

**INTERLOCAL AGREEMENT  
BY AND BETWEEN  
NASSAU COUNTY, FLORIDA  
AND THE FLORIDA GOVERNMENTAL UTILITY AUTHORITY  
RELATING TO THE PROVISION OF UTILITY SERVICES  
TO THE NASSAU COUNTY AMELIA UTILITY (NAU) WATER AND WASTEWATER  
UTILITY SYSTEM**

**THIS INTERLOCAL AGREEMENT**, dated as of this 14th day of Oct., 2019 (the "Utility Services Interlocal Agreement"), entered into by and between the **FLORIDA GOVERNMENTAL UTILITY AUTHORITY**, a legal entity and public body created by interlocal agreement pursuant to Section 163.01(7), Florida Statutes (the "FGUA"), and **NASSAU COUNTY, FLORIDA**, a Florida county governmental entity (the "County") each constituting a "Public Agency" under Part I of Chapter 163, Florida Statutes (the "Interlocal Act").

**RECITALS**

**WHEREAS**, the Nassau County (the "County") currently provides water and wastewater utility services to its citizens through its Nassau Amelia Utility ("NAU"); and

**WHEREAS**, Nassau County has previously been a member government of the FGUA and is aware of its unique capabilities; and

**WHEREAS**, the County has need of the utility support services to be provided by the FGUA for at least twelve (12) months to provide management operation and to provide maintenance and system improvements evaluation and recommendations for longer range sustainability; and

**WHEREAS**, the County and the FGUA now desire to enter into and execute this Utility Services Interlocal Agreement setting forth the terms and provisions under which the FGUA may provide utility services to the County; and

**NOW, THEREFORE**, in consideration of the foregoing and the covenants contained herein, it is mutually agreed and understood by the County and the FGUA as follows:

Section 1 - Incorporation

(A) The above Recitals are true and correct and are incorporated herein.

(B) The Appendices hereto and each of the documents referred to therein are incorporated and made a part hereof in their entirety by reference.

(C) Any headings preceding the texts of the several Articles, Sections, Appendices, or Exhibits in this Utility Services Interlocal Agreement and any table of contents or marginal notes appended to copies hereof, shall be solely for the convenience of reference and shall neither constitute a part of this Utility Services Interlocal Agreement nor affect its meaning, construction or effect.

## Section 2 - Provision of Utility Services

The FGUA will provide the Utility Services as described in Appendix A attached hereto and incorporated herein and upon the terms and conditions outlined in this Utility Services Interlocal Agreement, commencing upon the date outlined in Section 7(a). It is expressly understood that the FGUA will perform such services through the use of contract providers.

## Section 3 – Vehicles, Personnel, Office Space, Equipment and Supplies

For the duration of this Utility Services Interlocal Agreement, the County will make available to the FGUA and its operations subcontractor, all County personnel, vehicles, equipment and supplies owned by the County and utilized in the operation of the County's water and sewer utility system.

## Section 4 – Renewal and Replacement

The County hereby authorizes and will provide funding to the FGUA on a monthly reimbursement basis to carry out minor renewal and replacements activities, as identified in Appendix A and B attached hereto and incorporated herein. Any renewal and replacement requirements in excess of the funds budgeted as shown in Appendix A & B or in the County budget as of the effective date of this agreement shall remain the responsibility of the County. Additional work may be performed by the FGUA upon authorization by the county.

## Section 5 - Fee for Services

In recognition for the Utility Services to be provided to the County as described in Appendix A, the County shall compensate the FGUA according to the Compensation Schedule outlined in Appendix C attached hereto and incorporated herein. County shall also compensate FGUA for minor renewal and replacement activities on a monthly basis for those activities as identified in Appendix A and Appendix B attached hereto.

## Section 6 - Invoicing and Prompt Payment

(A) FGUA invoices shall be submitted monthly, and shall be submitted to:  
Megan Diehl, Director of Office of Management and Budget  
96135 Nassau Place, Suite 2, Yulee, Florida 32097

(B) The County shall pay the FGUA the fee for services pursuant to this Utility Services Interlocal Agreement consistent with the Florida Prompt Payment Act.

## Section 7 - Term and Termination

- (A) The term of this Utility Services Interlocal Agreement shall begin on July 1, 2019 and shall remain in effect for no longer than 12 months, or until terminated according to the provisions of Section 7(B) hereof. If the one-year services are required beyond the term, then this Utility Services Interlocal Agreement may be extended as mutually agreed upon by the parties.
- (B) 1. This Utility Services Interlocal Agreement may be terminated by either party by providing written notice to the other party at least sixty (60) days prior to the termination date.

2. In the event of termination, the County shall pay to the FGUA all compensation due, related to services provided under this Utility Services Interlocal Agreement, up to and including the notice period.

#### Section 8 - Right to Subcontract

The FGUA has and shall have the absolute right to subcontract with private providers to provide the services to be performed pursuant to this Utility Services Interlocal Agreement.

#### Section 9 - Access to Records

The FGUA shall maintain adequate records to justify all charges, expenses and costs incurred in estimating and performing any of the services provided under this Utility Services Interlocal Agreement for at least two (2) years after the termination of this Utility Services Interlocal Agreement or as required by Law. The County shall have access to such books, records and documents as required for the purpose of inspection or audit, during normal business hours, and such books, records and documents shall be kept by FGUA at a place of business of the FGUA within the State of Florida.

#### Section 10 - Notice of Claims

Within forty-eight (48) hours of FGUA becoming aware of its occurrence, the FGUA shall notify the County, in writing, of all incidents, events or injuries which the FGUA reasonably believes may result in a claim, arising out of the FGUA's performance under this Utility Services Interlocal Agreement, including, but not limited to, claims relating to workplace injuries or grievances. The FGUA shall notify the County of any claim established and accepted by the FGUA as a liability of the FGUA under its commercial insurance or self-insurance and which claim is paid. The FGUA shall notify the County of any and all events, accidents, injuries, incidents, suits or claims which name or otherwise may involve or create a liability for the County or result from the provision by the FGUA of Utility Services under this Utility Services Interlocal Agreement.

#### Section 11 - Indemnification

- (A) In consideration of Ten Dollars (\$10.00) and other valuable consideration provided between the parties, the receipt of which is hereby acknowledged by each party, each party shall protect, defend, indemnify and hold the other party and its officers, employees and agents harmless from and against any and all liabilities, claims, losses, and expenses, including attorney's fees and all reasonable costs of litigation and judgments arising out of any willful misconduct, negligent act, error, omission, or infringement of a third-party patent, license, or other intellectual property, by that party, its subcontractors, agents or employees, arising out of or incidental to the performance of this Utility Services Interlocal Agreement. Each party's obligation to indemnify pursuant to this Section is limited by the party's right to sovereign immunity, which right is expressly not waived by either party, and to the indemnification limitations provided in §768.28, *Florida Statutes*. The limits set forth in Section 768.28 (5), *Florida Statutes*, as may be amended from time to time by the State legislature, are hereby ratified and adopted herein by reference as a provision of this Utility Services Interlocal Agreement and are expressly made the limits of each party's liability to the other under this Utility Services Interlocal Agreement regardless of whether the claimed cause of action or the claimed source of any indemnification right sounds in tort, contract, product liability, strict liability, negligence, or otherwise. Any

indemnification right of the County is further limited to and payable solely from money of the FGUA which is not derived from any enterprise fund of the FGUA or otherwise in conflict with any financing documents relating to bonds issued by the FGUA or any other indebtedness incurred by the FGUA. Any indemnification right of the FGUA is limited to and payable solely from monies of the County not derived from the collection of impact fees or otherwise in conflict with financing documents relating to bonds issued by the County or any other indebtedness incurred by the County.

All pollution related liability coverage shall remain with the County for purposes of this Agreement.

- (B) Notwithstanding any provision to the contrary contained in this Utility Services Interlocal Agreement, in no event shall the FGUA be liable, either directly or as an indemnitor of the County, for any special, punitive, indirect and/or consequential damages, including damages attributable to loss of use, loss of income or loss of profit even if the FGUA has been advised of the possibility of such damages. Furthermore, notwithstanding any provision to the contrary contained in this Utility Services Interlocal Agreement, in no event shall the County be liable, either directly or as an indemnitor of the FGUA, for any special, punitive, indirect and/or consequential damages, including damages attributable to loss of use, loss of income or loss of profit even if the County has been advised of the possibility of such damages. This limitation contained in this Section herein shall not preclude either party from pursuing its indemnity rights against the other party for special, punitive, indirect and/or consequential damages in the event that the party seeking indemnity is obligated to pay such special, punitive, indirect and/or consequential damages to a third party because of the other party's negligence.

#### Section 12 – Applicable Law; Jurisdiction and Venue

- (A) This Utility Services Interlocal Agreement shall be governed by and construed in accordance with the laws of the State of Florida.
- (B) The parties to this Utility Services Interlocal Agreement expressly consent to the jurisdiction of and agree to suit in any court of general jurisdiction in the State, whether state, local or federal, and further agree that venue shall lie in Nassau County, Florida. Notwithstanding any law to the contrary, if FGUA may claim a right of home venue privilege in Leon County, Florida, FGUA specifically waives this right by entering into this Utility Services Interlocal Agreement with the County.
- (C) The FGUA will comply with the State of Florida records retention guidelines and will transmit retained documents to the County for retention or destruction upon request.

#### Section 13 – Public Records

- (A) IF EITHER PARTY HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT FLORIDA GOVERNMENTAL UTILITY AUTHORITY, ATTN: GERRI FRANKLIN, AUTHORITY CLERK, 280 WEKIVA SPRINGS ROAD,

SUITE 2070, LONGWOOD, FL 32779, EMAIL: GERRI FRANKLIN  
GFRANKLIN@GOVMSERV.COM, PHONE (407) 629-6900 AS APPLICABLE.

- (B) The parties shall keep and maintain all public records required and deemed necessary to perform the services purchased under this contract.
- (C) When requested by the Custodian of Public Records of either party, the other party shall provide a copy of those requested public record that are not exempt and relate to the contract for the purpose of allowing the records to be inspected or copied within a reasonable time at a cost that does not exceed those costs provided in Chapter 119, Florida Statutes or as otherwise may be provided by law.
- (D) Both parties shall ensure that all public records which are exempt or confidential, and exempt from public records disclosure requirements, are not disclosed to the public except as authorized by law for the duration of the contract term and following completion of the contract if the public records are not transferred to the other party as provided in this contract.
- (E) Upon completion of the contract, each party shall maintain all of the public records required to perform the contract. Each party shall destroy any duplicate public records that are exempt or confidential and which are also exempt from public records disclosure requirements.
- (F) A request to inspect or copy public records relating to this contract for services must be made directly to the parties. Requests should be directed to the Custodian of Public Records.

If either party does not possess the requested records due to a private contractor or subcontractor maintaining the public records, then the FGUA or the County shall immediately notify the private contractor or subcontractor of the request for records. The contractor or subcontractor must provide the records to the FGUA or the County or allow the records to be inspected or copied within a reasonable time. If the contractor or subcontractor does not comply with the FGUA or the County's request for records, the FGUA shall be entitled to enforce the contract provisions herein for failure to comply with the terms of the contract. Any contractor or subcontractor which fail to provide public records to FGUA or the County within a reasonable time may also be subject to penalties as provided under Section 119.10, Florida Statutes, including punishment by fine or may be guilty of committing a misdemeanor of the first degree for any willful and knowing violation.

Section 14 - Notice

- (A) All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the parties at the following addresses:

To the FGUA:

Florida Governmental Utility Authority c/o  
Government Services Group, Inc.  
280 Wekiva Springs Rd.  
Suite 2070

Longwood, FL 32779-6026  
Attention: Stephen Spratt, System Manager

With a copy to:

Pennington, P.A.  
215 South Monroe Street, 2nd Floor  
Tallahassee, FL 32301-1839  
Attention: John C. Pelham, Esq.

To the County: Michael S. Mullin, County Manager/County Attorney

96135 Nassau Place, Suite 6, Yulee, Florida 32097

- (B) Any written notice given to one person in Subsection A of this Section shall also be provided to all other persons identified in Subsection A.
- (C) The parties may, by notice in writing given to the others, designate any future or different addresses to which the subsequent notices, certificates or other communications shall be sent. Any notice shall be deemed given on the date such notice is delivered by hand or by facsimile transmission or five (5) days after the date mailed.

#### Section 15 - Assignment

- (A) The FGUA shall not have the right to assign any of its rights, duties or obligations under this Utility Services Interlocal Agreement without the consent of the County upon a demonstration by the proposed assignee of its ability to perform the obligations of the FGUA under this Utility Services Interlocal Agreement, which consent shall not be unreasonably withheld. A consented to assignee shall be required to assume the obligations of the assigning party by written assignment in a form reasonably satisfactory to the County's attorney.
- (B) Any assignment of this Utility Services Interlocal Agreement consented to by the County shall be an assignment of the Utility Services Interlocal Agreement in its entirety; provided, however, this provision shall not apply to an affiliate of the FGUA if such separate assignment shall not, in the judgment of the County, interfere with the performance of the duties and the provision of the services provided in this Utility Services Interlocal Agreement.

## Section 16 - Amendments and Waivers

No amendment, supplement, modification or waiver of this Utility Services Interlocal Agreement shall be binding upon any party hereto unless executed in writing by such party. No waiver of any of the provisions of this Utility Services Interlocal Agreement shall be deemed or shall constitute a waiver of any other provision of this Utility Services Interlocal Agreement, whether or not similar, unless otherwise expressly provided. No waiver of a default or a breach of any provision of this Utility Services Interlocal Agreement shall operate nor be construed to operate as a waiver of any subsequent default or breach.

## Section 17 – Filing

This Utility Services Interlocal Agreement shall be filed with the Clerk of the Circuit Court of Nassau County and with the Clerk of the Circuit Court of Leon County.

## Section 18 - Severability

If any clause, subsection, or section of this Utility Services Interlocal Agreement shall be ruled invalid by any court of competent jurisdiction, then the invalidity of such clause, provision, subsection, Section or Article shall not affect any of the remaining provisions hereof, and this Utility Services Interlocal Agreement shall be construed and enforced as if such invalid portion did not exist.

## Section 19 – Insurance Requirements

The FGUA will require any contract provider utilized to deliver services to the County under this Utility Services Interlocal Agreement to satisfy the insurance requirements outlined in Appendix D. The FGUA will require its contract providers to name the County as a primary additional insured.

## Section 20 - County Employee Actions and Benefits

The County shall remain responsible for the payment for all salaries, benefits, insurance, contributions for retirement benefits and any and all other compensation due and owing to County employees working with FGUA and the operations subcontractor as provided in Section 3 of this interlocal agreement. County, as employer, shall be responsible for compliance and the payment of all fees and taxes associated with County employees and employee benefits under state and federal law, including but not limited to Federal income tax, state income taxes, if any, social security withholding tax, Medicare taxes, compliance with ERISA, compliance with the Affordable Healthcare Act, reemployment assistance taxes, overtime and employment laws, OSHA, or any other required employment rules and regulations.

County shall also remain the designated general employer for purposes of workers compensation of the County employees and agrees that FGUA and County will settle all issues and workplace claims or workers compensation injuries or grievances as provided in Sections 10 and 11 of this interlocal agreement.

Any disciplinary actions, reports, or proceedings necessary for County employees, as a result of any actions of County employees working with FGUA and its operations subcontractor, shall follow and utilize the employment disciplinary procedures of Nassau County as established by its employee or personnel relations office, adopted by the County Commission, any collective bargaining agreements or other procedures as may apply to the County employee.

Section 21 – Effective Date

The Effective Date of this Utility Services Interlocal Agreement shall be July 1, 2019, when the FGUA assumes management and operational responsibility for the Nassau Amelia System.

Section 22 - Entire Agreement

This Utility Services Interlocal Agreement, including the referenced Appendices hereto, is the entire agreement between the parties. Upon execution by all parties, the County shall provide the FGUA three complete, certified copies of this Utility Services Interlocal Agreement, together with all appendices hereto. This Utility Services Interlocal Agreement shall be construed as solely for the benefit of the County and the FGUA, their successors and assigns, and no claim or cause of action shall accrue to or be for the benefit of any third party by reason of the execution of this Utility Services Interlocal Agreement.

**IN WITNESS WHEREOF**, the County and the FGUA have caused this Utility Services Interlocal Agreement to be duly executed and entered into on the date first above written.



FLORIDA GOVERNMENTAL UTILITY AUTHORITY

By: [Signature]  
Its: Vice Chair

Date: 11/24/19

Attest: [Signature]  
Franklin, Board Clerk Gerri  
Lauren Duckmann

Date: 11/24/19

NASSAU COUNTY, FLORIDA

By: [Signature]  
Chairman Justin M. Taylor

Date: October 14, 2019

Attest: [Signature]  
John A. Crawford, County Clerk

Date: October 14, 2019

MES  
10.15.19



## Appendix A

**Nassau County - Amelia Utilities****FGUA Management Scope of Service**

- Provide full-time on-site manager to provide planning and assistance to the on-site supervisor
- Assist with management of utility staff to include Operations and Maintenance and Customer Service staff
- Manage regulatory relations - compliance, monitoring, reporting, etc.
- Assist the on-site supervisor and finance department with procurement, purchasing, budgeting, review and approve payroll, etc.
- Manage R&R Fund - \$302,000 per year to be managed in accordance with the FGUA purchasing policy to be reimbursed by the County to the FGUA
- Assist in scheduling of work and On-Call schedule for O&M staff
- Assist in the Development of a 5-year Capital Improvement Plan
- Provide Monthly Management Report - format and content to be agreed upon
- Attend and participate in BOCC, staff, planning and budget meetings as required
- Assist in the preparation of Public Notices, CCR' s, MOR's, DMR's, FDEP correspondences, WMD Reporting, etc.
- Review Customer Service business rules, ordinances, collections, policies, procedures, liens, etc. and provide recommendations
- Evaluate and identify potential automation opportunities to increase efficiencies
- Evaluate Customer Service information system and service order work flow
- Work with Nassau County to relocate front line customer service to be housed at the utility site located on Amelia Island
- Review utility capital structure
- Review rate structure, ancillary fees and charges and provide recommendations
- Manage customer communication and public outreach
- Advise on media relations and communications
- Advise on CMMS Software and GIS Mapping
- Within budget and control limitations, supervise and direct County staff (11 FTE) in accordance with county personnel policies and procedures and collective bargaining agreement with the goal of achieving the following:

**SECTION 1- TREATMENT FACILITIES**

- (A) Within the design capacity and capability of the county's existing facilities, operate, maintain and repair the water and wastewater treatment plant facilities, unit processes, and their respective appurtenances, in accordance with local and state regulations and as specified by the equipment manufacturer, including, but not limited to, the following:

- control of treated water corrosivity within the limits of the existing treatment process;
- flow meter's tested and calibrated annually unless otherwise specified by permit or regulatory agencies;
- general housekeeping;
- grounds maintenance;
- maintain Supervisory Control and Data Acquisition (SCADA) system, if any;
- issue public notices of non-compliance with drinking water standards;
- issue notices of non-compliance resulting from limitations of the treatment process or equipment failure;
- minimize the generation of noise and odors in accordance with Applicable Law within the limits of existing treatment processes;
- assist in the coordination of construction contractors, engineers, or other consultants or vendors for line tie-ins and connection of Capital Improvements to the Utility Facilities;
- provide timely submittal of all operating reports required by regulatory agencies;
- provide predictive and preventative maintenance of the plant and appurtenant equipment, pumps and motors;
- procure laboratory testing services; and
- provide residual removal services as needed to optimize plant operations.

(B) Take immediate action to either prevent environmental incidents or dangerous situations, and endeavor to keep the number and duration of such incidents and situations to a minimum.

## **SECTION 2 -WATER PUMPING STATIONS AND WELLS.**

(A) Within the design capacity and capability of the county's existing facilities, operate, maintain and repair the pumping stations and raw water supply well facilities and their respective appurtenances including, but not limited to, the following:

- (1) Monitoring of pump stations and wells for Emergency Conditions.
- (2) Maintenance, operation and repair of the radio telemetry system.
- (3) Regularly scheduled predictive and preventative maintenance, inspections and adjustments. A list of activities to be performed at the following minimum intervals shall include, but not be limited to, the following:
  - clean sump pumps as needed;
  - check control panels for proper operation weekly;
  - check motor amperage at least once a quarter;
  - check and clean filter elements for gas or diesel engines as specified by the manufacturer;

- change and maintain the oil level in pumps as Specified by the manufacturer;
  - maintain proper belt tension at all times and check weekly;
  - poll the station on a scheduled basis by the telemetry system to the extent of the capability of said system at five (5) minute increments;
  - check pump running times weekly;
  - maintain the station's lights and replace bulbs as needed;
  - check motor starter contacts at least once a quarter;
  - inspect floats quarterly;
  - maintain alarm lights and horns weekly;
  - remove debris from pumps and check valves as required;
  - lubricate pump and motor bearings as specified by the manufacturer;
  - clean out pumps as required;
  - exercise all station valves at least once a quarter; and
  - clean check valves as required.
- (4) Repair pump stations and wells as needed in order to maintain their integrity. Such activities to be performed or provided shall include, but not be limited to, the following Repairs, Replacements and Renewals:
- rebuilding or replacing gate, check butterfly, and ball valves;
  - removing and reinstalling pumps and motors for repair;
  - repairing motors and pumps;
  - repairing or replacing rails, supports, or piping;
  - replacing flapper valves on pump volutes;
  - repairing or replacing electrical panels;
  - rewinding motors;
  - replacing impellers, wear plates, bearing, and seals;
  - cleaning clogged pumps;
  - replacing piping on sump pumps;
  - replacing circulation lines;
  - clean aerators on a quarterly basis and repair screens as needed; and
  - repairing and replacing remote telemetry unit components.

**SECTION 3 - WATER DISTRIBUTION SYSTEMS.**

- (A) Within the design capacity and capability of the county's existing facilities, operate, maintain, and repair the water transmission, distribution piping, treated water storage, meters and other appurtenances including, but not limited to, the following:

- timely repair of any water main breaks, water main leaks, service line breaks, and service line leaks up to the point of customer connection;
  - provide water utility locates in a timely manner when locate tickets are received from the county's existing Sunshine One call delivery system;
  - excavation, backfilling, compaction and restoration of such excavations in the course of performing work in the water distribution system;
  - regular flushing of dead-end system main lines monthly or more often if required and record the gallons flushed on maintenance report;
  - annual fire hydrant flow testing, inspection and maintenance per GUA protocol;
  - customer requested meter field testing to assure accuracy.  
customer requested bench testing to assure accuracy
- (B) Carry out disconnections, reconnections, and other general repairs such as line leaks, valve breaks and damage to appurtenances relating to existing water services or the distribution system in a timely manner and in no event later than twenty-four (24) hours after receipt of a work order, unless any delay beyond twenty -four (24) hours is due to unavailability of parts, in which case such work will be completed as soon as the parts are obtained.
- (C) Respond to Emergency Conditions on a seven-days-a- week, twenty-four (24) hour a day basis without a work order and initiate such response within two {2} hours of being notified or otherwise learning of such Emergency Condition or of any unforeseen combination of circumstances that reasonably calls for immediate action.

#### **SECTION 4- STORAGE TANKS.**

Render predictive and preventative maintenance service with respect to all county- owned ground storage tanks. Such preventative maintenance services, at a minimum shall consist of regularly scheduled inspections and adjustment of electrical and mechanical equipment associated with each of the City's water storage tanks. When possible, equipment deficiencies detected during inspections shall be corrected prior to leaving job sites.

#### **SECTION 5 -WASTEWATER PUMPING FACILITIES.**

- (A) Within the design capacity and capability of the county's existing facilities, operate, maintain and repair the wastewater pumping facilities, and their respective appurtenances including, but not limited to, the following:
- (1) Monitoring of lift or pumping stations for emergency conditions.
  - (2) Maintenance, operation and repair of the radio telemetry system, if any.

- (3) Regularly scheduled preventative maintenance, inspections and adjustments.
- (4) Monitor the wastewater pumping facilities which have the technology for such monitoring for the following parameters:
  - pump running times;
  - high water level in wet well;
  - loss of electrical power; and
  - thermal overload.
- (5) Provide predictive and preventative maintenance to the wastewater pumping facilities including, but not limited to:
  - regularly scheduled inspections at least three (3) times weekly;
  - adjustment of electrical and mechanical equipment;
  - check control panels for proper operation at least three (3) times weekly;
  - check motor amperage at least once a quarter;
  - change and maintain the oil level in pumps as specified by the manufacturer;
  - lubricate and clean air blowers weekly or as specified by the manufacturer;
  - check pump running times at least three (3) times weekly;
  - clean "wet wells" on an as-needed basis; cleaning frequency will be determined after initial inspections of lift stations are conducted;
  - check remote telemetry units for proper operation daily;
  - maintain the station's alarm lights and replace bulbs as necessary;
  - check the wet well levels for proper distance of pumping as necessary;
  - check motor starter contacts at least once a quarter;
  - clean floats quarterly or as needed;
  - remove debris from pumps and check valves as necessary;
  - clean out pumps as required as necessary;
  - exercise all station valves at least once a quarter; and
- (6) Supply all materials as needed for the predictive and preventative maintenance program in conformance with the requirements of this Agreement.
- (7) Repair and rehabilitate pump stations including, but not limited to, the following:
  - repairing or replacing gate, check and plug valves;
  - removing and reinstalling pumps and motors for repair;
  - repairing motors and pumps;
  - repairing or replacing rails, supports, or piping;
  - replacing flapper valves on pump volutes;
  - repairing or replacing electrical panels;
  - rewinding motors;
  - removing submersible pumps for cleaning, repairs, or gasket replacement;

- replacing impellers, wear plates, bearing, and seals;
- cleaning clogged pumps;
- replacing piping on sump pumps;
- replacing circulation lines; and
- repairing and replacing remote telemetry unit components.

**SECTION 6-WASTEWATER COLLECTION SYSTEMS.**

(A) Within the design capacity and capability of the county's existing facilities, operate, maintain and repair the wastewater collection systems including the following:

- provide wastewater utility locates in a timely manner when locate tickets are received from the county's existing Sunshine One call delivery system;
- all sanitary sewer overflows shall be reported to regulatory agencies as required by FDEP rule;
- timely repair of any sewer line breaks and service line breaks;
- inspection of main pipelines and manholes.

(B) Respond to any wastewater collection system Emergency Condition seven (7) days a week, twenty-four (24) hours a day including, but not limited to, pipeline blockage or potential thereof, or manhole surcharging, as may reported by any source, within the county service area as soon as possible, but in any event, within two (2) hours of being notified or otherwise learning of such or related condition in the wastewater collection system.

(C) Timely, and properly, maintain and repair the wastewater collection and transmission facilities. Take all necessary measures to remedy conditions in the wastewater collection system facilities resulting from a main pipeline blockage and consequential surcharging of such pipelines or manholes and shall be responsible for clean-up and abatement resulting from such conditions which occur within the wastewater system facilities.

**SECTION 7 - COMPUTERIZED MAINTENANCE RECORDS.**

The FGUA shall utilize the county's current computerized maintenance management system for the Utility Facilities consistent with current county practices.

**SECTION 8 - FULL TAP AND METERS AND METER SETTING.**

Complete Meter Setting and installation of Full Tap and Meters in a timely manner and in no event later than as follows:

- (A) For meter installations where service is already in place, five (5) Business Days from the date of the installation or meter setting request.
- (B) For Full Taps and Meters and Meter Settings where a permit from an outside agency is not required, fifteen (15) Business Days from the date of the installation or meter setting request.
- (C) For Full Taps and Meters and Meter Settings where a permit from an outside agency is required, twenty

(20) Business Days after the receipt of the permit.

**SECTION 9 - EMERGENCIES.**

Respond to Emergency Conditions of any type at the Utility Facilities on a seven (7) days a week, twenty-four (24) hours per day basis.

## APPENDIX B

## FINANCIAL ANALYSIS BUDGET FORECAST

## NASSAU COUNTY HISTORICAL, PROJECTED AND ADOPTED BUDGET SUMMARY

Description	Actual Results		FY2019 Adopted Budget	Actual	Estimate	Over / (Under) Budget
	FY2017	FY2018		FY2019 YTD Period 5	FY2019 Projected	
<b>Revenues</b>						
Total Operating Revenues	4,229,588	4,405,252	4,396,550	1,526,580	4,619,268	222,718
Total Non-Operating Revenues	15,402	35,461	21,600	86,477	91,477	69,877
<b>Total Pledged revenues</b>	<b>4,244,990</b>	<b>4,440,713</b>	<b>4,418,150</b>	<b>1,612,857</b>	<b>4,710,745</b>	<b>292,595</b>
<b>Expenses</b>						
Total Contractual Services	2,845	10,834	13,780	514	8,552	(5,228)
Total Professional Services	94,641	66,724	353,650	56,724	110,437	(243,213)
Total Salaries and Benefits	687,385	870,974	1,062,962	346,825	984,060	(78,902)
Total Rentals and Leases	21,427	23,616	25,650	10,088	25,051	(599)
Total Repairs and Maintenance	170,236	219,378	351,904	96,991	315,761	(36,143)
Total Gas and Oil	9,821	8,567	17,000	9,043	18,959	1,959
Total Materials	1,403	1,735	3,300	494	2,419	(881)
Total Other Expenses	509,839	489,553	542,505	146,539	466,834	(75,671)
<b>Total Operating Expenses</b>	<b>1,497,597</b>	<b>1,691,380</b>	<b>2,370,751</b>	<b>667,218</b>	<b>1,932,073</b>	<b>(438,678)</b>
<b>Debt Service</b>						
Principal	930,000	955,000	975,000	406,250	975,000	-
Interest	261,655	241,391	220,644	91,935	220,644	-
<b>Total Debt Service</b>	<b>1,191,655</b>	<b>1,196,391</b>	<b>1,195,644</b>	<b>498,185</b>	<b>1,195,644</b>	<b>-</b>
<b>Required Transfers</b>						
R&R Transfer 5%	208,770	212,250	222,036	92,515	222,036	
Rate Stabilization 10%	417,540	424,499	444,071	185,030	444,071	
Contingency Reserve 10%	138,619	149,760	169,138	70,474	169,138	
<b>Total Required Transfers</b>	<b>764,929</b>	<b>786,508</b>	<b>835,245</b>	<b>348,019</b>	<b>835,245</b>	
<b>Excess Flow of Funds</b>	<b>790,809</b>	<b>766,434</b>	<b>16,510</b>	<b>99,435</b>	<b>747,783</b>	
<b>Debt Service Coverage Test</b>	<b>2.31</b>	<b>2.30</b>	<b>1.71</b>	<b>1.90</b>	<b>2.32</b>	



**Appendix C**  
**Compensation Schedule**

**Compensation to FGUA**

- 1) In exchange for providing the Utility Operational Management Services outlined in Appendix A, the County shall pay to the FGUA \$30,000.00 per month.
- 2) The first monthly payment (August) being paid for a partial month will be the prorated amount based upon the commencement date and will be paid to the FGUA no later than August 20, 2019. Subsequent monthly payments will be due on the first business day of each month.
- 3) The monthly compensation to the FGUA provides for the following:
  - a. Operations Contractor (U.S. Water Services) - \$23,000.00
  - b. Management Contractor (GSG) - \$4,166.67
  - c. FGUA Expenses (insurance, travel, legal, etc.) - \$2,833.33
- 4) The above referenced monthly compensation excludes items previously included in the County budget, including but not limited to:
  - a. Debt service
  - b. R&R and capital costs for any required expense approved as part of the annual R&R allocation
  - c. All customer service and billing expenses (including printing, binding and postage)
  - d. Accounting/Auditing
  - e. Engineering services
  - f. Permit/Regulatory expenses
  - g. Legal services
  - h. Utilities (electric, telephone, etc.)
  - i. Rental/Leases
  - j. Insurance
  - k. Building maintenance
  - l. Legal ads
  - m. Bad debt
  - n. Office supplies
  - o. Janitorial supplies
  - p. Garbage fees/trash removal
  - q. County Employee salary and benefits

**Appendix D**  
**FGUA Insurance Requirements**

- 1) The FGUA and/or its contractors shall obtain and maintain such insurance as will protect it from:
  - a) claims under worker's compensation laws, disability benefit laws, or other similar employee benefit laws;
  - b) claims for damages because of bodily injury, occupational sickness or disease or death of his employees including claims insured by usual personal injury liability coverage;
  - c) claims for damages because of bodily injury, sickness or disease, or death of any person other than his employees including claims insured by usual personal injury liability coverage; and
  - d) from claims for injury to or destruction of tangible property including loss of use resulting there from any or all of which claims may arise out of, or result from, the services, work and operations carried out pursuant to and under the requirements of the contract documents, whether such services, work and operations be by the contractor, its employees, or by subcontractor(s), or anyone employed by or under the supervision of any of them, or for whose acts any of them may be legally liable.
- 2) This insurance shall be obtained and written for not less than the limits of liability specified hereinafter, or as required by law, whichever is greater.
- 3) The FGUA shall require and shall be responsible for assuring throughout the time the contract is in effect, that any and all of its subcontractors obtain and maintain until the completion of that subcontractor's work, such of the insurance coverages described herein as are required by law to be provided on behalf of their employees and others.
- 4) The FGUA and/or its contractors shall obtain, have and maintain during the entire period of the contract insurance policies, which contain the following information and provisions:
  - a) the name and type of policy and coverages provided;
  - b) the amount or limit applicable to each coverage provided;
  - c) the date of expiration of coverage;
  - d) the designation of the FGUA as an additional insured and a certificate holder (This requirement may be excepted for worker's compensation and professional liability insurance.); and
  - e) the following clause must appear on the certificate of insurance:

Should any material change occur in any of the above described policies or should any of said policies be canceled before the expiration date thereof, the issuing company will mail at least thirty (30) days written notice to the FGUA.
- 5) If the initial, or any subsequently issued certificate of insurance expires prior to the completion of the work or termination of the contract, the contractor shall furnish to the FGUA, in triplicate,

renewal or replacement certificate(s) of insurance not later than thirty (30) calendar days prior to the date of their expiration. Failure of the contractor to provide the FGUA with such renewal certificate(s) shall be considered justification for the FGUA to terminate the contract.

- 6) The contractor shall include the FGUA, the FGUA's agents, officers and employees in the contractor's general liability and automobile liability policies as additional insureds.
- 7) If the FGUA has any objection to the coverage afforded by other provisions of the insurance required to be purchased and maintained by the contractor in accordance with the requirements of the contract documents on the basis of its not complying with the contract documents, FGUA shall notify the contractor in writing thereof within thirty (30) days of the delivery of such certificates to FGUA. The contractor shall provide to the FGUA such additional information with respect to its insurance as may be requested.
- 8) The FGUA and/or its contractors shall obtain and maintain the following insurance coverages as provided hereinbefore, and in the type, amounts and in conformance with the following minimum requirements:

Workers Compensation

State: statutory

Applicable Federal (e.g. Longshoremen's): statutory

Employer's liability: \$1,000,000.00

Comprehensive General Liability

Bodily injury: \$1,000,000.00 each occurrence

Property damage: \$1,000,000.00 each occurrence

Comprehensive general liability insurance shall include contractual liability, explosion, collapse and underground coverages and products and completed operations coverages.

Comprehensive Automobile Liability

Bodily injury: \$1,000,000.00 each occurrence

Property damage: \$1,000,000.00 each occurrence

Comprehensive automobile liability shall include coverage for any owned auto, non-owned autos and hired autos.