

CM 3428
CS-22-334

**SUNDSTROM
& MINDLIN, LLP**
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April 17, 2023

Denise May, Esquire
Nassau County Attorney
dmay@nassaucountyfl.com

Re: Nassau County, Sale of Nassau Amelia Utility System to the FGUA

Dear Denise,

Now that it appears that a sale by Nassau County and a purchase by the Florida Governmental Utility of the Nassau Amelia Utilities System is likely to proceed, please accept this letter which is intended to replace in its entirety our engagement agreement, dated July 16, 2021 relative to the subject purchase and sale.

Specifically, as regards the negotiation, documentation, required public hearings, preparation of Resolutions, and actual closing of the subject transaction, we will accrue our time and costs with a cap on the total consideration to be paid at Closing of \$150,000 plus costs. We will keep track of our time and costs in the ordinary course of business and render a bill at Closing in accordance herewith. We are comfortable with the cap of \$150,000 in this instance, and will hold to that unless we get into some unanticipated matter, relative to financing, or whatever, that causes us to reevaluate the amount of time it will take to complete this transaction. For instance, the entire American Beach Water and Sewer District issue and the loans and grants attendant thereto, may well present an unseen challenge which has the potential to require an extraordinary amount of time in order to resolve. If that becomes apparent, we will promptly advise.

As I mentioned to you, our general policy is to enhance our fees by a third in exchange for carrying a client for the several months of work without compensation. We will do that for Nassau County in this instance. However, ethically, we must be in a position to advise the County not to go forward with the transaction if, for example, the negotiations do not render a transaction which we are comfortable in recommending to you or the Board of County Commissioners. Thus, if for any reason, the transaction fails or is not approved by either the Board of County Commissioners or the FGUA Board, we will send you a bill based on our

Denise May, Esquire
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standard hourly rates and request that the County pay it in the ordinary course of business.

We are a small boutique firm, and as such, do not suffer the overhead that larger firms do. Thus, we can bring bottom line savings to Nassau County because of the specialized nature of our practice.

If this arrangement is acceptable to the County, please have the appropriate County official countersign at the place provided and return one copy hereof to us for our files.

Should you have any questions or concerns regarding the above, please do not hesitate to contact me.

Sincerely,

SUNDSTROM & MINDLIN, LLP



William E. Sundstrom, P.A.
For the Firm

WES/brf

Accepted and Agreed to this 5th day of ^{MAY} ~~April~~, 2023 by:
Nassau County, Florida

By: Denise C. May
Printed Name: Denise C. May
Title: County Attorney

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June 8, 2023

Denise May, Esquire
Nassau County Attorney
dmay@nassaucountyfl.com

Re: Nassau County; Potential Sale of Nassau Amelia Utility System to the
FGUA

Dear Denise,

Since the entrance into our engagement agreement relative to the possible sale of the County's Amelia Island Utility System to the Florida Governmental Utility Authority, it has become clear that we need to supplement the County team with professionals who specialize in water and wastewater utility accounting and engineering.

We must ensure, while doing our due diligence, that the proposed transaction is "fair" to both parties and, in particular, the customers and residents of Nassau County who will be impacted by the proposed sale. Statutorily, the County cannot enter into the subject transaction without a finding by the Board of County Commissioners that the transaction is in the "public interest". We believe that adding specialized accounting and engineering expertise to your team is a prerequisite thereto.

In that regard, we have identified Milian, Swain & Associates, based in Miami, as having the financial expertise and Toban Engineering, based in Coral Springs, as having the engineering expertise needed to fill out the County's team in this regard. With your consent, we are engaging both firms to assist in this complicated transaction. We will add both firms as part of our team and ask those firms to render their invoices to us. We will, in turn, review those invoices and if we find them acceptable, we will forward them to you for processing and payment.

Attached please find the proposed engagement agreement of Milian, Swain & Associates and Toban Engineering. You will note that Milian Swain proposes to work for the County at an hourly rate of \$275 per hour. Toban Engineering has offered to work for the County for a flat fee of \$22,520, including travel and expenses. I have signed both engagement agreements and, with your permission, will send them to both firms. I understand and agree that the total fees for both firms shall not exceed \$50,000 without further authorization.

Denise May, Esquire
June 8, 2023
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If you agree with this approach, please indicate by countersigning below in which event this letter will be an addendum to our engagement agreement of May 5, 2023, a copy of which is attached hereto and incorporated herein by reference.

Sincerely,

SUNDSTROM & MINDLIN, LLP

/s/ William E. Sundstrom


William E. Sundstrom, P.A.
For the Firm

WES/brf

Enclosures

Accepted and Agreed to this 1st day of June, 2023:

Nassau County, Florida

By: 
Denise C. May, County Attorney

Financial Review Proposal

If the terms are acceptable, please execute below and return.

I hereby accept the terms described above, and authorize Milian, Swain & Associates, Inc., to proceed with the work also described.


Signature, Title

6.8.23
Date

As Agent For Nassau County
On behalf of



SCOPE OF SERVICES

Nassau Amelia Utilities (NAU) Water and Wastewater Facilities Preliminary Investigation

Tobon Engineering referred to as (Consultant) shall perform the engineering Scope of Services as described herein.

SCOPE OF SERVICES

Tobon Engineering shall provide the specific following scope of services.

Task 1 Data and Background Document Review

Gather and review background data, permits, GIS, CIP, reports and other relevant information related to the water and wastewater facilities. The main source of information will be the client, FDEP, health department and other public information sources.

Task 2 Site Investigation and Condition Assessment

A two day site investigation of the water and wastewater facilities including lift stations and wells, document facilities, interview operator, photographs. A condition assessment will be carried out on all major equipment and processes and will be based on visual observations. Specially the condition assessment will only be on the following facilities;

- Wastewater Treatment Plant
- Water Treatment Plant including storage tank (exterior assessment only)
- 3 wells (wellhead and exposed piping only)
- 44 Lift Stations

The condition assessment will be scored from 1-5 and will include the remaining useful life based on industry standard values for expected life and visual observation. Equipment name, location, installation year and other pertinent information for each equipment/process will be recorded if available.

Task 3 CIP Review

The Consultant will review the existing Capital Improvement Plan (CIP) and make recommendations related to the proposed improvements based on the information recorded from Task 2. A list of near and long term priorities will be created. An independent cost estimate will not be performed; however, our impression of the reasonableness of the overall capital improvement program will be provided.

Task 3 Technical Memorandum

A draft technical memorandum based on the site investigation, observations, interviews, and data will be produced. Final memorandum 2 weeks after receipt of comments.

Assumptions

- Manhole inspection and buried infrastructure is not included in this scope
- NAU will supply an operator or other knowledgeable escort during the inspections



**TOBON
ENGINEERING**
ENGINEERING AND UTILITIES MANAGEMENT

- No recommendations will be made for operating and maintaining the equipment
- No physical testing of equipment is included
- Only one site visit is required
- Additional scope and analysis will be charged at an hourly fee of \$ 205/hr

Schedule

- A draft technical memorandum will be submitted 4 weeks after the site visit.

Fee

Lump sum fee \$ 22,520 Includes travel and expenses.

Billing monthly based on percent complete.

Tobon Engineering:

Signed: _____

Date: _____

Typed Name: Maurice Tobon, P.E.

Title: President

Nassau County:

Signed: *[Signature]*

Date: 6-8-23 pm

Typed Name: _____

Title: Agcy. Engr for Nassau County