GULF BREEZE CITY COUNCIL
EXECUTIVE SESSION

OCTOBER 27, 2010
WEDNESDAY 6:30 P.M.
COUNCIL CHAMBERS

ACTION AGENDA ITEMS:

A. Discussion and Action Regarding Utility Rate Increase Hearing

B. Discussion and Action Regarding "No Motor Zone" Behind Breakwater at Deadman's Island

C. Discussion and Action Regarding Occupancy of Former Bruno's Space

D. Discussion and Action Regarding Pest Control Services

E. Discussion and Action Regarding Investment Grade Audit Agreement Between Energy Systems Group and the City of Gulf Breeze

F. Discussion and Action Regarding Planning, Design and Environmental Study - Replacement of Pensacola Bay Bridge

G. Discussion and Action Regarding Digital Control Litigation

H. Discussion and Action Regarding Adoption of Resolution No. 27-10, FY2011 Tourist Development Council Budget

I. Discussion and Action Regarding Adoption of Resolution No. 28-10, FY2011 Community Redevelopment Agency Budget

J. Information Items

If any person decides to appeal any decisions made with respect to any matter considered at this meeting or public hearing, such person may need to insure that a verbatim record of the proceedings is made, which record includes the testimony and any evidence upon which the appeal is to be based.

The public is invited to comment on matters before the City Council upon seeking and receiving recognition from the Chair.

City of Gulf Breeze

MEMORANDUM

TO: **Edwin A. Eddy, City Manager**

FROM: **Thomas E. Lambert, Assistant Director of Public Services**

DATE: **October 20, 2010**

RE: **Utility Rate Increase Hearing**

The SSRUS Board has recommended a rate increase of 3% to the base and volumetric base fees for sewer customers. Staff is recommending a 3% increase for base and volumetric rates of both water and sewer customers inside the City. In order to approve these rate increases, a public hearing must be advertised and held prior to instituting the rate increase.

For reference we have provided the following:

1. Resolution 25-10 for revising rates for the City's Water & Sewer System
2. Resolution 26-10 for revising rates for the South Santa Rosa Utility System
3. City Ordinance 3-94 establishing the South Santa Rosa Utility System Board
4. Minutes from SSRUS meetings where the rate increases were recommended to the City Council
5. The list of SSRUS Board members
6. Examples showing the effect of the rate increases on various customers.

The notice has been completed on all cycle bills in accordance with the Florida Statutes.

RECOMMENDATIION: City Council adopt Resolution 25-10 and 26-10 for the SSRUS and City Water & Sewer rate increases during the public hearing to be held on November 1, 2010.

RESOLUTION 25-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA, INCREASING WATER AND SEWER RATES FOR UTILITY CUSTOMERS IN THE CITY OF GULF BREEZE.

WHEREAS, the City of Gulf Breeze provides water and wastewater service to the residents within the city limits of the City of Gulf Breeze and must rely upon water and sewer rates to pay for the costs to operate the system and provide for adequate reserves; and,

WHEREAS, the City Council has determined that operating costs, including but not limited to personnel, purchase of energy and wholesale water have increased; and,

WHEREAS, the City Council has determined that the current operating revenues can not support the current level of service, even with the cost cutting measures already taken; and

WHEREAS, the City Council held a Public Hearing on Monday, November 1, 2010 on this matter.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA AS FOLLOWS;

SECTION 1: The water and sewer charges for City of Gulf Breeze customers are hereby increased as listed in Exhibit A. Said increase to be implemented commencing with bills produced after November 2, 2010.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, SANTA ROSA COUNTY, FLORIDA on this _____ day of _____, 2010.

_____
Mayor

ATTEST

_____
City Clerk

EXHIBIT 'A' Res. 25-10

CITY WATER AND SEWER
PROPOSED RATE INCREASES

VOLUMETRIC RATES PER THOUSAND GALLONS

	Current	Increase	**Proposed**
Water	$2.57	$0.08	**$2.65**
Sewer	$3.57	$0.11	**$3.68**

Residential - Water Base Fee

Meter Size	2010 Current Base Fee	Increased By	2011 New Base Fee
3/4"	$9.14	$0.27	**$9.41**
1"	$16.95	$0.51	**$17.46**
1 1/2"	$44.34	$1.33	**$45.67**
2"	$72.22	$2.17	**$74.39**
3"	$146.93	$4.41	**$151.33**
4"	$221.63	$6.65	**$228.28**
6"	$441.43	$13.24	**$454.67**

Residential - Sewer Base Fee

Meter Size	2010 Current Base Fee	Increased By	2011 New Base Fee
3/4"	$11.25	$0.34	**$11.59**
1"	$21.62	$0.65	**$22.27**
1 1/2"	$54.12	$1.62	**$55.74**
2"	$87.69	$2.63	**$90.33**
3"	$177.66	$5.33	**$182.99**
4"	$265.27	$7.96	**$273.23**
6"	$521.68	$15.65	**$537.33**

Commercial - Water Base Fee

Meter Size	2010 Current Base Fee	Increased By	2011 New Base Fee
3/4"	$9.14	$0.27	**$9.41**
1"	$16.95	$0.51	**$17.46**
1 1/2"	$44.34	$1.33	**$45.67**
2"	$72.22	$2.17	**$74.39**
3"	$146.93	$4.41	**$151.33**
4"	$221.63	$6.65	**$228.28**
6"	$441.43	$13.24	**$454.67**

Commercial - Sewer Base Fee

Meter Size	2010 Current Base Fee	Increased By	2011 New Base Fee
3/4"	$11.25	$0.34	**$11.59**
1"	$21.62	$0.65	**$22.27**
1 1/2"	$54.12	$1.62	**$55.74**
2"	$87.69	$2.63	**$90.33**
3"	$177.66	$5.33	**$182.99**
4"	$265.27	$7.96	**$273.23**
6"	$521.68	$15.65	**$537.33**

RESOLUTION 26-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA, INCREASING SEWER RATES FOR UTILITY CUSTOMERS IN THE SOUTH SANTA ROSA UTILITY SYSTEM.

WHEREAS, the City of Gulf Breeze provides water and wastewater service to the residents within the South Santa Rosa Utility System and must rely upon water and sewer rates to pay for the costs to operate the system and provide for adequate reserves; and,

WHEREAS, the City Council has determined that operating costs, including but not limited to personnel, purchase of energy and wholesale water have increased; and,

WHEREAS, the City Council has been advised by the South Santa Rosa Utility Board that the current base charges for wastewater and reclaimed services and volumetric rates for wastewater should be increased; and

WHEREAS, the City Council held a Public Hearing on Monday, November 1, 2010 on this matter.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA AS FOLLOWS;

SECTION 1: The sewer and reclaimed charges for the South Santa Rosa Utility System are hereby increased as listed in Exhibit A. Said increase to be implemented commencing with bills produced after November 2, 2010.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, SANTA ROSA COUNTY, FLORIDA on this _____ day of _____, 2010.

_____
Mayor

ATTEST

_____
City Clerk

EXHIBIT 'A' Res. 26-10

PROPOSED WATER AND SEWER RATES

SOUTH SANTA ROSA UTILITY SYSTEM

VOLUMETRIC RATES PER THOUSAND GALLONS

	Current	Increase	Proposed
Water	$2.70	$0.00	**$2.70**
Sewer	$3.90	$0.12	**$4.02**

Residential - Water Base Fee

Meter Size	2010 Base Fee	Increased By	2011 Base Fee
3/4"	$12.90	NO CHANGE	**$12.90**
1"	$23.94		**$23.94**
1 1/2"	$62.62		**$62.62**
2"	$102.01		**$102.01**
3"	$207.52		**$207.52**
4"	$313.03		**$313.03**
6"	$623.48		**$623.48**

Residential - Sewer Base Fee

Meter Size	2010 Base Fee	Increased By	2011 Base Fee
3/4"	$13.70	$0.41	**$14.11**
1"	$26.45	$0.79	**$27.24**
1 1/2"	$66.53	$2.00	**$68.52**
2"	$108.35	$3.25	**$111.60**
3"	$220.63	$6.62	**$227.25**
4"	$332.82	$9.98	**$342.80**
6"	$661.33	$19.84	**$681.17**

Commercial - Water Base Fee*

Meter Size	2010 Base Fee	Increased By	2011 Base Fee
3/4"	$23.82	NO CHANGE	**$23.82**
1"	$35.89		**$35.89**
1 1/2"	$80.57		**$80.57**
2"	$124.00		**$124.00**
3"	$242.28		**$242.28**
4"	$366.43		**$366.43**
6"	$724.56		**$724.56**

Commercial - Sewer Base Fee*

Meter Size	2010 Base Fee	Increased By	2011 Base Fee
3/4"	$30.26	$0.91	**$31.17**
1"	$42.00	$1.26	**$43.26**
1 1/2"	$86.01	$2.58	**$88.59**
2"	$129.39	$3.88	**$133.27**
3"	$248.51	$7.46	**$255.97**
4"	$376.19	$11.29	**$387.48**
6"	$740.81	$22.22	**$763.03**

*includes 3,000 gallons usage in base rate

Reclaimed Rates

	2009 Base Fee	Increased By	2011 Base Fee
	$5.00	$1.00	**$6.00**

Board member Prochaska moved for approval. Board member Zimmern seconded. The vote for approval was unanimous.

B. TAP FEE DESIGNATION POLICY:

Reference: Assistant Public Services Director memo dated August 4, 2010

RECOMMENDATION:

The SSRUS Board recommends that the City Council authorize the Director of Finance to dissolve the previous tap fee designated fund against the liability and establish a new policy where all tap/impact fees are established in a designated reserve, and can only be released by recommendation of the Board and approval of the City Council with the exception of being subordinate to debt covenants. An allowance for emergency situations should be made for the City Manager to authorize temporary uses of the designated funds pending approval or repayment.

Board member Prochaska moved for approval. Board member Naile seconded. The vote for approval was unanimous.

C. 2011 SSRUS BUDGET FOR APPROVAL

Reference: Public Services Director memo dated August 6, 2010

RECOMMENDATION:

The SSRUS Board recommend approval to the City Council of the 2011 Budget with a 3% sewer rate increase as submitted, and select the October usage for the November billing as an effect date for the sewer rate increase. (Includes $1 per month increase to reclaim rate.)

There was general discussion regarding the sewer rate increase. Mr. Mike Handler, 1195 Grand Pointe, stated he thought it was the right time to increase sewer rates by 3%. It points the utility in the right direction; smaller increases instead of one large increase later. Mr. Russ Silver, 1194 Grand Pointe, ask that the Board look at tap fees again. Mr. Mike Robertson, 1468 Whisper Bay Boulevard, ask that the Board send out notices to sewer customers regarding the rate increase. The Board explained that a Public Hearing will be held regarding the increase.

Board member Naile moved approval. Board member Mills seconded. The Board unanimously agreed to the sewer rate increase of 3%.

SSRUS Board Members List

NAME	CITY	STATE	ZIP
Dr. Richard Snyder, Chairman	**Gulf Breeze**	**FL**	32563
Otto Prochaska	**Gulf Breeze**	**FL**	32561
Mayor Beverly Zimmern	**Gulf Breeze**	**FL**	32561
Dick Fulford, Councilman	**Gulf Breeze**	**FL**	32561
Robert Sauer	**Gulf Breeze**	**FL**	32563
Thomas Naile	**Gulf Breeze**	**FL**	32561
Terry Mills	**Gulf Breeze**	**FL**	32563
Cathy C. Benoit	**Gulf Breeze**	**FL**	32563
Todd Johnson	**Gulf Breeze**	**FL**	32563

ARTICLE VII. SOUTH SANTA ROSA UTILITY SYSTEM BOARD

Sec. 19-350. Created.

A utility board, to be known as the South Santa Rosa Utility System Board, is hereby created and shall consist of the mayor, one member of the city council who shall be appointed by the mayor, and at least three but no more than seven additional members who shall be appointed by the city council.

(Ord. No. 3-94, § 1, 4-4-94)

Sec. 19-351. Terms of office; composition; removal from office; vacancies.

(a) The mayor shall be a permanent member of the South Santa Rosa Utility System Board. All other members of the board shall serve at the will of and may be removed at any time by the city council. The city councilmember shall serve as a member of the board for a term of two years or until such time as the councilmember no longer holds office or is removed from the board by the city council, whichever shall first occur. If a councilmember's term to the South Santa Rosa Utility System Board expires, and the councilmember maintains his position on the city council, the councilmember shall continue to serve on the South Santa Rosa Utility System Board until a successor councilmember is appointed.

(b) Initially, at least one-half of all members of the board, excluding the mayor, shall be appointed for a one-year term and the remaining members of the board, excluding the mayor, shall be appointed for a two-year term. All appointments thereafter shall be for two-year terms.

(c) Any council-made appointments required to fill vacancies shall be for the unexpired portion of the term. There shall be no limitation upon the number of consecutive terms that may be served by a board member. Members of the board, except the mayor, may be removed by the city council at any time, including during their term of office.

(d) Members of the South Santa Rosa Utility System Board shall either (1) reside within the city or (2) be a customer of the South Santa Rosa Utility System Board and reside within either the city or in the territory serviced by or franchised to the South Santa Rosa Utility System. It is the intent of the city that a majority of the board be customers of the South Santa Rosa Utility System who reside in the city or in the territory serviced by or franchised to the South Santa Rosa Utility System. The city council shall endeavor to make appointments to the board such that a majority of the board will be customers of the South Santa Rosa Utility System who reside in the city or in the territory serviced by or franchised to the South Santa Rosa Utility System.

(e) With exception of the mayor, the city council shall consider the removal of any board member who has three or more unexcused absences from meetings of the board within a one-year period.

(Ord. No. 3-94, § 1, 4-4-94)

Sec. 19-352. Compensation; reimbursement for expenses.

All members of the South Santa Rosa Utility System Board shall serve without compensation, but may be reimbursed for actual expenses incurred in connection with their official duties.

(Ord. No. 3-94, § 1, 4-4-94)

Sec. 19-353. Quorum; majority vote required.

Four members of the South Santa Rosa Utility System Board shall constitute a quorum for the transaction of business. Official action of the board shall be approved by majority vote of the members present, providing that a quorum exists.

(Ord. No. 3-94, § 1, 4-4-94)

Sec. 19-354. Organization; rules of procedure.

The South Santa Rosa Utility System Board shall elect a chairman and vice-chairman from amongst its members. The term of chairman shall be one year, and the chairman may be re-elected for successive terms. The South Santa Rosa Utility System Board shall make its own rules of procedure and determine times of meetings. All meetings of the South Santa Rosa Utility System Board shall be open to the public and in compliance with the laws of the state. All records of the South Santa Rosa Utility System Board shall be open to the public, unless otherwise provided by law.

(Ord. No. 3-94, § 1, 4-4-94)

Sec. 19-355. Duties.

The South Santa Rosa Utility System Board may advise and make recommendations to the city council as to the following subject matters:

(1) Policies and procedures relative to utility operations, customer service, utility standards, availability of service, financial management, and compliance with applicable rules and regulations;

(2) An annual budget for and financial oversight of the South Santa Rosa Utility System;

(3) Long-range planning for operations and capital investment expenditures for the South Santa Rosa Utility System;

(4) The need for and selection of contractors and consultants to accomplish work upon and/or for the South Santa Rosa Utility System, including preparation and/or review of appropriate request of proposals, negotiation with the contractor and/or consultant, and review of resulting agreements; and

(5) Such other matters relating to the South Santa Rosa Utility System that the city council, from time to time, may refer to the South Santa Rosa Utility System Board for consideration, analysis and/or recommendation.

(Ord. No. 3-94, § 1, 4-4-94)

Sec. 19-356. Appropriations.

The city council may appropriate such finds as it may see fit for salaries, fees and expenses necessary in the conduct of the work of the South Santa Rosa Utility System Board. The board shall have the authority to expend all sums so appropriated and other sums made available for its use from fees or other sources for the purpose and activities authorized by the city council or by this Code.

(Ord. No. 3-94, § 1, 4-4-94)

Secs. 19-357--19-366. Reserved.

Proposed SSRUS Water and Sewer Increases
F/Y 2011

PROPOSED RATE INCREASE - 3% for Sewer Only

	Customers	*(	Base Fee	+	Avg Vol.	*	Vol. Rate	) * 12 =	Annual Income
Water	4168	*(	12.90	+	5.67	*	2.70	) * 12 =	1,410,901.34
Sewer	5760	*(	14.11	+	5.42	*	4.00	) * 12 =	2,473,804.80

THE EFFECT OF THE PROPOSED RATE INCREASE

	Gallons Used	Current Bill	Proposed	Incr	% Incr
	1000	$33.20	$33.71	$0.51	1.54%
Total	3000	$46.40	$47.11	$0.71	1.53%
	4000	$53.00	$53.81	$0.81	1.53%
	5000	$59.60	$60.51	$0.91	1.53%
	6000	$66.20	$67.21	$1.01	1.53%
	10000	$92.60	$94.01	$1.41	1.52%
	12000	$105.80	$107.4	$1.61	1.52%

Proposed City of Gulf Breeze Water and Sewer Increases
F/Y 2011

PROPOSED RATE INCREASE - 3% for Water and Sewer

	Customers	*(	Base Fee	+	Avg Vol.	*	Vol. Rate	) * 12 =	Annual Income
Water	2565	*(	9.41	+	8.33	*	2.65	) * 12 =	969,092.91
Sewer	1470	*(	11.59	+	9.50	*	3.68	) * 12 =	821,142.00

THE EFFECT OF THE PROPOSED RATE INCREASE (WATER & SEWER CUSTOMER)

	Gallons Used	Current Bill	Proposed	Incr	% Incr
	1000	$26.53	$27.33	$0.80	3.02%
Total	3000	$38.81	$39.99	$1.18	3.04%
	4000	$44.95	$46.32	$1.37	3.05%
	5000	$51.09	$52.65	$1.56	3.05%
	6000	$57.23	$58.98	$1.75	3.06%
	10000	$81.79	$84.30	$2.51	3.07%
	12000	$94.07	$97.0	$2.89	3.07%

Hatch Mott MacDonald
2009 Sewer Utility Comparison

SYSTEM NAME	TYPE	MINIMUM BILL		BASE RATE / 1,000 GALLONS	MAX. GAL. BILLED	COST FOR #OF GALLONS						
		BASE RATE	GALLONS INCLUDED			3,000	5,000	6,000	7,000	10,000	15,000	20,000
CENTURY	RESIDENTIAL	$13.00	6,000	$3.50	NONE	$13.00	$13.00	$13.00	$16.50	$27.00	$44.50	$62.00
VALPARAISO	RESIDENTIAL	$13.02	4,000	$2.05	11,000	$13.02	$15.07	$17.12	$19.17	$27.37	$27.37	$27.37
PANAMA CITY BEACH IN	RESIDENTIAL	$12.92	3,000	$1.93	NONE	$12.92	$16.78	$18.71	$20.64	$26.43	$36.08	$45.73
EASTPOINT	RESIDENTIAL	$12.40	0	$1.50	NONE	$16.90	$19.90	$21.40	$22.90	$27.40	$34.90	$42.40
MALONE	RESIDENTIAL	$22.00	6,000	$0.50	NONE	$22.00	$22.00	$22.00	$22.50	$24.00	$26.50	$29.00
MILTON, CITY OF INSIDE	RESIDENTIAL	$10.99	3,000	$4.08	NONE	$10.99	$19.15	$23.23	$68.00	$39.55	$59.95	$80.35
PANAMA CITY BEACH OUT	RESIDENTIAL	$16.15	3,000	$2.41	NONE	$16.15	$20.97	$23.38	$25.79	$33.02	$45.07	$57.12
MILTON, CITY OF OUTSIDE	RESIDENTIAL	$13.71	3,000	$5.10	NONE	$13.71	$23.91	$29.01	$34.11	$49.41	$74.91	$100.41
NICEVILLE	RESIDENTIAL	$16.15	0	$2.20	16,000	$22.75	$27.15	$29.35	$31.55	$38.15	$51.35	$51.35
NICEVILLE	COMMERCIAL	$16.15	0	$2.20	NONE	$22.75	$27.15	$29.35	$31.55	$38.15	$51.35	$51.35
ECUA (MAINLAND)	RESIDENTIAL	$9.35	2,000	$5.09	15,000	$14.44	$24.62	$29.71	$34.80	$50.07	$75.52	$75.52
CHIPLEY INSIDE CITY	RESIDENTIAL	$29.94	6,000	$4.73	NONE	$29.94	$29.94	$29.94	$34.67	$48.86	$72.51	$96.16
HOLLEY NAVARRE	RESIDENTIAL	$21.20	3,000	$3.18	NONE	$21.20	$27.56	$30.74	$33.92	$43.46	$59.36	$75.26
PCB - BAY POINT	RESIDENTIAL	$16.60	0	$2.40	10,000	$23.80	$28.60	$31.00	$33.40	$40.60	$40.60	$40.60
DESTIN WATER USERS	RESIDENTIAL	$22.91	0	$1.51	20,000	$27.44	$30.46	$31.97	$33.48	$38.01	$45.56	$53.11
FORT WALTON BEACH	RESIDENTIAL	$16.66	2,000	$3.88	16,000	$20.54	$28.30	$32.18	$36.06	$47.70	$70.98	$70.98
LYNN HAVEN INSIDE	RESIDENTIAL	$6.88	0	$4.26	12,000	$19.66	$28.18	$32.44	$36.70	$58.00	$58.00	$58.00
JAY, TOWN OF INSIDE	RESIDENTIAL	$17.50	2,000	$3.75	NONE	$21.25	$28.75	$32.50	$36.25	$47.50	$66.25	$85.00
JAY, TOWN OF INSIDE	COMMERCIAL	$25.00	4,000	$3.75	NONE	$25.00	$28.75	$32.50	$36.25	$47.50	$66.25	$85.00
PACE	RESIDENTIAL	$15.50	2,000	$4.25	NONE	$19.75	$28.25	$32.50	$36.75	$49.50	$70.75	$92.00
ECUA (PENSACOLA BEACH)	RESIDENTIAL	$24.11	3,000	$2.89	NONE	$24.11	$29.89	$32.78	$35.67	$54.59	$58.79	$73.24
GULF BREEZE IN	RESIDENTIAL	$11.59	0	$3.68	NONE	$22.63	$29.99	$33.67	$37.35	$48.39	$66.79	$85.19
LYNN HAVEN OUTSIDE	RESIDENTIAL	$8.60	0	$4.26	12,000	$21.38	$29.90	$34.16	$38.42	$59.72	$59.72	$59.72
EASTPOINT	COMMERCIAL	$19.50	0	$2.50	NONE	$27.00	$32.00	$34.50	$37.00	$44.50	$57.00	$69.50
CRESTVIEW IN	RESIDENTIAL	$16.50	2,000	$5.00	7,000	$21.50	$31.50	$36.50	$41.50	$41.50	$41.50	$41.50
OKALOOSA COUNTY	RESIDENTIAL	$17.06	0	$3.28	10,000	$26.90	$33.46	$36.74	$40.02	$49.86	$49.86	$49.86
SWUC	RESIDENTIAL	$11.07	0	$4.35	10,000	$24.12	$32.82	$37.17	$41.52	$54.57	$54.57	$54.57
CHIPLEY OUTSIDE CITY	RESIDENTIAL	$37.43	6,000	$5.91	NONE	$37.43	$37.43	$37.43	$43.34	$61.07	$90.62	$120.17
REGIONAL UTILITIES	RESIDENTIAL	$38.22	10,000	$4.25	NONE	$38.22	$38.22	$38.22	$38.22	$38.22	$59.47	$134.52
GULF BREEZE (SSRUS)	RESIDENTIAL	$14.11	0	$4.02	NONE	$26.17	$34.21	$38.23	$42.25	$54.31	$74.41	$94.51
FORT WALTON BEACH	COMMERCIAL	$20.01	2,000	$4.65	NONE	$24.66	$33.96	$38.61	$43.26	$57.21	$85.11	$85.11
PANAMA CITY IN	RESIDENTIAL	$12.12	0	$4.47	12,000	$25.53	$34.47	$38.94	$43.41	$51.93	$51.93	$51.93
PANAMA CITY IN	COMMERCIAL	$12.12	0	$4.47	NONE	$25.53	$34.47	$38.94	$43.41	$56.82	$79.17	$101.52
CHIPLEY	COMMERCIAL (SMALL)	$39.62	6,000	$4.73	NONE	$39.62	$39.62	$39.62	$44.35	$58.54	$82.19	$105.84
JAY, TOWN OF OUTSIDE	RESIDENTIAL	$21.25	2,000	$4.60	NONE	$25.85	$35.05	$39.65	$44.25	$58.05	$81.05	$104.05
JAY, TOWN OF OUTSIDE	COMMERCIAL	$30.45	4,000	$4.60	NONE	$30.45	$35.05	$39.65	$44.25	$58.05	$81.05	$104.05
BAY COUNTY	RESIDENTIAL	$15.95	0	$4.00	12,000	$27.95	$35.95	$39.95	$43.95	$55.95	$55.95	$55.95
LANARK VILLAGE	RESIDENTIAL	$27.94	0	$2.13	NONE	$34.33	$38.59	$40.72	$42.85	$49.24	$59.98	$70.54
DEFUNIAK SPRINGS IN	RESIDENTIAL	$19.15	0	$3.81	NONE	$30.58	$38.20	$42.01	$45.82	$57.25	$76.30	$95.35
MARIANNA IN	RESIDENTIAL	$20.15	0	$3.83	NONE	$31.64	$39.30	$43.13	$46.96	$58.45	$77.60	$96.75
MARIANNA OUT	RESIDENTIAL	$20.15	0	$3.83	NONE	$31.64	$39.30	$43.13	$46.96	$58.45	$77.60	$96.75
NAVARRE BEACH	RESIDENTIAL	$32.03	3,000	$4.26	NONE	$32.03	$40.55	$44.81	$49.07	$61.85	$83.15	$104.45
MARY ESTHER	RESIDENTIAL	$16.00	0	$3.95	NONE	$27.85	$36.25	$45.05	$60.00	$82.00	$104.00	$148.00
LYNN HAVEN INSIDE	COMMERCIAL	$13.74	0	$5.33	NONE	$29.73	$40.39	$45.72	$51.05	$77.70	$93.69	$120.34
SPRINGFIELD CITY IN	RESIDENTIAL	$23.00	2,000	$5.25	NONE	$29.25	$41.75	$48.00	$54.25	$73.00	$104.25	$135.50
PARKER	RESIDENTIAL	$19.56	0	$4.81	NONE	$33.99	$43.61	$48.42	$53.23	$67.66	$91.71	$115.76
PANAMA CITY OUT	RESIDENTIAL	$15.15	0	$5.59	12,000	$31.92	$43.10	$48.69	$54.28	$82.23	$82.23	$82.23
PANAMA CITY OUT	COMMERCIAL	$15.15	0	$5.59	NONE	$31.92	$43.10	$48.69	$54.28	$71.05	$99.00	$126.95
LYNN HAVEN OUTSIDE	COMMERCIAL	$17.18	0	$5.33	NONE	$33.17	$43.83	$49.16	$54.49	$81.14	$97.13	$123.78
CHIPLEY	COMMERCIAL (LARGE)	$49.53	6,000	$4.73	NONE	$49.53	$49.53	$49.53	$54.26	$68.45	$92.10	$115.75
CALLAWAY IN	RESIDENTIAL	$28.89	0	$3.51	NONE	$39.42	$46.44	$49.95	$53.46	$63.99	$81.54	$99.09
CEDAR GROVE	RESIDENTIAL	$36.00	0	$2.55	NONE	$43.65	$48.75	$51.30	$53.85	$61.50	$74.25	$87.00
DEFUNIAK SPRINGS OUT	RESIDENTIAL	$23.94	0	$4.76	NONE	$38.22	$47.74	$52.50	$57.26	$71.54	$95.34	$119.14
DESTIN WATER USERS	COMMERCIAL	$40.07	0	$1.82	NONE	$45.53	$49.17	$52.81	$58.27	$67.37	$76.47	$94.67
CRESTVIEW IN	COMMERCIAL	$18.00	0	$5.00	NONE	$33.00	$43.00	$53.00	$68.00	$93.00	$118.00	$168.00
MARY ESTHER	COMMERCIAL 1	$24.00	0	$3.95	NONE	$35.85	$44.25	$53.05	$68.00	$90.00	$112.00	$156.00
CRESTVIEW OUT	RESIDENTIAL	$24.75	2,000	$7.50	7,000	$32.25	$47.25	$54.75	$62.25	$62.25	$62.25	$234.75
CALLAWAY OUT	RESIDENTIAL	$36.11	0	$3.51	NONE	$46.64	$53.66	$57.17	$60.68	$71.21	$88.76	$106.31
SPRINGFIELD CITY OUT	RESIDENTIAL	$28.75	2,000	$7.81	NONE	$36.56	$52.18	$59.99	$67.80	$91.23	$130.28	$169.33
DEFUNIAK SPRINGS IN	COMMERCIAL I	$38.29	0	$3.81	NONE	$49.72	$57.34	$61.15	$64.96	$76.39	$95.44	$114.49
DEFUNIAK SPRINGS OUT	COMMERCIAL I	$47.86	0	$4.76	NONE	$62.14	$71.66	$76.42	$81.18	$95.46	$119.26	$143.06
MARY ESTHER	COMMERCIAL 2	$48.00	0	$3.95	NONE	$59.85	$68.25	$77.05	$92.00	$114.00	$136.00	$180.00
CRESTVIEW OUT	COMMERCIAL	$27.00	0	$7.50	NONE	$48.25	$63.25	$78.25	$100.75	$138.25	$175.75	$250.75
DEFUNIAK SPRINGS IN	COMMERCIAL II	$248.90	0	$3.81	NONE	$260.33	$267.95	$271.76	$275.57	$287.00	$306.05	$325.10
DEFUNIAK SPRINGS OUT	COMMERCIAL II	$311.13	0	$4.76	NONE	$325.41	$334.93	$339.69	$344.45	$358.73	$382.53	$406.33
AVERAGE		***$29.97***		***$4.04***		***$37.55***	***$44.61***	***$48.66***	***$54.20***	***$66.70***	***$83.07***	***$103.94***
MEDIAN		***$19.56***		***$4.02***		***$27.95***	***$35.05***	***$38.94***	***$43.41***	***$57.25***	***$74.91***	***$94.67***
MINIMUM		***$6.88***		***$0.50***		***$10.99***	***$13.00***	***$13.00***	***$16.50***	***$24.00***	***$26.50***	***$27.37***
MAXIMUM		***$311.13***		***$7.81***		***$325.41***	***$334.93***	***$339.69***	***$344.45***	***$358.73***	***$382.53***	***$406.33***

AC = ACTUAL WATER CONSUMPTION + USER FEE
2M = 2 MONTH AVERAGE
3M = 3 MONTH AVERAGE
4M = 4 MONTH AVERAGE
CC = CUSTOMER CHOICE
BOS = BASED ON SIZE
DWC = DETERMINE WHEN CONSTRUCTED
G.P. = GRAVITY PIT
V.P. = VACUUM PIT

The information shown is based on data received from each utility in 09/2009 and HMM takes no responsibility for its accura

*Ranking based upon the 7,000 gallon cost

Hatch Mott MacDonald
2009 Water Utility Rates Comparision

SYSTEM NAME	TYPE	MINIMUM BILL		BASE RATE / 1000 GALLONS	MAX. GAL. BILLED	COST FOR #OF GALLONS						
		BASE RATE	GALLONS INCLUDED			3,000	5,000	6,000	7,000	10,000	15,000	20,000
VALPARAISO	RESIDENTIAL	$8.25	3,000	$1.74	NONE	$8.25	$11.73	$15.21	$19.03	$28.58	$40.67	$62.12
VALPARAISO	COMMERCIAL	$8.67	3,000	$1.86	NONE	$8.67	$12.39	$16.11	$22.14	$32.87	$44.72	$69.42
FORT WALTON BEACH IN	RESIDENTIAL	$7.60	2,000	$1.68	NONE	$9.28	$13.01	$17.11	$25.30	$30.92	$56.00	$86.70
FORT WALTON BEACH IN	COMMERCIAL	$7.60	2,000	$1.68	NONE	$9.28	$13.01	$17.11	$25.30	$30.92	$56.00	$86.70
SWUC	RESIDENTIAL	$6.76	0	$1.48	NONE	$11.20	$14.16	$17.64	$22.86	$32.36	$53.46	$95.65
CRESTVIEW IN	RESIDENTIAL	$9.00	2,000	$1.85	NONE	$10.85	$14.55	$18.35	$24.05	$34.55	$45.05	$69.05
CHIPLEY INSIDE CITY	RESIDENTIAL	$9.14	2,000	$2.00	NONE	$11.14	$15.14	$19.14	$25.14	$35.14	$45.14	$65.14
EAST MILTON	RESIDENTIAL	$8.80	2,000	$2.07	NONE	$10.87	$15.01	$19.15	$25.36	$35.71	$46.06	$66.82
DESTIN WATER USERS	RESIDENTIAL	$6.17	0	$1.90	NONE	$11.87	$15.67	$19.47	$25.17	$37.27	$51.67	$80.47
BAY COUNTY	RESIDENTIAL	$8.40	3,000	$1.55	NONE	$13.05	$16.25	$19.50	$24.50	$33.00	$41.50	$58.50
ECUA (MAINLAND)	RESIDENTIAL	$8.20	0	$1.68	NONE	$13.24	$16.60	$19.96	$25.00	$33.40	$41.80	$58.60
PCB - BAY POINT	RESIDENTIAL	$5.01	0	$2.32	NONE	$11.97	$16.61	$21.25	$28.21	$39.81	$51.41	$74.61
FORT WALTON BEACH OUT	RESIDENTIAL	$9.50	2,000	$2.10	NONE	$11.60	$16.25	$21.35	$31.60	$50.85	$70.10	$108.60
FORT WALTON BEACH OUT	COMMERCIAL	$9.50	2,000	$2.10	NONE	$11.60	$16.25	$21.35	$31.60	$50.85	$70.10	$108.60
CENTURY	RESIDENTIAL	$9.00	1,500	$2.27	NONE	$12.41	$16.95	$21.49	$28.30	$39.65	$51.00	$73.70
MILTON, CITY OF INSIDE	RESIDENTIAL	$11.27	3,000	$2.65	NONE	$11.27	$16.57	$21.87	$29.82	$43.07	$56.32	$82.82
REGIONAL UTILITIES	RESIDENTIAL	$20.65	6,000	$1.51	NONE	$20.65	$20.65	$22.16	$26.69	$46.69	$71.39	$126.39
CRESTVIEW IN	COMMERCIAL	$11.00	1,000	$1.85	NONE	$14.70	$18.40	$22.20	$27.90	$38.40	$48.90	$72.90
EASTPOINT IN	RESIDENTIAL	$11.40	4,000	$1.50	NONE	$11.40	$19.15	$22.65	$28.40	$38.40	$49.40	$71.90
EASTPOINT OUT	RESIDENTIAL	$11.40	4,000	$1.50	NONE	$11.40	$19.15	$22.65	$28.40	$38.40	$49.40	$71.90
EASTPOINT	COMMERCIAL	$14.40	4,000	$1.50	NONE	$14.40	$22.15	$22.65	$31.40	$41.40	$52.40	$71.90
PANAMA CITY IN	RESIDENTIAL	$6.40	0	$2.33	NONE	$13.39	$18.05	$22.71	$29.70	$41.35	$53.00	$76.30
PANAMA CITY IN	COMMERCIAL	$6.40	0	$2.33	NONE	$13.39	$18.05	$22.71	$29.70	$41.35	$53.00	$76.30
MARIANNA IN	RESIDENTIAL	$9.00	0	$2.00	NONE	$15.00	$19.00	$23.00	$29.00	$39.00	$49.00	$69.00
MARIANNA OUT	RESIDENTIAL	$9.00	0	$2.00	NONE	$15.00	$19.00	$23.00	$29.00	$39.00	$49.00	$69.00
OKALOOSA COUNTY	RESIDENTIAL	$8.30	0	$2.09	NONE	$14.57	$17.45	$23.21	$31.85	$53.30	$74.75	$117.65
MALONE	RESIDENTIAL	$11.50	3,000	$3.50	NONE	$11.50	$18.50	$23.50	$28.00	$35.50	$43.00	$58.00
POINT BAKER	RESIDENTIAL	$10.00	2,000	$2.70	NONE	$12.70	$18.10	$23.50	$32.20	$46.70	$61.20	$90.20
CEDAR GROVE	RESIDENTIAL	$12.36	3,000	$2.88	NONE	$12.36	$18.12	$23.68	$32.02	$45.92	$59.82	$87.62
DEFUNIAK SPRINGS IN	RESIDENTIAL	$11.61	2,000	$2.45	NONE	$14.06	$18.96	$23.92	$31.36	$43.96	$56.56	$81.76
DEFUNIAK SPRINGS IN	COMMERCIAL	$11.61	2,000	$2.45	NONE	$14.06	$18.96	$23.92	$31.36	$43.96	$56.56	$81.76
CHIPLEY OUTSIDE CITY	RESIDENTIAL	$11.43	2,000	$2.50	NONE	$13.93	$18.93	$23.93	$31.43	$43.93	$56.43	$81.43
HOLLEY NAVARRE	RESIDENTIAL	$10.34	3,000	$3.45	NONE	$10.34	$17.24	$24.14	$34.49	$53.04	$71.59	$108.69
LYNN HAVEN INSIDE	RESIDENTIAL	$6.88	0	$2.51	NONE	$14.41	$19.43	$24.45	$31.98	$44.53	$57.08	$82.18
ECUA (PENSACOLA BEACH)	RESIDENTIAL	$17.10	4,000	$2.47	NONE	$17.10	$19.57	$24.51	$31.92	$44.27	$56.62	$81.32
JAY, TOWN OF INSIDE	RESIDENTIAL	$11.50	2,000	$2.70	NONE	$14.20	$19.60	$25.00	$33.10	$46.60	$60.10	$87.10
JAY, TOWN OF INSIDE	COMMERCIAL	$16.90	4,000	$2.70	NONE	$16.90	$19.60	$25.00	$33.10	$46.60	$60.10	$87.10
PANAMA CITY BEACH IN	RESIDENTIAL	$14.20	3,000	$2.72	NONE	$14.20	$19.64	$25.08	$33.24	$46.84	$60.44	$87.64
MOLINO	RESIDENTIAL	$13.00	3,000	$3.10	NONE	$13.00	$19.20	$25.40	$34.70	$50.20	$65.70	$96.70
NICEVILLE	RESIDENTIAL	$10.50	0	$1.80	NONE	$16.40	$21.00	$25.60	$33.70	$50.00	$67.50	$102.50
PEOPLES WATER	RESIDENTIAL	$10.05	3,000	$3.91	NONE	$10.05	$17.87	$25.69	$37.42	$54.77	$72.12	$105.62
PACE	RESIDENTIAL	$10.00	2,000	$3.12	NONE	$13.12	$19.36	$25.96	$35.86	$53.31	$70.76	$105.66
SPRINGFIELD	RESIDENTIAL	$6.92	0	$2.82	NONE	$15.38	$21.02	$26.66	$35.12	$49.22	$63.32	$91.52
MILTON, CITY OF OUTSIDE	RESIDENTIAL	$14.07	3,000	$3.30	NONE	$14.07	$20.67	$27.27	$37.17	$53.67	$70.17	$103.17
CRESTVIEW OUT	RESIDENTIAL	$13.50	2,000	$2.78	NONE	$16.28	$21.84	$27.54	$36.09	$51.84	$67.59	$103.59
PARKER	RESIDENTIAL	$7.35	0	$2.90	NONE	$16.05	$21.85	$27.65	$36.35	$50.85	$65.35	$94.35
DESTIN WATER USERS	COMMERCIAL	$10.78	0	$2.42	NONE	$18.04	$22.88	$27.72	$34.98	$47.08	$59.18	$83.38
GULF BREEZE IN	RESIDENTIAL	$9.41	0	$2.65	NONE	$17.36	$22.66	$27.96	$35.91	$49.16	$62.41	$84.14
PANAMA CITY OUT	RESIDENTIAL	$8.00	0	$2.92	NONE	$16.76	$22.60	$28.44	$37.20	$51.80	$66.40	$95.60
PANAMA CITY OUT	COMMERCIAL	$8.00	0	$2.92	NONE	$16.76	$22.60	$28.44	$37.20	$51.80	$66.40	$95.60
GULF BREEZE (SSRUS) OUT	RESIDENTIAL	$12.90	0	$2.70	NONE	$19.55	$24.69	$29.83	$37.54	$50.39	$63.24	$88.94
DEFUNIAK SPRINGS OUT	RESIDENTIAL	$14.52	2,000	$3.06	NONE	$17.58	$23.70	$29.90	$39.20	$54.95	$70.70	$102.20
DEFUNIAK SPRINGS OUT	COMMERCIAL	$14.52	2,000	$3.06	NONE	$17.58	$23.70	$29.90	$39.20	$54.95	$70.70	$102.20
MARY ESTHER	RESIDENTIAL	$11.00	0	$2.60	NONE	$18.80	$24.30	$29.95	$38.85	$54.35	$69.85	$100.85
CHUMUCKLA	RESIDENTIAL	$15.00	2,000	$3.00	NONE	$18.00	$24.00	$30.00	$39.00	$54.00	$69.00	$99.00
JAY, TOWN OF OUTSIDE	RESIDENTIAL	$13.90	2,000	$3.25	NONE	$17.15	$23.65	$30.15	$39.90	$56.15	$72.40	$104.90
JAY, TOWN OF OUTSIDE	COMMERCIAL	$20.40	4,000	$3.25	NONE	$20.40	$23.65	$30.15	$39.90	$56.15	$72.40	$104.90
LYNN HAVEN OUTSIDE	RESIDENTIAL	$8.60	0	$3.14	NONE	$18.02	$24.30	$30.58	$40.00	$55.70	$71.40	$102.80
LYNN HAVEN INSIDE	COMMERCIAL	$13.74	0	$2.51	NONE	$21.27	$26.29	$31.31	$38.84	$51.39	$63.94	$89.04
PANAMA CITY BEACH OUT	RESIDENTIAL	$17.75	3,000	$3.40	NONE	$17.75	$24.55	$31.35	$41.55	$58.55	$75.55	$109.55
CRESTVIEW OUT	COMMERCIAL	$16.50	1,000	$2.78	NONE	$22.06	$27.62	$33.32	$41.87	$57.62	$73.37	$109.37
CALLAWAY IN	RESIDENTIAL	$10.05	0	$3.37	NONE	$20.16	$26.90	$33.64	$43.75	$60.60	$77.45	$111.15
BAGDAD-GARCON	RESIDENTIAL	$12.90	2,000	$4.35	NONE	$17.25	$25.95	$35.15	$48.95	$71.95	$96.20	$144.70
MARY ESTHER	COMMERCIAL I	$16.50	0	$2.60	NONE	$24.30	$29.80	$35.45	$44.35	$59.85	$75.35	$106.35
MOORE CREEK MT.CARMEL	CHURCH	$4.50	0	$4.50	NONE	$18.00	$27.00	$36.00	$49.50	$72.00	$94.50	$139.50
CALLAWAY OUT	RESIDENTIAL	$12.56	0	$3.37	NONE	$22.67	$29.41	$36.15	$46.26	$63.11	$79.96	$113.66
BERRYDALE	RESIDENTIAL	$18.00	2,000	$4.00	NONE	$22.00	$30.00	$38.00	$53.00	$80.50	$108.00	$163.00
LANARK VILLAGE	RESIDENTIAL	$24.99	3,000	$3.30	NONE	$24.99	$31.59	$38.19	$48.09	$64.59	$81.09	$114.09
MOORE CREEK MT.CARMEL	RESIDENTIAL	$15.90	2,000	$4.50	NONE	$20.40	$29.40	$38.40	$51.90	$83.00	$96.90	$141.90
LYNN HAVEN OUTSIDE	COMMERCIAL	$17.18	0	$3.14	NONE	$26.60	$32.88	$39.16	$48.58	$64.28	$79.98	$111.38
FARMHILL UTILITIES	RESIDENTIAL	$21.00	3,000	$4.75	NONE	$21.00	$30.50	$40.50	$98.75	$85.50	$114.25	$171.75
CENTRAL	RESIDENTIAL	$16.00	2,000	$5.10	NONE	$21.10	$31.55	$42.50	$59.80	$90.30	$120.80	$181.80
CHIPLEY INSIDE CITY (SMALL)	COMMERCIAL	$39.62	6,000	$4.73	NONE	$39.62	$39.62	$44.35	$58.54	$82.19	$105.84	$153.14
CHIPLEY OUTSIDE CITY (SMALL)	COMMERCIAL	$39.62	6,000	$4.73	NONE	$25.43	$34.89	$44.35	$58.54	$82.19	$105.84	$153.14
NAVARRE BEACH	RESIDENTIAL	$27.45	3,000	$4.47	NONE	$27.45	$36.39	$45.70	$60.22	$84.42	$108.62	$157.02
MARY ESTHER	COMMERCIAL II	$16.50	0	$2.60	NONE	$40.80	$46.30	$51.95	$60.85	$76.35	$91.85	$122.85
CHIPLEY INSIDE CITY (LARGE)	COMMERCIAL	$49.53	6,000	$5.91	NONE	$49.53	$49.53	$55.44	$73.17	$102.72	$132.27	$191.37
CHIPLEY OUTSIDE CITY (LARGE)	COMMERCIAL	$49.53	6,000	$5.91	NONE	$49.53	$49.53	$55.44	$73.17	$102.72	$132.27	$191.37
ECUA	COMMERCIAL	BOS	0	$1.57	NONE							
AVERAGE		***$13.63***		***$2.83***		***$17.41***	***$22.74***	***$28.31***	***$37.86***	***$52.78***	***$68.84***	***$100.87***
MEDIAN		***$11.40***		***$2.68***		***$15.38***	***$20.65***	***$25.60***	***$34.70***	***$50.39***	***$65.70***	***$95.60***
MINIMUM		***$4.50***		***$1.48***		***$8.67***	***$12.39***	***$16.11***	***$22.14***	***$30.92***	***$41.50***	***$58.00***
MAXIMUM		***$49.53***		***$5.91***		***$49.53***	***$49.53***	***$55.44***	***$98.75***	***$102.72***	***$132.27***	***$191.37***

INV = INVERTED RATE STRUCTURE: UNIT RATE INCREASES WITH SUCCESSIVE BLOCKS OF WATER USAGE
DSR = DESCENDING RATE: UNIT RATE DECREASES WITH SUCCESSIVE BLOCKS OF WATER USAGE
FLAT = FLAT RATE: UNIT RATE REMAINS CONSTANT
DWC = DETERMINE WHEN CONSTRUCTED
BOC = BASED ON CONSUMPTION
BOS = BASED ON SIZE
*Ranking based upon the 7,000 gallon cost

The information shown is based on data received from each utility in 09/2009 and HMM takes no responsibility for its accuracy

City of Gulf Breeze

MEMORANDUM

TO: Edwin A. Eddy, City Manager

FROM: Craig S. Carmichael, Director of Community Services

DATE: October 20, 2010

SUBJECT: **No Motor Zone**

As a result of the bowfishing incident that took place at Deadman's Island last week, it has been suggested that the area behind the breakwater be declared a "No Internal Combustion Motors Zone" or "No Motor Zone."

Section 68B-23.103, F.A.C. defines "No Internal Combustion Motors" or "No Motor Zone" as a zone where "all vessels equipped with internal combustion motors (e.g.: gasoline or diesel motors) for propulsion must turn off the internal combustion motor and, if possible to do so, tilt or raise the internal combustion motor out of the water. The use of electric motors is not prohibited."

Under this classification, vessels would not be excluded from the zone and anglers would still be allowed to fish in the area behind the breakwater; however, they would not be allowed to use a combustion motor. Fishing vessels could still access the site by an electric trolling motor, paddle or pole. Canoes and kayaks would have no restrictions.

Chapter 68D-21, F.A.C. allows counties and municipalities to establish boating restrictions area provided they follow the procedures established in the aforementioned Chapter.

Heather Reed, with Ecological Consulting Services Inc. (ECS), has reviewed the request and feels that a No Motor Zone would be a reasonable restriction. It would help protect the breakwater and also provide a margin of safety to power vessels as the area around the breakwater contains submerged objects which could potentially damage a lower drive unit.

ECS has estimated the total cost of the project would be approximately $5,000.00. This includes: permitting, acquisition of the appropriate navigational aids and installation. The project could be funded from the 2011 Capital Project Fund.

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RECOMMENDATION: ***That the City Council direct staff to prepare a draft ordinance that would declare the area behind the breakwater at Deadman's Island a "No Internal Combustion Motors" or "No Motor Zone" and contract with Ecological Consulting Services Inc. for the permitting, acquisition of the appropriate navigational aids and installation for an amount not to exceed $5,000.***

Image U.S. Geological Survey
©2010 Google
Imagery Date: Jan 31, 2008
lat 30.368895° lon -87.194442° elev -7 ft
Eye alt 7455 ft

City of Gulf Breeze

OFFICE OF THE CITY MANAGER

Memorandum

To: Mayor and City Council

From: Edwin A. Eddy, City Manager

Date: 10/22/2010

Subject: Occupancy of Former Bruno's Space

Staff has met with a developer interested in ownership and improvement of the space formerly occupied by Bruno's at the corner of U.S. 98 and Northcliffe Drive. The new use will amount to mostly inside improvement. The new occupant will not increase the building footprint. The occupant plans to refinish the outside of the building and repave the parking lot. As a result, this project would not trigger review by the Architectural Review Board or the Development Review Board.

The occupant would like to create seperate ownership of the Bruno's space and associated parking. This requires subdividing or platting the parcel in accordance with the Municipal Code of Ordinances. (Section 25-1) The Code also requires the new parcel be subject to Code requirements in effect at the time of approval. (Section 25-31(c)).

The occupant would like to plat the parcel they will acquire, repave the parking lot they will purchase and refinish the building, without being required to comply with the requirements for a new parking lot layout, without modifying existing stormwater facilities (no new impervious area will be created), and without new requirements for landscaping.

The new occupant/owner would also like to ask for the ability to sell liquor by package in much the same manner as Publix was allowed to do.

Rather than proceed with preparation of a new plat complete with engineering and surveying only to find that the City Council would not conisider such a plat with variances as listed, the new owners have asked the Council for non binding conceptual approval of a plat that would:

1. Create separate ownership of the Bruno's space and parking lot.

2. Provide a variance to allow package liquor sales subject to the same restrictions established for Publix.
3. A variance would be included on the plat to allow the owner to repave and restripe the parking lot without imposition of the requierments to bring stormwater, landscaping, or parking lot layout up to current provisions of the Code.

The benefits are that the space will be utilized for retail purposes. This will help the overall business activity in the City. In particular, the businesses in this center which rely on traffic generated by an anchor tenant will benefit. On the cost side, this reoccupancy of space will not come with redevelopment of the site more than refinishing the outside and repaving the parking lot.

If the occupant did not require, for internal reasons, platting the property to subdivide ownership of the parcel, we would not require stormwater, parking or landscaping improvements. The issue of liquor sales is similar to the variance granted at the Sea Shell Collections. By allowing sales through a variance, the Council could ask for the same hours of operation and signage restrictions as was imposed on the Sea Shell Collection project.

RECOMMENDATION:

THAT THE CITY COUNCIL ON A CONCEPTUAL, NON BINDING BASIS APPROVE PLATTING THE BRUNO'S PROPERTY WITHOUT BRINGING THE PARCEL UP TO CURRENT PARKING LAYOUT, LANDSCAPING OR STORMWATER REQUIREMENTS AND THAT THE CONCEPT OF LIQUOR SALES ON THIS SITE UNDER THE SAME CONDITIONS AS WERE GRANTED TO SEA SHELL COLLECTION ALSO BE CONCEPTUALLY APPROVED.

Edwin Eddy

From: Toole, Jason L. (P.E.) [jtoole@cphengineers.com]

Sent: Thursday, October 21, 2010 1:18 PM

To: Craig S. Carmichael; Edwin Eddy; Karl Sanders

Cc: JerryObrien@aol.com

Subject: Gulf Breeze Shopping Center

Shane/Buz,
Karl and I have spoken with our client and they would like to proceed with the conceptual hearing that you mentioned in our last meeting. My understanding is that this would not have to be advertised and that it would just be the City Staff presenting to the Commissioners. The presentation would be that there is a possible tenant in line for the former Bruno's space and that they are seeking the following variances (listed below).

1) Relief from current parking code in order to allow the current parking layout and number to remain (only proposing to mill, overlay, and re-stripe the parking area).
2) Relief from current Stormwater code, proposing to leave existing drainage system and patters undisturbed. No additional impervious or building areas proposed.
3) Relief from current landscape code, not proposing any changes to the current buffers or parking layout.
4) Ability to have liquor sales.

Based on that the Commissioners would give a non-binding vote of yes or no to that proposal. Please correct me if I am wrong regarding the process or if you feel there would be any other variances that we would need that I have omitted.

Please let me know what you need from us in order to have this scheduled. If nothing is needed and it can be scheduled with the Commission, then please let me know when the meeting will occur so that we can be in attendance.

Thanks,
Jason Toole, P.E., LEED AP
CPH Engineers, Inc.
1031-C W 23rd Street
Panama City, Florida 32405
(P) 850-563-1490
(F) 850-563-1495

ARTICLE I. IN GENERAL

Sec. 25-1. Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Block means a parcel of land entirely surrounded by public streets, watercourses, rights-of-way, parks, or similar boundaries or a combination thereof.

Comprehensive plan means a plan, which may consist of several maps, data and other descriptive matter, for the physical development of the city or any portion thereto including any amendments, extensions or additions thereof adopted by the city council, indicating the general locations for major roads, parks or other public open spaces, public building sites, routes for public utilities, future land use and zoning districts or other similar information.

Development review board (DRB) means a duly appointed board of the city that reviews and issues recommendations to the city council regarding level three development proposals. The DRB reviews and acts on level two development proposals.

Easement means a grant by a property owner of the use, for a specific purpose or purposes, of a strip of land by the general public, a corporation or a certain person or persons.

Lot means a parcel of land occupied or intended for occupancy by a building together with its accessory buildings, including the open space required by the zoning and land use regulations of the city.

Owner or *developer* means a property owner subdividing land or developing land.

Reserve strip means a strip of land on which no physical structure may be erected aboveground.

Street means a way for vehicular traffic, whether designated as a street, highway, thoroughfare, parkway, throughway, road, avenue, boulevard, lane, place or otherwise.

(1) *Alleys* are minor ways which are used primarily for vehicular service access to the back or the side of properties otherwise abutting on a street.

(2) *Principal arterials* are designed to maximize travel mobility, with land access a secondary function. They should serve major centers of activity, carry the highest traffic volume, and carry the majority of trips entering and leaving the urban area. The principal arterial system should also serve significant intra-area travel.

(3) *Minor arterials* place more emphasis on land access than do principal arterials. They provide intracommunity access but do not penetrate identifiable neighborhoods.

(4) *Collectors* provide both land access and travel mobility. They collect traffic from local streets and channel it into the arterial system.

(5) *Local streets* primarily provide land access. They offer the lowest level of mobility and usually discourage through traffic movement.

Subdivision means the division of a parcel of land into two or more lots or parcels for the purpose of transfer of ownership or building development, or, if a new street is involved, any division of a parcel of land; provided, a division of land into lots or parcels of five acres or more and not involving a new street shall not be deemed a subdivision. The term includes resubdivision and shall relate to the process of subdividing or to the land subdivided.

Sec. 25-2. Review requirements.

The subdivision of land is designated as level three development in section 20-41 and as such is subject to level three development review procedures set forth in chapter 20, article III.

Sec. 25-3. Approval and recording of plats required generally; exceptions.

(a) No person shall subdivide land within the city, nor commence construction of any buildings or public improvements on such land prior to the approval of a final plat in accordance with the provisions of this chapter; nor shall any person

ance with the applicable requirements of this Code, may be approved by the city manager. Such application for development approval shall contain all applicable information required for a final plat, as determined by the city manager.

(b) A minor subdivision, defined as the subdivision of more than one lot, where no improvements are required, and which is in conformance to all applicable code requirements, may be approved in an abbreviated review process by city council, without review by the development review board. Such application for development approval shall contain all applicable information required for review of a final plat, as determined by the city manager.

(c) All minor replats and resubdivisions shall be subject to the Code requirements in effect at the time of approval.
(Ord. No. 2-93, § 3, 3-1-93)

Secs. 25-32—25-40. Reserved.

DIVISION 2. PRELIMINARY PLAT

Sec. 25-41. Filing required.

Any person desiring to subdivide land shall first file with the city manager five copies of a preliminary plat of the subdivision prepared in accordance with specifications and requirements of sections 25-44 through 25-46.

Sec. 25-42. Submittal; time frame for action by development review board.

Upon completion of staff review as authorized by section 20-167, five copies of the complete application for approval of the preliminary plat shall be submitted to the city manager for distribution to the development review board at least ten days prior to the meeting at which it is to be considered. Failure of the development review board to approve, approve with conditions, or disapprove the preliminary plat within 42 days after it is first considered shall be deemed approval of the plat by the development review board.

Sec. 25-43. Recommendations of development review board; transmittal to city council.

Upon review of the preliminary plat and action by the development review board, the plat shall be transmitted with the DRB recommendation to the city council for action, in accordance with level three development review procedures.

Sec. 25-44. Vicinity map to accompany plat.

Accompanying the preliminary plat shall be a general vicinity map showing the relationship of the proposed subdivision to existing community facilities which serve to influence it. On such a vicinity map, the main traffic arteries, shopping centers, schools, parks and playgrounds, and other principal features should be noted.

Sec. 25-45. Scale and size.

The preliminary plat shall be drawn to a scale of 100 feet to the inch or larger on sheets 24 inches by 36 inches in size.

Sec. 25-46. Contents.

(a) The preliminary plat shall contain the following information:

(1) The subdivision or development name, name of the owner or developer, name of the surveyor and designer, north arrow, date and scale.

(2) The boundary line of the tract to be subdivided drawn accurately to scale.

(3) The names of streets, the rights-of-way and roadway widths and similar data for alleys, if any.

(4) The location and size of water, gas and sewer mains, drainpipes and all structures on the land to be subdivided or within ten feet of such land.

(5) Existing rights-of-way or easements together with their owner, location, width and purpose.

(6) Lot lines, lot numbers and block numbers, minimum lot dimensions, and areas of lots.

oper and to all city staff associated with the project informing them that all development processing activities shall cease until further notified. The city finance director shall then apply the review deposit funds held in reserve to retire any outstanding amounts due. If the fees owed exceed the review deposit amount, the city manager shall be authorized and directed to take whatever legal means are available to collect the deficiency. Work will not be reactivated on any project where the review deposit was once accessed until a new review deposit is established for the project in an amount twice the original deposit.

(4) *City staff time accounting.* All personnel retained or compensated by the city, including in-house personnel, the city attorney, and consultants, involved in the processing, permitting, review, inspection and testing of proposed subdivisions shall maintain weekly records of their time expended upon specific projects. The records shall be submitted to the city finance director for processing. In-house staff hourly rates including overhead will be based on actual costs as determined by the city wage and salary plan and consultants' time and expenses including those of the city attorney will be billed to the developer at the same rate charged to the city.

(b) *Review deposit collection and schedule.*

(1) *Collection.* Upon submittal of any document or plan related to the anticipated development of a subdivision, the code enforcement officer shall ensure that the required review deposit is collected and posted to an appropriate project account in coordination with the city finance director.

(2) *Schedule.* Unless modified as hereinafter provided in this paragraph, the minimum review deposit shall be $1,000.00. If the city manager or his designee determine that the minimum review deposit for a project is inadequate to cover the reasonably anticipated cost to the city he shall direct the code enforcement officer to adjust the minimum deposit accordingly. Should the city manager or his designee determine that the review effort associated with a proposed subdivision will be minimal due to, for example, a reduced level of improvements being constructed or the nature of the subdivision being proposed, he may direct the code enforcement officer to lower the minimum review deposit accordingly except that in no circumstances shall the review deposit be less than $300.00.

(c) *Appeals.* All charges billed to the developer under this section and all decisions of the city manager regarding such charges or amounts of review deposits required may be appealed by the developer to the city council upon the filing of a written request with the city manager. Said written request shall state the basis for the appeal and must be received by the city manager within ten working days from the date of the city invoice for the charges being appealed or of the city's decision regarding the review deposit required. The city manager shall schedule the consideration of the appeal by the city council at the next available regular meeting consistent with the requirement that the developer shall be given at least ten-days notice of the date of the meeting at which the appeal will be heard. After considering the appeal, the city council shall have the right to confirm, reduce, waive, or modify the charges or review deposits being appealed. The decision of the city council shall be final.

Secs. 25-7—25-30. Reserved.

ARTICLE II. PLATS

DIVISION 1. GENERALLY

Sec. 25-31. Minor replats and minor subdivisions.

(a) A minor replat, defined as the subdivision of one lot into two or altering the dimensions of not more than two adjacent lots, where no improvements are required, and which is in conform-

City of Gulf Breeze

OFFICE OF THE CITY MANAGER

Memorandum

To: Mayor and City Council

From: Edwin A. Eddy, City Manager

Date: 10/21/2010

Subject: Pest Control Services

The City has regular pest control services for City Hall, (including the public works building), the Recreation Center and the Police Department. Not included is the Fire House, the SSRUS Field Operations building located just behind World Ford or the Wastewater Treatment Plant offices.

We may be able to achieve savings and provide better pest control services if we seek a price for pest control services for the facilities listed rather than using pest control services on an as needed basis for some building and regularly scheduled service for other buildings.

RECOMMENDATION:

THAT THE CITY COUNCIL DIRECT STAFF TO PREPARE THE NECESSARY MATERIALS AND SPECIFICATIONS TO SEEK BIDS FOR PEST CONTROL SERVICES FOR CITY BUILDINGS.

Memo

TO: **Edwin A. Eddy, City Manager**

FROM: **Vernon L. Prather, Director of Public Services** V. P.

DATE: **October 21, 2010**

RE: **Investment Grade Audit Agreement between Energy Systems Group and the City of Gulf Breeze**

The Energy Efficiency and Conservation Block Grant (EECBG) awarded to the City anticipates that we will examine and audit our existing facilities and proposed new construction such as the Recreation Center for opportunities to conserve energy.

The first step in this process is for the City to enter into an Investment Grade Audit (IGA) with our consultant Energy Systems Group (ESG). This will allow our consultant an opportunity to review the operation of our facilities along with their associated costs to determine which areas are candidates for energy and cost savings.

The attached IGA Agreement is similar to the one recently approved by the City Council between The City, ESG, and the Hospital and the cost for the audit is funded by the energy savings.

If he Hospital or the City decide not commit to the recommended projects, the only cost the City will be responsible for is the audit cost of $30,000. The previous estimate given to City Council was $25,000.

Recommendation: City Council approve the I.G.A. agreement between the City and Energy Services Group.

attach.

VLP/ohl

INVESTMENT GRADE ENERGY AUDIT AGREEMENT

BETWEEN

ENERGY SYSTEMS GROUP, LLC

AND

CITY OF GULF BREEZE

This Investment Grade Energy Audit Agreement ("Agreement"), effective the last date signed below, is by and between the City of Gulf Breeze a municipality located in the State of Florida located at 1070 Shoreline Drive, Gulf Breeze FL 32561 (the "**City**") and Energy Systems Group, LLC with an office at 17757 US 19 N, Suite 210, Clearwater, Fl 33764 (the "**Company**") (each a "**Party**" and collectively the **"Parties"**).

Whereas, the Company is an Energy Services Company specializing in the development and implementation of energy conservation focused projects including but not limited to Energy Efficiency & Conservation Block Grant ("**EECBG**") Programs and, renewable energy projects, and guaranteed Energy Savings Performance Contracts (**ESPC**'s), and is licensed to perform such work within the State of Florida; and

Whereas, the Company holds a Florida State Term Contract for Energy Services and has been selected by the City to provide construction services related energy services to their facilities and customers of their utilities; and

Whereas, the City is responsible for the operation, management and maintenance of municipal buildings (the **"Facility(s)"**); and

Whereas, the City has previously reviewed the qualifications of the Company and both Parties have expressed a mutual interest in the Company developing and implementing an EECBG funded energy conservation project; and

Whereas, a comprehensive investment grade technical energy audit and savings analysis (**"IGA"**) must be performed at the Facilities in order to determine final scope, pricing, and guaranteed savings before entering into a contract provide for the installation and implementation of the finalized Energy Conservation Measures (**"ECMs"**) at the Facility(s); and

Whereas, the Parties intend to negotiate an ESPC under which the Company shall design, procure, install, implement, monitor, and guarantee the performance of such ECMs at the Facility(s);

Therefore, the Parties agree as follows:

Article 1: Scope of Energy Audit

The Company will conduct an Investment Grade Energy Audit **("IGA")** and prepare a Report that specifically identifies the energy improvements and operational changes which are recommended to be installed or implemented at each of the designated facilities and matches the projects defined in the EECBG grant award. The Report shall contain detailed projections of energy and cost savings to be obtained at each building as a result of the installation of the recommended ECMs. The savings calculations must utilize assumptions, projections and baselines which best represent the true value of future energy or operational savings for each facility. The Report shall clearly describe how utility tariffs were used to calculate savings for all ECMs. The Report shall describe Company's plan for installing or implementing the ECMs, including all anticipated costs associated with such installation and implementation.

The facilities to be included in this study are listed in Attachment A of this Agreement. This list may be modified by mutual agreement of both Parties.

The Company shall perform the following tasks in performing the IGA and preparing the Report:

Co-Generation Plant

A. Project Development

The Company shall perform a detailed engineering and financial analysis for a development a natural gas fired cogeneration plant to help serve the hospital and reduce peak electric demand. The Company shall provide a detailed Conceptual Plan for the Cogeneration Plant for review and approval of the City and the Hospital.

B. Detailed Design

Upon acceptance of the developed Co-Generation Conceptual Plan by the City and the Hospital, ESG will develop and provide full design documents for the Co-Generation Plant for final project scoping and pricing.

General ECM's at City & Hospital Facilities

A. Collect General Facility(s) Information

The Company shall collect general facility information such as: size, age, construction type, condition and general use. The Company shall also collect and summarize utility cost and consumption data for the most recent 24-36 month period. The impact on utility cost and consumption of any energy initiatives currently being installed or currently planned to be installed by the City will also be evaluated.

As part of these efforts, the Company shall catalog and document energy and water usage for each facility for the most current 24-36 month period, occupancy information, any changes in the structure of the buildings or its heating, cooling, lighting or other systems or energy requirements, descriptions of all major energy and water consuming or energy and water saving equipment; any comfort problems, code deficiencies, and description of energy management procedures presently utilized.

B. Analyze Existing Systems and Equipment

The Company shall compile an analysis based on a physical inspection of the major electrical and mechanical systems of the buildings, including:

1. Cooling systems and related equipment
2. Heating and heat distribution systems
3. Automatic temperature control systems and equipment
4. Air distribution systems and equipment
5. Outdoor ventilation systems and equipment
6. Kitchen and associated dining room equipment, if applicable
7. Exhaust systems and equipment
8. Hot water systems
9. Electric motors 5 HP and above, transmission and drive systems
10. Interior and exterior lighting
11. Laundry equipment, if applicable
12. Water consumption end uses, such as restroom fixtures, water fountains, irrigation, etc.
13. Other major energy using systems, if applicable.

Interviews will be conducted with operation and maintenance staff regarding the mechanical system operations, occupancy patterns, and problems with comfort levels or equipment reliability.

C. Establish Consumption Baseline

The Company shall examine the most recent 24-36 months of utility bills and establish Base Year consumption for electricity, fossil fuels and water by averaging; or selecting the most representative contiguous 12 months. The Company shall consult with Facility(s) staff and account for any unusual or anomalous utility bills which may skew Base Year consumption from a reasonable representation.

D. Develop List of Potential ECMs

The Company shall:

1. Conduct a detailed rate analysis on all facility utility bills to insure that each building is operating on the best available utility rate structure and identify any refunds that may be due to the city as a result of past over billing
2. Identify opportunities for no-cost, changes to facility operational practices that can be easily implemented by City of Gulf Breeze staff that will lower energy consumption profiles

3. Provide the cost, savings and life expectancy of each proposed ECM
4. Provide analysis methodology, supporting calculations and assumptions used to establish savings projections
5. Provide a preliminary savings measurement and verification plan
6. Detail environmental benefits of the proposed ECMs such as reduced emissions and carbon footprint reduction
7. For all proposed ECMs, the Company shall comply with all applicable state, federal and local codes and regulations in effect at the time of this analysis

E. Select Final Recommended ECMs

The Company shall, in consultation with the City, recommend specific ECMs from its preliminary compilation for installation and implementation at the Facility(s).

F. Provide Cost and Fee Estimates

The Company shall provide detailed estimates of all costs and fees associated with the installation and implementation of the ECMs

G. Deliver the Report

The Company shall complete and deliver the Report to the City in the following format:

1. An executive summary which describes the Facility(s), ECMs evaluated, analysis methodology, results and a summary table presenting the cost and savings estimates for each ECM
2. A discussion of ECMs not evaluated in detail and the explanation of why a detailed analysis was not performed.
3. A summary of all utility bills, Base Year consumption and how it was established, and end use reconciliation with respect to the Base Year including a discussion of any unusual characteristics and findings.
4. Detailed descriptions for each ECM including analysis method, supporting calculations (may be submitted in appendices), results, proposed equipment and implementation issues.
5. Conclusions, observations and caveats regarding cost and savings estimates.
6. Thorough appendices which document the data relied upon to prepare the analysis and how that data was collected.

H. Acceptance of the Report by the City

The City shall conduct and complete a technical review within thirty (30) days of its receipt of the Report. The City shall accept the Report if the recommended ECMs are deemed feasible. If the City determines that one or more of the recommended ECMs is not feasible, the City shall give the Company written notice of any and all said objections, in detail. The Company shall correct the Report and submit a revised draft within fourteen (14) days of said notification. The City shall have seven (7) days from receipt of the revised Report to notify the Company if any objections have not been corrected.

Article 2: Project Feasibility

For the purposes of this Agreement, a Feasible Project Package shall be defined as a project that will meet the overall intent, budget, and compliance requirements of the EECBG program and the Florida Statutes for Performance Contracting.

Article 3: Energy Savings Performance Contract

The Parties intend to negotiate an ESPC consistent with EECBG requirements under which the Company shall design, install and implement ECMs and provide performance guarantees and certain maintenance and monitoring services. The terms and provisions of such an ESCP shall be set forth in a separate agreement. This Agreement shall automatically terminate upon the Parties' execution of an ESPC to the Facility(s).

Article 4: Payment

The Company is undertaking work under this Agreement at cost and under consideration of the City's good faith intention to negotiate an ESPC with the Company. The at cost value for the IGA **("Audit Fee")** is as follows and is only intended to cover the Company's anticipated costs for providing the services described in Article 1.

Co-Generation Plant Development & General ECM Analysis	$30,000
Co-Generation Plant 100 % Design	$150,000

Should the Co-Generation Conceptual Plan fail to meet approval of both the City and the Hospital, Company shall not perform final design for the Co-Generation plant and the Audit Fee shall be reduced by Co-Generation Plant 100% Design fee.

The Parties understand and intend that the Audit Fee shall be included in the total project cost of the ESCP.

Should the IGA fail to demonstrate a Feasible Project, the City Shall have no obligation to the Company for reimbursement of the Audit Fee.

Should the IGA demonstrate a Feasible Project, but the Parties fail to negotiate and enter into an ESCP within sixty (60) days of the City's acceptance of the IGA, the Company shall have the right to invoice the City for the Audit Fee. In this event, the City shall make payment to The Company for the Audit Fee within thirty (30) days of receipt of invoice.

Should the City terminate this Agreement as defined in Article 5 subsection B, the City shall be required to reimburse Company for its efforts to date based on a prorated amount of the Audit Fee established in Article 4 of the Agreement. Company shall submit an invoice for the prorated Audit Fee to the City within ten (10) days of receipt of the City's notice of termination under Article 5 subsection B. The City shall make payment to The Company for the Audit Fee within thirty (30) days of receipt of invoice.

Article 5: Termination

A. By Company:

The Company may terminate this Agreement prior to the completion of the IGA if it determines that Company can not complete the report because of City's failure to provide necessary information and access for timely completion of the Audit Report.

Termination under this section shall be effective upon the City's receipt of written notification from the Company stating the reason for the termination.

B. By City:

The City may terminate this Agreement if the Company fails to complete the IGA and deliver the Report to the City. Termination under this subsection B shall be effective upon the Company's receipt of written notification from the City that the deadline for submission of the Report has passed.

Article 6: Standard Terms and Conditions

Section 1. Agreement Term

This Agreement term shall commence on the effective date of the Agreement and end on upon execution of an ESPC between the Parties or payment of the Audit Fee to the Company by the City, unless earlier terminated pursuant to the provisions of Article 4 hereof.

Section 2. Materials, Equipment and Supplies

The Company shall provide or cause to be provided all facilities, materials, equipment and supplies necessary to perform the IGA and prepare the Report.

Section 3. Patent and Copyright Responsibility

The Company agrees that any material or design specified by the Company or supplied by the Company pursuant to this Agreement shall not knowingly infringe any patent or copyright, and the Company shall be solely responsible for securing any necessary licenses required for patented or copyrighted material utilized by the Company in the performance of the Energy Audit and preparation of the Report.

Section 4. Release and Indemnity

The Company agrees to assume all risk of loss and to indemnify and hold the City, and its officers, agents and employees harmless from and against any and all liabilities, demands, claims, suits, losses, damages, causes of action, fines or judgments, including costs, attorneys' and witnesses' fees, and expenses incident thereto, for injuries to persons (including death) and for loss of, damage to or destruction of property (including property of the City) because of the Company's negligent or intentional acts or omissions. In the event that any demand or claim is made or suit is commenced against the City, the City shall give prompt written notice thereof to the Company and the Company shall have the right to compromise or defend the same to the extent of its own interest. The Company further agrees to maintain adequate insurance to protect the City against such risks. The Company also agrees to indemnify and hold the City harmless should any goods or services provided by the Company infringe upon the patent, copyright or trade secret of another.

Section 5. Dispute Resolution

The City and the Company recognize and acknowledge that efforts should always be made to avoid or prevent disputes through effective partnering, good communications, and joint decision making; and that timely requests for clarification and for information will help ensure a better understanding of issues and problems and lead to the elimination of doubts, uncertainties, and ambiguities. Nevertheless, the City and the Company also recognize that disputes may develop

between them and, in such event, wish to establish procedures to be followed to resolve such disputes in the shortest possible time and at the least possible expense to the City and the Company.

Any conflict or dispute between the City and the Company shall be resolved in accordance with the procedures specified in this Agreement, which shall be the sole and exclusive procedures for the resolution of any such disputes. This Agreement establishes successive steps of conflict prevention and alternative dispute resolution prior to litigation, completion of which shall be conditions precedent to the right to commence litigation over any dispute arising out of or relating to the Agreement. The successive steps are: (1) informal negotiations between project-level management personnel; (2) formal negotiations between executive-level management, initiated by written notice and completed within thirty days, or longer as mutually agreed; and (3) mediation, initiated by written notice.

Any action legal or equitable action arising out of or relating to this Agreement shall be governed by Florida law. The threshold issue for determination shall be whether the Party bringing the action has complied with the alternative dispute resolution processes specified above.

Notwithstanding any provision to the contrary, neither Party shall be excluded from recovering any special, consequential, or punitive damages.

Section 6. Personnel

All Company employees, subcontractors, or agents performing work under this Agreement shall be properly trained technicians who meet or exceed any specified training qualifications. Upon request, the Company shall furnish a copy of technical certification or other proof of qualification. All employees, subcontractors, or agents performing work under the Agreement must comply with all security and administrative requirements of the City. The City may conduct, and the Company shall cooperate in, a security background check or otherwise assess any employee, subcontractor, or agent furnished by the Company. The City may refuse access to, or require replacement of, any personnel for cause, including, but not limited to, technical or training qualifications, quality of work, change in security status, or non-compliance with the City's security or other requirements. Such approval shall not relieve the Company of its obligation to perform all work in compliance with the Agreement. The City may reject and bar from any facility for cause any of the Company's employees, subcontractors, or agents.

The Company, together with its agents, subcontractors, officers and employees, shall have and always retain under the Agreement the legal status of an independent contractor, and in no manner shall they be deemed employees of the City or deemed to be entitled to any benefits associated with such employment. During the term of the Agreement, the Company shall maintain at its sole expense those benefits to which its employees would otherwise be entitled to by law, including health benefits, and all necessary insurance for its employees, including workers' compensation, disability, and unemployment insurance, and provide the City with certification of such insurance. The Company remains responsible for all applicable federal, state, and local taxes, and all FICA contributions.

Section 7. Compliance with Applicable Law

In performing this Agreement, the Company shall comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal, State, and local agencies having jurisdiction and authority.

Section 8. Waivers

No right of either party hereto shall be deemed to have been waived by non-exercise thereof, or otherwise, unless such waiver is reduced to writing and executed by the party entitled to exercise such right.

Section 9. Assignment

Neither Party may assign this Agreement without the prior written consent of the other Party, which shall not be unreasonably withheld.

Section 10. Capacity to Contract

Each person signing this Agreement warrants that he or she is duly authorized to do so and to bind the respective Party to the Agreement. The Company warrants that it is in good standing and legally authorized to transact business in Florida. The Company warrants that, to the best of its knowledge, there is no pending or threatened action, proceeding, or investigation, or any other legal or financial condition, that would in any way prohibit, restrain, or diminish the Company's ability to satisfy its Agreement obligations. The Company shall immediately notify the City in writing if its ability to perform is compromised in any manner during the term of the Agreement.

Section 11. Confidential Information

Each Party may have access to confidential information made available by the other Party. Each Party shall to the extent allowed by law protect such confidential information in the same manner as it protects its own confidential information of like kind.

Section 12. Project Management

All necessary and ordinary communications, submittals, approvals, requests and notices related to Project work shall be issued or received by:

City of Gulf Breeze
Edwin A. Eddy
City Manager
1070 Shoreline Drive
Gulf Breeze, FL 32561
(850) 934-5115
eaeddy@ci.gulf-breeze.fl.us

Energy Systems Group, LLC
Chris Summers, P.E., CEM, C.B.C.
Regional Director
17757 US 19 N, Suite 210
Clearwater, Fl 33764
(727) 533-0403
csummers@energysystemsgroup.com

Either Party may change its point of contact by written notice to other Party's then-current designated contact, which shall not constitute a formal amendment to this Agreement.

Section 13. Modification of Terms

The Agreement contains all the terms and conditions agreed upon by the Parties. The Agreement may only be modified or amended upon mutual written agreement of the Parties. No oral agreements or representations shall be valid or binding upon the City or the Company.

Section 14. Execution in Counterparts

The Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 15. Severability

If a court deems any provision of the Agreement void or unenforceable, that provision shall be enforced only to the extent that it is not in violation of law or is not otherwise unenforceable, and all other provisions shall remain in full force and effect.

SO AGREED:

City of Gulf Breeze

_____ _____

By: Edwin A. Eddy Date
Its: City Manager

Energy System Group LLC

_____ _____

By: James L. Adams Date
Its: President

Attachment A
List of Included Facilities

- Gulf Breeze Baptist Hospital
- Andrews Institute MOB
- APREI
- All City Operated Buildings (included but not limited to)
    - City Hall
    - Police Station
    - Water and Wastewater Treatment Plants
    - Recreation Center

City of Gulf Breeze

OFFICE OF THE CITY MANAGER

Memorandum

To: Mayor and City Council

From: Edwin A. Eddy, City Manager

Date: 10/21/2010

Subject: Planning, Design and Environmental Study- Replacement of Pensacola Bay Bridge

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The Florida Department of Transportation (FDOT) will select a consulting firm soon to conduct a PD and E study relative to the replacement of the Bay Bridge. Three firms (Reynolds, Smith and Hills, TY Lin and Dyer, Riddle, Mills and Precourt) have been short listed by FDOT. Presentation to FDOT staff by the three finalists will be made on November 9th with a selection decision by November 15th.

The replacement of the Bay Bridge is again at the forefront causing a PD and E study to be done because structural deficiencies have been discovered to go along with the functional obsolesence of the bridge. This is a bridge on a federal system that is maintained by FDOT. Because of the condition of the Bridge, FDOT is obligated to provide a plan for replacement to the Federal Highway Administration (FHWA) in six years. The issue of funding will be left to FHWA.

The PD and E study, we are told, will take about 30 months to complete. We are also advised that FDOT intends to begin a design/build process after the PD and E study is complete with a goal of being prepared to begin construction in 2016.

There are a myriad of questions that should be answered within the PD and E study, for example:

1. Would it meet federal rules to replace the bridge with a similar sized facility with four traffic lanes, breakdown lanes and pedestrian-bicycle lanes?
2. Can the study of replacing the Bay Bridge include a study of a second bay crossing which has long been included on the long range transportation plans for the region?
3. Would it be possible to move the landfall for the bridge to the east?

4. If the bridge is built with six travel lanes and the volume of traffic grows as projected, what improvements would be necessary in the City to maintain an acceptable level of service? Who will fund these improvements?
5. If the bridge is replaced in essentially the same foot print, which side of the current bridge is best for the new bridge? How would the six bridge lanes transition to the existing lanes?

Mayor Zimmern and staff have met with traffic planners, lobbyists and County Commissioners to try and gather information on this project. Former City Councilman Dan Kopack, who served as Chair of the Pensacola Area Transportation Planning Orgainzation has also been involved in these meetings.

We have asked Billy Hattaway, one of the consultants that assisted the City when a previous PD and E on replacing the bridge was undertaken, to work with us again to help us understand this current process. Mr. Hattaway is now employed by Vanasse, Hangen and Brustlin (VHB) in Orlando. Mr. Hattaway has agreed to travel to Gulf Breeze on November 2nd to meet with Mayor Zimmer, staff and Mr. Kopack to discuss the latest project. Once we develop an understanding going forward, we will prepare a recommendation for review by the City Council.

VHB sent us a standard contract for an amount not to exceed $10,000 to cover the initial phase of our evaluation of the PD and E process. We do not expect the initial evaluation with Mr. Hattaway to cost anywhere near this amount.

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE A CONTRACT WITH VANASSE, HANGEN AND BRUSTLIN FOR INITIAL CONSULTATION RELATIVE TO THE REPLACEMENT OF THE PENSACOLA BAY BRIDGE FOR AN AMOUNT NO TO EXCEED $10,000.

PROFESSIONAL SERVICES AGREEMENT
BETWEEN
VANASSE HANGEN BRUSTLIN, INC.
AND
CITY OF GULF BREEZE
FOR
PROFESSIONAL SERVICES

VHB CONTRACT NO. 83241.10

PROJECT NO. _____

October 20, 2010

This Professional Services Agreement ("Agreement") is composed of Part I, Part II, and Exhibit A. Part I includes details of the services to be performed, timing of the services, and compensation. Part II (attached) contains the Terms and Conditions of Agreement, which are proposed general terms of the engagement between the City of Gulf Breeze, hereinafter called the "Client," located at 1070 Shoreline Drive, Gulf Breeze, FL 32561 and Vanasse Hangen Brustlin, Inc. ("VHB"), a Florida Corporation with an office at 225 E. Robinson Street, Suite 300, Orlando, FL 32801. Exhibit A is a description of VHB's Standard Hourly Billing rates

GENERAL DESCRIPTION OF SERVICES

The Client desires to retain VHB to provide advisory, technical and other professional services in support of the Client on the Pensacola Bay Bridge PD&E Study being conducted by the Florida Department of Transportation District (FDOT) Three. The types of assignments may include but are not limited to interpretation of FDOT policy, contract or technical requirements, funding, analysis of transportation planning and engineering documents, providing planning and engineering services and meetings with the Client, FDOT or other stakeholders.

Specific Task Orders will be developed in cooperation between the Client and VHB. Prior to providing any services, VHB is required to receive Task Order authorization from the Client.

It is intended that all services will be provided on an hourly labor basis with an upset limit of $10,000. Each Task Order will include a specific scope of work, schedule, list of deliverables, meetings, direct expenses and anticipated fees.

SCOPE OF SERVICES

The Client is concerned with the potential impacts of the proposed replacement of the Pensacola Bay Bridge and is requesting assistance from VHB in working with the FDOT District Three during the course of this contract. These services may include interpretation of FDOT policy, contract or technical requirements, funding, analysis of transportation planning and engineering documents, and meetings with the Client or FDOT.

Each Task Order will clearly define the services to be provided including meetings and/or other coordination, expected deliverables, a maximum labor amount for the Task Order and estimated expenses.

COMPENSATION

VHB will perform the services for each approved Task Order on an hourly basis, based on the standard billing rates in effect at the time the work is performed. VHB's current billing rates are included as Exhibit A.

In addition to the labor compensation, VHB shall be reimbursed for expenditures made specifically for the project such as: printing and reprographics; travel and subsistence; computer charges; telephone charges; shipping, postage, and courier service charges; purchase of maps and similar documents; etc. These direct expenses will be billed 1.10 times their actual cost.

If sub-consultants and/or subcontractors are engaged by VHB for an assignment and are, therefore, under contract to VHB, their services will be invoiced at 1.10 times their actual cost. This adjustment covers the additional expense of coordination/administration.

TERM

The term of this Agreement shall be October 20, 2010 to October 20, 2011.

VANASSE HANGEN BRUSTLIN, INC. AUTHORIZATION

By: _____
Michael J. Carragher, P.E.

Title: Southeast Regional Manager

Date: October 20, 2010

CLIENT AUTHORIZATION

City of Gulf Breeze agrees with Part I which includes the Scope of Services, Compensation, Schedule, and Part II, Terms and Conditions of Agreement (attached hereto and acknowledged as being received). Together they constitute the entire Agreement between Vanasse Hangen Brustlin, Inc. and the City of Gulf Breeze.

By: _____

Title:

Date: _____

PART II

VANASSE HANGEN BRUSTLIN, INC.
TERMS AND CONDITIONS OF AGREEMENT
(Page 1 of 5)

The engagement of Vanasse Hangen Brustlin, Inc. (VHB) by Client is under the following terms and conditions. These terms and conditions are an integral part of the collective Agreement between Client and VHB.

1. The fee estimate for the proposed Scope of Services is valid for 60 days from the date of Proposal.

2. Payment to VHB is the sole responsibility of signatory of this Agreement and is not subject to third party agreements.

3. All schedules set forth in the attached Scope of Services commence upon receipt of a signed Agreement and, if requested, a retainer. All retainer amounts will be applied to the last invoice. **A RETAINER OF $ -$0- IS REQUIRED BEFORE SERVICES CAN COMMENCE UNDER THE AGREEMENT.**

4. Requests for additional services and any associated fee adjustment must be authorized in writing before additional services can begin.

5. Invoices will be rendered monthly and become due upon receipt. Any invoice outstanding for more than 30 days after date of invoice will be subject to a financing charge of 1-1/2 percent per month. No work will continue if invoices are outstanding for more than 30 days.

6. Should it become necessary to utilize legal or other resources to collect any or all monies rightfully due for services rendered under this Agreement, VHB shall be entitled to full reimbursement of all such costs, including reasonable attorneys' fees, as part of this Agreement.

7. Invoice payments must be kept current for services to continue. If the Client fails to pay any invoice due to VHB within 45 days of the date of invoice, VHB may, without waiving any other claim or right against Client, suspend services under this Agreement until VHB has been paid in full all amounts due VHB and/or any of its Consultants and Subcontractors. Sealed plans, final documents, reports and attendance at meetings/hearings will not be provided unless payment for services is current.

   If VHB is performing services for the Client under multiple projects, invoice payments must be kept current on all projects for services hereunder to continue. Client acknowledges VHB's right to suspend services and withhold plans and documents, as provided above, if payments are not current on all projects. If services are suspended for 30 days or longer, upon resuming services VHB shall be entitled to expenses incurred in the interruption and resumption of its services. If services are suspended for 90 days or longer, VHB shall be entitled to expenses incurred in the interruption and resumption of its services and fees for remaining services shall be equitably adjusted.

The parties agree to coordinate invoices to assure timely payment. Among other things, VHB's project manager and Client's representative will confer as often as reasonably necessary about any issues that arise involving invoicing and collections. Client's representative will contact VHB's project manager forthwith upon receipt of an invoice about any questions or issues concerning invoiced amounts. If Client's representative and VHB's project manager are unable to resolve any questions or issues, Client's representative will line item any disputed or questionable amount and pay Engineer. VHB, at its option, may revise and resubmit disputed amounts at a later date.

8. VHB agrees to carry the following insurance during the term of this Agreement:

- Workmen's Compensation and Employer's Liability Insurance in compliance with statutory limits.

- Comprehensive General Liability Insurance including Products Completed, Contractual, Property, and Personal Injury coverage with combined single limits of $1,000,000 per occurrence and in the aggregate.

- Professional Liability Insurance with a limit of $1,000,000 per claim and in the aggregate.

- Automobile Liability Insurance including non-owned and hired automobiles with the following limits:

  - ◊ Bodily Injury $500,000 each person
    $500,000 each occurrence
  - ◊ Property Damage $100,000 each occurrence

Certificates of insurance will be furnished upon request. If the Client requires additional insurance coverage, and it is available, Client agrees to reimburse VHB for such additional expense.

9. The Client and VHB shall at all times indemnify and save harmless each other and their officers, and employees on account of any claims, damages, losses, litigation, expenses, counsel fees, and compensation arising out of any claims, damages, personal injuries and/or property losses sustained by or alleged to have been sustained by any person or entity, to the extent caused by the negligent acts, errors or omissions of the indemnifying party, its employees, or subcontractors in connection with the Project, and/or under this Agreement.

10. VHB shall not be responsible for failure to perform or for delays in the performance of services which arise out of causes beyond the control and/or without the fault or negligence of VHB.

11. VHB shall be entitled to rely on the accuracy and completeness of data, reports, surveys, requirements and other information required to be provided by Client under this Agreement.

12. Client agrees to the fullest extent permitted by law, to indemnify and hold harmless VHB, its officers, employees and subconsultants from and against any and all claims, suits, demands, liabilities costs, including reasonable attorneys fees and defense costs caused by, arising out of or in any way connected with the detection, presence, handling, removal, abatement, or disposal of any asbestos or hazardous or toxic substances, products or material that exist on, about or adjacent to the job site.

13. VHB's services will be performed on behalf of and solely for the benefit and exclusive use of Client for the limited purposes set forth in the Agreement. Client acknowledges that VHB's services require decisions which are not based upon science, but rather upon judgmental considerations. Client may not delegate, assign, sublet or transfer its duties or interest in this Agreement without the written consent of VHB.

14. In the performance or furnishing of professional services hereunder, VHB, and those it is responsible for, shall exercise the degree of skill and care customarily accepted as good professional practices and procedures by members of the same profession currently practicing under similar conditions in the same locality ("Standard of Care").

    Consistent with this Standard of Care, the services shall conform to applicable laws, codes, ordinances and regulations of any governmental agency having jurisdiction over the project, at the time services are rendered. VHB shall perform its services as expeditiously as is consistent with the Standard of Care and with the orderly progress of the Work.

15. VHB shall not be required to sign any documents, no matter by whom requested, that would result in VHB's having to certify, guaranty or warrant the existence of conditions whose existence VHB cannot ascertain. Any certification provided by VHB shall be so provided based on VHB's knowledge, information and belief subject to the preceding sentence, and shall be given in VHB's professional opinion consistent with the Standard of Care. VHB shall be compensated for any work necessary to verify project compliance with regulatory standards for purposes of such certification.

16. Client hereby agrees that to the fullest extent permitted by law, VHB's total liability to Client and any persons or entities claiming by, through or under the Client, for any and all injuries, claims, losses, expenses, or damages whatsoever arising out of or in any way related to the Project and/or this Agreement from any cause or causes including, but not limited to VHB's negligence, errors, omissions, strict liability, statutory liability, indemnity obligation, breach of contract or breach of warranty shall not exceed $50,000 (fifty thousand dollars).

17. All documents including Drawings and Specifications (whether in hard or electronic form) prepared by VHB pursuant to the Agreement are instruments of service with respect to the Project. They are not intended or represented to be suitable for reuse by the Client or others on extensions of the Project or on any other Project. Any reuse by Client or a third person or entity authorized by Client without written verification or adaptation by VHB for the specific purpose intended will be at the Client's sole risk and without liability or legal exposure to VHB; and the Client, shall release, indemnify and hold harmless VHB from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or

adaptation will entitle VHB to additional compensation at rates to be agreed upon by VHB and the third person or entity seeking to reuse said documents.

If any information hereunder is provided in electronic format, Client recognizes that such plans, documents or other information recorded on or transmitted as electronic media, including CADD documents ("Electronic Documents") are subject to undetectable alteration, either intentional or unintentional, due to, among other causes, transmission, conversion, media degradation, software error, or human alteration. Accordingly, the Electronic Documents are provided to Client for informational purposes only and not as record documents.

18. To the extent permitted by law, VHB retains the copyright in all written work products, including plans, specifications, calculations, computer programs, and computer generated materials in any form, produced in connection with the work under this agreement, unless otherwise agreed to in writing by an authorized VHB representative. Subject to Term No. 17 above, VHB licenses to Client the use of all written work products, including plans, specifications, calculations, and computer generated materials in any form, produced in connection with the work under this agreement on a non-exclusive basis.

19. All questions in dispute under this Agreement shall be submitted to non-binding mediation. On the written notice of either party to the other of the election to submit any dispute under this Agreement to mediation, each party shall designate their representative and shall meet within ten (10) days after the service of the notice. The parties themselves shall then attempt to resolve the dispute within ten (10) days of meeting. Should the parties themselves be unable to agree on a resolution of the dispute, then the parties shall proceed with mediation in accordance with the mediation rules of the American Arbitration Association. The cost of mediation shall be borne equally by both parties. This process shall be considered as a condition precedent to moving to a more formal or judicial process.

20. Notwithstanding any other provision of this Agreement, neither party shall be liable to the other for any incidental, special, indirect or other consequential damages incurred due to the fault of the other party regardless of the nature of the fault or whether it was committed by the Client or VHB, or their employees, subconsultants, or subcontractors. Consequential damages include, without limitation, liability for loss of use of the Project or existing property, loss of profits, loss of production or business interruption; however the same may be caused.

21. In entering into this Agreement, Client has relied only upon the representations set forth in this Agreement. No verbal warranties, representations or statements shall be considered a part of this Agreement or a basis upon which the Client relied in entering into this Agreement. No statements, representations, warranties or understandings, unless contained herein, exist between Client and VHB.

22. Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against either the Client or VHB. VHB's services under this Agreement are being performed solely for the benefit of the Client and no person or other entity shall have any claim against VHB because of this Agreement. In addition, nothing herein shall be construed as creating a contractual

relationship between the Client and any VHB employee, representative or consultant. The Client agrees that in the event of a dispute regarding this Agreement or the services rendered by VHB hereunder, the Client shall only seek recourse against VHB and waives any right to pursue a claim against VHB's individual directors, officers or employees.

23. Any taxes or fees, enacted by local, state or federal government and based on gross receipts or revenues, will be invoiced to and payable by Client as an additional amount due under this Agreement.

24. Consultant shall not be responsible for compliance with or violations of federal Fair Housing Act or federal Americans with Disabilities Act requirements. Consultant will design the internal roads, parking areas, and sidewalks accordance with Florida Building Code.

25. This Agreement shall be governed and construed in accordance with the laws of the State of Florida.

Exhibit "A"
Vanasse Hangen Brustlin, Inc.
HOURLY BILLING RATES

Effective September 11, 2005

BILLING CODE	LABOR CATEGORY	HOURLY RATE
230	Principal 3	$300
220	Principal 2	$250
210	Principal 1	$225
190	Technical/Professional 19	$215
180	Technical/Professional 18	$205
170	Technical/Professional 17	$195
160	Technical/Professional 16	$185
150	Technical/Professional 15	$175
140	Technical/Professional 14	$165
130	Technical/Professional 13	$155
120	Technical/Professional 12	$145
110	Technical/Professional 11	$135
100	Technical/Professional 10	$125
090	Technical/Professional 09	$115
080	Technical/Professional 08	$105
070	Technical/Professional 07	$95
060	Technical/Professional 06	$85
050	Technical/Professional 05	$75
040	Technical/Professional 04	$65
030	Technical/Professional 03	$55
020	Technical/Professional 02	$45
010	Technical/Professional 01	$35
350	Technical/Support 5	$75
340	Technical/Support 4	$65
330	Technical/Support 3	$55
320	Technical/Support 2	$45
310	Technical/Support 1	$35
500	Court Testimony Starts at	$300

Reimbursable and sub-consultant expenses are billed at cost plus 10%.

EXHIBIT "B" - SAMPLE CONTRACT AMENDMENT

Landmark Center Two
Suite 300
225 E. Robinson Street
Orlando, Florida 32801

Telephone 407.839.4006
Fax 407.839.4008
www.vhb.com

Transportation
Land Development
Environmental Services

Client Authorization

☐ New Contract

☐ Amendment No.

Date

Project No.

Project Name

To:

Cost Estimate

	Amendment	Contract Total
Labor		
Expenses		

As Requested By

☐ Fixed Fee
☐ Cost + Fixed Fee
☐ Time & Expenses
☐ Other

Date

Estimated Date of Completion

Scope of Services:

Prepared By:

Department Approval:

Please execute this Client Authorization for Vanasse Hangen Brustlin, Inc. to proceed with the above scope of services at the stated estimated costs. No services will be provided until it is signed and returned to VHB.

☐ Subject to attached terms & conditions.

☐ Subject to terms & conditions in our original agreement dated

Vanasse Hangen Brustlin, Inc. Authorization

By

Title

Date

Client Authorization *(Please sign original and return)*

By

Title

Date

Two originals of this Authorization need to be executed. One original needs to be forwarded to Accounting Contract Files.

City of Gulf Breeze

MEMORANDUM

TO: **Edwin A. Eddy, City Manager**

FROM: **Thomas E. Lambert, Assistant Director of Public Services**

DATE: **October 22, 2010**

RE: **Digital Control Litigation**

The City has been in litigation with Digital Control Corporation since 2007. The original suit was filed by DCC's president to recover additional costs and the final payment of approximately $12,000. He has unsuccessfully re-filed the suit several times since. The City filed a counter suit since the project was never fully complete.

The most recent attorney representing the president of DCC has offered a settlement in which each party drops all claims against the other. The City would NOT make the final payment nor pay any additional claims. Staff recommends this settlement.

In order to provide the City Council with information to make an informed decision, we are providing the following timeline:

1. In 2002 the City approved DCC to install the SCADA system.
2. In 2004 the system reached substantial completion, but was lacking a non-proprietary communication system, the system provided was a custom software package that could only be maintained by DCC.
3. In 2004 the communication system was changed, but the system did not function correctly.
4. In 2004 DCC asked for additional money for payment, the City said it would consider the additional money if DCC provided justification and restored the functionality of the system.
5. In 2004 Hurricane Ivan damaged some of the system and DCC could not repair.
6. In 2005 DCC attempted to repair the system, but was unsuccessful.
7. In 2006 the City demanded the system be complete.
8. In 2007 litigation began.

RECOMMENDATION: The City Council authorize the City Attorney to file the documents necessary for both parties to rescind there current claims against the other.

Buz

From: Matt Dannheisser [mailto:mattdannheisser@aol.com]
Sent: Thursday, October 07, 2010 11:26 AM
To: Edwin Eddy
Cc: Vernon Prather; Thomas Lambert; slucasmedpa@aol.com; MattDannheisser@aol.com
Subject: SSRUS v. Digital Control Corporation

Buz:

Attached please find a copy of a letter I received yesterday from the current attorney for Digital Control Corporation are proposing to end the lawsuit by all parties dismissing their claims against one another.

This lawsuit has been pending since 2007, but has had virtually no activity during the past year. The plaintiff has now retained a third different attorney to represent it since this lawsuit was commenced.
In the 2001 through 2002 time period the City paid Digital Control Corporation almost $120,000.00 for installation of the SCADA system at SSRUS. The SCADA system was found to be defective and did not perform sufficiently such that it could reliably be used by SSRUS personnel. Numerous efforts by Digital Control to correct the defects were unsuccessful. As a result, the City has never paid the approximate $12,000.00 "retainage."

In 2007 Digital Control asserted that it was owed approximately $108,000.00 for "extra work" that was performed outside of the prime contract as well as for the unpaid retainage. The City responded that it did not owe any sums because Digital Control had failed to perform its obligations under the contract. Furthermore, the City asserted that Digital Control should (i) return the approximately $120,000.00 previously paid by the City, or (ii) pay liquidated damages pursuant to the contract of $500.00 a day which by that time would have been in the neighborhood of $1,000,000.00. Nevertheless, the City offered to drop its claims against Digital Control if they would do the same. Digital Control rejected the City's proposal and, instead, initiated the lawsuit.

The lawsuit was not actually filed by Digital Control.

Rather, it was initiated by another company, Alttec Corporation. J.D. Cattel was the president of both entities. Digital Control had ostensibly run into financial difficulties resulting in its assets having been assigned to creditors. In the process, Alttec Corporation purportedly purchased (or otherwise obtained) the rights that Digital Control had under its contract with the City. On that basis Alttec Corporation initiated the lawsuit.

It has been my position from the outset that (i) Alttec's claims for "extra work" are not legally cognizable because oral contracts (although one did not in fact exist in this instance) with a governmental entity are barred by the doctrine of sovereign immunity, (ii) by its own terms, the contract could not be assigned to Alttec and thus its lawsuit must be dismissed, and (iii) the City has a strong claim against Digital Control for refund of sums paid and/or payment of liquidated damages.

Alttec's claims against the City have been dismissed three times. In each instance, however, the judge has given Alttec the opportunity to file yet another amended pleading in efforts to state a valid claim. Its last pleading was the filing of a fourth amended complaint which I again view to be legally insufficient. The judge had signified in his last order that it was unlikely that the plaintiff would be given further opportunity to amend its pleadings if its latest effort was insufficient.

I have not actively pushed the City's claim against Digital Control. Although the City's claim is strong, it had been my understanding that Digital Control either no longer exists or has minimal assets. In conjunction with the City's claim against Digital Control, we also made a claim against J.D. Cattel, individually. The claim was largely based upon Mr. Cattel's indiscriminate commingling of claims of Alttec and Digital Control as if they were one and the same and that he was operating both companies as an alter ego extension of himself. I believe there is a reasonable possibility of success in a claim against J.D. Cattel, in his individual capacity.

The reason for the foregoing elaboration is to help you make a determination whether the City should agree with

the plaintiff's attorney's request that both parties dismiss their claims against each other. As a practical matter, the City's options are (i) accept the proposal that all parties drop their claims against one another, (ii) reject the plaintiff's proposal but counteroffer to settle whereby Alttec/Digital Control/J.D. Cattel make a settlement payment to the City, or (iii) reject the plaintiff's proposal outright and proceed with the litigation. Of course, it makes sense to pursue either the first two options, but you need to decide whether the City should simply dismiss its claims or whether it should insist on recovering some of its damages or expenses.

Once you have had an opportunity to consider this matter, please give me a call to discuss how you would like to proceed with respect to the plaintiff's proposal.

Matt

MATT E. DANNHEISSER, P.A.
504 North Baylen Street
Pensacola, Florida 32501
Telephone: (850) 434-7272
Fax: (850) 432-2028
Email: MattDannheisser@aol.com

RECEIVED
OCT 0 6 2010
MATT E.
DANNHEISSER, P.A.

SHELL, FLEMING, DAVIS & MENGE
ATTORNEYS AT LAW

JAMES A. SHEA, JR.

TELEPHONE • (850) 434-2411 ext. 105
FACSIMILE • (850) 439-1872
E-MAIL • JSHEA@shellfleming.com

BRADEN K. BALL, JR.
GEOFFREY P. BRODERSEN
MAUREEN DUIGNAN
Board Certified Criminal Trial Lawyer
Also Licensed In New York
PATRICK J. HAMMERGREN
CHARLES L. HOFFMAN, JR.
LL.M. in Taxation
DANNY L. KEPNER
Board Certified Civil Trial Lawyer
LOUIS A. (TRIP) MAYGARDEN, III
JILL K. SATTERWHITE
LL.M. in Taxation
Also Licensed In Alabama
JAMES A. SHEA, JR.
Also Licensed in Alabama and Georgia
STEPHEN B. SHELL
Board Certified Real Estate Lawyer
COURTNEY F. SMITH
TOMMY G. SMITH

OF COUNSEL:
THURSTON A. SHELL
FLETCHER FLEMING

ROLLIN D. DAVIS, JR.
(1932-2002)
M.J. MENGE
(1936-2007)

226 PALAFOX PLACE
NINTH FLOOR, SEVILLE TOWER
PENSACOLA, FLORIDA 32502

MAIL TO:
POST OFFICE BOX 1831
PENSACOLA, FLORIDA 32591-1831

October 5, 2010

Matt Dannheisser
504 North Baylen Street
Pensacola, FL 32501

Re: Alttec Corporation v. City of Gulf Breeze

Dear Mr. Dannheisser:

Several months ago, our office had a discussion with you concerning the status of Mr. Cattel's claims against the City of Gulf Breeze and the City's counterclaim against Mr. Cattel. During that conversation, you made it clear that the City would not be willing to pay Mr. Cattel to settle the case, but that the possibility of both parties "walking away" and dismissing their respective claims existed.

We have communicated the City's position to our client, who, after significant consideration, has decided that rather than continue to litigate the matter and incur further costs and fees associated with protracted legal efforts, our client is willing to dismiss his claim against the City if the City is willing to dismiss its claim against Alttec and Mr. Cattel, individually. The mutual dismissal would be the end to all litigation associated with this action, each party to bear their own attorneys' fees and costs. In that regard, we have prepared a Stipulated Dismissal for your review which accompanies this letter. We ask that you please review the draft and, subject to input from your client, provide us a response to our proposal within seven (7) days. We appreciate your consideration to this matter.

Sincerely,

James A. Shea, Jr.
Geoff Brodersen

Enclosures

IN THE CIRCUIT COURT IN AND FOR SANTA ROSA COUNTY, FLORIDA

ALTTEC CORPORATION,

Plaintiff,

Case No.: 2007 CA 01211

v.

CITY OF GULF BREEZE, a political
Subdivision of the State of Florida,

Defendant/Counterclaimant/Third Party Plaintiff,

v.

DIGITAL CONTROL CORPORATION and
JOHN D. CATTEL, individually,

Third Party Defendants.
_____/

STIPULATION FOR DISMISSAL WITH PREJUDICE

An amicable settlement of all matters and things in dispute between all the parties hereto having been made, it is hereby:

IT IS HEREBY STIPULATED AND AGREED by and between counsel for Plaintiff, ALTTEC CORPORATION and counsel for Defendant CITY OF GULF BREEZE, a political subdivision of the State of Florida, that ALTTEC CORPORATION'S above styled cause, including all claims for damages against the CITY OF GULF BREEZE shall be dismissed with prejudice;

IT IS HEREBEY STIPULATED AND AGREED by and between counsel for Defendant/Counterclaimant/Third Party Claimant, CITY OF GULF BREEZE and counsel for Plaintiff and Third Party Defendants, ALTTEC CORPORATION, DIGITAL CONTROL CORPORATION and JOHN D. CATTEL, individually, that Defendant/Counterclaimant/Third Party Claimant's claims for damages against ALTTEC

CORPORATION, DIGITAL CONTROL CORPORATION and JOHN D. CATTEL, individually, shall be dismissed with prejudice; and

IT IS HEREBY STIPULATED AND AGREED by and between the respective parties hereto that the above cause and any and all claims related to case number 2007 CA 01211 may be dismissed with prejudice as to all the parties and each party is to bear their own costs and attorneys' fees.

Dated this _____ day of_____, 2010.

Respectfully Submitted,

_____

James A. Shea, Jr.
Shell, Fleming, Davis & Menge
226 Palafox Place, 9th Floor
Pensacola, FL 32502
Attorney for Alttec Corporation,
Digital Control Corporation, and
John D. Cattel, individually

_____

Matt Dannheisser
504 North Baylen Street
Pensacola, FL 32501
Attorney for City of Gulf Breeze

IN THE CIRCUIT COURT IN AND FOR SANTA ROSA COUNTY, FLORIDA

ALTTEC CORPORATION,

Plaintiff,

Case No.: 2007 CA 01211

v.

CITY OF GULF BREEZE, a political
Subdivision of the State of Florida,

Defendant/Counterclaimant/Third Party Plaintiff,

v.

DIGITAL CONTROL CORPORATION and
JOHN D. CATTEL, individually,

Third Party Defendants.
_____/

ORDER OF DISMISSAL WITH PREJUDICE

THIS CAUSE came before the Court on the stipulation of Plaintiff/Third Party Defendants, ALTTEC CORPORATION, DIGITAL CONTROL CORPORATION, and JOHN D. CATTEL, individually, and counsel for Defendant/Counterclaimant/Third Party Plaintiff, CITY OF GULF BREEZE, a political subdivision of the State of Florida, through their respective counsel of record, and the Court being advised that the matters and things at issue have been stipulated, including the dismissal with prejudice of all claims by all parties, and the dismissal of prejudice of any and all related claims, and that nothing further remains to be adjudicated herein, it is:

ORDERED AND ADJUDGED that Plaintiff, ALTTEC CORPORATION'S claim and Defendant/Counterclaimant/Third Party Plaintiff, CITY OF GULF BREEZE'S claims

and any and all other claims related to case number 2007 CA 01211, are dismissed with prejudice.

DONE AND ORDERED in Chambers, Escambia County, Florida, on this _____ day of _____, 2010.

_____
SANTA ROSA COUNTY CIRCUIT COURT JUDGE

Conformed copies to:
James A. Shea, Jr.
Matt Dannheisser

City of Gulf Breeze

MEMORANDUM

TO: Edwin A. Eddy, City Manager

FROM: David J. Szymanski, Assistant City Manager

DATE: October 21, 2010

SUBJECT: Adoption of Resolution for FY2011 Tourist Development Council Budget

On September 21, 2010, the City Council adopted Resolution 21-10 setting the City of Gulf Breeze Budget for FY2010. In the overall budget resolution, the Tourist Development Council budget was included. The State of Florida requires all TDC budgets to be approved separately by resolution. Here is a breakdown of the current TDC budget:

REVENUE:

	Estimate TDC Funds Collected Within the Gulf Breeze City Limits	$20,000
EXPENDITURES:	Annual Arts Festival	$ 5,000
	Chamber Support	$ 6,000
	Miscellaneous	$ 9,000
		$20,000

Enclosed is Resolution No.27-10

RECOMMENDATION: The City Council adopt Resolution 27-10 approving the FY2011 Tourist Development Council budget.

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RESOLUTION NO. 27-10

A RESOLUTION OF THE CITY OF GULF BREEZE APPROVING A PLAN FOR GULF BREEZE TOURIST DEVELOPMENT EXPENDITURES FOR FISCAL YEAR 2011

WHEREAS, Santa Rosa County has established a Tourist Development Council (TDC) in accordance with Florida Statute 125.0014; and

WHEREAS, the TDC is charged with the responsibility of developing a "Tourist Development Plan" for Santa Rosa County; and

WHEREAS, the TDC for Santa Rosa County has determined that the City Council of the City of Gulf Breeze can best allocate funds for Tourist Development for the City of Gulf Breeze as tourists travel through the community while headed elsewhere; and

WHEREAS, the City Council of the City of Gulf Breeze has determined that it should develop a tourist development plan for expenditures of TDC funds generated within its local community in conjunction with local hotel and citizen interests; and

WHEREAS, the City Council hereby approved a plan for expenditure for Fiscal Year 2011 and desires the TDC to continue to provide funds for this plan via the existing interlocal agreement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City Of Gulf Breeze, Florida, in Regular Session as follows:

The City Council hereby approves the attached plan for expenditures to be made with TDC funds for Fiscal Year 2011 for the City of Gulf Breeze. The Santa Rosa County Tourist Development is hereby requested to provide funding for this plan from those tourist development funds generated within the City limits of the City of Gulf Breeze.

PASSED AND ADOPTED by the City Council of the City of Gulf Breeze, Santa Rosa County, Florida on the _____ day of____2010.

CITY OF GULF BREEZE

BY: _____
Mayor Beverly Zimmern

ATTESTED

BY:_____
City Clerk, M. Rhodes

CITY OF GULF BREEZE
TOURIST DEVELOPMENT PLAN
OCTOBER 2010 THROUGH SEPTEMBER 2011

GOAL: To further tourism in the Gulf Breeze area by promoting the special Family and "small town" atmosphere, the cultural arts and the history of the community.

REVENUE:

	TDC Funds Collected Within the Gulf Breeze City Limits	$20,000
EXPENDITURES:	Annual Arts Festival	$ 5,000
	Chamber Support	$ 6,000
	Miscellaneous	$ 9,000
		$20,000

City of Gulf Breeze

MEMORANDUM

TO: Edwin A. Eddy, City Manager

FROM: David J. Szymanski, Assistant City Manager

DATE: October 21, 2010

SUBJECT: Adoption of Resolution for FY2011 CRA Budget

On September 21, 2010,1In the overall budget resolution, the Community Redevelopment Agency budget was included. The Florida State Auditor General requires all CRA budgets to be approved separately by resolution of the CRA Board. Here is a breakdown of the current CRA budget:

REVENUE:	
County Contribution	$ 595,922
Gulf Breeze City Contribution	$ 185,758
Total Revenue	$ 781,680
EXPENDITURES:	
Professional Services ($30,850)	$ 120,000
Flower Bed Maintenance	
& Median Mowing, Fertilizing ($54,500)	
Legal Services ($8,000)	
Annual Christmas Lighting ($19,000)	
Street Sweeping ($7,650)	
Street lighting	$ 30,000
Utilities	$ 30,000
Memberships & Ads, Operating Expenses	$ 6,100
Team Santa Rosa ($5,000)	
FRA & State Memberships ($1,100)	
CDBG Grant Match	$ 100,000
Capital Improvements	$ 319,855
Cost Allocation Transfers	$ 175,725
Police Services ($142,987)	
Median Maintenance supplement ($10,160)	
CRA Administration Fee ($ 22,578)	
Total Expense	$ 781,680

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It is also important to note that the CRA fund has a balance of 1,411,085

Enclosed is Resolution No. 28-10.

RECOMMENDATION: The City Council meet as the CRA Board of Directors on November 1, 2010 and adopt Resolution 28-10 approving the FY2011 Community Redevelopment Agency budget.

RESOLUTION NO. 28-10

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY BOARD APPROVING A PLAN FOR GULF BREEZE COMMUNITY REDEVELOPMENT AGENCY EXPENDITURES FOR FISCAL YEAR 2011.

The Community Redevelopment Agency Board does hereby approve the following plan for expenditures to be made with CRA funds for Fiscal Year 2011.

Community Redevelopment Agency Budget
October, 2010 through September, 2011

REVENUE:	
County Contribution	$ 595,922
Gulf Breeze City Contribution	$ 185,758
Total Revenue	$ 781,680
EXPENDITURES:	
Professional Services ($30,850)	$ 120,000
Flower Bed Maintenance	
& Median Mowing, Fertilizing ($54,500)	
Legal Services ($8,000)	
Annual Christmas Lighting ($19,000)	
Street Sweeping ($7,650)	
Street lighting	$ 30,000
Utilities	$ 30,000
Memberships & Ads. Operating Expenses	$ 6,100
Team Santa Rosa ($5,000)	
FRA & State Memberships ($1,100)	
CDNG Grant Match	$ 100,000
Capital Improvements	$ 319,855
Cost Allocation Transfers	$ 175,725
Police Services ($142,987)	
Median Maintenance supplement ($10,160)	
CRA Administration Fee ($ 22,578)	
Total Expense	$ 781,680

PASSED AND ADOPTED by the Community Redevelopment Board of the City of Gulf Breeze, Santa Rosa County, Florida, on the _____ day of, _____2010.

Community Redevelopment Board

_____
Beverly H. Zimmern, Chairman

ATTEST:

_____
Marita Rhodes, City Clerk

City of Gulf Breeze

OFFICE OF THE CITY MANAGER

October 18, 2010

Don Salter
Chair, Florida-Alabama Transportation
Planning Organization
6495 Caroline Street, Suite M
Milton, FL 32570

Dear Chairman Salter,

On behalf of Mayor Zimmern and the Gulf Breeze City Council, thank you for hosting the TPO workshop on October 13th. You did a great job identifying the issues we are going to have to face in the months and years ahead.

The task of making an estimated $233 million in new project revenue meet $7 billion in needs from now until 2035 is daunting to say the least. It was disappointing that more of our state legislators were not there. As you mentioned though, the state has similar deficit problems.

As we go forward, it may be necessary for Santa Rosa County to again consider a local option sales tax, to help build roads or match funding from other sources.

Thank you also for mentioning the replacement of the Pensacola Bay Bridge. We are concerned about the impacts such a project will have on U.S. 98 through Gulf Breeze.

We look forward to working with you relative to our long term transportation needs.

Sincerely,

Edwin A. Eddy
City Manager

EAE: lg

Cc: Mayor Beverly Zimmern
City Council
Hunter Walker, Santa Rosa County Administration

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