitted and plumbed in to generator and day-tank inside blower building.



Tank installed on pad and safety bollards installed as a barrier to prevent any accidental contact.



ARRIVAL OF GENERATOR (JUNE 2019)

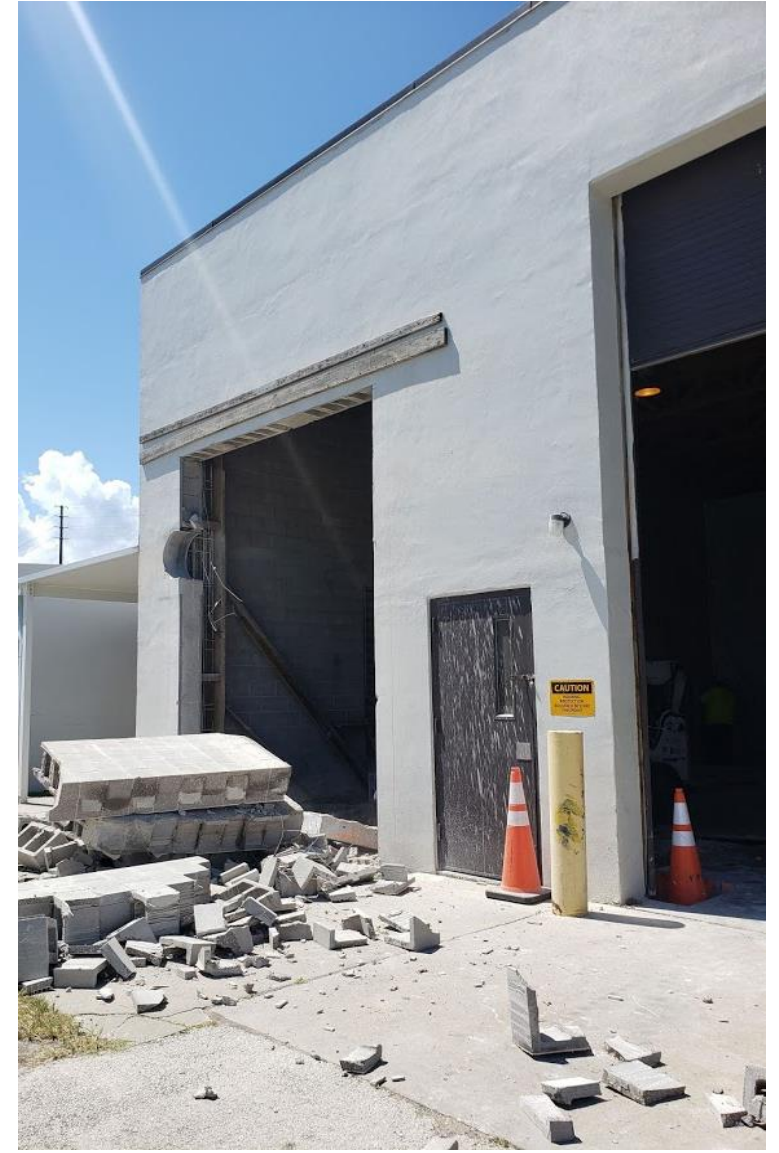
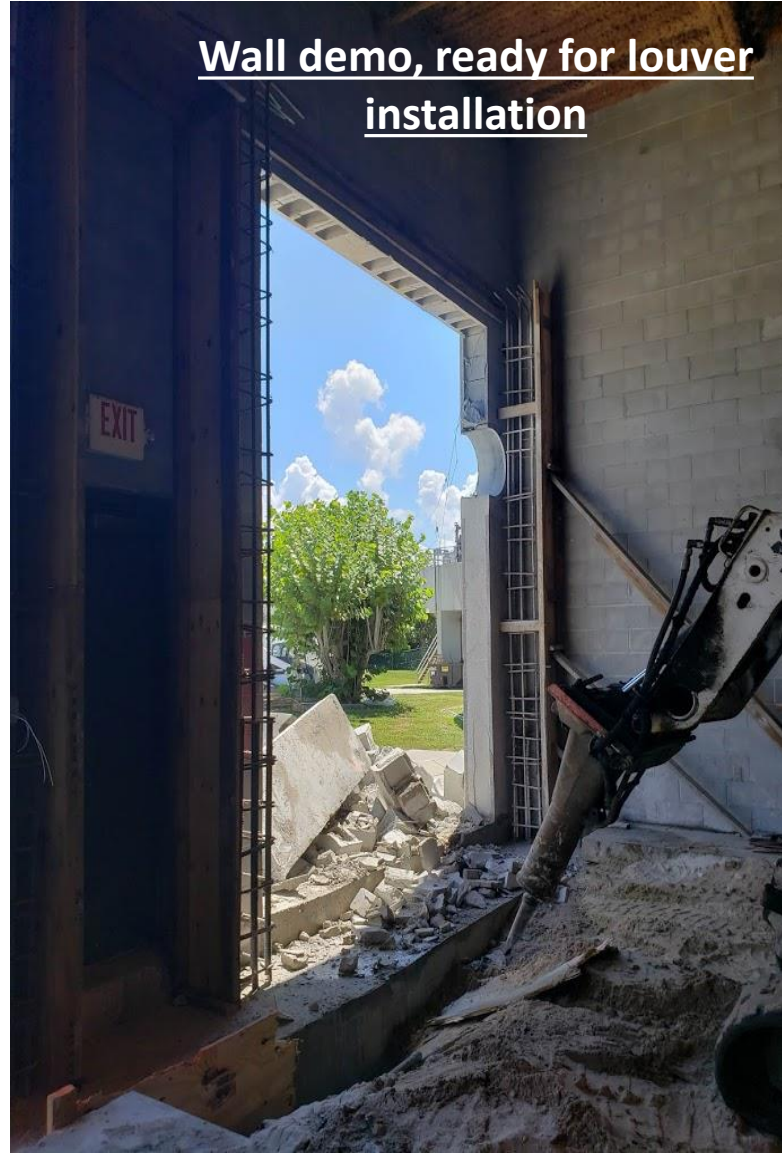


BLOWER ROOM DEMO

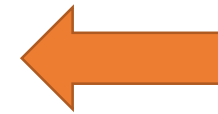
Blower room wall demo



Wall demo, ready for louver installation



REAR BLOWER ROOM WALL VENTILATION



Back wall of blower building demo, adding proper building ventilation to replace a louver that was closed off on generator side of building.



Completed rear blower room ventilation louver, existing aeration blowers will have proper ventilation for cooling and air intake.



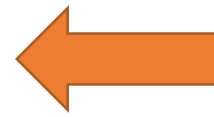
INTERIOR BLOWER ROOM PREPARATION (AUGUST 2019)



INTERIOR BLOWER ROOM PREP (CONTINUED)



Completed and prepared pad; crew preparing to fit and land the generator in place.



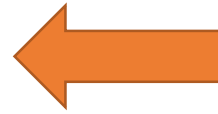
Generator and interior day fuel tank pad pours complete and curing.



GENERATOR PLACEMENT INSIDE BLOWER ROOM (OCTOBER 2019)



**Generator on slide ramp,
methodically being
pushed into the blower
room.**

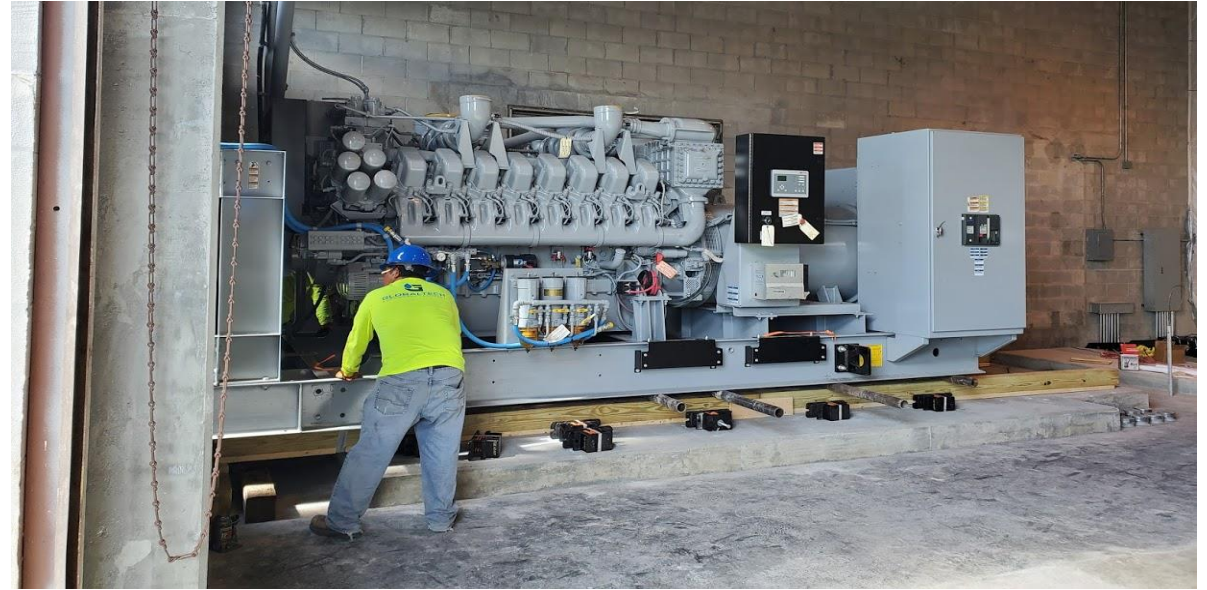
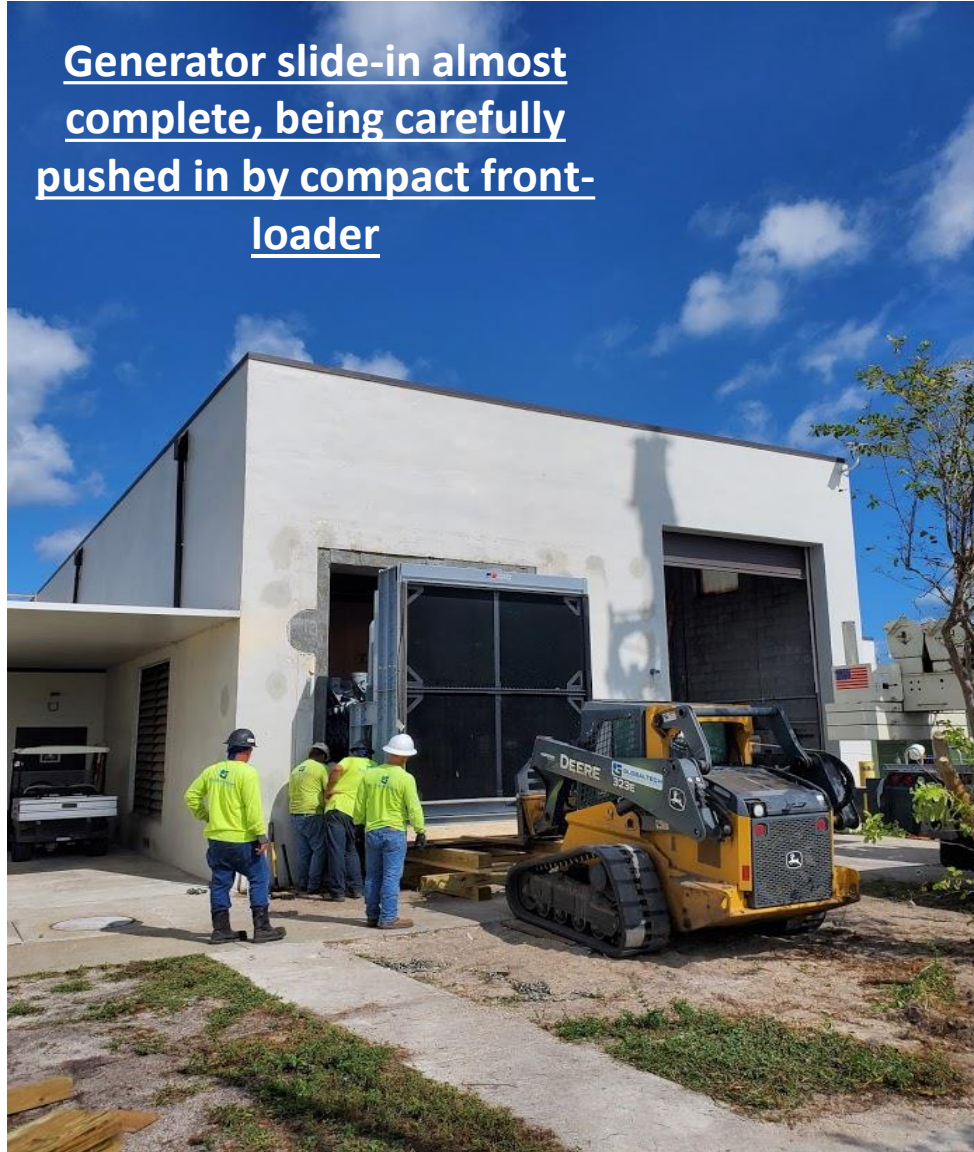


**Generator making the swing to the
slide ramp for final installation.**



GENERATOR PLACEMENT (CONTINUED)

Generator slide-in almost complete, being carefully pushed in by compact front-loader



Generator placement complete on mounting pad

GENERATOR FINAL FITTING



“Critical grade silencer” being installed onto generator exhaust manifold; final electric hookups between generator and transfer switches being completed.



Exhaust piping being fitted and installed with outlet traveling through wall and up to atmosphere.

GENERATOR FINAL FITTING (CONTINUED)



Exhaust outlet with flapper check valve protruding on west side of blower building.



Muffler and exhaust piping fully insulated for heat reduction.



GENERATOR COMPLETE (INTERIOR)

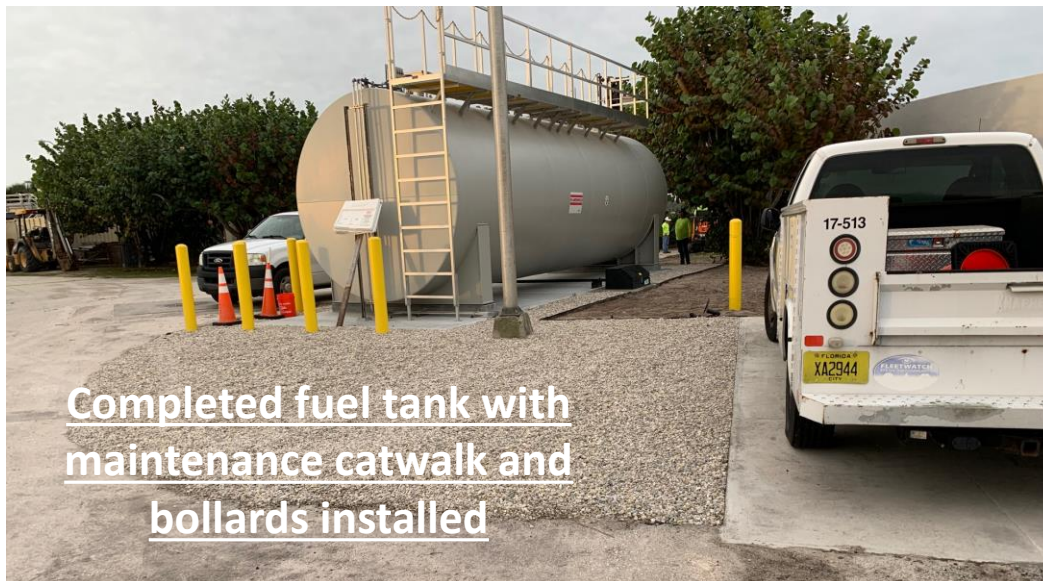


480 Volt Eaton Automatic Transfer Switches and new electrical busses installed and in service, protective bollards installed.

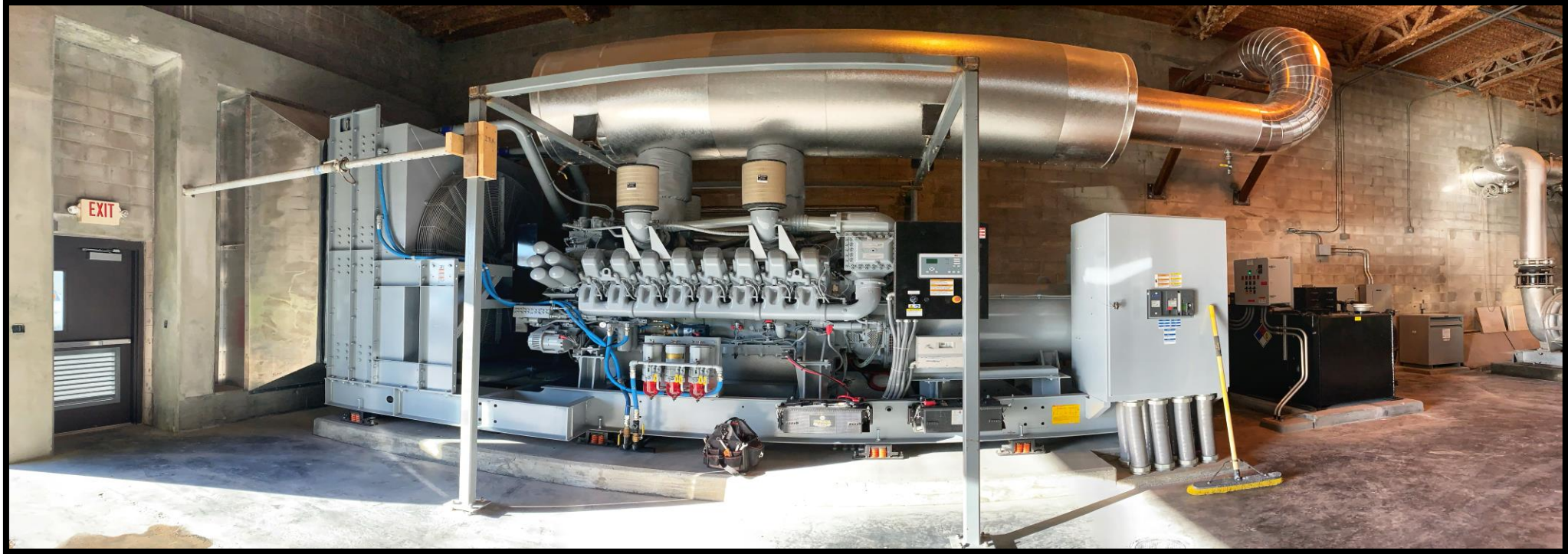


Completed and in-service MTU generator, day tank and exhaust piping. The generator and transfer switches are programmed to perform a test run for 4 hours every month.

EXTERIOR IMPROVEMENTS



SUMMARY



- THE GENERATOR AND TRANSFER SWITCHES ARE PROGRAMMED TO RUN A 4 HOUR LOAD TEST EVERY 28 DAYS.
- THE 20,000 GALLON FUEL TANK WAS DESIGNED TO PROVIDE ENOUGH FUEL TO RUN THE GENERATOR FOR ROUGHLY 7.5 DAYS AT 75% LOAD.
- THE CAPACITY OF THE GENERATOR IS 3,000 AMPS. ALL IWRF MACHINERY AND EQUIPMENT RUNNING SIMULTANEOUSLY **(INCLUDING THE MAINTENANCE AND ADMIN BUILDINGS)** CREATES A LOAD OF JUST OVER 2,000 AMPS.
- THIS PROJECT REPRESENTS A HUGE UPGRADE TO NOT ONLY THE IWRF BUT TO FPUA AS AN ORGANIZATION. IT PROVIDES A MORE RELIABLE AND EFFICIENT TREATMENT PROCESS AND REDUCES LIABILITY BY VIRTUALLY ELIMINATING THE RISK OF AN ACCIDENTAL OR UNNECESSARY SURFACE WATER DISCHARGE TO THE INDIAN RIVER LAGOON.



FPUA
COMMUNITY PROUD

THANK YOU!

ANY QUESTIONS?

BOARD SUBMISSION FORM



Fort Pierce Utilities Authority
"Committed to Quality"
206 South Sixth Street (34950)
PO Box 3191 | Fort Pierce, FL 34948-3191
Phone: 772.466.1600

Department: 74 - Gas Operations

Board Meeting Date: January 21, 2020

Item: X Regular Agenda Consent Agenda

Subject: Natural Gas Rate Stabilization Fund Update-January 2020

Recommendation:

Approve a decrease to the Purchased Gas Adjustment (PGA) of \$0.04 per ccf from -\$0.15 per ccf to -\$0.19 per ccf, effective February 1, 2020.

Reviewed By Attorney: Yes X No

Funds Available From: X No Funds Needed Budgeted

Approvals:

System Director: [Signature]

Director of Financial Services:

Director of Utilities: [Signature]

Fort Pierce Utilities Authority



Memorandum

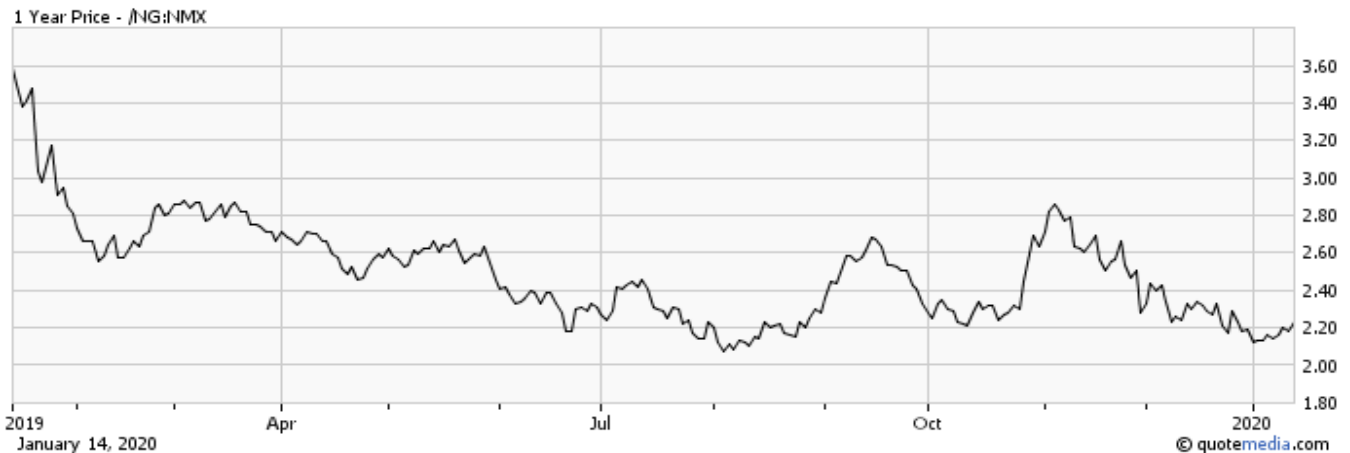
To:	John K. Tompeck, P.E., Director of Utilities
Through:	Paul A. Jakubczak, P. E., Director of Electric & Gas Systems
From:	Craig Crawford, Gas Ops Superintendent
Date:	January 14, 2020
Subject:	Natural Gas Rate Stabilization Fund Update-January 2020

RECOMMENDATION:

Approve a decrease to the Purchased Gas Adjustment (PGA) of \$0.04 per ccf from -\$0.15 per ccf to -\$0.19 per ccf, effective February 1, 2020.

SUMMARY/SUPPORTING INFORMATION:

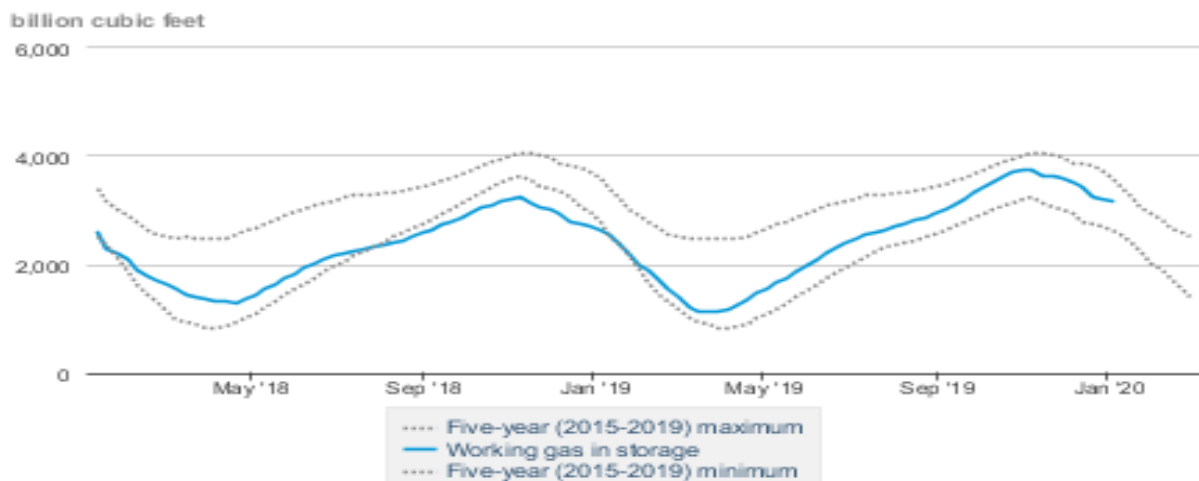
This is the January 2020 update of the Rate Stabilization Fund (RSF). Staff has rerun the sensitivity analysis which now includes November 2019 actuals and preliminary data for December 2019. The first week of December 2019 brought warmer-than-normal temperatures across most of the country, natural gas prices at Henry Hub traded lower once again. The pricing over the last few months has average of about \$2.55/Dth. The graph below shows the recent pricing levels:



Market indicators for the period are:

- *Reported Prices* – January contracts are currently calling for \$2.36 per MMBtu, down more than 30 cents since the middle of November.
- *Working Gas in Underground Storage* – Total inventories are now at 3,518 Bcf, 0.4 percent below the five-year average and 20.3 percent above last year. The EIA reported in its Short-Term Energy Outlook an expected storage withdrawal of 1,900 Bcf for the winter withdrawal season (November through the end of March), which is less than the five-year average. A draw down of this size would leave inventories at almost 1,900 Bcf, eight percent above the five-year average, to begin the following injection season.
- *Production* – dry gas production remains strong. At 88.4 Bcf per day, year-to-date dry gas production is 8 percent higher than 2018, which was a record year itself. The past thirty-day average for dry gas production in the Northeast is up 8 percent, while southeast onshore production is up 5 percent during the same period. Projections from the Energy Information Administration via its Short-Term Energy Outlook shows production growth to continue into 2020, up to an average of 95.1 Bcf per day.
- *Natural Gas Market Summary* – after dipping below 100 Bcf per day, natural gas demand climbed above 108 Bcf on December 11 as homes and businesses tried to beat the cold. Including exports, daily lower-48 natural gas consumption reached nearly 123 Bcf for the day. At the same time, total US LNG feedgas reached an all-time high of nearly 8.4 Bcf per day on December 9 as both Cameron and Freeport facilities ramped up activities associated with each project’s respective second train. On the supply side, flowing production is trending slightly lower at 90.8 Bcf as of December 13 in part to modest Northeast and Southeast production declines. After posting six consecutive months of gains, Northeast production is trending flat to slightly lower month over month. However, record-high production in 2019 and expectations for healthy growth through 2020 means that supply will keep pace with demand. Amidst all of these market conditions, Henry Hub spot pricing for natural gas is trading at \$2.32 for January.

Working natural gas in underground storage

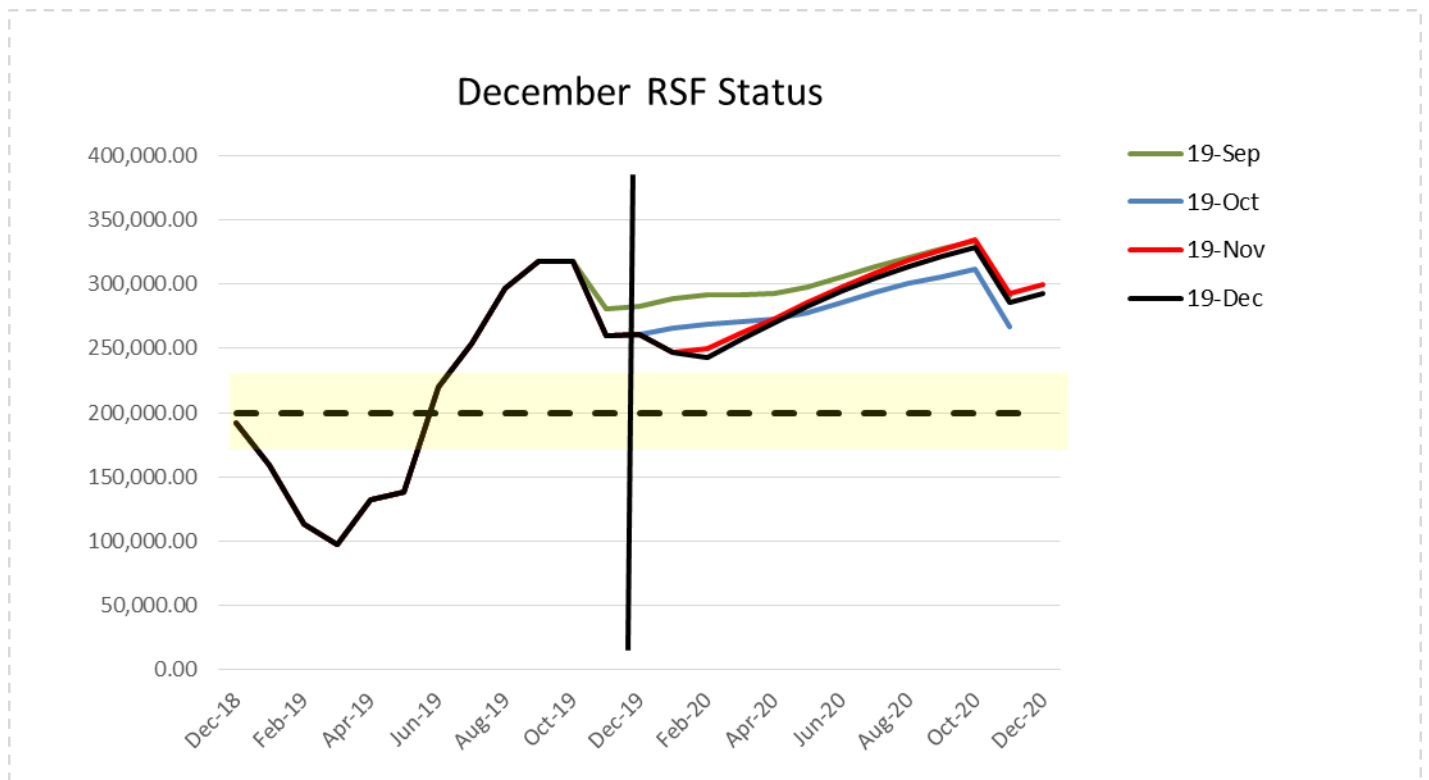


Source: Form EIA-912, Weekly Underground Natural Gas Storage Report

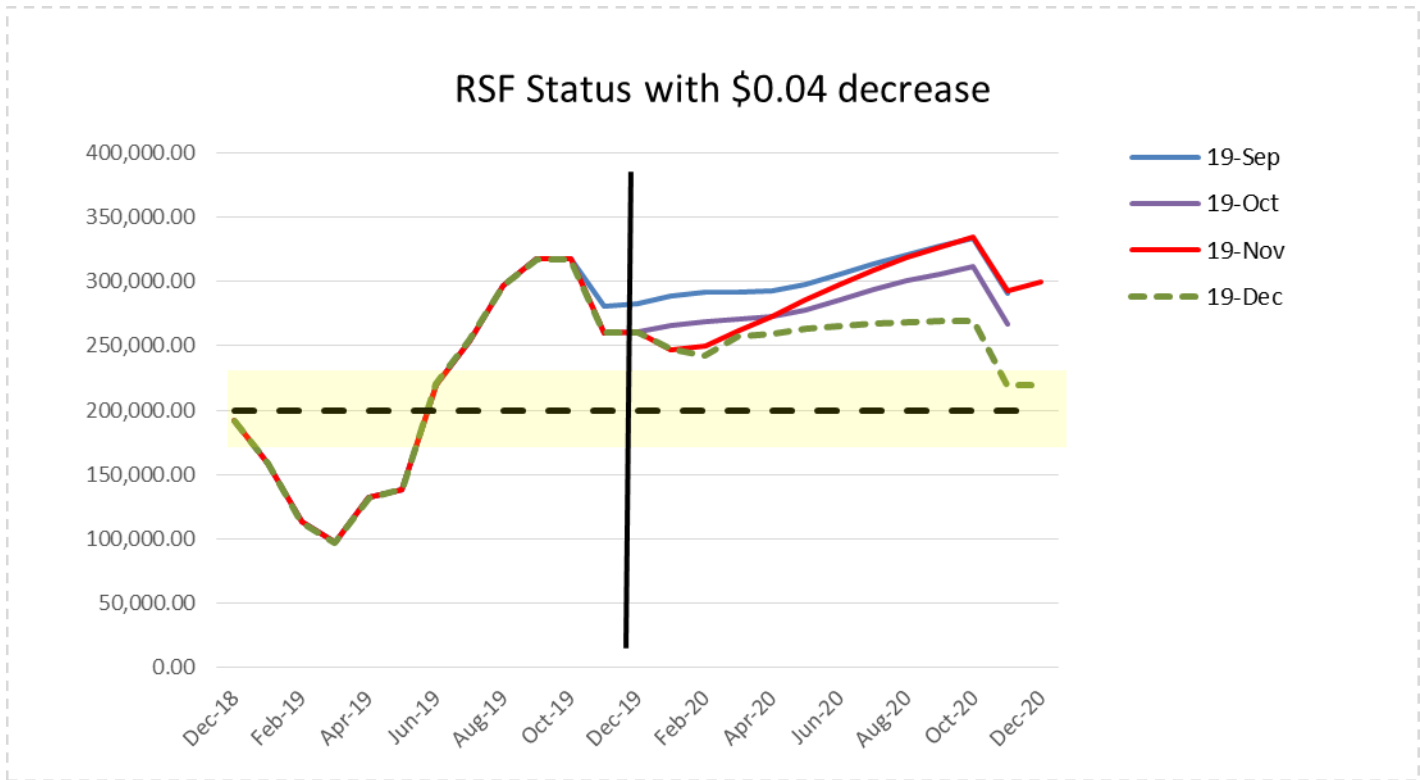
The recent settle prices of our swing gas (the gas that is not pre-purchased) have been:

- August 2019 - \$2.13/Dth
- September 2019 - \$2.48/Dth
- October 2019 - \$2.20/Dth
- November 2019 - \$2.50/Dth
- December 2019 - \$2.21/Dth

You will note the settle prices over the last few months averaged \$2.30, The NYMEX forecast shows the price of gas to be below \$2.70/Dth until December 2020. Based on the NYMEX forecast the sensitivity analysis produces the curves below:



The December curve reflects the decrease in the PGA which was approved by the Board in July (from - \$.10/ccf to -\$.15/ccf). You will note that with the warmer-than-normal temperatures across most of the country the price of gas is down more than 30 cents since the middle of November, the RSF is above the operating range and projected to increase throughout 2020.



Staff believes the current pricing is due to warmer-than-normal temperatures across most of the country, and dry gas production is 8 percent higher than 2018, which was a record year itself, The total inventories are now at 3,518 Bcf, 0.4 percent below the five-year average and 20.3 percent above last year.

Based on the current status of the RSF, Staff recommends a decrease to the Purchased Gas Adjustment (PGA) of \$0.04 per ccf from -\$0.15 per ccf to -\$0.19 per ccf, effective February 1, 2020.

ALTERNATIVES:

Although Staff recommends decrease to the PGA, the PGA can remain the same if the Board desires.

ATTACHMENTS:

None



BOARD SUBMISSION FORM

Fort Pierce Utilities Authority
"Committed to Quality"
206 South Sixth Street (34950)
PO Box 3191 | Fort Pierce, FL 34948-3191
Phone: 772.466.1600

Department: 21 - Finance

Board Meeting Date: 1/21/2020

Item: X Regular Agenda Consent Agenda

Subject: Status report on Electric Power Cost Adjustment (PCA) for December 2019

Recommendation:

Approve a decrease to the Power Cost Adjustment (PCA) of \$1 per 1,000kWh, from -\$10 to -\$11 per 1,000kWh, effective February 1, 2020.

Reviewed By Attorney: Yes X No

Funds Available From: X No Funds Needed Budgeted

Approvals:

System Director: Barbara A. Mika

Director of Financial Services: N/A

Director of Utilities: Gal M. Tompkins

Memorandum

To: John K. Tompeck, P.E., Director of Utilities

From: Barbara A. Mika, CGFO, Director of Financial Services

Date: January 16, 2020

Subject: **Status report on Electric Power Cost Adjustment (PCA) for December 2020**

RECOMMENDATION:

Approve a decrease to the Power Cost Adjustment (PCA) of \$1 per 1,000kWh, from -\$10 to -\$11 per 1,000kWh, effective February 1, 2020.

SUMMARY/SUPPORTING INFORMATION:

Because the current and future cost of purchased power is always changing, this item is being brought to the Board to inform them of December's preliminary results and projections of FPUA's power costs through December 31, 2020. The PCA is a direct recovery of power costs paid. FPUA does not make a profit through this adjustment. Any over or under-recovery is recorded as a liability to or a receivable from the customer.

A decrease in the Power Cost Adjustment (PCA) of \$1 is recommended at this time, which would decrease the PCA from -\$10 to -\$11 per 1,000kWh, effective February 1, 2020. This recommendation is based on the projections of FPUA's power costs for FY 2020 and FY 2021, prepared by Raftelis Financial Consultants (Raftelis), which in turn are based on projections prepared by Florida Municipal Power Agency (FMPA).

Attached is a table of the amount of power cost paid to FMPA and recovered from FPUA's customers each month for the past 24 months. The cost of power purchased from FMPA for the month of December was billed to FPUA at the rate of \$69.11 for 1,000kWh, a decrease of \$3.32 as compared to November. The under-recovery from the customer for the month of December totaled \$26,029. The cumulative over-recovery was \$5,177,195 of December 31, 2019.

Also attached is a table of FMPA All-Requirements all-in rate projections vs. actual billings. Projections for the month of December 2019 over the prior 11 months at the 50% confidence level were an average of 3.5% more than the actual rate billed.

Since November's forecast, FMPA's estimate of the price of purchased power for the upcoming 12 months decreased 3.9%. Due to the cumulative over-recovery from FPUA's customers, a decrease to the Power Cost Adjustment (PCA) of \$1 per 1,000kWh is recommended at this time.

Due to the fluctuations in the cost of purchased power, staff will continue to monitor and present to the Board actual and projected costs and sales levels and recommend changes only when necessary.

ALTERNATIVES (IF ANY):

Make no change to the PCA, or approve a change of a different amount.

ATTACHMENTS:

Table of Power Costs Paid and Recovered

Chart of Power Costs Charged and Paid for 1,000kWh

Chart of Power Cost Adjustment (PCA) for 1,000kWh

Table of FMPA All-Requirements All-In Rate Projections vs. Actual – 60% Load Factor

Chart of FMPA All-Requirements All-In Rate Projections vs. Actual – 60% Load Factor

Chart of Projected Power Cost Adjustment Over (Under) Recovery

Projected PCA Alternatives

Power Cost Projections through December 31, 2020, prepared by Raftelis

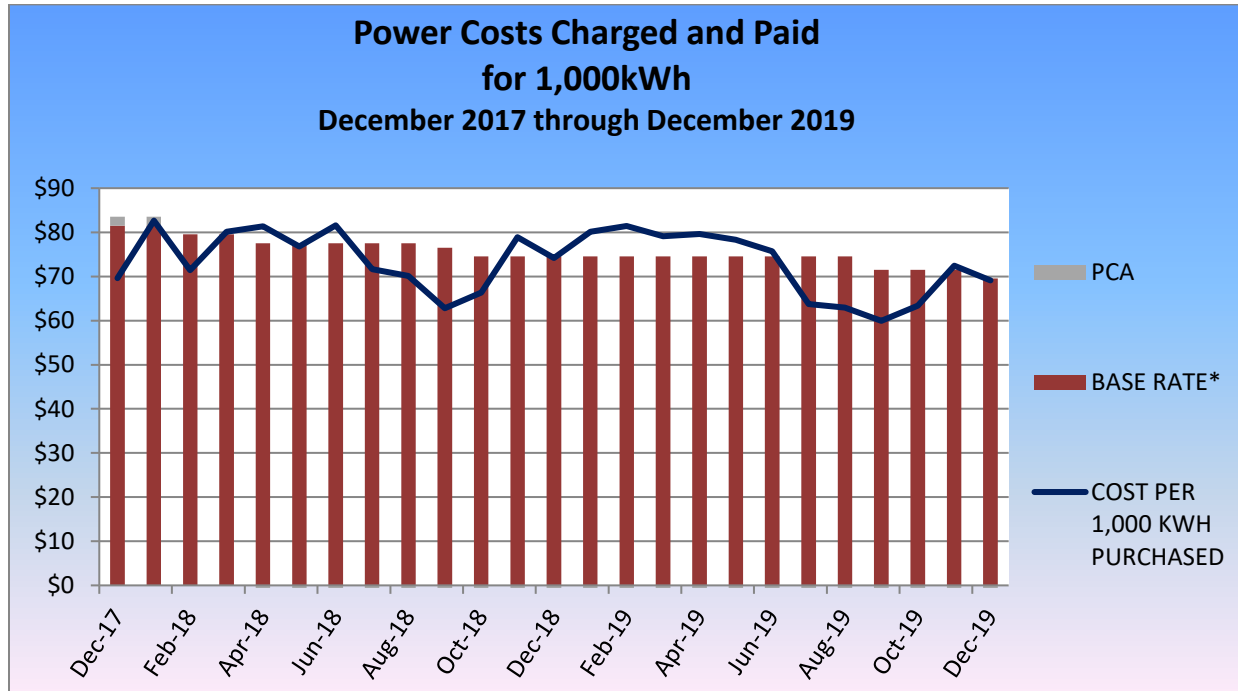
Fort Pierce Utilities Authority
Power Costs Paid and Recovered
24 Months Ended December 31, 2019

	PCA PER 1,000 KWH	POWER COST PAID PER MONTH	CUSTOMER RECOVERY PER MONTH*	MONTHLY OVER (SHORT)	CUMULATIVE OVER (SHORT)
December 2017					\$4,467,065
January 2018	\$2.00	\$3,169,428	\$3,524,114	\$354,686	\$4,821,752
February 2018	\$0.00	\$2,837,508	\$2,991,235	\$153,727	\$4,975,479
March 2018	\$0.00	\$3,219,971	\$3,105,677	(\$114,294)	\$4,861,185
April 2018	-\$2.00	\$3,542,142	\$3,147,626	(\$394,516)	\$4,466,669
May 2018	-\$2.00	\$3,631,232	\$3,252,325	(\$378,907)	\$4,087,763
June 2018	-\$2.00	\$4,296,458	\$3,765,094	(\$531,364)	\$3,556,399
July 2018	-\$2.00	\$4,137,325	\$4,093,123	(\$44,203)	\$3,512,196
August 2018	-\$2.00	\$4,101,157	\$4,052,770	(\$48,388)	\$3,463,808
September 2018	-\$3.00	\$3,539,868	\$4,367,113	\$827,245	\$4,291,053
October 2018	-\$5.00	\$3,553,086	\$4,369,753	\$816,667	\$5,107,721
November 2018	-\$5.00	\$3,413,688	\$3,338,075	(\$75,613)	\$5,032,108
December 2018	-\$5.00	\$2,985,302	\$3,161,136	\$175,834	\$5,207,941
January 2019	-\$5.00	\$3,246,913	\$2,891,481	(\$355,432)	\$4,852,510
February 2019	-\$5.00	\$3,118,833	\$2,761,480	(\$357,353)	\$4,495,157
March 2019	-\$5.00	\$3,265,282	\$3,029,982	(\$235,299)	\$4,259,857
April 2019	-\$5.00	\$3,595,800	\$2,844,341	(\$751,459)	\$3,508,398
May 2019	-\$5.00	\$4,111,730	\$3,341,203	(\$770,527)	\$2,737,871
June 2019	-\$5.00	\$4,146,787	\$4,174,969	\$28,181	\$2,766,053
July 2019	-\$5.00	\$3,686,034	\$4,397,768	\$711,734	\$3,477,787
August 2019	-\$5.00	\$3,570,491	\$3,676,062	\$105,571	\$3,583,358
September 2019	-\$8.00	\$3,229,587	\$4,267,731	\$1,038,144	\$4,621,502
October 2019	-\$8.00	\$3,409,064	\$3,556,885	\$147,821	\$4,769,323
November 2019	-\$8.00	\$2,968,411	\$3,402,312	\$433,901	\$5,203,224
** December 2019	-\$10.00	\$2,760,377	\$2,734,348	(\$26,029)	\$5,177,195

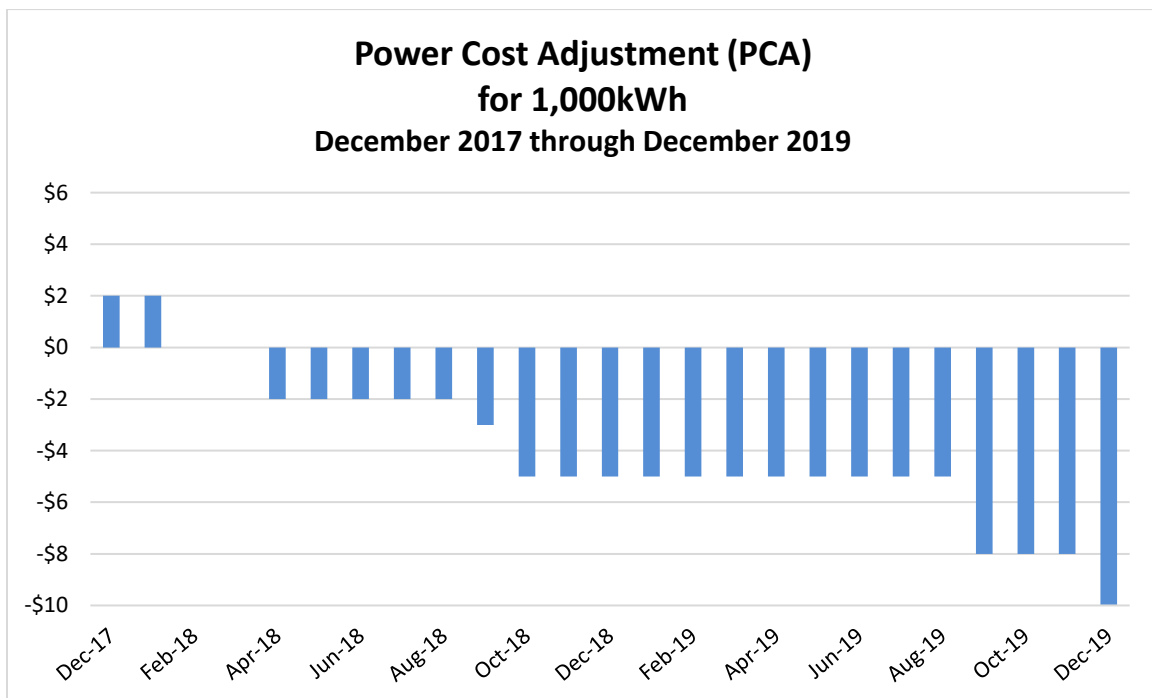
* The customer recovery per month includes \$79.522 per 1,000 kWh included in the base rate plus or minus the power cost adjustment (PCA).

** Preliminary

Presented below is a chart of FPUA’s power cost recovery as compared to the amount FMPA has charged FPUA to purchase power for the past 25 months. Please note how volatile FMPA’s costs have been. The cost of power purchased from FMPA for the month of December was billed to FPUA at the rate of \$69.11 for 1,000kWh, a decrease of \$3.32 as compared to November. FPUA recovered \$69.52 for the same time period.



* The base rate is reduced by the negative PCA, if applicable.



FMPA ALL-REQUIREMENTS ALL-IN RATE PROJECTIONS VS. ACTUAL - 60% LOAD FACTOR

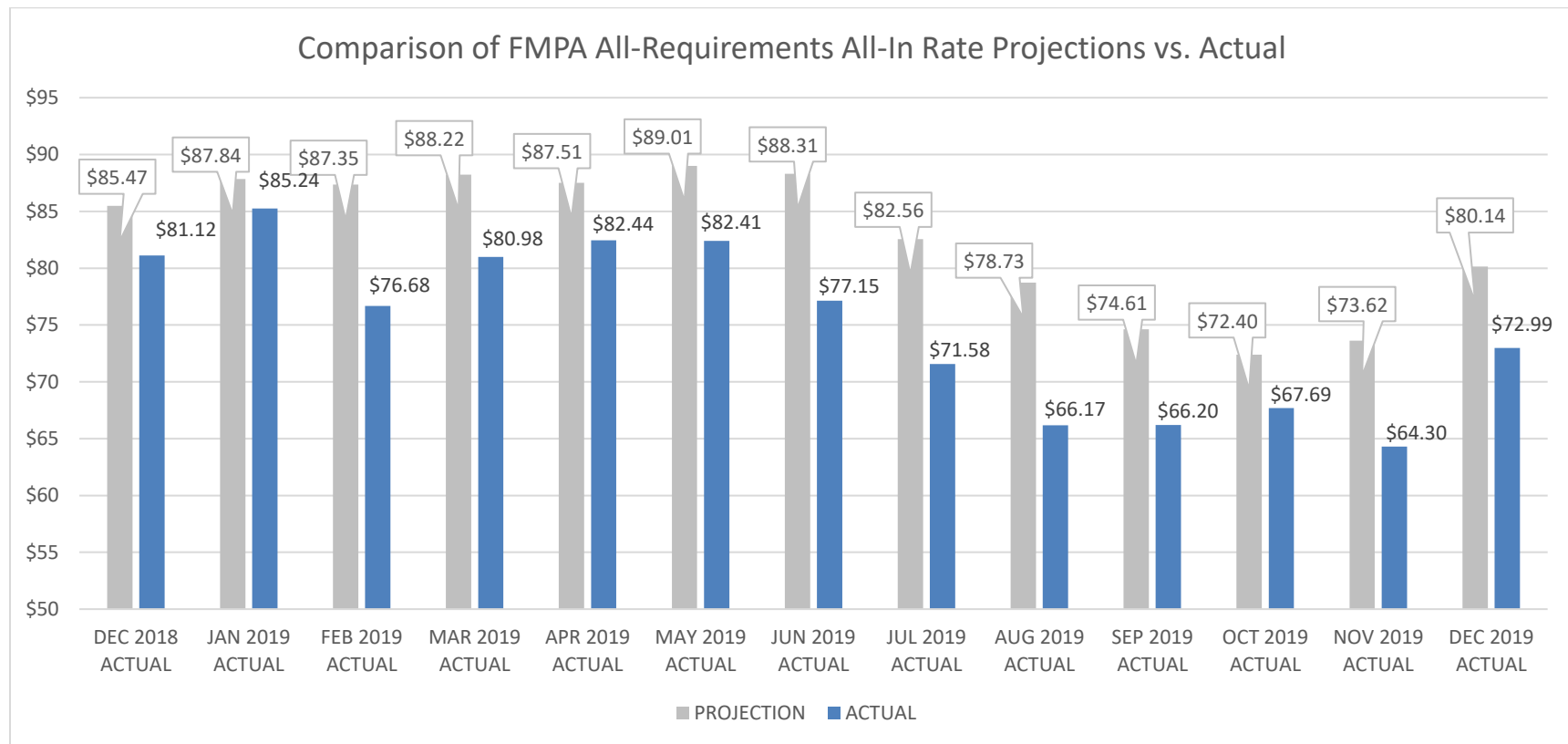
The tables below display the accuracy level of FMPA's rate projections over time compared to the actual results in the column at the right.

The variances, below or (above) projections, are shown at the bottom of the page.

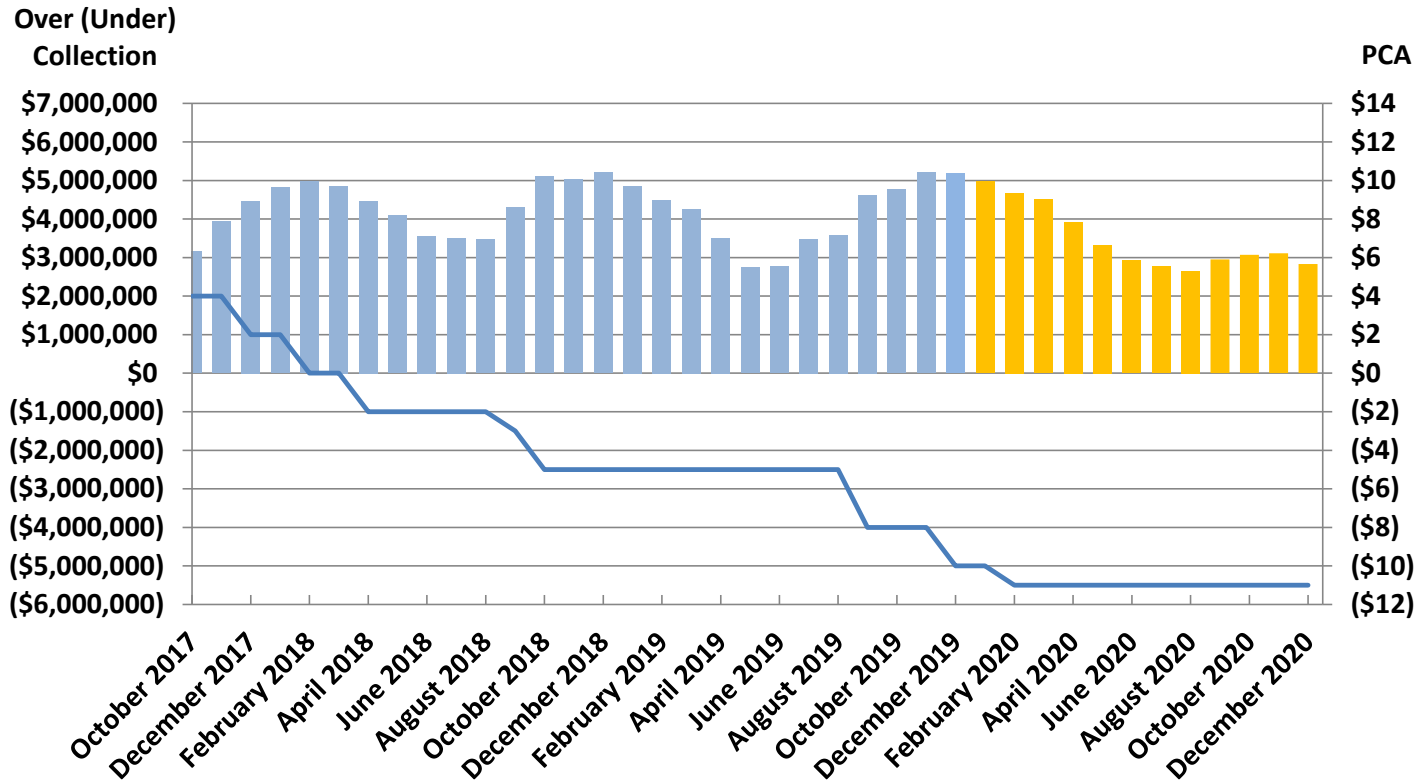
		PROJECTIONS												ACTUAL	
		DATE PROJECTED													
		JAN 2019	FEB 2019	MAR 2019	APR 2019	MAY 2019	JUN 2019	JUL 2019	AUG 2019	SEP 2019	OCT 2019	NOV 2019	DEC 2019		
	JAN 2019	\$ 85.24													\$ 85.24
	FEB 2019	\$ 78.70	\$ 76.68												\$ 76.68
	MAR 2019	\$ 79.03	\$ 81.81	\$ 80.98											\$ 80.98
	APR 2019	\$ 83.19	\$ 85.41	\$ 83.10	\$ 82.44										\$ 82.44
	MAY 2019	\$ 84.00	\$ 85.92	\$ 83.92	\$ 82.85	\$ 82.41									\$ 82.41
	JUN 2019	\$ 84.05	\$ 85.72	\$ 83.72	\$ 81.93	\$ 79.54	\$ 77.13								\$ 77.15
	JUL 2019	\$ 83.02	\$ 84.47	\$ 82.76	\$ 80.99	\$ 77.67	\$ 75.39	\$ 71.58							\$ 71.58
	AUG 2019	\$ 80.10	\$ 81.57	\$ 80.08	\$ 78.29	\$ 75.19	\$ 73.51	\$ 68.22	\$ 66.17						\$ 66.17
	SEP 2019	\$ 75.50	\$ 76.82	\$ 75.55	\$ 73.94	\$ 71.28	\$ 69.83	\$ 65.33	\$ 71.47	\$ 66.20					\$ 66.20
	OCT 2019	\$ 73.15	\$ 74.27	\$ 73.09	\$ 71.44	\$ 69.28	\$ 68.16	\$ 64.62	\$ 64.89	\$ 62.54	\$ 67.69				\$ 67.69
	NOV 2019	\$ 74.06	\$ 74.90	\$ 74.03	\$ 72.78	\$ 70.97	\$ 69.57	\$ 67.18	\$ 67.33	\$ 65.85	\$ 68.69	\$ 64.30			\$ 64.30
	DEC 2019	\$ 80.14	\$ 81.05	\$ 80.17	\$ 78.63	\$ 77.20	\$ 72.99	\$ 73.14	\$ 73.69	\$ 72.53	\$ 74.23	\$ 66.79	\$ 72.99		\$ 72.99

		DATE PROJECTED											
		JAN 2019	FEB 2019	MAR 2019	APR 2019	MAY 2019	JUN 2019	JUL 2019	AUG 2019	SEP 2019	OCT 2019	NOV 2019	DEC 2019
			JAN 2019	\$0.00									
	FEB 2019	\$2.02	\$0.00										
	MAR 2019	(\$1.95)	\$0.83	\$0.00									
	APR 2019	\$0.75	\$2.97	\$0.66	\$0.00								
	MAY 2019	\$1.59	\$3.51	\$1.51	\$0.44	\$0.00							
	JUN 2019	\$6.90	\$8.57	\$6.57	\$4.78	\$2.39	(\$0.02)						
	JUL 2019	\$11.44	\$12.89	\$11.18	\$9.41	\$6.09	\$3.81	\$0.00					
	AUG 2019	\$13.93	\$15.40	\$13.91	\$12.12	\$9.02	\$7.34	\$2.05	\$0.00				
	SEP 2019	\$9.30	\$10.62	\$9.35	\$7.74	\$5.08	\$3.63	(\$0.87)	\$5.27	\$0.00			
	OCT 2019	\$5.46	\$6.58	\$5.40	\$3.75	\$1.59	\$0.47	(\$3.07)	(\$2.80)	(\$5.15)	\$0.00		
	NOV 2019	\$9.76	\$10.60	\$9.73	\$8.48	\$6.67	\$5.27	\$2.88	\$3.03	\$1.55	\$4.39	\$0.00	
	DEC 2019	\$7.15	\$8.06	\$7.18	\$5.64	\$4.21	\$0.00	\$0.15	\$0.70	(\$0.46)	\$1.24	(\$6.20)	\$0.00

Presented below is a comparison of FMPA All-Requirements Projections vs. Actual, as previously presented to the FPUA Board monthly, but in a different format. The rate projections displayed below were prepared 11 months prior. For example, in July 2018, the June 2019 rates were projected to be \$88.31; actual rates were \$77.15. The projected rates were provided by FMPA for members with a 60% load factor, based on 50% confidence. Because FPUA’s load factor varies, the actual rates presented below are at a 60% load factor, and are not the rates actually paid by FPUA each month. Please note that the projections presented below, on average, are 11% higher than the actuals.

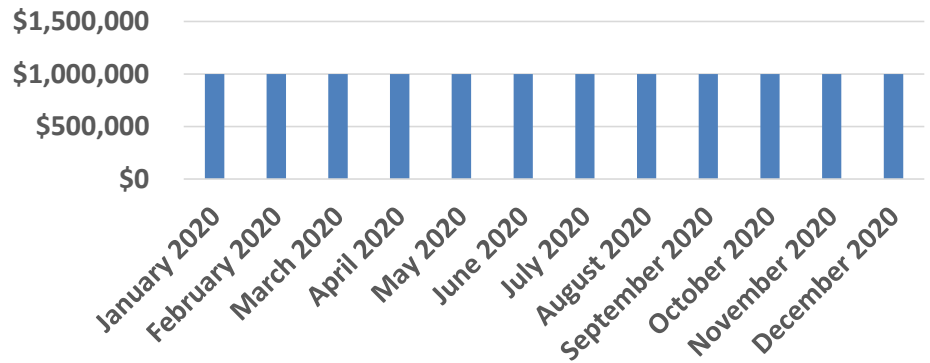


Power Cost Adjustment and Over (Under) Recovery



ACTUAL AMOUNTS	PROJECTIONS at 50% CONFIDENCE LEVEL
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Rate Stabilization Fund available



Projected Power Cost Adjustment Over (Under) Recovery

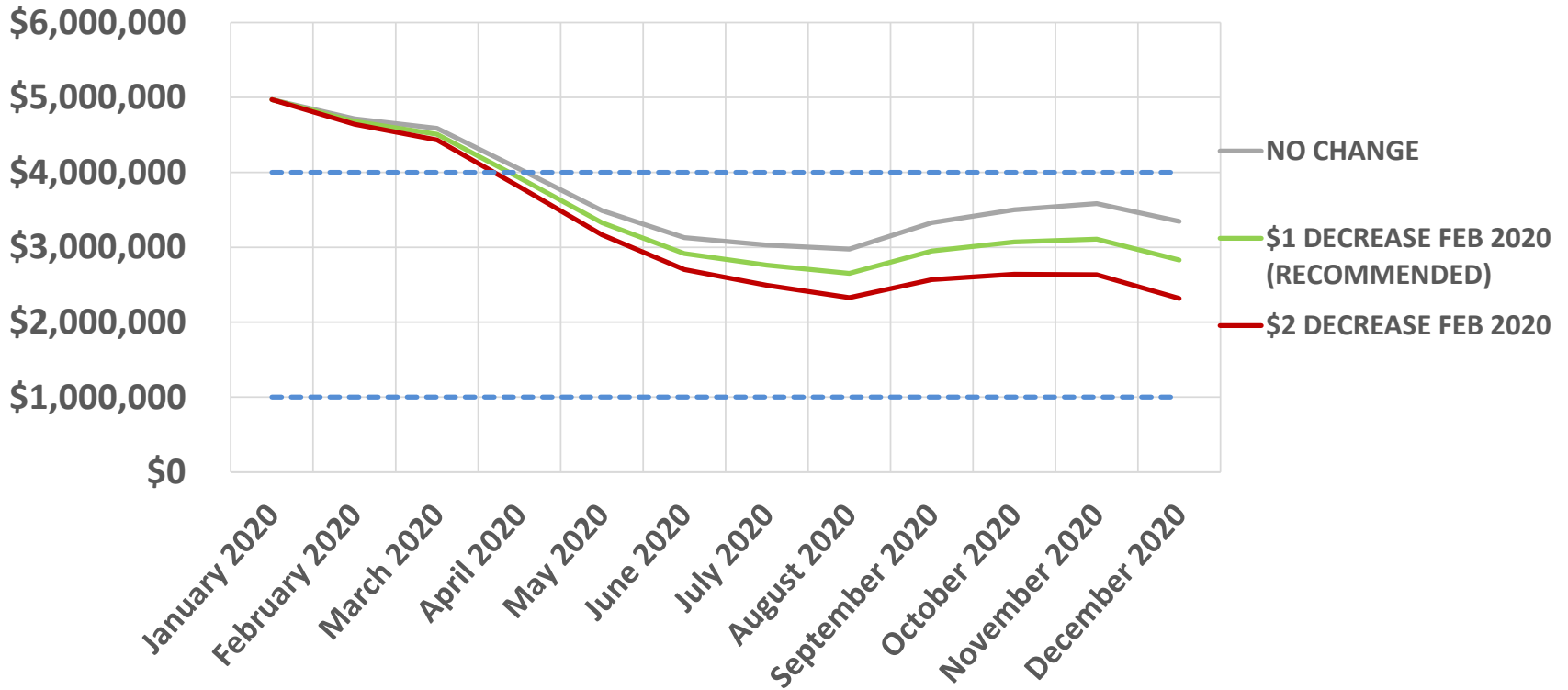


TABLE 1
FPUA - ELECTRIC PCA ANALYSIS
FOR THE 12-MONTH PERIOD ENDING DECEMBER 31, 2020

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	TOTAL
BEG BAL PER GL 05-2-000-25315-0000 DR (CR)	(\$5,177,195.15)	(\$4,971,347.71)	(\$4,679,017.95)	(\$4,510,214.39)	(\$3,925,559.31)	(\$3,327,591.22)	(\$2,916,199.36)	(\$2,761,898.03)	(\$2,651,683.30)	(\$2,950,037.03)	(\$3,070,553.63)	(\$3,108,646.97)	(\$5,177,195.15)
COSTS OF PURCHASED POWER: [2]													
TOTAL COSTS	\$3,126,461	\$2,863,133	\$2,926,181	\$3,316,360	\$3,614,890	\$3,923,810	\$3,914,016	\$3,862,434	\$3,546,673	\$3,386,112	\$2,915,309	\$3,020,670	\$40,416,048
PLUS LOAD RETENTION CREDITS	9,755	9,451	10,472	10,464	12,219	13,240	14,225	14,475	13,189	11,867	9,528	9,637	138,523
NET METERING	0	0	0	0	0	0	0	0	0	0	0	0	0
AMOUNT ALLOCABLE	\$3,136,216	\$2,872,584	\$2,936,653	\$3,326,825	\$3,627,109	\$3,937,050	\$3,928,241	\$3,876,908	\$3,559,862	\$3,397,979	\$2,924,837	\$3,030,307	\$40,554,571
TOTAL PROJECTED PURCHASES (KWH) [3]	42,460,409	38,603,782	42,142,915	44,503,540	50,674,551	53,756,953	57,359,469	58,191,339	53,585,947	49,499,952	41,381,689	42,066,258	574,226,804
AVE COST PER KWH PURCHASED	0.073862	0.074412	0.069683	0.074754	0.071577	0.073238	0.068485	0.066623	0.066433	0.068646	0.070679	0.072037	0.070625
AVE COST PER KWH PURCHASED CUMULATIVE		0.074124	0.072605	0.073175	0.072804	0.072890	0.072123	0.071298	0.070707	0.070499	0.070513	0.070625	0.070625
TOTAL PROJECTED SALES (KWH) [3]	42,150,235	37,655,855	40,393,590	40,018,824	44,206,842	51,452,941	55,076,315	54,970,569	56,306,236	51,348,406	43,240,564	40,179,623	557,000,000
AVE COST PER KWH SOLD	0.074406	0.076285	0.072701	0.083132	0.082049	0.076517	0.071324	0.070527	0.063223	0.066175	0.067641	0.075419	0.072809
AVE COST PER KWH SOLD CUMULATIVE		0.075293	0.074422	0.076597	0.077776	0.077523	0.076425	0.075539	0.073897	0.073059	0.072606	0.072809	0.072809
BASE POWER COST	0.079522	0.079522	0.079522	0.079522	0.079522	0.079522	0.079522	0.079522	0.079522	0.079522	0.079522	0.079522	0.079522
BASE RECOVERY	\$3,351,871.01	\$2,994,468.89	\$3,212,179.03	\$3,182,376.92	\$3,515,416.46	\$4,091,640.79	\$4,379,778.75	\$4,371,369.61	\$4,477,584.51	\$4,083,327.95	\$3,438,576.13	\$3,195,163.95	\$44,293,754.00
ADOPTED / PROJECTED PCA FACTOR	(0.0100000)	(0.0110000)	(0.0110000)	(0.0110000)	(0.0110000)	(0.0110000)	(0.0110000)	(0.0110000)	(0.0110000)	(0.0110000)	(0.0110000)	(0.0110000)	(0.010924)
PCA RECOVERY	(\$421,502.35)	(\$414,214.40)	(\$444,329.48)	(\$440,207.06)	(\$486,275.26)	(\$565,982.35)	(\$605,839.47)	(\$604,676.26)	(\$619,368.60)	(\$564,832.47)	(\$475,646.20)	(\$441,975.85)	(\$6,084,849.75)
TOTAL EST POWER COST RECOVERED FROM SALES	\$2,930,368.66	\$2,580,254.49	\$2,767,849.55	\$2,742,169.86	\$3,029,141.20	\$3,525,658.44	\$3,773,939.28	\$3,766,693.35	\$3,858,215.91	\$3,518,495.48	\$2,962,929.93	\$2,753,188.10	\$38,208,904.25
PCA ADJUSTMENT UNDER (OVER) RECOVERY - PER MONTH	\$205,847.44	\$292,329.76	\$168,803.57	\$584,655.08	\$597,968.09	\$411,391.86	\$154,301.33	\$110,214.73	(\$298,353.73)	(\$120,516.61)	(\$38,093.34)	\$277,118.58	\$2,345,666.77
OTHER ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BAL DR (CR)	(\$4,971,347.71)	(\$4,679,017.95)	(\$4,510,214.39)	(\$3,925,559.31)	(\$3,327,591.22)	(\$2,916,199.36)	(\$2,761,898.03)	(\$2,651,683.30)	(\$2,950,037.03)	(\$3,070,553.63)	(\$3,108,646.97)	(\$2,831,528.38)	(\$2,831,528.38)

NOTES:

[1] Beginning PCA Balance based on actual results as of December 31, 2019.

[2] Projected costs based on updated information provided by FMPA as of December 31, 2019.

[3] Projected purchases and sales of energy based on actual, historical results. Purchases reflect the amount of demand in each month shown, while sales amounts in each month are based upon when the customer bills were rendered. On average, total sales for the 12-months are estimated to be approximately 97% of total purchases, which would result in an average line loss of 3%.

FYI – The Chairman and Secretary will be signing this Agreement today

Fort Pierce Utilities Authority

206 South Sixth Street (34950) | PO Box 3191, Fort Pierce, FL 34948-3191 | Phone: 772.466.1600



Board Submission Form

1/17/2020

Department: 62 - Water Resources

Board Meeting Date: 01/21/2020

Item Type: Contract Agreement

Subject: Emergency A/C Replacement for the HSP VFD Room at WTP

Recommendation:

POA 20-29: Ratify the emergency purchase and approve Contract to furnish and install two five-ton A/C Systems at the Water Treatment Plant in an amount not to exceed \$23,540, from Seacoast Air Conditioning and Sheet Metal, Inc. (Seacoast), of Fort Pierce, Florida. The term of this Contract shall commence on January 6, 2020 and end on completion of the Work and written acceptance by FPUA.

Reviewed By Attorney: NA (FPUA Standard Contract)

Funds Available From: No Funds Needed X Budgeted Contingency

Approvals:

System Director: STEPHENS, BRIAN KEITH (Delegate) Jan 16 2020 4:00PM

Director of Finance: MIKA, BARBARA A. Jan 16 2020 4:15PM

Director of Utilities: TOMPECK, JOHN K. Jan 17 2020 8:55AM



Memorandum

TO: John K. Tompeck, P.E., Director of Utilities
THROUGH: Bowdoin G. Hutchinson, P.E., Director of W/WW Systems
FROM: Brian Keith Stephens, Water Resources Superintendent
DATE: January 17, 2020
SUBJECT: **Emergency A/C Replacement for the HSP VFD Room at WTP**

RECOMMENDATION:

POA 20-29: Ratify the emergency purchase and approve Contract to furnish and install two five-ton A/C Systems at the Water Treatment Plant in an amount not to exceed \$23,540, from Seacoast Air Conditioning and Sheet Metal, Inc. (Seacoast), of Fort Pierce, Florida. The term of this Contract shall commence on January 6, 2020 and end on completion of the Work and written acceptance by FPUA.

SUMMARY/SUPPORTING INFORMATION

In December 2019, the existing A/C system failed in the High Service Pump (HSP) Variable Frequency Drive (VFD) room. A temporary fix was made to the unit and an emergency declared to replace the existing system and add an additional system for redundancy. Seacoast was selected to replace the existing A/C system and installation of additional A/C system for \$23,540, due to availability of new units on the shelf and readily available for installation. The HSP VFD controls the pumps needed to supply water pressure to the City and it is vital to maintain adequate cooling. Staff recommends Seacoast for the HSP VFD Room A/C systems in order to hold one party accountable for the entire building system and ensure standardization of both A/C's.

ALTERNATIVES (IF ANY):

Do not approve and obtain bids. Not recommended due to the critical nature of providing adequate cooling to the Variable Frequency Drives.

ATTACHMENTS:

FPUA Contract

**FORT PIERCE UTILITIES AUTHORITY CONTRACT
FOR
A/C REPLACEMENT FOR THE HSP VFD ROOM AT WTP**

Contract is made between Fort Pierce Utilities Authority (FPUA) and Seacoast Air Conditioning and Sheet Metal, Inc., of the City of Fort Pierce, State of Florida, hereinafter referred to as Contractor.

The parties to this Contract in consideration of the mutual covenants and stipulations set out herein agree as follows:

Section 1

Contractor shall be defined as an individual, firm, or corporation having a direct contract with FPUA or with any other subcontractor in the performance of a part of the work contracted for under the terms of Contractor's direct contract with FPUA.

Section 2

Contractor is hereby contracted with to perform the following services: Furnish and install (2) two (2) five (5) ton A/C Systems for the High Service Pump (HSP) Variable Frequency Drive (VFD) room at the Water Treatment Plant (WTP) in accordance with the Contractor's Proposal and scope of work Attachment A, appended hereto, hereinafter referred to as Specifications, and made a part thereof of this Contract.

Section 3

The services to be performed by Contractor shall be on the following site(s), hereinafter referred to as Project Site: Water Treatment Plant, 715 South 25th Street, Fort Pierce, FL.

Section 4

The job upon which Contractor is to perform the services shall be referred to as the A/C Replacement for the HSP VFD Room at WTP, POA No. 20-29 job.

Section 5

Contractor shall be paid by FPUA in the following manner: per job and in accordance with the Local Government Prompt Payment Act, sections 218.70-79, Florida Statutes. The calculations shall begin using the date the invoice was received.

Total job price: Not to exceed \$23,540.00 (twenty-three thousand five hundred forty dollars and no cents) on the terms contained in the Specifications herein specifically referred to and made a part of this Contract.

Section 6

Contractor shall, under no circumstances, look to FPUA to provide any labor or equipment for Contractor. Contractor shall provide all of the labor and equipment necessary to perform the job or services contracted for at the expense of Contractor. Property of any kind that may be on the premises, which are the site of the performance of this Contract, during the performance of this Contract, shall be at the sole risk of Contractor.

Section 7

Contractor shall provide certificate of insurance to FPUA setting forth the type and amount of insurance carried by Contractor and conforming to the minimum requirements set forth in Attachment B. All requirements of this section shall be approved by FPUA.

Section 8

This instrument contains the entire agreement between the parties and no statement, promises or inducements made by either party or agent of either party that is not contained in this written Contract shall be valid or binding and this Contract may not be enlarged, modified, or altered except in writing signed by the parties and endorsed hereon.

Section 9

This Contract shall commence upon January 06, 2020 and end on Completion of the work and written acceptance by FPUA. This Contract will remain in effect in the event of a natural disaster or other emergency event.

Section 10

Contractor acknowledges and understands that he is an independent contractor in his relationship to FPUA.

Section 11

This Contract shall inure to the benefit of and be binding upon the heirs, executors, administrator, assignees and successors of the respective parties.

Section 12

FPUA shall have the right to terminate said Contract by giving Contractor thirty (30) days written notice if the service that is being provided is not maintained at levels necessary to provide the required service. FPUA will determine in its sole judgment what constitutes a satisfactory level of service.

FPUA may terminate this Contract in accordance with the following terms and conditions:

- A. Termination for Convenience. FPUA may, when in the interests of FPUA, terminate performance under this Contract by Contractor, in whole or in part, for the convenience of FPUA. FPUA shall give written notice of such termination to Contractor specifying when termination becomes effective. Contractor shall incur no further obligation in connection with the work so terminated, other than warranties and guarantees for completed work, and Contractor shall stop work when such termination becomes effective. Contractor shall also

terminate outstanding orders and subcontracts for the affected work. Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders. FPUA may direct Contractor to assign Contractor's rights, title and interest under termination orders or subcontracts to FPUA or its designee. Contractor shall transfer title and deliver to FPUA such completed or partially completed work and materials, equipment, parts, fixtures, information and contract rights as Contractor has in their possession or control. When terminated for convenience, Contractor shall be compensated as follows:

- i. Contractor shall submit a termination claim to FPUA specifying the amounts due because of the termination for convenience together with costs, pricing or other data required by FPUA. If Contractor fails to file a termination claim within one (1) year from the effective date of termination, FPUA shall pay Contractor an amount derived in accordance with subsection (iii) below:
- ii. FPUA and Contractor may agree to the compensation, if any, due to Contractor hereunder;
- iii. Absent agreement to the amount due to Contractor, FPUA shall pay Contractor the following amounts:
 - a) Contract costs for labor, materials, equipment and other services accepted to FPUA's satisfaction under this Contract;
 - b) Reasonable costs incurred in preparing to perform and in performing the terminated portion of the work, and in terminating Contractor's performance, plus a fair and reasonable allowance for direct job site overhead and earned profit thereon (such profit shall not include anticipated profit or consequential damages); provided however, that if it reasonably appears that Contractor would have not profited or would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss, if any; and
 - c) Reasonable costs of settling and paying claims arising out of the termination of subcontractors or order pursuant to subsection A of this section (if contingent assignment of such contracts has not been elected as provided herein). These costs shall not include amounts paid in accordance with other provisions hereof. This clause is subject to and Contractor shall be limited by FPUA's right to direct the replacement of subcontractors under section 12.A.

The total sum to be paid Contractor under this subsection A shall not exceed the total contract amount, as properly adjusted, reduced by the amount of payments otherwise made, and shall in no event include duplication of payment.

- B. Termination for Cause. If Contractor does not perform the work, or any part thereof, in a timely manner, supply adequate labor, supervisory personnel or proper equipment or materials, or if it fails to timely discharge its obligation for labor, equipment and materials, or proceeds to disobey applicable law, or otherwise commits a violation of a material provision of this Contract, then FPUA, in addition to any other rights it may have against Contractor or others, may immediately terminate the performance of Contractor, in whole or in part at FPUA's sole option, and assume possession of the Project Site and all materials and equipment at the site and may complete the work.

In such case, Contractor shall not be paid further until the work is complete. After completion has been achieved, if any portion of the contract price, as it may be modified hereunder, remains after the cost to FPUA of completing the work, including all costs and expenses of every nature incurred, has been deducted by FPUA, such remainder shall belong to Contractor. Otherwise, Contractor shall pay and make whole FPUA for such cost. This obligation for payment shall survive the termination of the Contract.

In the event the employment of Contractor is terminated by FPUA for cause pursuant to this subsection B and it is subsequently determined by a Court of competent jurisdiction that such termination was without cause, such termination shall thereupon be deemed a Termination for Convenience under subsection A and the provisions of subsection A shall apply.

- C. Termination for Non-Appropriation. FPUA may also terminate this Contract in whole or in part, for non-appropriation of sufficient funds to complete or partially complete the project, regardless of the source of such funds, and such termination shall be on the terms of subsection A.
- D. FPUA's rights under this section shall be in addition to those contained elsewhere herein or provided by law.

Section 13

- A. Contractor shall indemnify and hold harmless FPUA and its officers, agents and employees, from any liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of Contractor and persons employed or used by Contractor in the performance of this Contract.
- B. In accordance with section 2-63 of the City of Fort Pierce Code of Ordinances, FPUA has the right to audit the books and records of Contractor under any Contract other than a firm fixed-price contract to the extent that such books and records are pertinent to the performance of such Contract. Such books and records shall be maintained by Contractor for a period of three (3) years from the date of final payment under the Contract.
- C. Contractor shall not assign any interest in this Contract, and shall not transfer any interest in the same without the prior written approval of FPUA.
- D. Nothing in this Contract shall be construed to give any rights or benefits to anyone other than FPUA and Contractor.
- E. Venue: This Contract shall be constructed in accordance with the laws of the State of Florida and venue shall be St. Lucie County.
- F. Pursuant to Section 287.135, Florida Statutes, a company is ineligible and may not bid on, submit a proposal, or enter into or renew a contract with an agency or local governmental entity, and FPUA is prohibited from contracting or renewing contracts for goods or services: (1) for any amount with a company that is on the Scrutinized Companies that Boycott Israel List, created pursuant to Section 215.4725, or is engaged in a boycott of Israel; (2) for \$1,000,000 or more with a company that is on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Section

List, created pursuant to Section 215.473; or (3) is engaged in business operations in Cuba or Syria. By signing below Contractor certifies that it is not on any of the above referenced lists, is not engaged in a boycott of Israel, and is not engaged in business operations in Cuba or Syria. The company further acknowledges that FPUA may immediately terminate any contract if the company is found to have falsely certified that it is not on any of the foregoing lists, been placed on any of the foregoing lists, been engaged in a boycott of Israel, or engaged in business operations in Cuba or Syria.

G. IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT PUBLICRECORDS@FPUA.COM, (772) 466-1600, OR PO BOX 3191, FORT PIERCE, FL 34948-3191.

To the extent the Contract includes providing services and acting on behalf of a FPUA as provided under section 119.011(2), Florida Statutes, the Contractor agrees to comply with Florida Public Records Law, Chapter 119, Florida Statutes, and shall:

- 1) Keep and maintain public records required by FPUA to perform the service;
- 2) Upon request from FPUA's custodian of public records, provide FPUA with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119 or as otherwise provided by law;
- 3) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to FPUA;
- 4) Upon completion of the Contract, transfer, at no cost to FPUA, all public records in possession of the company or keep and maintain public records required by FPUA to perform the service. If all public records are transferred to FPUA upon completion of the contract Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor maintains public records upon completion of the contract, it shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to FPUA upon request in a format compatible with FPUA's information technology systems.

[signatures are on the following page]

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals to this Contract the day and year set forth below.

Signed, sealed and delivered in the presence of:

SEACOAST AIR CONDITIONING AND SHEET METAL, INC.

BY: es Lura
Signature/Officer of Firm (Manual)

Chris Langel
Name (Typed or Printed)

TITLE: President

STATE OF: Florida

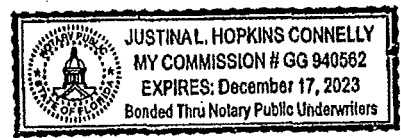
COUNTY OF: St. Lucie

The foregoing instrument was acknowledged before me this 14 day of Jan., 2020, by Chris Langel President of Seacoast A/C
a Florida Florida corporation, on behalf of the corporation.
Officer of Firm Title Name of Firm State

He/She is personally known to me or has produced _____ as identification.

J. Hopkins Connelly
Notary Public

My commission expires: 12-17-23



ATTEST: _____
Secretary

(FPUA Seal)

FORT PIERCE UTILITIES AUTHORITY
BY: _____
Chairman

DATE: _____

APPROVED AS TO FORM & CORRECTNESS:
BY: RNK
Fort Pierce Utilities Authority Attorney

ATTACHMENT A
SEA COAST AIR CONDITIONING & SHEET METAL, INC.
3108 INDUSTRIAL 31ST ST
FORT PIERCE, FL. 34946
(772) 466-2400
FAX (772) 448-4416
PROPOSAL

Fl Pierce Utilities Authority
Water Treatment Plant
715 S 25th Street
Fort Pierce, Fl. 34950

January 6, 2020

Ref: HVAC Driver Room Water Plant 715 S. 2nd Street
Furnish and Install: (2) 5Ton Carrier Vertical A/C Systems 208/230 Volts Single Phase Equipment.
To Include:

- A. (2) New Sheetmetal Air Handler Support Platforms with Filter Back Return Grilles.
- B. Modification of Exlstng Supply Trunk Line and Air Diffuser's
- C. New Supply Air Discharge Fitting with Air Diffuser for East Air Handler.
- D. New Refrigerant Line Set and Drain for Second Air Handler.
- E. Refrigerant and Components.
- F. Permits.

Not Included: Duct Smoke Detectors If Required, Electrical Wiring Modifications, Engineering If Required by Building Department.

	Total \$21,990.00
Duct Smoke Detectors Add	\$1,550.00

All material is guaranteed to be specified. All work to be completed in a workmanlike manner according to standard practices. Any alterations or deviation from the above specifications involving extra costs will be executed only upon written orders and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature 

Acceptance of Proposal

The above prices, specifications and conditions are satisfactory and hereby accepted. You are authorized to do the work as specified. Payment will be as outlined above.

Signature [signature on page 6] Date _____

ATTACHMENT A
SCOPE OF WORK

1. WORK OBJECTIVE

The FPUA Water Treatment Plant is located at 715 South 25th Street, Fort Pierce, Florida. The High Service Pump VFD room has an aging A/C unit that is unreliable and needs replaced. The Contractor will replace existing A/C unit and install a second unit for redundancy, due to the critical nature of maintaining temperature control in this room.

Contractor is responsible for all work including, but not limited to:

- Supply and install the replacement and new A/C systems
- Removal and disposal of existing equipment
- (2) New Sheet Metal Air Handler Support Platforms with Filter Back Return Grilles.
- Modification of Existing Supply Trunk Line and Air Diffuser's
- New Supply Air Discharge Fitting with Air Diffuser for East Air Handler
- New Refrigerant Line Set and Drain for Second Air Handler.
- Refrigerant and Components.
- New thermostat controller
- Install duct smoke detectors as needed
- Any required permitting
- FPUA will be responsible for any electrical upgrades to the electrical panel, disconnects, or circuit breakers that may be required.

ATTACHMENT B
REQUIRED LIMITS OF INSURANCE
FOR
FORT PIERCE UTILITIES AUTHORITY
TYPE III

Contractor shall, at its own expense, procure and maintain throughout the term of this Agreement, with insurers acceptable to the Fort Pierce Utilities Authority (FPUA), the types and amounts of insurance conforming to the minimum requirements set forth herein.

Workers' Compensation/Employers' Liability - Such insurance shall be no more restrictive than that provided by the Florida Workers Compensation Act. In addition to coverage for the Florida Workers' Compensation Act, where appropriate, coverage is to be included for the Federal Employer's Liability Act and any other applicable Federal or State law. The Workers' Compensation policy must be endorsed to waive the insurer's right to subrogate against FPUA, and its members, officials, officers and employees.

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Part One:	"Statutory"	
Part Two:	\$500,000	(Each Accident)
	\$500,000	(Disease-Each Employee)
	\$500,000	(Disease-Policy Limit)

Commercial General Liability - The limits are to be applicable only to work performed under the Contract and shall be those that would be provided with the attachment of the Amendment of Limits of Insurance (Designated Project or Premises) endorsement (ISO Form CG 25 01) to a Commercial General Liability policy. FPUA and FPUA's board members, officials, officers and employees shall be included as "Additional Insureds" on a form no more restrictive than ISO Form CG 20 10 (Additional Insured - Owners, Lessees, or Contractors).

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Each Occurrence	\$1,000,000
Personal and Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000

Contractor shall continue to maintain products/completed operations coverage in the amounts stated above for a period of three (3) years after the final completion of the Work. The insurance shall be on a form no more restrictive than, and shall cover those sources of liability which would be covered by Coverage A of, the latest occurrence form edition of the Commercial General Liability Coverage Form (ISO Form CG 00 01), or of the occurrence Products/Completed Operations Liability Coverage Form (ISO Form CG 00 37), as filed for use in the State of Florida by ISO, without restrictive endorsements other than mandatory endorsements under an ISO filing.

Automobile Liability - Such insurance shall cover all owned, non-owned, and hired autos used in connection with the performance of the work, and shall not be subject to any aggregate limit.

The minimum limits (inclusive of any amounts provided by an umbrella or excess policy) shall be:

Each Occurrence Bodily Injury and Property Damage Liability Combined	\$500,000
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Property Insurance - If the Contract includes construction of or additions to above-ground buildings or structures, or installation of machinery or equipment, the Contractor shall provide Builder's Risk insurance or an Installation Floater. Such insurance shall be provided on an all risk basis. The minimum amount of insurance shall be 100% of the installed replacement value of the installation.

Miscellaneous Provisions - The insurance provided by Contractor shall apply on a primary and non-contributory basis to any insurance or self-insurance maintained by FPUA. Any insurance, or self-insurance, maintained by FPUA shall be excess of the insurance provided by Contractor.

The insurance maintained by Contractor shall apply on a first dollar basis without application of a deductible or self-insured retention. Under limited circumstances, FPUA may permit the application of a deductible or permit Contractor to self-insure, in whole or in part, one or more of the insurance coverages required by this Agreement. In such instances, Contractor shall pay on behalf of FPUA or FPUA's board members, officials, officers and employees any deductible or self-insured retention applicable to a claim.

Compliance with these insurance requirements shall not limit the liability of Contractor or the remedies available to FPUA under this Agreement or otherwise. If Contractor obtains insurance with higher limits than the requirements herein, those higher limits shall apply.

Evidence of Insurance - Contractor shall not commence work until the required insurance is in force and evidence of insurance acceptable to FPUA has been provided and approved by FPUA. **An appropriate Certificate of Insurance (identifying the project) signed by an authorized representative of the insurer(s), with copies of the actual additional insured endorsement and notice of cancellation endorsement as issued on the policies, shall be satisfactory evidence of insurance.** With respect to Property Insurance, Contractor shall provide a Certificate of Property Insurance form or other evidence satisfactory to FPUA.

Until such insurance is no longer required by this Agreement, Contractor shall provide FPUA with renewal or replacement evidence of insurance at least thirty (30) days prior to the expiration or termination of such insurance. Contractor shall, within thirty (30) days of a written request from FPUA, provide FPUA with a certified copy of the policy or policies providing the coverage required herein. Contractor or its agent may redact or omit provisions of the policy that are not relevant to the insurance required herein.

Policies shall be endorsed to provide FPUA with 30 days' notice of cancellation.

Certificates of Insurance must be completed as follows:

Certificate Holder

Fort Pierce Utilities Authority

Attn: Risk Program Manager

PO Box 3191

Fort Pierce FL 34948-3191

Additional Insured:

Fort Pierce Utilities Authority and its board members, officials, officers and employees.

FYI – The Chairman and Secretary will be signing this Agreement today

Fort Pierce Utilities Authority

206 South Sixth Street (34950) | PO Box 3191, Fort Pierce, FL 34948-3191 | Phone: 772.466.1600



Board Submission Form

1/14/2020

Department: 01 - Manatee Obs & Educ. Center

Board Meeting Date: 01/21/2020

Item Type: Contract Agreement

Subject: Radio Advertising on WOSN 97.1 Ocean FM

Recommendation:

Approve the Contract with Vero Beach Broadcasters, LLC dba Treasure & Space Coast Radio, of Boca Raton, Florida, for Radio Advertising on WOSN 97.1 Ocean FM in an amount not to exceed \$3,600 annually, for the period from February 1, 2020 to January 31, 2021, with four one-year renewal options.

Reviewed By Attorney: Yes

Funds Available From: No Funds Needed X Budgeted Contingency

Approvals:

System Director: CISNEROS, JAVIER Jan 10 2020 4:31PM

Director of Finance: MIKA, BARBARA A. Jan 13 2020 4:31PM

Director of Utilities: TOMPECK, JOHN K. Jan 14 2020 7:50AM



Memorandum

TO: John K. Tompeck, P.E., Director of Utilities
THROUGH: Javier Cisneros, P.E., Director of Utility Support Services
FROM: Judith Ann Widmayer, Community Relations Manager
DATE: January 14, 2020
SUBJECT: Radio Advertising on WOSN 97.1 Ocean FM

RECOMMENDATION:

Approve the Contract with Vero Beach Broadcasters, LLC dba Treasure & Space Coast Radio, of Boca Raton, Florida, for Radio Advertising on WOSN 97.1 Ocean FM in an amount not to exceed \$3,600 annually, for the period from February 1, 2020 to January 31, 2021, with four one-year renewal options.

SUMMARY/SUPPORTING INFORMATION

This agreement is for radio advertising on WOSN 97.1 Ocean FM to broadcast radio commercials for the Manatee Observation and Education Center. The advertisements will be designed and submitted by the Manatee Center Manager and Retailer/Marketer. This station has a loyal following of listeners that are a targeted demographic from Melbourne to Stuart.

ALTERNATIVES (IF ANY):

Do not sign the attached agreement and decline to broadcast monthly Manatee Center radio commercials on 97.1 Ocean FM.

ATTACHMENTS:

Ocean FM justification
FPUA Contract

December 5, 2019

RE: Justification for selecting Ocean FM for Manatee Center advertising

The Manatee Observation and Education Center recently researched new advertising avenues to optimize our marketing and ability to reach audiences throughout the Treasure Coast. Historically, we have relied heavily on print advertisements to reach our audiences. Based on our experience and research, print ads in free newspapers are less effective in recent years than they were in the past. For this reason, we are proposing to transfer our advertisements from print to radio on Ocean FM.

For an annual investment of \$3,600, equal to the amount we were paying for print advertising, we can run 46 radio commercial ads of 30 seconds each on *97.1 Ocean*, plus a monthly interview with Marcia Little John of *News Radio WTTB*. Ocean FM offers a special for non-profits, and 15 of the 46 monthly ads are being provided free of charge. The actual annual value of this package is \$10,080.

Commercial ads are simpler and less time consuming to produce, which will benefit the Manatee Center department by freeing up staff time for managing online marketing and gift shop products. Rather than developing weekly print advertisements in PowerPoint, which can take up to four hours to prepare correctly, staff will only need to write up quick 30-second ad spots which *Ocean FM* will then transfer into radio advertisements.

Ocean FM coverage ranges from Viera (North Melbourne) to Stuart, Florida and reaches one of our primary audiences of adults over 50 years old, with household income of \$50,000+.

Also, billing will be on a monthly cycle, rather than weekly billing we have been managing for print advertisements, which will further simplify and streamline Manatee Center marketing management.

**FORT PIERCE UTILITIES AUTHORITY CONTRACT
FOR
RADIO ADVERTISING WITH WOSN 97.1 OCEAN FM**

Contract is made between Fort Pierce Utilities Authority (FPUA) and Vero Beach Broadcasters, LLC dba Treasure & Space Coast Radio, of the City of Boca Raton, State of Florida, hereinafter referred to as Contractor.

The parties to this Contract in consideration of the mutual covenants and stipulations set out herein agree as follows:

Section 1

Contractor shall be defined as an individual, firm, or corporation having a direct contract with FPUA or with any other subcontractor in the performance of a part of the work contracted for under the terms of Contractor's direct contract with FPUA.

Section 2

Contractor is hereby contracted with to perform the following services: Radio Advertising in accordance with Contractor's Proposal (Attachment A) appended hereto, hereinafter referred to as Specifications, and made a part thereof of this Contract.

Section 3

The services to be performed by Contractor shall be on the following site(s), hereinafter referred to as Project Site: Various locations throughout FPUA's service territory.

Section 4

The job upon which Contractor is to perform the services shall be referred to as the Radio Advertising with WOSN 97.1 Ocean FM job.

Section 5

Contractor shall be paid by FPUA in the following manner: monthly and in accordance with the Local Government Prompt Payment Act, sections 218.70-79, Florida Statutes. The calculations shall begin using the date the invoice was received.

Total job price: not to exceed \$3,600.00 (three thousand six hundred dollars and no cents) annually on the terms contained in Contractor's said proposal for the doing of said work and the said award therefore, and the Specifications herein specifically referred to and made a part of this Contract.

Section 6

Contractor shall, under no circumstances, look to FPUA to provide any labor or equipment for Contractor. Contractor shall provide all of the labor and equipment necessary to perform the job or services contracted for at the expense of Contractor. Property of any kind that may be on the premises, which are the site of the performance of this Contract, during the performance of this Contract, shall be at the sole risk of Contractor.

Section 7

Contractor shall provide certificate of insurance to FPUA setting forth the type and amount of insurance carried by Contractor and conforming to the minimum requirements set forth in no insurance requirements. All requirements of this section shall be approved by FPUA.

Section 8

This instrument contains the entire agreement between the parties and no statement, promises or inducements made by either party or agent of either party that is not contained in this written Contract shall be valid or binding and this Contract may not be enlarged, modified, or altered except in writing signed by the parties and endorsed hereon.

Section 9

This Contract shall commence on February 1, 2020 and end on January 31, 2021. There shall be four (4), one (1)-year renewal options on terms and conditions that are mutually acceptable in writing to the parties. This Contract will remain in effect in the event of a natural disaster or other emergency event.

Section 10

Contractor acknowledges and understands that he is an independent contractor in his relationship to FPUA.

Section 11

This Contract shall inure to the benefit of and be binding upon the heirs, executors, administrator, assignees and successors of the respective parties.

Section 12

FPUA shall have the right to terminate said Contract by giving Contractor thirty (30) days written notice if the service that is being provided is not maintained at levels necessary to provide the required service. FPUA will determine in its sole judgment what constitutes a satisfactory level of service.

FPUA may terminate this Contract in accordance with the following terms and conditions:

- A. Termination for Convenience. FPUA may, when in the interests of FPUA, terminate performance under this Contract by Contractor, in whole or in part, for the convenience of FPUA. FPUA shall give written notice of such termination to Contractor specifying when termination becomes effective. Contractor shall incur no further obligation in connection with the work so terminated, other than warranties and guarantees for completed work, and Contractor shall stop work when such termination becomes effective. Contractor shall also terminate outstanding orders and subcontracts for the affected work. Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders. FPUA may direct Contractor to assign Contractor's rights, title and interest under termination orders or subcontracts to FPUA or its designee. Contractor shall transfer title and deliver to FPUA such completed or partially completed work and materials, equipment, parts, fixtures, information

and contract rights as Contractor has in their possession or control. When terminated for convenience, Contractor shall be compensated as follows:

- i. Contractor shall submit a termination claim to FPUA specifying the amounts due because of the termination for convenience together with costs, pricing or other data required by FPUA. If Contractor fails to file a termination claim within one (1) year from the effective date of termination, FPUA shall pay Contractor an amount derived in accordance with subsection (iii) below:
- ii. FPUA and Contractor may agree to the compensation, if any, due to Contractor hereunder;
- iii. Absent agreement to the amount due to Contractor, FPUA shall pay Contractor the following amounts:
 - a) Contract costs for labor, materials, equipment and other services accepted to FPUA's satisfaction under this Contract;
 - b) Reasonable costs incurred in preparing to perform and in performing the terminated portion of the work, and in terminating Contractor's performance, plus a fair and reasonable allowance for direct job site overhead and earned profit thereon (such profit shall not include anticipated profit or consequential damages); provided however, that if it reasonably appears that Contractor would have not profited or would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss, if any; and
 - c) Reasonable costs of settling and paying claims arising out of the termination of subcontractors or order pursuant to subsection A of this section (if contingent assignment of such contracts has not been elected as provided herein). These costs shall not include amounts paid in accordance with other provisions hereof. This clause is subject to and Contractor shall be limited by FPUA's right to direct the replacement of subcontractors under section 12.A.

The total sum to be paid Contractor under this subsection A shall not exceed the total contract amount, as properly adjusted, reduced by the amount of payments otherwise made, and shall in no event include duplication of payment.

- B. Termination for Cause. If Contractor does not perform the work, or any part thereof, in a timely manner, supply adequate labor, supervisory personnel or proper equipment or materials, or if it fails to timely discharge its obligation for labor, equipment and materials, or proceeds to disobey applicable law, or otherwise commits a violation of a material provision of this Contract, then FPUA, in addition to any other rights it may have against Contractor or others, may immediately terminate the performance of Contractor, in whole or in part at FPUA's sole option, and assume possession of the Project Site and all materials and equipment at the site and may complete the work.

In such case, Contractor shall not be paid further until the work is complete. After completion has been achieved, if any portion of the contract price, as it may be modified hereunder, remains after the cost to FPUA of completing the work, including all costs and expenses of every nature incurred, has been deducted by FPUA, such remainder shall belong to

Contractor. Otherwise, Contractor shall pay and make whole FPUA for such cost. This obligation for payment shall survive the termination of the Contract.

In the event the employment of Contractor is terminated by FPUA for cause pursuant to this subsection B and it is subsequently determined by a Court of competent jurisdiction that such termination was without cause, such termination shall thereupon be deemed a Termination for Convenience under subsection A and the provisions of subsection A shall apply.

- C. Termination for Non-Appropriation. FPUA may also terminate this Contract in whole or in part, for non-appropriation of sufficient funds to complete or partially complete the project, regardless of the source of such funds, and such termination shall be on the terms of subsection A.
- D. FPUA's rights under this section shall be in addition to those contained elsewhere herein or provided by law.

Section 13

- A. Contractor shall indemnify and hold harmless FPUA and its officers, agents and employees, from any liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of Contractor and persons employed or used by Contractor in the performance of this Contract.
- B. In accordance with section 2-63 of the City of Fort Pierce Code of Ordinances, FPUA has the right to audit the books and records of Contractor under any Contract other than a firm fixed-price contract to the extent that such books and records are pertinent to the performance of such Contract. Such books and records shall be maintained by Contractor for a period of three (3) years from the date of final payment under the Contract.
- C. Contractor shall not assign any interest in this Contract, and shall not transfer any interest in the same without the prior written approval of FPUA.
- D. Nothing in this Contract shall be construed to give any rights or benefits to anyone other than FPUA and Contractor.
- E. Venue: This Contract shall be constructed in accordance with the laws of the State of Florida and venue shall be St. Lucie County.
- F. Pursuant to Section 287.135, Florida Statutes, a company is ineligible and may not bid on, submit a proposal, or enter into or renew a contract with an agency or local governmental entity, and FPUA is prohibited from contracting or renewing contracts for goods or services: (1) for any amount with a company that is on the Scrutinized Companies that Boycott Israel List, created pursuant to Section 215.4725, or is engaged in a boycott of Israel; (2) for \$1,000,000 or more with a company that is on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Section List, created pursuant to Section 215.473; or (3) is engaged in business operations in Cuba or Syria. By signing below Contractor certifies that it is not on any of the above referenced lists, is not engaged in a boycott of Israel, and is not engaged in business operations in Cuba or Syria. The company further acknowledges that FPUA may immediately terminate any contract if the company is found to have falsely certified that it is not on any of the forgoing

lists, been placed on any of the foregoing lists, been engaged in a boycott of Israel, or engaged in business operations in Cuba or Syria.

G. IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT PUBLICRECORDS@FPUA.COM, (772) 466-1600, OR PO BOX 3191, FORT PIERCE, FL 34948-3191.

To the extent the Contract includes providing services and acting on behalf of a FPUA as provided under section 119.011(2), Florida Statutes, the Contractor agrees to comply with Florida Public Records Law, Chapter 119, Florida Statutes, and shall:

- 1) Keep and maintain public records required by FPUA to perform the service;
- 2) Upon request from FPUA's custodian of public records, provide FPUA with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119 or as otherwise provided by law;
- 3) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to FPUA;
- 4) Upon completion of the Contract, transfer, at no cost to FPUA, all public records in possession of the company or keep and maintain public records required by FPUA to perform the service. If all public records are transferred to FPUA upon completion of the contract Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor maintains public records upon completion of the contract, it shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to FPUA upon request in a format compatible with FPUA's information technology systems.

[signatures are on the following page]

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals to this Contract the day and year set forth below.

Signed, sealed and delivered in the presence of:

**VERO BEACH BROADCASTERS, LLC dba
TREASURE & SPACE COAST RADIO**

BY: _____
Signature/Officer of Firm (Manual)

Karen Franko
Name (Typed or Printed)

TITLE: General manager

STATE OF: Florida

COUNTY OF: Indian River

The foregoing instrument was acknowledged before me this 29th day of December, 2019, by
General manager, of Vero Beach Broadcasters
a Florida corporation, on behalf of the corporation. LLC
Officer of Firm Title Name of Firm
a _____ State _____ corporation, on behalf of the corporation.

He/She is personally known to me or has produced Personally known
as identification.

Lynne Wasson
NOTARY PUBLIC
STATE OF FLORIDA
My commission expires 07/12/2022
Expires 7/12/2022

ATTEST:

Secretary
(FPUA Seal)

FORT PIERCE UTILITIES AUTHORITY
BY: _____
Chairman

DATE: _____

APPROVED AS TO FORM & CORRECTNESS:
BY: _____
Fort Pierce Utilities Authority Attorney

ATTACHMENT A



Manatee Observation Center



February 2020 to January 2021

DAYPART	W-F	LENGTH	RATE
6a-10p	15X per week	:30	\$10
6a-12mid	8X per week	:30	Non Profit \$0

SCHEDULE TO RUN 2 WEEKS PER MONTH
 Total commercials on 97.1 Ocean FM :46
 Monthly value:\$840

Monthly Investment: \$300

++ MONTHLY INTERVIEW WITH MARCIA LITTLE JOHN 1490 WTTB++ value \$500



Cancellation Clause: signature on pg. 6 X date _____
 This schedule is a non-cancelable binding contract. Failure to pay for the complete agreement or pay in full may result in legal action. If cancelled during the term, all bonus commercials and discount rates received to date will be billed at the time of cancellation together with a 10% cancellation penalty of remaining contract amount.
 This station does not discriminate in the sale of advertising time, and will accept no advertising which is placed with an intent to discriminate on the basis of race, gender or ethnicity. Advertiser hereby certifies that it is not buying broadcasting air time under this advertising sales contract for a discriminatory purpose, including but not limited to decisions not to place advertising on particular stations on the basis of race, gender, national origin, or ancestry.

CONTACT : SHANNON HALL ACCOUNT EXECUTIVE (772)-257-3518 OR (772)766-3020