



AGENDA
CITY OF LAKE WORTH BEACH
UTILITY CITY COMMISSION MEETING
CITY HALL COMMISSION CHAMBER
TUESDAY, AUGUST 27, 2024 - 6:00 PM

ROLL CALL:

PLEDGE OF ALLEGIANCE: led by Commissioner Reinaldo Diaz

AGENDA - Additions / Deletions / Reordering:

PRESENTATIONS: (there is no public comment on Presentation items)

- A. Electric Utility Update by Ed Liberty, Director of Electric Utilities
- B. Water Utility Update by Vaughn Hayduk, Interim Director of Water Utilities

PUBLIC PARTICIPATION OF NON-AGENDAED ITEMS AND CONSENT AGENDA:

CONSENT AGENDA: (public comment allowed during Public Participation of Non-Agendaed items)

- A. [Ratify Amendment to Work Order 8 with B&B Underground Construction, Inc. for Gravity Sewer and Storm Pipe Repair on Wright Drive at 6th Avenue South](#)
- B. [Utilities Easement between Gulfstream of Lake Worth Condominium Association, Inc. and the City of Lake Worth Beach](#)

UNFINISHED BUSINESS:

- A. [Lease Agreement with Lutheran Services Florida, Inc.](#)
- B. [Amendments to Florida Municipal Solar Project Phase II and III Power Sales Contracts](#)

NEW BUSINESS:

- A. [CCNA Extension and Second Amendment to Task Order 8 with Craig A. Smith & Associates for Parrot Cove Stormwater Improvements Project Construction Engineering Services](#)
- B. [Authorize water meter encoders purchase with The Avanti Company for the City's Water Utility Department](#)
- C. [Authorize water meter purchase with Utility Solutions & Automations LLC for Badger Meters for the City's Water Utility Department](#)
- D. [Amendment to Agreement with Reinhausen Manufacturing, Inc. to furnish and install Dissolved Gas Monitors for analysis of power transformers cooling oil](#)
- E. [Florida Municipal Power Agency \(FMPA\) to provide Transmission Operations Support for certain limited Transmission Operator Activities](#)
- F. [Transfer of Rate Stabilization Funds](#)
- G. [Work Order #9 with Hooper Corp. to provide construction services for the System Hardening and Voltage Conversion of Circuit 0604 from the 6th Ave. S substation](#)

- H. [Purchase Order to IRBY Utilities for the procurement of three \(3\) additional GE Reactors for the new 6th Ave. S substation](#)
- I. [First Amendment to Lease for Staff Office Space and Customer In-Person Service area for Utility Customer Service](#)
- J. [Work Order #10 with Hooper Corp. to provide construction services for the Gulfstream and 1st Ave South System Hardening and Voltage Conversion Project](#)

ADJOURNMENT:

The City Commission has adopted Rules of Decorum for Public Participation which are posted within the City Hall Chambers, online at: <https://lakeworthbeachfl.gov/government/virtual-meetings/>, and available through the City Clerk's office. Compliance with the Rules of Decorum is expected and appreciated.

If a person decides to appeal any decision made by the board, agency or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. (F.S. 286.0105)

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: Water Utilities

TITLE:

Ratify Amendment to Work Order 8 with B&B Underground Construction, Inc. for Gravity Sewer and Storm Pipe Repair on Wright Drive at 6th Avenue South

SUMMARY:

This Amendment authorizes B&B Underground Construction, Inc. to provide additional emergency construction services for Gravity Sewer and Storm Pipe Repair on Wright Drive at 6th Avenue South for a cost not to exceed \$29,321.65 and was approved as an emergency by the City Manager.

BACKGROUND AND JUSTIFICATION:

This amendment will ratify the authorization for B&B Underground Construction, Inc. to provide additional emergency construction services on the project. While excavating to repair a gravity sewer main that was found to be damaged by a directional bore contractor working on the FDOT 6th Avenue South project, a storm pipe was discovered to be damaged by the same bore. The incident was reported to Risk Management and the City will be seeking reimbursement for the repairs through the directional bore contractor's insurance policy. The amendment was approved by the City Manager for emergency authorization.

MOTION:

Move to approve/disapprove Ratifying Amendment to Work Order 8 with B&B Underground Construction, Inc. for Gravity Sewer and Storm Pipe Repair on Wright Drive at 6th Avenue South

ATTACHMENT(S):

Fiscal Impact Analysis-N/A
Amendment No. 1

FIRST AMENDMENT TO WORK ORDER NO. 8

**EMERGENCY UTILITY REPAIRS FOR WATER, WASTEWATER AND
STORMWATER**

THIS FIRST AMENDMENT TO WORK ORDER NO. 8 ("Amendment") is made on 8/1/2024, between the **City of Lake Worth Beach**, a Florida municipal corporation located at 7 North Dixie Highway, Lake Worth Beach, Florida 33460 ("City") and **B & B Underground Construction, INC.**, a Florida corporation ("Contractor").

1.0 Project Description:

The City desires the Contractor to provide those additional services as identified herein and generally described as: **Gravity sewer and storm pipe repair on Wright Drive at 6th Avenue South (the "Project")**.

2.0 Scope

Under this Amendment, the Contractor will provide additional goods, services and equipment attached hereto as "Exhibit 1" (Amendment Changes) and incorporated herein.

3.0 Schedule

The additional services to be provided under this Amendment shall be completed within 0 additional calendar days from the City's approval of this Work Order or the issuance of a Notice to Proceed.

4.0 Compensation

This Amendment is issued for a lump sum, not to exceed amount of \$29,321.65. This Amendment amends Work Order #8. The attached proposal identifies all costs and expenses included in the unit price, not to exceed amount. Contractor shall be solely responsible for any and all amounts which exceed those stated in "Exhibit 1" unless approved in writing by the City.

5.0 Project Manager

The Project Manager for the Contractor is Stephen Decker, phone: 561-249-0341; email: sdecker@bbuconst.com; and the Project Manager for the City is Judy Love phone: 561-586-1745; email: jlove@lakeworthbeachfl.gov.

6.0 Progress Meetings

The Contractor shall schedule periodic progress review meetings with the City Project Manager as necessary but every 30 days as a minimum.

7.0 Authorization

This Amendment is issued pursuant to the Contract for IFB #20-106 between the City

of Lake Worth Beach and the Contractor, dated July 10, 2020, ("Contract" hereafter) as amended. If there are any conflicts between the terms and conditions of this Amendment, Work Order #8 and the Contract, the terms and conditions of the Contract shall prevail; however, the specific scope of services set forth in this Amendment and Work Order #8 shall take precedence over any other more general description of services.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties hereto have made and executed this Amendment as of the day and year set forth above.

CITY OF LAKE WORTH BEACH, FLORIDA



By: Jamie Brown
Jamie Brown, Interim City Manager

ATTEST:

By: Melissa Ann Coyne, MMC
Melissa Ann Coyne, MMC, City Clerk

* The Interim City Manager has approved this document pursuant to his emergency powers under the City's procurement code and policy. As soon as reasonably possible, this document will be presented to the City Commission for ratification.

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

By: Christy Goddeau
Glen J. Torcivia, City Attorney
Director

APPROVED FOR FINANCIAL SUFFICIENCY

By: Yannick Ngendahayo
Yannick Ngendahayo, Financial Services
403-7231-535.34-50

CONTRACTOR: **B & B Underground Construction INC.**

[Corporate Seal]

By: [Signature]
Print Name: STEPHEN DECKER
Title: PRESIDENT

STATE OF FLORIDA)
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization on this 19 day of July, 2024, by STEPHEN DECKER, as the PRESIDENT (title), of **B & B Underground Construction INC.**, a Company which is authorized to do business in the State of Florida, and who is personally known to me or who has produced _____ as identification, and who did take an oath that he or she is duly authorized to execute the foregoing instrument and bind the CONTRACTOR to the same.

Notary Seal:

[Signature]
Notary Public Signature

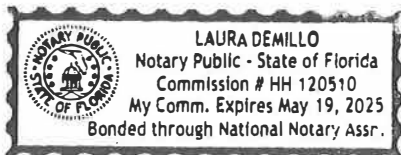


Exhibit 1

(Amendment Changes)

1	2	3	4	5	6
Item No.	Description	Qty	Unit	Unit Price	Increase (Decrease) In Contract Price
F-141	Sanitary Sewer Crew A	16	HR	\$1800	\$28,800.00
4-4	Asphalt Escalations	64	SY	\$30	\$1,920
WP-1	Dewatering	(1)	DAY	\$3,500	(\$3,500)
WP-2	Bypass Pumping	(0.5)	DAY	\$4,000	(\$2,000)
	ADDITIONAL ITEMS NOT IN CONTRACT				
	Density Testing	1	LS	\$1,239.30	\$1,239.30
	Ferguson Materials	1	LS	\$2,413.22	\$2,413.22
	Stainless Steel Repair Band	1	EA	\$449.13	\$449.13
	Total Amount:				\$29,321.65

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: Electric Utility

TITLE:

Utilities Easement between Gulfstream of Lake Worth Condominium Association, Inc. and the City of Lake Worth Beach

SUMMARY:

Utilities Easement with Gulfstream of Lake Worth Condominium Association, Inc. for the purpose of installing an outdoor pad-mount transformer as a replacement to the existing indoor transformers

BACKGROUND AND JUSTIFICATION:

Gulfstream of Lake Worth Condominium Association, Inc. has recently granted the City of Lake Worth Beach a signed Easement Agreement to allow for the installation of an outdoor pad-mount transformer. The easement consists of a ten (10) foot by 10 (10) foot area which is located behind the 15 Golfview Road and 31 S. Golfview Road properties and is contiguous to the alley behind the properties. The Electric Utilities facilities are to be placed upon and underground the provided easement. The project consists of City's electric utility placing a new pad mounted transformer in the easement to be fed by new primary distribution conductors routed underground in the adjacent alley for the purpose of providing electric service to the 2 buildings located at 15 Golfview Road and 31 S. Golfview Road. The new pad-mount transformer will replace City's aged indoor transformers and create a safer and more accessible transformer location.

MOTION:

Move to approve/disapprove an Electric Utility Easement Agreement between Gulfstream of Lake Worth Condominium Association, Inc. and the City of Lake Worth Beach.

ATTACHMENT(S):

Fiscal Impact Analysis – N/A
Electric Utility Easement Agreement

Return to:

Marcel Korman
City of Lake Worth Beach
1900 2nd Ave N
Lake Worth Beach, FL 33460

UTILITY EASEMENT

THIS EASEMENT is made, granted and entered into this _____ day of _____, 20__, by **Gulfstream of Lake Worth Condominium Association, Inc.**, a Florida corporation, with a mailing address of 5350 10th Ave. North, Suite 1, Greenacres, FL 33463 ("Grantor"), in favor of the **CITY OF LAKE WORTH BEACH**, a municipal corporation, having its place of business at 7 North Dixie Hwy., Lake Worth Beach, FL 34460 ("City").

WHEREAS, Grantor is the fee simple owner of certain real property located at 15 S. Golfview Road and 31 S. Golfview Road, Lake Worth Beach, Florida, as more particularly described in Exhibit "A", attached hereto and incorporated herein (the "Property"); and

WHEREAS, Grantor has authority to grant easements for utilities over, across, under and through the Common Elements of the Property; and

WHEREAS, the City desires an unrestricted and nonexclusive easement for public utility purposes through the Property as more particularly depicted in Exhibit "B" attached hereto and incorporated herein, in the electric utility vault or meter room of each building on the Property, attached to the exterior of the buildings on the Property, and as more particularly described in Exhibit "C", attached hereto and incorporated herein (collectively, the "Easement Area"); and

WHEREAS, the Easement Area is within the Common Elements of the Property; and

WHEREAS, the public utilities to be placed in the Easement Area may provide services to and from the Property and other properties which may or may not abut and be contiguous to the Easement Area; and

WHEREAS, the Grantor is willing and has authority under the Declaration of Condominium recorded at OR Book 3010, Page 189, of the Official Records of Palm Beach County, Florida, and by vote of its membership to grant such easement.

NOW, THEREFORE, the Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has and by these presents does hereby grant and convey to the City, its licensees, agents, successors and assigns, the following:

A perpetual, unrestricted and nonexclusive easement in, over, under, through, to, upon, and across the Easement Area for the purposes of constructing, operating, expanding, and maintaining public utilities and providing utility services to and from properties or lands which may include the Property, to provide utility service to properties which may not be contiguous to

the Easement Area, including the right to lay, or cause to be laid, and to maintain, repair, expand, rebuild, remove, operate and control utility pipes, poles, wires, mains, transmission lines, appurtenances and devices; the right to clear said Easement Area and keep it clear of brush, trees, and permanent structures and fire hazards; together with all rights of ingress and egress necessary for the full and complete use, occupation, and enjoyment of the Easement Area hereby granted, and all rights and privileges incident thereto; and, the permanent, full and free right and authority to own, construct, operate, expand, maintain, repair, install, remove, rebuild and replace utility facilities within the Easement Area.

By accepting this Easement, the City agrees: (a) to perform all work undertaken by the City within the Easement Area in a good and workmanlike manner and to promptly complete all work within the Easement Area; (b) to restore any of the Property disturbed by work undertaken by the City for purposes of construction, removal, demolition and/or maintenance to its condition that existed prior to the commencement of such work; (c) to not unreasonably interfere with the use of the Property by Grantor or any of Grantor's owners, members, tenants, invitees or guests; and (d) to be responsible for all costs associated with the City's construction, removal, demolition and/or maintenance pursuant to this Easement.

The Grantor, its successors and assigns, further agree not plant any vegetation (other than grass) or build any structure in the Easement Area unless approved in writing by the City which approval shall not be unreasonably withheld, conditioned or delayed. The Grantor, its successors, and assigns shall be responsible for maintaining the grass and all other permitted vegetation together with any approved structures at the Grantor's sole cost and expense.

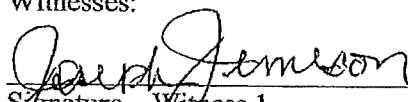
The Grantor does hereby fully warrant the title to said Property and will defend the same against the lawful claims of all persons whomsoever claimed by, through, or under it, that it has good right and lawful authority to grant the above-described easement, and that the same is unencumbered or if encumbered, the Grantor shall obtain the joinder of any mortgagee and condominium owner to this easement. Where the context of this Easement allows or permits, the same shall include the successors or assigns of the parties.

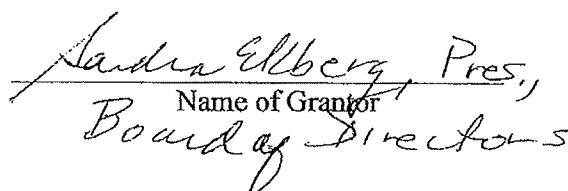
This Easement shall run with the land and shall be binding upon and shall inure to the benefit of the respective parties, their successors or assigns and grantees. This Easement shall continue unless or until the City terminates its rights herein provided by written notice to the Grantor, its successors or assigns.

IN WITNESS WHEREOF, the undersigned has signed and sealed this Easement on the day and year first above written.

Signed, sealed and delivered in the presence of:

Witnesses:


Signature - Witness 1


Name of Grantor

JOSEPH JIMSON
Print Name – Witness 1

BX, NY 10465
Address

OB EDGEWATER DK
Signature – Witness 2

By: _____
Name: _____

Print Name – Witness 2

Address

Witnesses:

Signature – Witness 1

Name of Grantor

Print Name – Witness 1

Address

By: _____
Name: _____

Signature – Witness 2

Print Name – Witness 2

Address

STATE OF _____

COUNTY OF _____

I HEREBY CERTIFY that on this day, before me, by means of ___ physical presence or ___ online notarization, the foregoing Utility Easement was acknowledged before me by Sandra Ekberg, as Grantor herein ___ who is personally known to me or ___ who has produced _____ as identification and who did not take an oath.

WITNESS my hand and official seal this 13th day of August, 2024.



Donna Marie Rhodes
Notary Public
My Commission Expires:

CITY ACCEPTANCE:

CITY OF LAKE WORTH BEACH

ATTESTS:

By: _____
Melissa Ann Coyne, MMC, City Clerk

By: _____
Betty Resch, Mayor

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By: _____
Christy J. Goddeau, City Attorney

Exhibit "A"

Description of Property

Lot 12, less the northerly 24.50 feet, and Lots 13 through 16, Block 33, The Palm Beach Farms Co. Plat No. 2, Lucerne Townsite (now known as Lake Worth Beach), according to the plat thereof as recorded in Plat Book 2, Pages 29 through 40, of the Public Records of Palm Beach County, Florida



Lake Worth Lagoon

15 S. Golfview Rd.
Lake Worth Beach

31 S. Golfview Rd.
Lake Worth Beach

Electric Utility Transformer
Vault Room Door

Electric Utility
Meter Room Door

Exterior Weather Head
Upgrade location

Utility Easement

Gulfstream of Lake Worth Condominium Association, Inc.

LEGAL DESCRIPTION:

AN EASEMENT LYING WITHIN BLOCK 33 OF THE PLAT OF PALM BEACH FARMS CO. PLAT NO. 2. OF THE TOWNSITE OF LUCERNE, AS RECORDED IN PLAT BOOK 2, AT PAGE 29, OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, LYING AND SITUATE IN SECTION 27, TOWNSHIP 44 SOUTH, RANGE 43 EAST, PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF SAID BLOCK 33; THENCE NORTH 88°33'13" WEST, ALONG THE SOUTH LINE OF SAID BLOCK 33, A DISTANCE OF 135.00 FEET; THENCE NORTH 01°22'40" EAST, ALONG THE EAST RIGHT-OF-WAY LINE OF THE ALLEYWAY LYING WITHIN SAID BLOCK 33, A DISTANCE OF 81.84 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE NORTH 01°22'40" EAST, A DISTANCE OF 10.00 FEET; THENCE SOUTH 88°37'20" EAST, ALONG THE SOUTHERLY EDGE OF A SIDEWALK AND THE WESTERLY EXTENSION THEREOF, A DISTANCE OF 10.00 FEET; THENCE SOUTH 01°22'40" WEST, A DISTANCE OF 10.00 FEET TO THE FACE OF THE NORTH WALL OF A 2-STORY CONCRETE BLOCK STRUCTURE BUILDING CALLED THE "HAMPSHIRE" BUILDING OF THE GULFSTREAM CONDOMINIUM, AND SHOWN IN THE DECLARATION OF CONDOMINIUM RECORDED IN OFFICIAL RECORDS BOOK 3010, AT PAGE 189 OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA; THENCE NORTH 88°37'20" WEST, ALONG THE FACE OF SAID NORTH WALL AND THE WESTERLY EXTENSION THEREOF, A DISTANCE OF 10.00 FEET TO THE POINT OF BEGINNING.

SAID LAND CONTAINS 100.0 SQUARE FEET MORE OR LESS.

SURVEYOR'S NOTES:

1. DATA SHOWN HEREON WAS COMPILED FROM OTHER INSTRUMENTS AND DOES NOT CONSTITUTE A FIELD SURVEY AS SUCH.
2. THE BEARINGS SHOWN HEREON ARE BASED ON THE SOUTH LINE OF BLOCK 33, OF THE PLAT OF PALM BEACH FARMS CO. PLAT NO. 2. OF THE TOWNSITE OF LUCERNE, RECORDED IN PLAT BOOK 2, AT PAGE 29, OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, HAVING A BEARING OF N88°33'13"W.


LEGEND:

- PG = PAGE
- PB = PLAT BOOK
- C.B.S. = CONCRETE BLOCK STRUCTURE
- ORB = OFFICIAL RECORD BOOK

BY: _____ DATE: _____

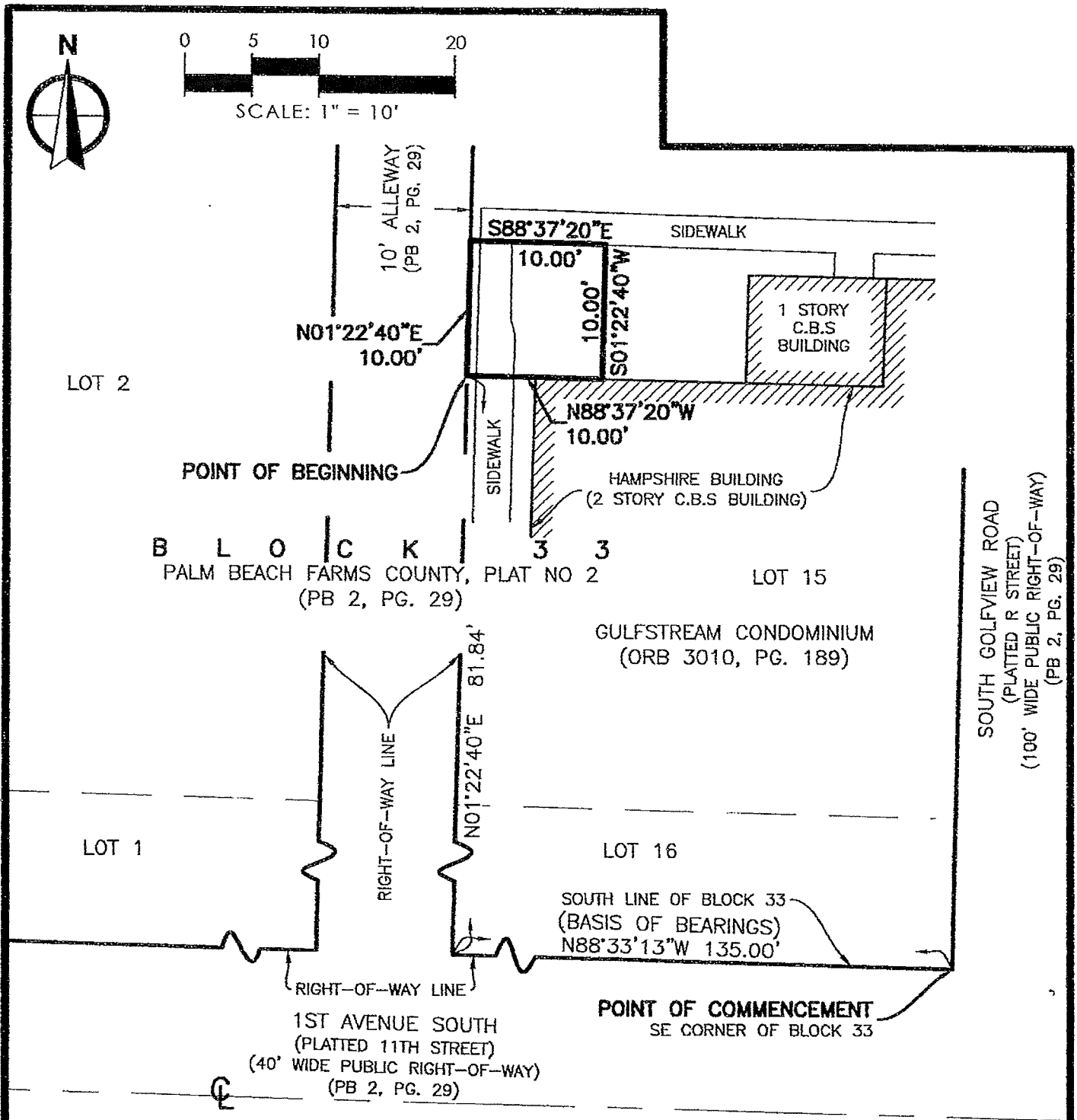
ERIC R. MATTHEWS
PROFESSIONAL SURVEYOR AND MAPPER
FLORIDA LICENSE NO. 6717

(NOT A SURVEY-DESCRIPTION AND SKETCH ONLY)

PROJECT: GULFSTREAM CONDO EASEMENT	TASK: LEGAL DESCRIPTION										
PREPARED BY:  PHONE NO. 561.687.2220 CERT NO. 33574 LB NO. 7055 2035 VISTA PARKWAY WEST PALM BEACH, FL 33411	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">CAD</td> <td>923309-SV-S&L.DWG</td> </tr> <tr> <td>DRAWN/DESIGNED</td> <td>AS</td> </tr> <tr> <td>CHECKED/QC</td> <td>ERM</td> </tr> <tr> <td>JOB NO.</td> <td>9233.09</td> </tr> <tr> <td>DATE</td> <td>07/15/24</td> </tr> </table>	CAD	923309-SV-S&L.DWG	DRAWN/DESIGNED	AS	CHECKED/QC	ERM	JOB NO.	9233.09	DATE	07/15/24
CAD	923309-SV-S&L.DWG										
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CHECKED/QC	ERM										
JOB NO.	9233.09										
DATE	07/15/24										
SHEET: 1 of 2											

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(NOT A SURVEY-DESCRIPTION AND SKETCH ONLY)

PROJECT:
GULFSTREAM CONDO EASEMENT

TASK:
SKETCH

PREPARED BY:

PHONE NO. 561.687.2220
CERT NO. 33574
LB NO. 7055



2035 VISTA PARKWAY
WEST PALM BEACH, FL 33411

CAD 923309-SV-S&L.DWG

DRAWN/DESIGNED AS

CHECKED/QC ERM

JOB NO. 9233.09

DATE 07/15/24

SHEET:
2 of 2

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: City Attorney

TITLE:

Lease Agreement with Lutheran Services Florida, Inc.

SUMMARY:

The current lease agreement between the City and Lutheran Services Florida, Inc. was previously extended through August 30, 2024, as established in the previous City Manager's letter to the tenant dated October 17, 2023. The new agreement would commence on August 31, 2024.

BACKGROUND AND JUSTIFICATION:

On November 5, 2019, the City and the Tenant entered into a Lease Agreement for the use of City-owned property located at 1699 Wingfield Street, Lake Worth Beach (the "Lease"). The Lease had a term beginning on November 5, 2019 and expiring on November 5, 2020. The parties entered into multiple amendments to the Lease Agreement to continue to extend the Lease, the last of which (Fourth Amendment) extended the Lease through November 5, 2023. Upon the request of the Tenant, the City issued a letter to the Tenant, dated October 17, 2023, offering to extend the Lease through August 30, 2024, with the understanding that a new Lease would be negotiated prior to that date.

The initial term of the new Lease would be for three years commencing on August 31, 2024 through August 31, 2027. Thereafter, there shall be an option for two additional one-year renewals. In terms of rent, while the previous agreement was only \$1/year, if approved the new agreement includes the following negotiated costs:

- Year 1: \$2,000/month
- Year 2: \$2,100/month
- Year 3: \$2,200/month
- Year 4 (if renewed): \$2,300/month
- Year 5 (if renewed): \$2,400/month

The item was moved to the utility meeting from the August 20 regular meeting as the lease was received on August 19 and had to go through the approval process.

MOTION:

Move to approve/disapprove the new Lease Agreement with Lutheran Services Florida, Inc.

ATTACHMENT(S):

Fiscal Impact Analysis
Lease Agreement

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	\$2,000	\$24,100	\$25,300	\$24,200	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	0	0	0	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact					
<i>(If not budgeted)</i>	0	0	0	0	0
No. of Addn'l Full-Time					
Employee Positions	0	0	0	0	0

New Appropriation (Not Budgeted) Fiscal Impact:		
	Revenue Source	Expenditure
Department	General Fund	N/A
Division	Recreation	N/A
GL Description	Leased properties	N/A
GL Account Number	001-0000-362.10-00	N/A
Project Number	N/A	N/A
Requested Funds	See above	N/A
Remaining Balance	N/A	N/A

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease"), dated this ____ day of _____, 2024, by and between the **CITY OF LAKE WORTH BEACH, FLORIDA**, a Florida municipal corporation ("City"), with an address of 7 N. Dixie Highway, Lake Worth Beach, Florida 33460, and **LUTHERAN SERVICES FLORIDA, INC.**, a Florida non-profit corporation ("Tenant").

WITNESSETH:

WHEREAS, City is the owner of certain real property and improvements ("Building") located thereon at 1699 Wingfield Street, Lake Worth Beach (also known as 1600 S. E Street, Lake Worth Beach) (collectively, "Premises"); and

WHEREAS, Tenant desires to lease from City certain space within the Building and other facilities on the Premises, upon the terms, covenants, and conditions hereinafter set forth in this Lease, and City desires to lease such space and facilities to Tenant upon such terms, covenants, and conditions; and

WHEREAS, the City and Tenant hereby enter into this Lease for the purpose of allowing Tenant to operate a Head Start program in such space and facilities.

NOW, THEREFORE, this Lease is granted by the City and taken and accepted by Tenant upon the terms, covenants, and conditions herein contained, and City and Tenant do hereby covenant and agree with each other as follows:

ARTICLE I BASIC LEASE PROVISIONS

1.01 **Leased Premises**. City leases to Tenant and Tenant leases from City, that certain real property and improvements consisting of the portion of the Building (approximately 10,000 square feet of classroom space), together with the associated parking facilities and playground area and the playground equipment located thereon, all as more fully described in **Exhibit A** attached hereto and by this reference made a part hereof (collectively, "Leased Premises"), subject, nevertheless, to the following:

- (a) Conditions, restrictions, easements, reservations and limitations, if any, now appearing of record;
- (b) City Zoning Ordinances; provided, however, that City represents and warrants that such ordinances do not conflict with Tenant's permitted use of the Leased Premises;
- (c) All of the terms, covenants and conditions contained in this Lease; and
- (d) Tenant does not have exclusive use of the kitchen facilities (200 square feet) at the Leased Premises and must share such kitchen facilities with the City and other tenants occupying the Building.

1.02 **Acceptance of Leased Premises**. Tenant certifies that Tenant has inspected the Leased Premises and accepts same "As Is," in its existing condition, together with all defects, latent or patent, if any, and subject to all easements, encumbrances, restrictions and matters of record. Tenant further acknowledges that the City has made no warranties or representations of any nature whatsoever regarding

the Premises or Leased Premises, including, without limitation, any relating to the physical condition of the Premises, the Leased Premises or any improvements or equipment located thereon, or the suitability of the Premises, the Leased Premises, or any improvements for Tenant's intended use of the Leased Premises or Premises, generally. No repair work, alterations or remodeling of the Premises or Leased Premises is required to be done by City as a condition of this Lease.

1.03 **Term.** The initial term of this Lease shall be for three years commencing on August 31, 2024 ("Effective Date") through August 31, 2027. The first year of the Lease shall run from August 31, 2024, through August 31, 2025; the second year shall run from September 1, 2025 through August 31, 2026; and the third year shall run from September 1, 2026 through August 31, 2027. Thereafter, the parties shall have two (2) one (1) year options to renew (collectively, "Lease Term") unless sooner terminated pursuant to the provisions of this Lease. If the Tenant wishes to renew the Lease as authorized herein, it shall notify the City in writing a minimum of ninety (90) days prior to the end of each applicable term. Failure to so notify the City may be deemed a non-renewal of the Lease, in the sole discretion of the City. The City may terminate this lease without cause with 120 days prior written notice to the Tenant. If terminated by the City, the Rent and other costs which are the responsibility of the Tenant and any outstanding debts, shall be paid in full through the date of termination.

1.04 **Parking.** Tenant's use of the existing parking spaces on the parcel on which the Building is located shall be on a non-exclusive basis with other tenants and users of the Building.

1.05 **Quiet Enjoyment.** City hereby covenants with Tenant that upon payment by Tenant of the Rent herein required, and upon the observance of the terms, provisions and conditions contained herein, Tenant may occupy the Leased Premises without unreasonable interference by City, or anyone claiming by, through or under City, subject, nonetheless to the terms and conditions of this Lease.

1.06 **Use of Leased Premises.** Tenant shall operate as a non-profit and shall occupy and operate the Leased Premises as a Head Start Program and for no other purpose without the express written consent of City which may be withheld or delayed in City's sole discretion. No other commercial activities shall be permitted on the Leased Premises. Tenant's occupancy of the Leased Premises is expressly contingent upon City's receipt of a notice of grant award regarding a grant awarded by the Office of Head Start for the Tenant's Head Start Program ("Grant") which is consistent with the Tenant's Grant application and which designates Tenant as the principal grantee ("Notice of Grant Award"). Tenant shall only occupy or otherwise utilize the space located within the Leased Premises. Tenant shall store all cleaning supplies used by it or its contracted cleaning company only in an area located within the Leased Premises and not in any other area not leased by the Tenant.

1.07 **Occupancy Regulations.** Tenant agrees that it:

a. will not use the plumbing facilities for any purpose other than that for which they are constructed and will not permit any foreign substance of any kind to be thrown therein. The expense of repairing any breakage, stoppage, seepage, or damage whether occurring on or off the Premises resulting from a violation of this provision by Tenant or Tenant's employee, agent, or invitee shall be paid by Tenant. This covers the bathrooms, kitchen and any other plumbing facilities used by Tenant;

b. will use only such electronic appliances as will not overload the electrical service of the Leased Premises as supplied by the City. If Tenant shall use or require additional electrical service, Tenant shall

provide the same at its own cost and expense, but only in accordance with specifications approved by the City in writing;

c. will not permit space heaters, personal refrigerators, or other energy-intensive or fire hazardous equipment unnecessary to conduct Tenant's business without written approval by City.

1.08 **Nuisance and Waste**. Tenant shall not commit or suffer to be committed any waste to or upon the Leased Premises or take any act which may adversely affect City's interest in the Leased Premises, or permit the maintenance or commission of any nuisance or other act or thing which may result in damage or depreciation of value of the Premises or which results in an unsightly condition. Tenant shall conform its use and occupancy of the Leased Premises to all building, fire, health and sanitation and other codes, regulations, restrictions and laws imposed by any governmental or quasi-governmental authority or agency having jurisdiction over the Leased Premises including those of City. Tenant will keep the access to the Premises, the parking areas and other contiguous areas to the Premises free and clear of obstruction. Tenant, at its sole cost and expense, will keep the Premises free of rodents, vermin and other pests.

1.09 **Abandonment**. Tenant shall not vacate or abandon the Leased Premises or any part thereof at any time during the Lease Term. Tenant understands that if Tenant should leave the Leased Premises or any part thereof vacant or abandoned, the risk of fire, other casualty, and vandalism to the Leased Premises and the Building will be increased and that, therefore, such action by Tenant shall constitute a material breach of this Lease, whether or not Tenant continues to pay Rent and any other costs required under this Lease. If Tenant shall vacate, abandon or surrender the Leased Premises, or be dispossessed by process of law or otherwise, any personal property belonging to Tenant and left on the Leased Premises shall be deemed to be abandoned, at the option of City, and City may sell or otherwise dispose of such personal property in any commercially reasonable manner.

1.10 **Notice of Grant Award**. Tenant shall provide City with a copy of the Notice of Grant Award within three (3) business days of Tenant's receipt of same. If applicable, Tenant shall provide City with a copy of the notice that advises Tenant of the non-approval of the Grant application within three (3) business days of Tenant's receipt of same. Additionally and throughout the Lease Term and any renewals, Tenant shall provide City with a copy of the following: (1) notices of Grant award; (2) designation renewal notices; (3) notices relating to the Grant budget; (4) notices of Grant deficiencies, including, without limitation, notices of deficiency, suspension, or termination of a Grant; and (5) any other Grant related documents or information, within three (3) business days following Tenant's receipt of the same.

1.11 **Children Served**. Tenant shall submit to the City Manager an annual report (due on October 15th) that includes the total number of children served during the prior fiscal year (e.g., October 1, 2023 – September 30, 2024) and the percentage of such children that reside within the City. Tenant shall provide the City reasonable proof of the residency of participants upon request, and any protected and/or confidential information shall be identified and safeguarded in accordance with law. The City may, at any reasonable time, request from Tenant a report on the total number of children currently being served and the percentage thereof that reside within the City.

ARTICLE II

SUBLET, ASSIGNMENT OR TRANSFER OF LEASED PREMISES

2.01 Tenant may not sublet or assign its rights to anyone regarding the Leased Premises or this Lease without the prior written consent of the City which may be withheld at the sole discretion of the City.

ARTICLE III
RENT

3.01 **Rent**. The rent during the term of this Lease shall be as follows:

- Year 1: \$2,000.00 per month;
- Year 2: \$2,100.00 per month;
- Year 3: \$2,200.00 per month;
- If renewed, year 4: \$2,300.00 per month; and
- If renewed, year 5: \$2,400.00 per month

(collectively, "Rent") commencing with the Effective Date, which shall be payable by Tenant on or before the first day of each month, in advance, without any deduction, set-off or counterclaim whatsoever. If Tenant shall fail to pay the Rent when due more than one time in a calendar year, such sum shall bear interest from the date due until paid at the legal rate. The initial monthly payment is due on September 1, 2024, and shall cover August 31, 2024 through September 30, 2024. The remaining monthly payments shall cover each subsequent month (e.g., October 1-31; November 1-30; December 1-31, etc.).

3.02 **Place and Method of Payment of Rent**. All payments due from Tenant under this Lease shall be paid to City, without prior notice or demand, deduction or offset, in lawful money of the United States of America in immediately available funds or by good check as described below to: City of Lake Worth Beach Finance Department, Attn: Accounts Receivable, 7 N. Dixie Highway, Lake Worth Beach, Florida 33460, or to such other person or at such other place as City may from time to time designate by written notice to Tenant. Payments made by check must be drawn either on a Florida financial institution or on a financial institution that is a member of the Federal Reserve System. All other payments due to the City other than Rent shall be made on the first business day of every month, unless a different date is specified by the imposing source (i.e., public utilities).

3.03 **Accord and Satisfaction**. In the event Tenant pays any amount that is less than the amount stipulated to be paid under this Lease, such payment shall be considered to be made only on account of the stipulated amount. No endorsement or statement on any check or letter shall be deemed an accord and satisfaction. The City may accept any check or payment without prejudice to City's right to recover the balance due or to pursue any other remedy available to City pursuant to this Lease or under the law.

ARTICLE IV
MAINTENANCE OF LEASED PREMISES

4.01 **Maintenance**.

a. City Responsibilities. City shall use its best efforts to maintain, repair, and replace the structural and building systems of the Premises, including the foundation, exterior walls, roofing systems, central HVAC systems, and mechanical, electrical, and plumbing systems at the Premises (collectively, "Structural Systems") in good working order. When notified in writing by the Tenant of needed repairs or replacement or when the City discovers that such repairs or replacements are needed and after having a reasonable opportunity thereafter to obtain the necessary personnel and/or contractors, the City will make all necessary repairs or replacements to the Structural Systems. The City will be responsible for the costs of the same. The City shall determine, in its sole discretion, what maintenance, repairs, and replacements are needed and/or otherwise required by law.

b. **Tenant Damage.** Regardless of cost or expense, Tenant shall be responsible for, and shall reimburse City promptly upon demand for, the cost of any maintenance, repairs or replacements to the Structural Systems or otherwise to the Premises (including without limitation, fixtures, appliances, appurtenances, etc.) necessitated by damage caused by the actions, inactions, negligence or willful misconduct of Tenant or Tenant's agents, employees, contractors, guests, or invitees.

c. **Tenant Responsibilities.** Tenant shall maintain, repair, and replace all aspects of Leased Premises, fixtures, appliances, and appurtenances, for which City is not responsible, including without limitation the interior, non-structural portions of the Leased Premises, at Tenant's sole cost and expense, in good repair and condition, reasonable wear and tear excepted, and in a clean, pleasant, sightly, sanitary and safe condition and in compliance with all applicable laws. Except in regard to the Structural Systems, City is not required to perform any maintenance, repairs, replacements or improvements to the Leased Premises of any type or nature, all such obligations shall be Tenant's obligation. Except as otherwise set forth in this Lease, Tenant's obligations shall be limited to the interior portion of the Leased Premises; provided, however, that Tenant shall also maintain the playground equipment. The City will inspect the playground equipment only upon the request of the Tenant or when the City discovers that such equipment may require an inspection. Tenant shall be responsible for and replenish the mulch as necessary and the costs for the same. All of Tenant's repairs and replacements shall be completed with materials of similar or better quality to the original materials, and all such work shall be completed under the supervision of the Tenant unless otherwise required by the City. All such repairs and replacements shall be performed only by contractors or mechanics approved by City, which approval shall not be unreasonably withheld and whose work will not cause or threaten to cause disharmony or interference with City or other tenants at the Premises. If Tenant fails to perform any of its obligations set forth in this section, City may, in its sole discretion and upon 48 hours prior notice to the Tenant (but without notice in case of emergencies), perform the same, and Tenant shall pay to City any costs or expenses incurred by City upon demand. In the alternative, City may terminate this Lease.

4.02 **Time.** The obligations set forth in this Article shall begin on the Effective Date.

4.03 **Standards.** City and Tenant covenant that all facilities located on the Leased Premises shall be maintained in accordance with generally accepted commercial standards in terms of levels of cleanliness, cycles of maintenance, and general operating procedures. Tenant covenants that it will make all reasonable accommodations in the Leased Premises for persons with disabilities in connection with the use of the Leased Premises, as required by law.

4.04 **Access and Right of Entry by City.** City and City's agents shall have the right to enter the Leased Premises at all times to examine or inspect the condition of the Leased Premises after giving Tenant at least twenty-four (24) hours prior notice (such advance notice not being required in emergency situations), and to make such repairs, removals, alterations, upgrades, improvements or additions as City may deem necessary or desirable in order to preserve the Building, Leased Premises, or Premises, but only after giving Tenant written notice of the need for such repairs and a reasonable opportunity to make such repairs or to initiate such repairs and Tenant's failure to make or initiate such repairs. In emergencies or when circumstances render advance notice impractical, the City will give Tenant reasonable notice of its intent to exercise this right of entry. City shall be allowed to take all material unto and upon the Leased Premises that may be required therefor without the same constituting an eviction of Tenant in whole or in part, and the Rent and any additional costs required by this Lease shall in no way be abated while said repairs, alterations, improvements, or additions are being made. If Tenant or Tenant's employees or agents

shall not be personally present to open and permit entry into said Leased Premises, at any time, when for any reason an entry therein shall be necessary or permissible as set forth herein, City, or City's agents may enter the same, as permitted by law, without liability therefor and without in any manner affecting the obligations and covenants of this Lease.

4.05 **No Liens.** Tenant shall pay when due all costs for work performed and materials supplied to the Leased Premises. Tenant shall keep City and the Leased Premises free from all liens, stop notices and violation notices relating to the work performed, materials furnished or obligations incurred by or for Tenant and Tenant shall protect, indemnify, hold harmless and defend City, and the Building, Leased Premises, and Premises of and from any and all loss, cost, damage, liability and expense, including reasonable attorney's fees and costs, arising out of or related to any such liens or notices. During the progress of such work, Tenant shall, upon City's request, furnish City with sworn contractor's statements and lien waivers covering all work theretofore performed. Tenant shall not permit any lien or claim for lien of any construction, mechanic, laborer, or supplier to be filed against the Leased Premises, Building, or Premises. If any such lien, notice, or claim is filed, Tenant shall within ten (10) days after notice of the filing thereof cause said lien, notice, or claim to be removed and discharged of record; provided, however, that Tenant shall have the right to contest the amount or validity, in whole or in part, of any such lien, notice or claim by appropriate proceedings but in such event Tenant shall promptly bond over such lien, notice, or claim with a surety company reasonably satisfactory to the City and shall prosecute such proceedings with due diligence. If Tenant fails to so discharge or bond such lien within the time periods provided, the City may at its election, after written notice to Tenant, remove or discharge such lien, notice, or claim by paying the full amount thereof, or otherwise, and without any investigation or contest of the validity thereof, and Tenant shall pay to the City upon demand, as additional rent, the amount paid by the City, including the City's reasonable costs, expenses and attorneys' fees, with interest from the date of payment at the legal rate of interest for amounts owed City by Tenant. Tenant shall not have any authority to create any liens for labor or material on the City's interest in the Leased Premises and all persons contracting with the Tenant for the construction or removal of any facilities or other improvements on or about the Leased Premises, and all material men, contractors, mechanics and laborers are hereby charged with notice that they must look only to the Tenant and to the Tenant's interests in the Leased Premises to secure the payment of any bill for work done or material furnished at the request or instruction of Tenant. Further, Tenant shall notify any and all parties or entities performing work or providing materials relating to any alterations or Additional Alterations made by Tenant of this provision of this Lease. City and Tenant shall execute a short form or memorandum of this Lease, which shall be recorded in the Public Records of Palm Beach County for the purpose of protecting the City's estate from contractors' claims of lien, as provided in Chapter 713.10, Florida Statutes, as amended from time to time.

ARTICLE V

UTILITIES AND OTHER OCCUPANCY COSTS

5.01 **Generally.** Tenant shall pay when due (or otherwise upon demand) the full cost of the following utilities/services provided to the Leased Premises: alarm/security services and pest control/extermination services. Tenant shall arrange for and pay when due the following services to the Leased Premises: telephone and janitorial services.

5.02 **Percentage**. To cover the Tenant's portion of certain other utilities, the Tenant shall pay, upon demand, seventy-five percent (75%) of the total costs (for the entire building) of the following: water, sewer, waste removal and electricity.

ARTICLE VI TAXES

6.01 **Tax Exempt Status**. Tenant represents that Tenant is a tax-exempt organization pursuant to the provisions of Section 501 (c) of the Internal Revenue Code and that Tenant shall maintain its tax-exempt status throughout the Lease Term.

6.02 **Sales and Personal Property Taxes**. Unless otherwise exempted, Tenant shall pay before delinquency, all intangible personal property taxes and assessments, if any, on the furniture, fixtures, inventory and equipment, leasehold interest, and other property of Tenant located within the Leased Premises. Tenant shall also pay all sales tax assessed against the Rent by the State of Florida or any other governmental authority, although the taxing statute or ordinance may purport to impose such sales tax against the City. Tenant shall pay the payment of sales tax together with the payment of Rent. Notwithstanding the foregoing, City hereby acknowledges receipt of a copy of Tenant's Form DR-14, Consumer's Certificate of Exemption, pursuant to which Tenant is exempt from the payment of Florida sales and use tax on, inter alia, real property rented. As long as such certificate or any renewal thereof (if a copy of such renewal is delivered to the City) is in effect, Tenant shall not be required to pay sales tax on the Rent.

6.03 **Right to Contest Taxes**. If Tenant desires to contest the validity of any tax or tax claim, Tenant may do so without being in default hereunder as to its obligation to pay taxes, provided Tenant gives City notice of its intention to do so and furnishes City with a corporate surety or bond until such time that the validity of the tax or tax items shall finally have been determined. Such surety or bond shall be given by Tenant to City not later than a day which is thirty (30) days before the tax item or items proposed to be contested would otherwise become delinquent. In lieu of the giving of such surety or bond, Tenant may pay into the Registry of a court of competent jurisdiction a sum of money equal to the amount of the taxes being contested.

ARTICLE VII INDEMNIFICATION

7.01 **Indemnification of City Against Liability**. Tenant hereby waives all claims against City and its officers, directors, agents, and employees for damage to any property or injury or death of any person in, upon or about the Leased Premises arising at any time and from any cause other than by reason of gross negligence or willful act of City, its employees or contractors, and Tenant shall indemnify and defend City against, hold City harmless from, and reimburse City for any and all claims, liabilities, damages, losses, costs and expenses, including without limitation, court costs and reasonable attorneys' fees at all levels of trial and appeal, arising out of or in any way connected with (a) injury to or death of any person occurring in, on, or about the Leased Premises, Building, or Premises or attributable to or resulting from the condition, use or occupancy of the Leased Premises by Tenant or Tenant's failure to perform its obligations under this Lease, and (b) damage to or destruction of any property, occurring in, on or about the Leased Premises, Building, or Premises or attributable to or resulting from Tenant's negligence or willful misconduct or Tenant's failure to perform its obligations under this Lease. The foregoing indemnity obligation of Tenant

shall include reasonable attorneys' fees, investigation costs, and all other reasonable costs and expenses incurred by City from the first notice that injury, death or damage has occurred or that any claim or demand is to be made or may be made through any and all appeals. This indemnification agreement is separate and apart from, and in no way limited by, any insurance provided pursuant to this Lease or otherwise. The provisions of this section shall survive the termination of this Lease with respect to any damage, injury or death occurring prior to such termination. Nothing contained in this Lease shall create a contractual relationship with or a cause of action in favor of a third party against either City or Tenant. Further, nothing contained in this Lease shall be construed or interpreted as consent by City to be sued, nor as a waiver of sovereign immunity beyond the waiver provided in section 768.28, Florida Statutes, as amended from time to time. The provisions, waivers, and limitations set forth in section 768.28, Florida Statutes, are hereby deemed to apply to this Lease to claims or actions arising in tort and/or contract.

ARTICLE VIII
HAZARDOUS, FLAMMABLE AND TOXIC MATERIALS

8.01 **Generally.** Tenant shall not use, generate, store, or dispose of Hazardous Material (as defined below) on the Leased Premises, Building, or Premises, except those customarily utilized in connection with Tenant's use and operations. Tenant, at Tenant's expense, shall comply with all laws, rules, orders, ordinances, directions, regulations and requirements of federal, state, local, county and municipal authorities pertaining to air and water quality, waste disposal, air emissions, hazardous materials or otherwise relating to the protection of the environment or the keeping, use or disposition of environmentally hazardous materials, substances, or wastes, presently in effect or hereafter adopted, all amendments to any of them, and all rules and regulations issued pursuant to any of such laws or ordinances (collectively "Environmental Laws").

8.02 **Definition.** As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste, including but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto, or such substances, materials and wastes that are or become regulated under any applicable local, state or federal law.

8.03 **Breach of Obligations.** If Tenant breaches its obligations stated hereinabove, or if the presence of Hazardous Material on the Leased Premises, Building, or Premises caused or permitted by Tenant results in any violation of Environmental Laws, or if contamination of the Leased Premises by Hazardous Material otherwise occurs for which Tenant is legally liable to City for damages resulting therefrom, then Tenant shall indemnify, defend and hold City harmless from and against any and all causes of action, claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, sums paid in settlement of claims, reasonable attorneys' fees, consultant fees, expert fees, and court costs though all trials and appeals) which arise during or after the Lease Term as a result of such violation, contamination or exposure or incurred by reason of any actual or asserted failure of Tenant to fully comply with all applicable Environmental Laws, or the presence, handling, use or disposition in or from the Premises of any Hazardous Materials, or by reason of any actual or asserted failure of Tenant to keep, observe, or perform any provision of this paragraph. This indemnification of City by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any federal, state or local governmental agency or

political subdivision because of Hazardous Material present in the soil or ground water on or under the Leased Premises. Without limiting the foregoing, in the event of a release of any Hazardous Material on the Leased Premises in violation of Environmental Laws caused or permitted by Tenant, Tenant shall promptly take all actions at its sole expense as are necessary to return the Leased Premises to the condition existing prior to such release; provided that City's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such action would not have any material adverse long-term effect on the Leased Premises. While this provision establishes contractual liability of Tenant, it shall not be deemed to eliminate or diminish any statutory or common law liability of Tenant. Tenant's responsibility hereunder shall continue and apply to any violation hereof, whether the same is discovered during the term hereof or otherwise. Tenant acknowledges the City would not have entered into this Lease without the indemnification contained herein and acknowledges the receipt and sufficiency of separate good and valuable consideration for such indemnification. The foregoing indemnity provision set forth in this subparagraph shall survive the expiration or earlier termination of this Lease.

8.04 **No Storage**. Tenant shall not use, maintain, store, or dispose of any contaminants including, but not limited to, Hazardous Materials or toxic substances, chemicals or other agents used or produced in Tenant's operations, on the Premises or any adjacent land in violation of any Environmental Laws. Tenant shall not cause or permit the release of Hazardous Materials upon the Premises or upon adjacent lands in violation of any Environmental Laws and shall operate and occupy the Premises in compliance with all Environmental Laws. Tenant shall ensure compliance with safety information for each Hazardous Material used at the Leased Premises, as well as procedures to follow in the event of a fire, leak or spill.

8.05 **Safety Information**. Tenant shall ensure compliance with safety information for each Hazardous Material used at the Leased Premises, as well as procedures to follow in the event of a fire, leak, or spill.

8.06 **Labeling Standards**. Tenant shall abide by the federal labeling standards that apply to art products pursuant to the Occupational Safety and Health Administration (OSHA) Hazard and Communication Standard and Labeling of Hazardous Art Materials Act (LHAMA).

8.07 **Ventilation**. Tenant shall ensure that proper ventilation is achieved to achieve contaminant-capture efficiency and to prohibit the direct, indirect or secondary exposure at the Leased Premises, or to neighboring properties and the community at large.

8.08 **Remediation**. City and its agents shall have the right, but not the duty, to inspect the Leased Premises at any time to determine whether Tenant is complying with the terms of this Article. If Tenant does not comply with this Lease, City shall have the right to immediately demand the Tenant to remediate any release of Hazardous Materials in violation of Environmental Laws caused by Tenant's failure to comply notwithstanding any other provision of this Article. City shall use its best efforts to minimize interference with Tenant's business but shall not be liable for any interference caused thereby.

ARTICLE IX INSURANCE; BONDING REQUIREMENTS

9.01 **Generally**. Tenant, at its own expense, shall maintain the following insurance coverage:

a. Worker's Compensation and Employer's Liability. Tenant shall maintain Worker's Compensation insurance sufficient to comply with all applicable State and/or Federal laws.

b. Commercial General Liability. Tenant shall maintain a Commercial General Liability policy applying to the use and occupancy of the Leased Premises and any areas adjacent thereto, and the business operated by Tenant, or by any other occupant of the Leased Premises with limits of liability not less than one Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) general aggregate for Bodily Injury and Property Damage. Such policy shall specifically name the City as an additional insured. All such insurance shall provide for severability of interests; shall provide that an act or omission of one of the named insureds shall not reduce or avoid coverage to the other named insureds; and shall afford coverage for all claims based on acts, omissions, injury and damage, which claims occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period. Tenant's Commercial General Liability policy shall not provide for a deductible in excess of Two Thousand Dollars (\$2,000.00) without the prior written approval of City. Tenant shall also carry Three Hundred Thousand Dollars (\$300,000.00) in fire legal liability coverage.

c. Property Insurance. Tenant shall maintain an All-Risk property insurance policy on all personal property, furniture and fixtures of Tenant and tenant improvements and betterments for not less than one hundred percent (100%) of the replacement cost of the same and shall name City as Loss Payee. Tenant's property policy shall not provide for a deductible in excess of Two Thousand Dollars (\$2,000.00) (increased periodically in accordance with the Index) without the prior written approval of City.

d. Additional Insurance. Whenever good business practice, in the reasonable judgment of City's Risk Manager, indicates the need for additional insurance coverage or different types of insurance in connection with the Leased Premises or Tenant's use and occupancy thereof, Tenant shall, upon request, obtain such insurance at Tenant's expense and provide City with evidence thereof.

All coverage shall be written on an occurrence basis and shall be primary and non-contributory over any insurance the City may elect to provide on its behalf. Prior to any occupation of the Leased Premises or within thirty (30) days from the Effective Date, whichever is first, and upon renewal of such insurance coverage, Tenant shall deliver to the City copies of Tenant's insurance policies, or certificate of such insurance from the insurer providing a minimum of thirty (30) days' notice of cancellation or modification, showing that all premiums have been paid for the full policy period. In the event Tenant shall fail to procure such insurance or to deliver such policies and certificates, City may, at City's option and in addition to City's other remedies in the event of a default by Tenant hereunder, procure the same for the account of Tenant, and the cost thereof shall be paid to City as Additional Rent. All policies of insurance required to be carried by Tenant shall be in a form satisfactory to City, shall specifically name "City of Lake Worth Beach, its officials, employees, and agents," as an additional insured, shall be issued by responsible insurance companies which are licensed to do business in the State of Florida, and shall have an AM Best Company rating of at least "A" and a financial rating of not less than "X" and have been approved in writing by City. The policies shall contain cross-liability endorsements or their equivalent, and shall be for the mutual and joint benefit and protection of City, Tenant and any other party designated by City as an additional insured.

9.02 **Contractor Insurance.** Before any repairs, alterations, additions, improvements, or construction are undertaken by or on behalf of Tenant, Tenant shall require any contractor performing work in the Leased Premises to carry and maintain, at no expense to City, in addition to workers' compensation insurance as required by the jurisdiction in which the Leased Premises are located, Automobile Liability in the amount of \$1,000,000.00 combined single limit per occurrence, All Risk Builder's Risk Insurance in the amount of the replacement cost of any alterations, additions or improvements (or such other amount reasonably required by City) and Commercial General Liability Insurance (including, without limitation, Contractor's Liability coverage), written on an occurrence basis with a minimum combined single limit of \$2,000,000.00 and adding "City of Lake Worth Beach, its officials, employees, and agents," as an additional insured. Tenant shall provide a certificate of insurance from contractor's insurer to City prior to the commencement of any work in the Leased Premises.

9.03 **Tenant Conduct.** Tenant shall not do or fail to do anything in, upon or about the Leased Premises which will: (i) violate the terms of any of City's insurance policies; (ii) prevent City from obtaining policies of insurance acceptable to City; or (iii) result in an increase in the rate of any insurance on the Leased Premises, or any other property of City. In the event of the occurrence of any of the events set forth in this subsection, Tenant shall pay City, upon demand, as Additional Rent, the cost of the amount of any increase in any such insurance premium, provided that the acceptance by City of such payment shall not be construed as a waiver of any rights by City in connection with a default by Tenant under the Lease.

9.04 **Waiver of Subrogation.** Tenant shall have included in all policies of fire, extended coverage, business interruption, and other insurance respectively obtained by them covering the Leased Premises and contents therein, a waiver by the insurer of all right of subrogation against the City in connection with any loss or damage thereby insured against. Any additional premium for such waiver shall be paid by the Tenant. To the full extent permitted by law, Tenant waives all rights of recovery against the City for, and agrees to release the City from liability for, loss or damage to the extent such loss or damage is covered by valid and collectible insurance in effect at the time of such loss or damage or would be covered by the insurance required to be maintained under this Lease by the Tenant.

9.05 **Payment Bond.** Prior to commencement of construction of any improvements, Tenant shall require its contractor to furnish and provide to City a Material and Labor Payment Bond for the construction of the Tenant Improvements ("Payment Bond") as required by section 255.05, Florida Statutes. The Payment Bond must be issued by an insurance company or surety company acceptable to City and comply with Sections 255.05 and 713.23, Florida Statutes. The amount of the Payment Bond shall be the amount of the construction contract to complete the improvements. The Payment Bond shall remain in effect until the improvements are completed and the certificate of occupancy is issued.

ARTICLE X

ALTERATIONS AND ADDITIONS

10.01 Alterations and Additions.

a. Tenant shall not make, or permit to be made, any alteration, addition, modification or improvement (hereinafter referred to individually as an "Additional Alteration" and collectively as the "Additional Alterations") to the Leased Premises or any part thereof without the prior written consent of City, which consent in each instance, may be withheld, granted, or granted subject to conditions as determined by City in its sole discretion. The installation of furnishings, fixtures,

equipment or decorative improvements and the repainting or re-carpeting of the Leased Premises shall not constitute "Additional Alterations." All alterations, additions or improvements made by the Tenant that are permanently attached become the property of the City at the termination of this Agreement, or City, in its sole discretion, may require Tenant to remove such alterations, additions or improvements and restore the Leased Premises to its original condition.

b. The cost of any Additional Alteration to the Leased Premises shall be borne solely by the Tenant, and all Additional Alterations shall be constructed in compliance with all applicable laws and all requirements imposed by City, including, without limitation, the requirements of any insurer providing coverage for the Leased Premises or any part thereof, and in accordance with plans and specifications approved in writing by City, and shall be constructed and installed by a properly licensed and insured contractor approved in writing by City. In connection with any Alteration, Tenant shall deliver all plans and specifications for any Additional Alterations to the City through its building permit process. City's review and approval of Tenant's plans and specifications for any work performed for or on behalf of Tenant shall not be deemed to be a representation by City that such plans and specifications comply with applicable insurance requirements or that such plans and specifications will be adequate for Tenant's use. As a further condition to giving consent, City may require Tenant to provide City, at Tenant's sole cost and expense, a conditional payment and performance bond in form acceptable to City, in a principal amount not less than one and one-half times the estimated costs of such Additional Alterations, to ensure City against any liability for mechanic's and material men's liens and to ensure completion of work.

Before Additional Alterations may begin, valid building permits or other permits or licenses required must be furnished to City, and, once the Additional Alterations begin, Tenant shall diligently and continuously pursue their completion. Tenant shall maintain during the course of construction, at its sole cost and expense, builders' risk insurance for the amount of the completed value of the Additional Alterations on an all-risk non-reporting form covering all improvements under construction, including building materials, and other insurance in amounts and against such risks as City shall reasonably require in connection with the Additional Alterations.

ARTICLE XI

DAMAGE TO OR DESTRUCTION OF LEASED PREMISES

11.01 In the event the Leased Premises are destroyed or substantially damaged by fire, act of God, act of nature, public enemies, accident or other casualty making them unfit for Tenant's use and occupancy, as determined by both parties, the Lease Term shall at the option of either party upon reasonable notice to the other, terminate as of the date of such damage or destruction. Under those circumstances accrued rent and other costs under this Lease shall be paid up to the time of such damage. If neither party desires to terminate the Lease, City, contingent upon the availability of City funds and other needed resources as determined in the sole discretion of the City, may enter and repair the Leased Premises with reasonable speed and rent shall be waived, but the remaining costs of occupancy shall remain due and owing during any period in which the Leased Premises remain unfit for occupancy. Once the Leased Premises have been restored to a condition which is suitable for occupancy, the Tenant's rental obligation shall commence but may be reduced by a reasonable amount for any period during which repairs continue until such repairs have been completed. If, however, the Leased Premises are only partially destroyed or damaged by such occurrence and City decides to repair same, such repairs shall be made by City without

unreasonable delay and this Lease shall remain in full force and effect, without any abatement of rent or costs of occupancy.

ARTICLE XII
EMINENT DOMAIN

12.01 It is understood and agreed that if at any time during the continuance of this Lease, the Leased Premises or the improvements and Building located thereon or any portion thereof be taken, appropriated or condemned by reason of eminent domain, there shall be such division of the proceeds and awards in such condemnation proceedings, and such abatement of Rent and other adjustments made, as shall be just and equitable under the circumstances. If City and Tenant are unable to agree upon what division, annual abatement of Rent or other adjustments are just and equitable within thirty (30) days after such award shall have been made, then the matters in dispute shall by appropriate proceedings, be submitted to a court having jurisdiction of the subject matter of such controversy in Palm Beach County, Florida, for its decision and the determination of the matters in dispute. If the legal title to the entire Leased Premises be wholly taken by condemnation, the Lease shall automatically and without notice be cancelled. If a partial taking by an entity renders the remainder of the Leased Premises unsuitable for the permitted uses set forth herein, then Tenant shall have the right to terminate this Lease as of the date Tenant is required to surrender possession to the condemning authority.

ARTICLE XIII
COMPLIANCE WITH LAW AND SAFETY

13.01 **Generally.** Tenant shall, at Tenant's sole expense, observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, and municipal bodies having jurisdiction over any or all of the Tenant's activities. All Tenant's activities must be in accordance with these laws, ordinances, codes and regulations, now in force, or which may hereafter be in force. Tenant shall indemnify, defend, and save City harmless from any and all penalties, fines, costs, expenses, suits, claims, causes of action, or damages resulting from Tenant's failure to perform its obligations in this Section as more fully set forth in the indemnification article in this Lease.

13.02 **Notice to City.** If a death, serious personal injury, or substantial property damage occurs in, on, or about the Leased Premises, Tenant shall immediately notify the City by telephone. If any accident occurs on the Leased Premises, Tenant shall promptly submit a written report to City, in such form as City may require. This report shall include the following information: (1) name and address of the injured or deceased person(s) and next of kin, (2) name and address of Tenant's contractor, if any, (3) name and address of Tenant's liability insurance carrier and (4) a detailed description of the accident.

13.03 **Notice to Law Enforcement.** If a release of Hazardous Materials in violation of Environmental Laws occurs on the Leased Premises, Tenant shall immediately notify the City's designated police service provider and Fire Department.

13.04 **Disposal.** Tenant shall, in accordance with Environmental Laws, dispose of all Hazardous Materials used in the course of its operations on the Leased Premises and/or reimburse the City for such costs if the City is required to remove such materials from the Leased Premises.

ARTICLE XIV
DEFAULT CLAUSE

14.01 **Tenant's Default.** The occurrence of any one of the following events shall constitute an event of default on the part of Tenant ("Default"):

a. A default by Tenant in the payment when due of any installment of Rent, Additional Rent or any other monies due and payable under the terms of this Lease and the continuation of such default for a period of fifteen (15) days after written notice from City;

b. Failure of Tenant to: 1) pay its financial commitments relating to the operation of the Leased Premises including the costs required under this Lease; or 2) the failure in the performance of any of the other terms, covenants, agreements or conditions contained herein (except those failures specified as events of Default in subsections (a) or any other subsections of this section, which shall be governed by such other sections), and, the continuation of such default for a period of thirty (30) days after written notice by City or beyond the time reasonably necessary for cure if the default is of a nature to require more than thirty (30) days to remedy and Tenant is making diligent, good faith efforts to cure such default;

c. A general assignment by Tenant of Tenant's obligations hereunder, for the benefit of creditors;

d. The filing by or against Tenant of a petition, voluntary or involuntary, for reorganization, or the filing of an involuntary petition by the creditors of Tenant, said involuntary petition remaining undischarged for a period of thirty (30) days after written notice from City.

e. Receivership, attachment, or other judicial seizure of substantially all of Tenant's assets on the Leased Premises, such attachment or other seizure remaining un-dismissed or undischarged for a period of thirty (30) days after the levy thereof and after written notice from City,

f. The failure by Tenant to maintain its legal existence as a Federal tax-exempt organization pursuant to Section 501 (c)(3) of the Internal Revenue Code or its equivalent;

g. The abandonment of the Leased Premises for a period of thirty (30) days after written notice from City;

h. An assignment or sublease, or attempted assignment or sublease, of this Lease or the Leased Premises by Tenant contrary to the provisions of Article 2.01 hereof;

i. Any insurance required to be maintained by Tenant pursuant to this Lease shall be canceled or terminated or shall expire or be reduced or materially changed, except as permitted in this Lease, after written notice from City.

j. Any failure by Tenant to discharge any lien or encumbrance placed on the Leased Premises or any part thereof in violation of this Lease within fifteen (15) business days after written notice from City.

The City may, in its sole discretion, increase any time periods provided above to allow the Tenant more time to cure. Such increases shall be in writing.

14.02 **City's Remedies.**

a. **Termination.** In the event of any Default of any provision of this Lease by Tenant, and in addition to any other remedies available to City at law or in equity and under this Lease, City shall have the immediate option to terminate this Lease and all rights of Tenant hereunder by giving written notice of such

intention to terminate. In the event that City shall elect to so terminate this Lease then City may recover from Tenant:

(1) any amount necessary to compensate City for all losses proximately caused by Tenant's failure to perform its obligations under this Lease including, without limitation: any costs or expenses incurred by City (i) in retaking possession of the Leased Premises; and (ii) in repairing, restoring, cleaning, or rehabilitating the Leased Premises if and to the extent that Tenant breached any of its maintenance obligations hereunder;

(2) such reasonable attorneys' fees incurred by City as a result of a Default, and costs in the event suit is filed by City to enforce such remedy.

ARTICLE XV **SURRENDER OF THE LEASED PREMISES**

15.01 The Tenant shall, on or before the last day of the Lease Term herein, or the sooner termination thereof, peaceably and quietly leave, surrender and yield upon to the City the Leased Premises, (excluding all equipment, furnishings, appliances, trade fixtures and personal property belonging to or installed by the Tenant which can be removed without material injury to the Leased Premises) free of all liens, claims and encumbrances and rights of others, together with all structural changes, alterations, additions, and improvements which may have been made upon the Leased Premises, in good order, condition and repair, reasonable wear and tear, casualty and taking by power of eminent domain excepted, subject, however, to the subsequent provisions of this Article. Any property which pursuant to the provision of this Article is removable by Tenant on or at the Leased Premises upon the termination of this Lease and is not so removed may, at the option of the City, be deemed abandoned by the Tenant, and either may be retained by the City as its property or may be removed and disposed of at the sole cost of the Tenant in such manner as the City may see fit. If the Leased Premises and personal property be not surrendered at the end of the Lease Term as provided in this Article, the Tenant shall make good to the City all damages which the City shall suffer by reason thereof.

ARTICLE XVI **LIMITATION OF LIABILITY**

16.01 City desires to enter into this Lease only if in so doing City can place a limit on City's liability for any cause of action for money damages due to an alleged breach by City of this Lease, so that its liability for any such breach never exceeds the sum of \$10,000.00. Tenant hereby expresses its willingness to enter into this Lease with a \$10,000.00 limitation on recovery for any damage action for breach of contract. Accordingly, Tenant hereby agrees that City shall not be liable to Tenant for damages in an amount in excess of \$10,000.00 for any action for breach of contract arising out of the performance or nonperformance of any obligations imposed upon City by this Lease. The foregoing provisions shall not preclude an action by Tenant for specific performance. Nothing contained in this subsection or elsewhere in this Lease is in any way intended to be a waiver of the limitation placed upon City's liability as set forth in Florida Statutes, Section 768.28, as amended from time to time.

ARTICLE XVII **TENANT COVENANTS**

17.01 The Tenant covenants and agrees to:

- a. Keep and maintain in good order, condition and repair (except for reasonable wear and tear) those portions of the Leased Premises that Tenant is required to maintain hereunder, including without limitation the playground equipment and playground area of the Leased Premises.
- b. Promptly remove litter, graffiti, and trash from the Leased Premises.
- c. Comply with obligations imposed by applicable building and housing codes materially affecting health and safety, to the extent that such codes affect those aspects of the Leased Premises that Tenant is required to maintain hereunder. Tenant shall use all appliances and all electrical, plumbing, sanitary, heating, ventilating, air conditioning and other systems in a reasonable and safe manner.
- d. Pay all costs resulting from the intentional or negligent destruction, damage or removal of any part of the Leased Premises by the Tenant.
- e. The Tenant shall not deliberately or negligently destroy, deface, damage, impair, or remove any part of the Leased Premises or permit any other person to do so. Tenant shall be liable for all costs and expenses necessary to repair or replace the Leased Premises or any portion thereof as a result of such deliberate or negligent acts. Tenant shall not commit or permit any waste or nuisance on or about the Leased Premises nor do anything that might create a hazard of fire on or within the Leased Premises.

ARTICLE XVIII **ADDITIONAL TERMS**

18.01 **Permits and Licenses.** Tenant shall maintain all required State, County or City permits and/or licenses for its use, including but not limited to, a City of Lake Worth Beach Business Tax Receipt and Use and Occupancy Certificate, if applicable.

18.02 **Protection of Property.** Tenant shall insure its property against risk of loss, theft or damage at all times, and the City shall not be held responsible. Tenant shall absorb any and all costs associated with damage to the Leased Premises resulting from any kind of damage, such as, but not limited to: theft, vandalism, power outages, fire and/or natural events such as, but not limited to; hurricanes, flooding, rainstorms, wind damage or peril. Tenant shall, at all times, guard against damage or loss to the property of the City.

18.03 **Compliance with Laws.** Tenant, at its sole cost and expense, shall promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force; with the requirements of any board of fire underwriters or other similar body now or hereafter constituted; with any direction or occupancy certificate issued pursuant to any law by any public officer or officers; and with the provisions of all recorded documents affecting the Leased Premises, insofar as any thereof relate to or affect those aspects of the Leased Premises which Tenant is required to maintain hereunder or to Tenant's use or occupancy of the Leased Premises. Tenant shall comply with Florida's Public Records Act, Chapter 119, Florida Statutes, as it relates to this Lease.

18.04 **Corporate Authority.** Each of the persons executing this Lease on behalf of Tenant represents and warrants that it is a duly organized and existing Florida corporation that is tax-exempt under

Section 501 (c)(3) of the Internal Revenue Code, that Tenant has full right and authority to enter into this Lease, and that the persons signing on behalf of Tenant were authorized by Tenant to do so on its behalf. Each of the persons executing this Lease on behalf of City represents and warrants that he/she has full right and authority to enter into this Lease on behalf of City, and that the persons signing on behalf of City were authorized by City to do so on its behalf.

18.05 **No Waiver**. The waiver by either party of any agreement, condition or provision herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition or provision herein contained, nor shall any custom or practice which may grow up between the parties in the administration of the terms hereof be construed to waive or to lessen the right of City or Tenant to insist upon the performance in strict accordance with such terms. The subsequent acceptance of Rent hereunder by City shall not be deemed to be a waiver of any preceding breach by Tenant of any agreement, condition or provision of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of City's knowledge of preceding breach at the time of acceptance of Rent.

18.06 **Non Discrimination**. Tenant specifically covenants and agrees that Tenant shall not discriminate against or segregate any person or group of persons on account of race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age, disability, familial status or marital status, in the occupancy, use, sublease, tenure or enjoyment of the Leased Premises.

18.07 **Notices**. All notices and elections (collectively, "Notices") required or permitted to be given or delivered by or to any party hereunder, shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service or prepaid overnight delivery service, by electronic transmission producing a written record, or alternatively shall be sent by United States Certified Mail, with Return Receipt Requested. The effective date of any Notice shall be the date of delivery of the Notice if by personal delivery, courier services or prepaid overnight delivery service, or if mailed, upon the date which the return receipt is signed or delivery is refused or the Notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designate the following addresses as the address to which Notices may be delivered, and delivery to such address shall constitute binding notice give to such party:

If to City:

City of Lake Worth Beach
7 N. Dixie Highway
Lake Worth Beach, Florida 33460
Attn: City Manager

With a Copy to:

City of Lake Worth Beach
Attn: City Attorney
c/o Torcivia, Donlon, Goddeau & Rubin, P.A.
701 Northpoint Parkway
Suite 209
West Palm Beach, Florida 33407

If to Tenant:

Lutheran Services Florida, Inc.
3627A W. Waters Avenue
Tampa, Florida 33614

Attn: Contracts Department
(with a copy to: contracts@lsfnet.org)

Or such other address as the City or Tenant may designate in writing.

18.08 **Time is of the Essence.** Time is of the essence with respect to the Tenant's payment of all Rent and other costs required under this Lease and with respect to the Tenant's performance of every provision of this Lease in which time of performance is a factor.

18.09 **Successors and Assigns.** All rights and obligations granted or imposed by this Lease, and each and every provision hereof, except as herein otherwise specifically provided, shall extend to, bind and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

18.10 **Governing Law and Venue.** This Lease shall be construed and interpreted, and the rights of the parties hereto determined, in accordance with Florida law. City and Tenant submit to the jurisdiction of Florida courts and federal courts located in Florida. The parties agree that proper venue for any suit concerning this Lease shall be Palm Beach County, Florida, or the Federal Southern District of Florida. Tenant agrees to waive all defenses to any suit filed in Florida based upon improper venue or forum nonconveniens.

18.11 **Waiver of Jury Trial.** City and Tenant each waive the right to a trial by jury in any action or proceeding based upon, or related to, the subject matter of this Lease. This waiver is knowingly, intentionally, and voluntarily made by each party and each party expressly acknowledges that neither the other party nor any person acting on behalf of the other party has made any representations of fact to include this waiver of trial by jury or in any way to modify or nullify its effect. Each party acknowledges to the other that it has read and understands the meaning and effect of this waiver provision.

18.12 **Integrated Lease; Preparation.** This Lease and the Exhibits attached hereto and forming a part hereof, constitute all covenants, promises, agreements, representations, conditions and understandings between the City and Tenant concerning the Leased Premises, and there are no covenants, promises, representations, conditions or understandings by any party or the agent of any party hereto, either oral or written, between the parties or relied upon by the parties, other than are herein set forth. No subsequent alteration, modification, deletion, change or addition to this Lease shall be binding upon the City or Tenant unless same shall be in writing and signed by City and Tenant. This Lease shall not be construed more strongly against either party regardless of who was more responsible for its preparation.

18.13 **Third Party Beneficiary.** Nothing contained in this Lease shall be construed so as to confer upon any other party the rights of a third-party beneficiary.

18.14 **Radon Gas.** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from the Palm Beach County Public Health Unit.

18.15 **Americans with Disabilities Act.** Notwithstanding anything to the contrary contained herein, Tenant, at its sole cost and expense, shall cause all alterations, additions, improvements and repairs

to the Leased Premises to comply with the provisions of the Americans with Disabilities Act and other similar federal, state, and local laws and regulations, including, without limitation, any alterations required under ADA for the purposes of "public accommodations" (as that term is used in the ADA).

18.16 **No Partnership Relationship.** It is understood and agreed that City shall in no event be construed or held to be a partner or associate of Tenant in the conduct of Tenant's business, nor shall City be liable for any debts incurred by Tenant in the conduct of Tenant's business, but it is understood and agreed that the relationship is and at all times shall remain that of City and Tenant.

18.17 **Forces of Nature.** Neither party shall be considered in default in the performance of its obligations hereunder or any of them, except as provided in Article XV (Surrender of the Premises), if such obligations were prevented or delayed by any cause, existing or future beyond the reasonable control of such party which include but are not limited to acts of God, labor disputes or civil unrest. When a force majeure affects the performance of the Lease, the party that is affected shall promptly notify the other party and submit to the other party a sufficient and valid proof of force majeure; otherwise, the corresponding liability shall not be waived. Contingent upon proper notice being delivered, any delays beyond the control of either party shall automatically extend the time schedule as set forth in this Lease by the period of any such delay. However, if the party affected by the force majeure fails to resume performance of the relevant obligations after the force majeure has passed, such party shall be liable to the other party in this regard.

18.18 **Interpretation.** Each of the parties hereto acknowledges that they have been represented by their own counsel throughout the negotiations and drafting of this Lease and therefore none of the parties hereto shall claim or assert that any provisions of this Lease should be construed against the drafter of this Lease.

18.19 **Severability; Survivability.** If any term or provision of this Lease, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of the Lease, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision shall be deemed valid and enforceable to the extent permitted by law. Any provision of this Lease which is of a continuing nature or imposes an obligation which extends beyond the term of this Lease shall survive its expiration or earlier termination.

18.20 **Counterparts.** This Lease may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement.

18.21 **Headings.** The headings of the sections of this Lease are inserted for convenience only and do not alter or amend the provisions that follow such headings.

18.22 **Fiscal Non-Funding.** Landlord understands that the Tenant's Lutheran Services Florida Head Start program is funded by a Federal grant. Therefore, if the grant is eliminated or substantially reduced, the Tenant will be allowed to terminate the Lease with thirty (30) days' prior written notice with no penalty.

18.23 **Public Entity Crimes.** As provided in sections 287.132-133, Florida Statutes, as amended from time to time, by entering into this Lease, the Tenant certifies that it and its affiliates have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the Effective Date hereof.

IN WITNESS WHEREOF, City and Tenant have caused this Lease Agreement to be executed the day and year first above aforesaid.

CITY OF LAKE WORTH BEACH

ATTEST:

By: _____
Betty Resch, Mayor

By: _____
Melissa Ann Coyne, MMC, City Clerk

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this _____ day of _____, 2024, by Betty Resch, as Mayor of the City of Lake Worth Beach, Florida. She is personally known to me.

Notary Public, State of Florida

Print/Type Name

LUTHERAN SERVICES FLORIDA, INC.

By: _____
Bob Bialas
Print Name
Executive Vice President of Head start services
Print Title

STATE OF FLORIDA
COUNTY OF Palm Beach

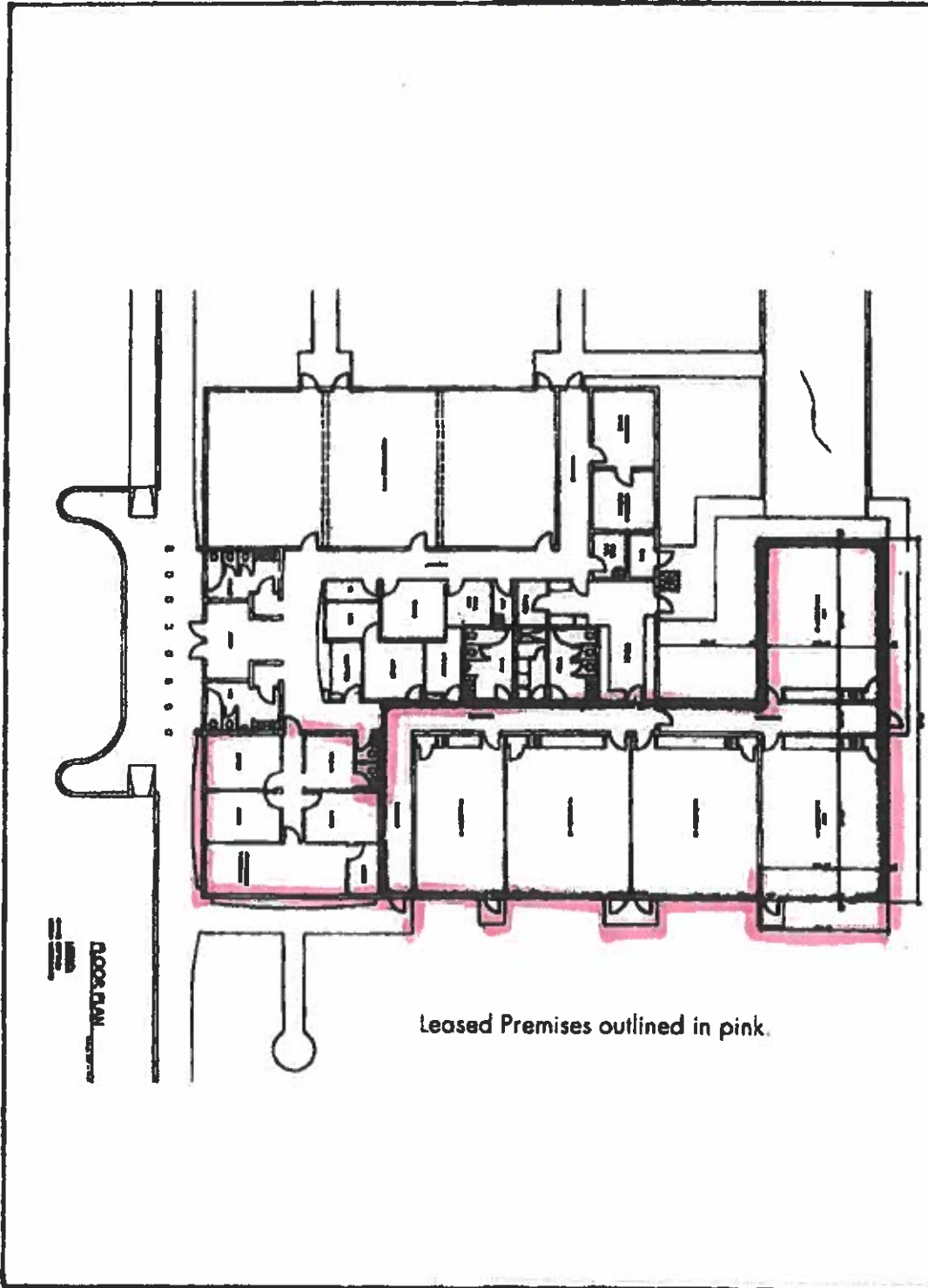
The foregoing instrument was acknowledged before me by physical presence or online notarization this 19th day of August, 2024 by Bob Bialas, as the EVP of Head Start of Lutheran Services Florida, Inc. He/She is personally known to me or produced the following identification: FL Driver's License.

Notary Seal:

Notary Public, State of Florida
Tracey Quinteros
Print/Type Name



EXHIBIT A



Leased Premises outlined in pink.



Scale: 1/8" = 1'-0"



LARK WORTH
HEADSTART ADDITIONS



PALM BEACH COUNTY
PLANNING & COMMUNITY DEVELOPMENT
CAPITAL IMPROVEMENTS DIVISION
1000 PALM BEACH BLVD. SUITE 400 PALM BEACH, FL 33480

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: Electric Utility

TITLE:

Amendments to Florida Municipal Solar Project Phase II and III Power Sales Contracts

SUMMARY:

Amendments to the City's Power Sales Contracts with the Florida Municipal Power Agency ("FMPA") related to the FMPA Municipal Solar Project II and III ("Projects").

BACKGROUND AND JUSTIFICATION:

Unexpected external events have led to the Projects developer request for FMPA to renegotiate material terms and conditions of the underlying Power Purchase Agreements ("PPA"), absent which would result in the Projects(s) termination by the developer. The FMPA Solar Committee, Board, and Executive Committee all agreed that FMPA Staff should attempt to renegotiate the PPAs to achieve an acceptable outcome for FMPA member participating in the Projects.

The ensuing renegotiation of the PPAs has yielded revised Project size, in-service dates, and pricing for certain elements of the Projects.

The proposed Amendments also reflect a decrease in the size of the Projects to reflect the decision of certain FMPA members to exit the Projects, yet still have sufficient scale and participation to meet the needs of the remaining participants.

City's new in-service date for energy deliveries from the Solar Project II Whistling Duck site and Solar Project III Leyland site are anticipated to be December 2025, while the Solar Project II Rice Creek site is scheduled to begin producing energy for the City October of 2024.

Under the proposed Amendments City's share of the Projects will decrease from a total of 59.9 Megawatts to 54.9 Megawatts ("MW"). City's participation allocation will be: Project II 13.275 MW from the Rice Creek site and 20.9 MW from the Whistling Duck site; and 20.725 MW from the Project III Leyland site.

Pricing to City from the Project II Rice Creek site will remain as currently contracted ("under \$35 per megawatt-hour") with 2% annual escalation while pricing from Project II Whistling Duck will change from "under \$35 per megawatt-hour with 2% annual escalation to flat pricing (no annual escalation) at under \$45 per megawatt-hour. Project III will remain under \$45 per megawatt-hour with no annual escalation.

MOTION:

Move to approve/disapprove the proposed Amendments to the Florida Municipal Solar Project Phase II and III Power Sales Contracts

ATTACHMENT(S):

Fiscal Impact Analysis

Amendments

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	0	0	0	0	0
Operating	0	\$5,404,411	\$6,110,665	\$6,350,590	\$6,376,637
Capital	0	0	0	0	0
Net Fiscal Impact					
<i>(If not budgeted)</i>	0	0	0	0	0
No. of Addn'l Full-Time					
Employee Positions	0	0	0	0	0

New Appropriation (Not Budgeted) Fiscal Impact:		
	Revenue Source	Expenditure
Department	Electric Utility	Electric Utility
Division	Power Generation	Power Generation
GL Description	Pay Go	Contractual Services/Pur Power -FMPA Solar
GL Account Number	Pay Go	401-6031-531.3431
Project Number	N/A	N/A
Requested Funds	\$5,404,411	\$5,404,411
Remaining Balance	N/A	N/A

**Amendment Number Two to the
Power Sales Contract
between Florida Municipal Power Agency
and the City of Lake Worth Beach, Florida**

This Amendment Number Two to the Power Sales Contract between Florida Municipal Power Agency and the City of lake Worth Beach, Florida, dated as of December 12, 2019, as amended, (“Amendment Number Two”), is entered into as of this ___ day of _____, 2024 (the “Second Amendment Effective Date”), by and between the Florida Municipal Power Agency, a separate governmental legal entity creating and existing pursuant to Section 163.01, Florida Statutes, and exercising powers under that provision or Part II, Chapter 361, Florida Statutes or both (“FMPA”) and the City of Lake Worth Beach, Florida, a public agency of the State of Florida and a member of FMPA (“Project Participant”). FMPA and Project Participant are each individually referred to herein as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, the Parties entered into that certain Power Sales Contract between Florida Municipal Power Agency and the City of Lake Worth Beach, Florida, dated as of December 12, 2019, as amended by Amendment Number One to the Solar Power Purchase Agreement, which was memorialized in the form of a letter agreement between FMPA and Project Participant dated as of March 2, 2023, (the “Power Sales Contract”); pursuant to which FMPA has agreed to sell and deliver and Project Participant has agreed to purchase and receive Solar Product;

WHEREAS, FMPA and Project Participant have agreed to certain amendments to the Solar PPAs, which necessitate corresponding amendments to this Power Sales Contract;

WHEREAS, the Parties desire to further amend the Power Sales Contract as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants in the Power Sales Contract as amended and herein contained, the Parties hereby mutually agree as follows:

1. Amendments.

- a. Section 1 of the Power Sales Contract is amended by deleting the definition of “Energy Share” in its entirety and replacing it with the following definition:

“Energy Share shall mean FMPA's 26.775 MW share under the Rice Creek Solar PPA and FMPA’s 47.9 MW share under the Whistling Duck Solar PPA in the Solar Product produced by or associated with the Solar Facility.”

- b. Attachment A of the Power Sales Contract is hereby revised, restated, and superseded in its entirety with the Attachment A attached to this Amendment Number Two.

- c. Schedule 1 of the Power Sales Contract is hereby revised, restated, and superseded in its entirety with the Schedule 1 attached to this Amendment Number Two.
2. Definitions. Capitalized terms used in this Amendment Number Two that are not otherwise defined herein shall have the meaning set forth in the Power Sales Contract.
3. Representations Regarding this Amendment Number Two. By its execution of this Amendment Number Two, each Party represents and warrants that it is authorized to enter into this Amendment Number Two, that this Amendment Number Two does not conflict with any contract, lease, instrument, or other obligation to which it is a party or by which it is bound, which conflict could reasonably be expected to have a material adverse effect on the ability of such Party to perform its obligations hereunder, and that this Amendment Number Two represents its valid and binding obligation, enforceable against it in accordance with its terms.
4. Conforming References. Upon the Second Amendment Effective Date, each reference in the Power Sales Contract to “this Agreement,” “hereunder,” “hereto,” “herein,” or words of like import, shall mean and be a reference to the Power Sales Contract as amended by this Amendment Number Two.
5. No Other Amendments; Ratification of Remaining Terms and Conditions. Except to the extent modified in this Amendment Number Two, all other terms and conditions of the Power Sales Contract remain unchanged and in full force and effect.
6. Counterparts. This Amendment Number Two may be executed in one or more counterparts, each of which, when executed, shall be deemed to be an original and all of which, when taken together, shall be deemed to be one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment Number Two by facsimile or other electronic means (e.g., email or PDF) will be effective as delivery of an original counterpart to this Amendment Number Two.

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have hereunder executed this Amendment Number Two as of the Second Amendment Effective Date.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

By: _____
General Manager & CEO

Attest:

Date: _____

Secretary or Assistant Secretary

**CITY OF LAKE WORTH BEACH,
FLORIDA**

(SEAL)

By:

Attest:

Title:

Date: _____

By:

Approved as to form and legal sufficiency:

By:

ATTACHMENT A
POWER PURCHASE AGREEMENTS

SCHEDULE 1
SCHEDULE OF PROJECT PARTICIPANTS

<u>Name of Project Participant</u>	<u>Rice Creek Solar Entitlement Share (MW)</u>	<u>Rice Creek Solar Entitlement Share (%)</u>	<u>Whistling Duck Solar Entitlement Share (MW)</u>	<u>Whistling Duck Solar Entitlement Share (%)</u>
Homestead Public Services	2.500	9.337%	9.000	18.789%
City of Lake Worth Beach	13.275	49.580%	20.900	43.633%
City of Mount Dora	1.000	3.735%	0.000	0.000%
New Smyrna Beach Utilities Commission	5.000	18.674%	0.000	0.000%
Winter Park Electric Utility	5.000	18.674%	18.000	37.578%
Total	26.775	100%	47.900	100%

Notice Information of Project Participants

<p><u>Homestead Public Services</u> George Gretsas, City Manager The City of Homestead 100 Civic Court Homestead, FL 33033</p>	<p><u>City of Lake Worth Beach</u> City of Lake Worth Beach Electric Utilities Director 1900 2nd Avenue North Lake Worth, FL 33461 Tel: (561) 586-1670</p> <p>With a copy to: City of Lake Worth Attn: City Attorney 7 N. Dixie Highway Lake Worth, FL 33460</p>
<p><u>City of Mount Dora</u> City of Mount Dora City Hall 510 Baker Street Mount Dora, FL 32757</p>	<p><u>City of New Smyrna Beach Utilities Commission</u> Utilities Commission, City of New Smyrna Beach 200 Canal Street New Smyrna Beach, FL 32168</p>
<p><u>Winter Park Electric Utility</u> City of Winter Park Randy Knight, City Manager 401 South Park Avenue Winter Park, FL 32789-4386</p>	

**Amendment Number One to the
Power Sales Contract
between Florida Municipal Power Agency
and the City of Lake Worth Beach, Florida**

This Amendment Number One to the Power Sales Contract between Florida Municipal Power Agency and the City of Lake Worth Beach, Florida, dated as of August 15, 2023 (“Amendment Number One”), is entered into as of this ___ day of _____, 2024 (the “First Amendment Effective Date”), by and between the Florida Municipal Power Agency, a separate governmental legal entity creating and existing pursuant to Section 163.01, Florida Statutes, and exercising powers under that provision or Part II, Chapter 361, Florida Statutes or both (“FMPA”) and the City of Lake Worth Beach, Florida, a public agency of the State of Florida and a member of FMPA (“Project Participant”). FMPA and Project Participant are each individually referred to herein as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, the Parties entered into that certain Power Sales Contract between Florida Municipal Power Agency and the City of Lake Worth Beach, Florida, dated as of August 15, 2023 (the “Power Sales Contract”); pursuant to which FMPA has agreed to sell and deliver and Project Participant has agreed to purchase and receive Solar Product;

WHEREAS, FMPA and Project Participant have agreed to certain amendments to the Solar PPAs, which necessitate corresponding amendments to this Power Sales Contract;

WHEREAS, the Parties desire to further amend the Power Sales Contract as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants in the Power Sales Contract as amended and herein contained, the Parties hereby mutually agree as follows:

1. Amendments.
 - a. Section 1 of the Power Sales Contract is amended by deleting the definition of “Energy Share” in its entirety and replacing it with the following definition:

“Energy Share shall mean FMPA's 181.025 MW share under the Solar PPA in the Solar Product produced by or associated with the Solar Facility.”
 - b. Attachment A of the Power Sales Contract is hereby revised, restated, and superseded in its entirety with the Attachment A attached to this Amendment Number One.

- c. Schedule 1 of the Power Sales Contract is hereby revised, restated, and superseded in its entirety with the Schedule 1 attached to this Amendment Number One.
2. Definitions. Capitalized terms used in this Amendment Number One that are not otherwise defined herein shall have the meaning set forth in the Power Sales Contract.
3. Representations Regarding this Amendment Number One. By its execution of this Amendment Number One, each Party represents and warrants that it is authorized to enter into this Amendment Number One, that this Amendment Number One does not conflict with any contract, lease, instrument, or other obligation to which it is a party or by which it is bound, which conflict could reasonably be expected to have a material adverse effect on the ability of such Party to perform its obligations hereunder, and that this Amendment Number One represents its valid and binding obligation, enforceable against it in accordance with its terms.
4. Conforming References. Upon the First Amendment Effective Date, each reference in the Power Sales Contract to “this Agreement,” “hereunder,” “hereto,” “herein,” or words of like import, shall mean and be a reference to the Power Sales Contract as amended by this Amendment Number One.
5. No Other Amendments; Ratification of Remaining Terms and Conditions. Except to the extent modified in this Amendment Number One, all other terms and conditions of the Power Sales Contract remain unchanged and in full force and effect.
6. Counterparts. This Amendment Number One may be executed in one or more counterparts, each of which, when executed, shall be deemed to be an original and all of which, when taken together, shall be deemed to be one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment Number One by facsimile or other electronic means (e.g., email or PDF) will be effective as delivery of an original counterpart to this Amendment Number One.

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have hereunder executed this Amendment Number One as of the First Amendment Effective Date.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

By: _____
General Manager & CEO

Attest:

Date: _____

Secretary or Assistant Secretary

**THE CITY OF LAKE WORTH BEACH,
FLORIDA**

(SEAL)

By:

Attest:

Title:

Date: _____

By:

Approved as to form and legal sufficiency:

By:

ATTACHMENT A
POWER PURCHASE AGREEMENTS

SCHEDULE 1
SCHEDULE OF PROJECT PARTICIPANTS

- ***Hampton Solar Facility (74.9 MW)***
 - JEA – 100%

- ***New River Solar Facility (74.9 MW)***
 - JEA – 100%

- ***Leyland Solar Facility (74.9 MW)***
 - Homestead Public Services - 4.673%
 - City of Lake Worth Beach – 27.670%
 - City of Winter Park – 9.346%

Notice Information of Project Participants

<p><u>Homestead Public Services</u> George Gretsas, City Manager The City of Homestead 100 Civic Court Homestead, FL 33033</p>	<p><u>City of Lake Worth Beach</u> City of Lake Worth Beach Electric Utilities Director 1900 2nd Avenue North Lake Worth, FL 33461 Tel: (561) 586-1670</p> <p>With a copy to: City of Lake Worth Attn: City Attorney 7 N. Dixie Highway Lake Worth, FL 33460</p>
<p><u>JEA</u> Ricky Erixton 21 W Church St. Jacksonville, FL 32202 T: (904) 665-7110 Email: erixrd@jea.com</p>	<p><u>Winter Park Electric Utility</u> City of Winter Park Randy Knight, City Manager 401 South Park Avenue Winter Park, FL 32789-4386</p>



FMSP Amendments to Phase II and Phase III PPAs

Lake Worth Beach

August 27, 2024



Whistling Duck Amendment Requested by Origis

Reconfiguration of Phase III facilities allows optimal allocation of shares

- Whistling Duck Amendments requested due to regulation, inflation, interconnection and market concerns:
 - Extension of Commercial Operation Date
 - Increase to contract price
- Eight of twelve Whistling Duck participants (~41.6MW) will exit project due to increase
- Reconfiguration of Whistling Duck and Phase III PPAs to optimize participation. Assumes:
 - Reallocation of member participation to reduce from five to four total facilities
 - Whistling Duck, Leyland, Hampton, and New River PPAs will require amendments.
 - Penholoway will require mutual termination agreement.
 - Optimization of member allocations between FPL and Duke interconnected facilities.
 - Energy Exchange Agreements between ARP, Homestead and Mount Dora will be required.
 - ARP reduces Phase III allocation (from 70.85 MW to ~31 MW)
 - All affected facilities will have equal pricing in \$/MWh

Current Allocations for All Five Affected Facilities

Red numbers indicate 8 participants planning to exit Whistling Duck

Participant	Whistling Duck (DEF)	Leyland (DEF)	Penholoway (DEF)	Hampton (FPL)	New River (FPL)	Total
ARP		49.3	21.55			70.85
Fort Pierce	7.5					7.5
Havana	0.125					0.125
Homestead	2.5			10		12.5
Jacksonville Beach	7.5					7.5
JEA				64.9	74.9	139.8
Key West	12.5	12.6				25.1
Kissimmee	10					10
Lake Worth Beach	13.275		33.35			46.625
Leesburg		10				10
Mount Dora	1					1
New Smyrna Beach	5					5
Newberry	0.5					0.5
Ocala	10	3				13
Winter Park	5		20			25
Total	74.9	74.9	74.9	74.9	74.9	374.5

Revised Participant Allocations by Facility

Termination of Penholoway facility, MWs reallocated

Participant	Whistling Duck (DEF)	Leyland (DEF)	Penholoway (terminate)	Hampton (FPL)	New River (FPL)	Total
ARP		31.175				31.175
JEA				74.9	74.9	149.8
Homestead	9	3.5				12.5
Key West	27	9.5				36.5
Lake Worth Beach	20.900	20.725				41.625*
Ocala		3				3
Winter Park	18	7				25
Total	74.9	74.9		74.9	74.9	299.6

*Total does not include LWB's share in Phase II Rice Creek (13 MW), which is unaffected by this action.

Five PPAs Will Be Impacted by This Action

Required to reconfigure and reduce from five to four total facilities

- Whistling Duck Amendments
 - Increase project pricing
 - Extend Commercial Operation Date by two years
 - Increase Daily Damages if revised terms aren't met
 - Update Participants and Shares
- Leyland and Hampton Amendments
 - Update Participants and Shares, minor corrections, and update to attached Power Sales Contract
 - Leyland credit downgrade event revised to make consistent with Whistling Duck language
- New River Amendment
 - Minor corrections and update to attached Power Sales Contract
- Penholoway Mutual Termination and Release Agreements

Target September BOD and EC Approval and Execution

Local approvals scheduled in August / September

- Phase II and III Committees approve PPA Amendments at July 22 meeting
- Following Committee approvals, Phase II and III participants have been receiving local governing board approvals for PPA Amendments and enabling documents
- Board and EC to approve Amendments to all affected PPAs and enabling documents **at September 19 meetings**
 - All local approvals must be received prior to execution by FMPA.

Approvals Required for Solar Amendments

Lake Worth Beach required to execute two documents

- Amendment No. 2 to Power Sales Contract – Solar II Project
 - Revises Whistling Duck shares – Rice Creek shares remain the same.
- Amendment No. 1 to Power Sales Contract – Solar III Project
 - Removes Penholoway (terminated) and reallocates Leyland, Hampton and New River shares

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: Water Utilities

TITLE:

CCNA Extension and Second Amendment to Task Order 8 with Craig A. Smith & Associates for Parrot Cove Stormwater Improvements Project Construction Engineering Services

SUMMARY:

This CCNA Extension authorizes the City to issue an amendment to Task Order 8 with Craig A. Smith & Associates. The Amendment authorizes Craig A. Smith & Associates to provide construction engineering and inspection (CEI) services for the Parrot Cove Stormwater Improvements project for a cost not to exceed \$77,000.

BACKGROUND AND JUSTIFICATION:

Craig A. Smith & Associates (CAS) has completed the design and permitting of the Parrot Cove Stormwater Improvements project, which is currently in its bidding phase. This amendment will authorize CAS to provide CEI services on the project, which include engineering services during construction, construction observation, and final certification of the project.

MOTION:

Move to approve/disapprove CCNA Extension and Second Amendment to Task Order 8 with Craig A. Smith & Associates for Parrot Cove Stormwater Improvements Project Construction Engineering Services

ATTACHMENT(S):

Fiscal Impact Analysis
Extension to Agreement
Second Amendment

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	77,000.00	0	0	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact					
<i>(If not budgeted)</i>	0	0	0	0	0
No. of Addn'l Full-Time					
Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation (Budgeted)	
	Expenditure
Department	Water Utilities
Division	Stormwater
GL Description	Improve Other than Build/Infrastructure
GL Account Number	428-5090-538.63-15
Project Number	AP2326
Requested Funds	\$77,000
Remaining Balance	\$993,344.00
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	ARPA

**FIFTH AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT
FOR CIVIL ENGINEERING SERVICES**

THIS FIFTH AMENDMENT (“Amendment”) to the Professional Services Agreement for the Civil Engineering Services (Agreement) is made as of _____, by and between the **City of Lake Worth Beach, Florida, a municipal corporation of the State of Florida (“CITY”) and, Craig A. Smith & Associates, LLC, a Florida Limited Liability Company with offices located at 7777 Glades Road, Suite 410, Boca Raton, FL 33434 (“CONSULTANT”).**

WHEREAS, the CITY issued RFQ #18-303 for engineering, architecture and related professional services in accordance with the Consultants' Competitive Negotiations Act, section 287.055, Florida Statutes ("RFQ"); and

WHEREAS, the CONSULTANT submitted a response to perform the services described in the RFQ and the CITY and CONSULTANT entered into the Agreement on March 16, 2018; and

WHEREAS, the Agreement had an initial two (2) year term and the option to renew for up to three (3) additional one (1) year renewals; and

WHEREAS, on March 11, 2020 the City and CONSULTANT exercised its first option to renew the agreement for one (1) additional year; and

WHEREAS, on March 3, 2021 the City and CONSULTANT exercised its second option to renew the agreement for one (1) additional year; and

WHEREAS, on April 6, 2022 the CITY and the CONSULTANT exercised the third option to renew the Agreement for one (1) additional year with all other terms, conditions and pricing remaining the same; and

WHEREAS, on February 10, 2023 the CITY and the CONSULTANT amended the Agreement to incorporate all applicable Federal Law, Federal regulations, executive orders, FEMA policies, procedure, and directives and special clauses, with all other terms, conditions, and pricing remaining the same; and,

WHEREAS, in the past year the CITY’s Parrot Cove Stormwater Improvement Project awarded under the Task Order# 8 has not been completed due to various delays and other related, unforeseeable factors; and

WHEREAS, there is an ongoing project that the CONSULTANT is engineer of record and is still working on the project and the CITY requires CONSULTANT to continue the services until the project is completed; and

WHEREAS, the CITY and the CONSULTANT wish to amend the Agreement to extend the term of the Agreement until completion of the Parrot Cove Stormwater Improvement Project on CITY’s or latest September 30, 2025, whichever comes first; and

WHEREAS, the CITY finds amending the Agreement as set forth herein serves a valid public purpose.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the sufficiency of which is hereby acknowledged by each party hereto, the CITY and the CONSULTANT agree to amend the Agreement, as follows:

1. **Recitals.** The above recitals are true and correct and are incorporated herein by reference.

2. **Term of Agreement.** The parties agree that the term of the Agreement is hereby extended to September 30, 2025 unless all services are completed prior to that date.

3. **Entire Contract.** The CITY and the CONSULTANT agree that the Agreement, and all Amendments set forth the entire contract between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Amendment may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto. All other terms and conditions of the Agreement and this Amendment remain in full force and effect.

4. **Counterparts.** This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Either or both parties may sign this Amendment via facsimile or email and such signature is as valid as the original signature of such party.

5. **Compliance with Section 787.06, Florida Statutes (2024).** By signing this Amendment before a notary public and taking an oath under the penalty of perjury, the CONSULTANT attests and warrants that the CONSULTANT does not use coercion for labor or services as defined in section 787.06, Florida Statutes (2024).

**REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOLLOWS**

IN WITNESS WHEREOF, the parties hereto have made and executed this Fifth Amendment to the Professional Services Agreement for Civil Engineering Services on the day and year first above written.

CITY OF LAKE WORTH BEACH, FLORIDA

ATTEST: By: _____
Betty Resch, Mayor

By: _____
Melissa Coyne, MMC, City Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

APPROVED FOR FINANCIAL
SUFFICIENCY

By: _____
Glen J. Torcivia, City Attorney
Director

By: _____
Yannick Ngendahayo, Financial Services

CONSULTANT: CRAIG A. SMITH, LLC.

By: _____

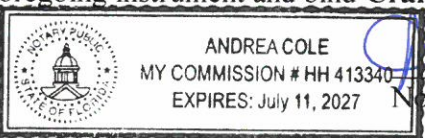
[Corporate Seal]

Print Name: STEPHEN SMITH, P.E.

Title: PRESIDENT

STATE OF Florida)
COUNTY OF Broward)

THE FOREGOING instrument was acknowledged before me by means of physical presence or online notarization on this 31st day of July 2024, by Stephen Smith, as the President [title] of **Craig A. Smith, LLC.**, a company authorized to do business in the State of Florida, who is personally known to me or who has produced _____ as identification, and who did take an oath under penalty of perjury that the facts stated with regard to section 787.06, Florida Statutes, are true and correct, and that he or she is duly authorized to execute the foregoing instrument and bind **Craig A. Smith** to the same.

Notary Seal:  _____
Notary Public Signature

My Commission expires: 7.11.2027

SECOND AMENDMENT TO TASK ORDER NO. # 8

Parrot Cove Stormwater Improvements

THIS SECOND AMENDMENT TO TASK ORDER No. 8 ("Amendment") is made on _____, between the **City of Lake Worth Beach**, a Florida municipal corporation located at 7 North Dixie Highway, Lake Worth, Florida 33460 ("City") and **Craig A. Smith & Associates** a Florida corporation ("Consultant").

1.0 Project Description:

The City desires the Consultant to provide those services as identified herein and generally described as: **Parrot Cove Stormwater Improvements – Engineering Services During Construction, Constructions Observation and Final Certification Services CAS Proposal No. P4408** (the "Project").

2.0 Scope

Under this Amendment, the Consultant will provide professional engineering services to the City as detailed in the Consultant's Proposal, dated May 30, 2024, attached hereto as "**Exhibit 1**" (Consultant's Proposal) and incorporated herein.

3.0 Schedule

The services to be provided under this Amendment shall be completed within the timelines of the Parrot Cove Improvement Project construction from the City's approval of this Task Order or the issuance of a Notice to Proceed.

4.0 Compensation

This Amendment is issued for a lump sum, not to exceed amount of **\$77,000.00**. This Amendment amends the Task Order 8 in its entirety. The attached proposal identifies all costs and expenses included in the lump sum, not to exceed amount. Consultant shall be solely responsible for any and all amounts which exceed those stated in "Exhibit 1" unless approved in writing by the City.

5.0 Project Manager

The Project Manager for the Consultant is Frank Vilar, phone: (954) 815-8898; email: fvillar@craigasmith.com, and, the Project Manager for the City is Vaughn Hayduk, phone: (561) 586-1798; email: vhayduk@lakeworthbeachfl.gov.

6.0 Progress Meetings

The Consultant shall schedule periodic progress review meetings with the City Project Manager as necessary but every 30 days as a minimum.

7.0 Authorization

This Amendment is issued in compliance with the Consultants' Competition Negotiation

Act, section 287.055, Florida Statutes, and pursuant to the Agreement for Professional Services between the City of Lake Worth Beach and the Consultant, entitled **RFQ 18-303** dated **March 20, 2018** ("Agreement" hereafter). If there are any conflicts between the terms and conditions of this Amendment and the Agreement, the terms and conditions of the Agreement shall prevail; however, the specific scope of services set forth in this Amendment shall take precedence over any other more general description of services.

IN WITNESS WHEREOF, the parties hereto have made and executed this Second Amendment to Task Order No. 8 as of the day and year set forth above.

CITY OF LAKE WORTH BEACH, FLORIDA

By: _____
Betty Resch, Mayor

ATTEST:

By: _____
Melissa Ann Coyne, MMC, City Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

APPROVED FOR FINANCIAL
SUFFICIENCY

By: _____
Glen J. Torcivia, City Attorney

By: _____
Yannick Ngendahayo, Financial Services Director
428-5090-538.63-15 ST2302

CONSULTANT: CRAIG A. SMITH & ASSOCIATES

By: _____
[Signature]

[Corporate Seal]

Print Name: STEPHEN SMITH, P.E.

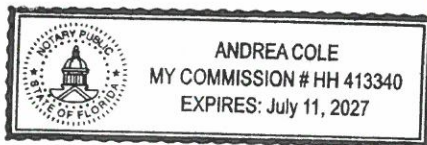
Title: PRESIDENT

STATE OF Florida)
COUNTY OF Broward)

THE FOREGOING instrument was acknowledged before me by means of physical presence or online notarization on this 31 day of July 2024, by Stephen C. Smith as the President [title] of Craig A. Smith & Associates, a company authorized to do business in the State of Florida, who is personally known to me or who has produced _____ as identification, and who did take an oath under penalty of perjury that the facts stated with regard to section 787.06, Florida Statutes, are true and correct, and that he or she is duly authorized to execute the foregoing instrument and bind Craig A. Smith to the same.

[Signature]
Notary Public Signature

Notary Seal:



My Commission expires 7.11.2027

Exhibit "1"

(Consultant's Proposal – 3 pages)



May 30, 2024

Ms. Vaughn Hayduk, P.E.
Assistant Director, Water Utilities
City of Lake Worth Beach
301 College Street
Lake Worth, FL 33460

(via email)

**RE: Parrot Cove Stormwater Improvements Project – Second Amendment To Task Order No. 8
Engineering Services During Construction, Construction Observation And Final Certification Services
CAS Proposal No. P4408**

Dear Ms. Hayduk,

Craig A. Smith & Associates (CAS) is pleased to submit this proposal to provide engineering services during construction, construction observation and final certification services to our current Task Order 8 dated 1-12-2023 for Parrot Cove Stormwater Improvements Project. More specifically, the scope of work is as follows:

E-9 ENGINEERING SERVICES DURING CONSTRUCTION

CAS's Engineer of Record will act as the CLIENT's Engineer and visit the site at intervals appropriate to the stages of construction to provide construction observation as necessary for certifications to the appropriate agencies. CAS will review pay request applications, negotiate change orders as necessary, conduct a final inspection with the appropriate agencies to determine if the work is acceptable, and assist the Owner with project close-out procedures.

Note: Task E-9 fee is based on an 8 month (36 week) construction period (Budget 4 Hrs/week) for the Engineer of Record. Should the construction extend beyond 36 weeks, CAS shall be compensated on a time and material basis at its contracted rates. It is the Contractor's responsibility to notify CAS on a daily basis of when they will be on site so CAS can perform their construction observation duties.

CAS'S Lump Sum (LS) Fee for Task E-9 shall be.....\$28,080.00

E-10 CONSTRUCTION OBSERVATION SERVICES

CAS will act as the CLIENT's representative, monitoring construction on a weekly basis as required, to ensure the project is being constructed substantially in accordance to the permitted Civil Engineering plans. As the CLIENT's representative, CAS will oversee required testing, inspect drainage installations, valve installations, inspect trench and restoration work, review test results (i.e., densities, proctors, and LBR tests), provide weekly construction reports, and coordinate with contractor to resolve project related construction issues. Minimum observations shall include:

- Periodic storm sewer installations and testing;
- Final grading and drainage inspections.



This fee is based on an 8 month (36 week) construction period (Budget 8 Hrs/week). *Should the construction extend beyond 36 weeks, CAS shall be compensated on a time and material basis at its contracted rates.*

CAS'S Fee for Task E-10 shall be billed on a time and materials (T&M) basis with an estimated budget of\$36,000.00

NOTE: It is the contractor's responsibility to schedule regulatory authorities for inspections and to notify CAS of all inspections and testing with 48 hours minimum notice. CAS inspector will note any property owner related complaints in his daily inspection reports. Resident related notifications are the responsibility of the Contractor. It is the Contractor's responsibility to notify CAS on a daily basis of when they will be on site so CAS can perform their construction observation duties.

E-10A SHOP DRAWING REVIEWS

CAS will review engineering related shop drawings, samples, other data and reports which the selected contractor is required to submit to the CLIENT for review, but only for the conformance with design concept of the project and compliance with the information given on the design drawings. Such review shall not extend to means, methods, techniques, sequence or procedures of construction or to safety precautions and programs incident thereto.

CAS'S Lump Sum (LS) Fee for Task E-10A shall be\$3,120.00

Note: Shop drawing review by CAS is anticipated to not exceed two (2) reviews of the shop drawings submitted prior to approval. Additional required CAS reviews due to unsatisfactory submittals by Contractor of the required shop drawings will be considered additional services.

E-10C FINAL CERTIFICATIONS

CAS will prepare the final certification documents for submittal to the appropriate permitting agencies and process record drawings (as-builts) provided by the contractor or by other means agreed upon by both CAS and CLIENT.

CAS's certifications will ensure that CAS's periodic construction observations and review of the record drawings (provided by Contractor's Licensed Surveyor) are in general conformance with the permitted Civil engineering plans prepared by CAS.

CAS'S Lump Sum (LS) Fee for Task E-10C shall be.....\$6,240.00

NOTE: It is the Contractor's responsibility to schedule regulatory authorities for inspections and to notify CAS of all inspections and testing with 48 hours minimum notice. The CLIENT and Contractor shall process and prepare documents (as-builts) for dedication of improvements to regulatory authorities.

E-54A CONSTRUCTION MEETINGS AND COORDINATION

Attend minimum of one (1) construction coordination / progress meeting per month (based on 8 month construction schedule) to discuss the CLIENT review comments, required revisions or Contractor items.

Task E54A fee is based on an 8 month (36 week) construction period.

CAS'S Fee for Task E-54A shall be billed on a time and materials (T&M) basis with an estimated budget of\$3,560.00

SUMMARY OF COSTS

CAS proposes to accomplish the professional engineering services listed for the following total time and materials and lump sum fee, which is the sum of the fees for each phase or task and its specific work:

<u>ADDITIONAL CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES</u>	
ENGINEERING SERVICES DURING CONSTRUCTION	\$28,080.00
CONSTRUCTION OBSERVATION SERVICES	\$36,000.00
SHOP DRAWING REVIEWS	\$3,120.00
FINAL CERTIFICATIONS	\$6,240.00
CONSTRUCTION MEETINGS AND COORDINATION	\$3,560.00
GRAND TOTAL (LS and T&M)	\$77,000.00

Thank you for your time and effort in supporting this project and your business is appreciated. Your endorsement of this letter will be understood as CAS's Notice to Proceed with the project. If there are any questions, please feel free to contact Frank Vilar at (954) 815-8898 (email: fvilar@craigsmith.com).

SUBMITTED BY:

CRAIG A. SMITH & ASSOCIATES

Stephen C. Smith, P.E.
 President

APPROVED BY:

CITY OF LAKE WORTH BEACH

Signature - Authorized Representative

Printed Name

Date

cc: File

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: Water Utilities

TITLE:

Authorize water meter encoders purchase with The Avanti Company for the City's Water Utility Department

SUMMARY:

Authorization to purchase City's water meter encoders from The Avanti Company for inventory for Fiscal Year 2025 in the amount not to exceed \$130,000.00.

BACKGROUND AND JUSTIFICATION:

The Water Utilities Department provides and installs all water meters up to 2-inch water services within the water utility service area. The meters are purchased from Badger Meter and require the water meter encoder to provide the usage reading via radio, as part of the Advanced Metering Infrastructure. The water meter encoder is called Itron and is provided by The Avanti Company as the sole source vendor in Florida. These Itrons will enable the city staff to continue installing water meters for new construction as well as upgrading and replacing meters in the Utility Service Area. Itrons will be purchased as needed for \$119 each for inventory demand with Badger Meters.

MOTION:

Move to approve/disapprove purchase of water meter encoders from The Avanti Company in an amount not to exceed \$130,000.00 for Fiscal Year 2025.

ATTACHMENT(S):


Fiscal Impact Analysis
Quote

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	0	0	0	0	0
Operating	0	\$130,000	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact					
<i>(If not budgeted)</i>	0	\$130,000	0	0	0
No. of Addn'l Full-Time					
Employee Positions	0	0	0	0	0

New Appropriation (Not Budgeted) Fiscal Impact:		
	Revenue Source	Expenditure
Department	Water Utilities	Water Utilities
Division	Water Distribution	Water Distribution
GL Description	Pay Go	Repair/Maint Services/Meters/Lines
GL Account Number	Pay Go	402-7034-533-46-60
Project Number	N/A	N/A
Requested Funds	\$130,000	\$130,000
Remaining Balance	N/A	N/A



February 19, 2024

Dear Valued Itron Utility Customer,

Itron and our authorized distributors are continually evaluating ways to better serve you and deliver the best service, support and buying experience possible. With your success in mind, please note that United Systems & Software, Inc. is the only *Authorized Itron Water Distributor* in your state. United Systems & Software, Inc. has received the necessary training and certification levels to represent Itron to our shared customers—and in this capacity, United Systems & Software, Inc. is authorized to setup a Sub-Distributor as a sole source to sell Itron water ERTs (radio endpoints) in your area on our behalf.

As of November 2021, Itron is the exclusive supplier of Diehl Metering HYDRUS Ultrasonic water meters with the Itron in-line connector (ILC) in North America. All meter sales with ILC must go through Itron and/ or one of its affiliates.

This letter certifies that The Avanti Company is the only authorized Sub-Distributor for Itron Products for the City of Lake Worth, Florida.

Depending on your state and local bidding laws, this letter may serve as sole source provider documentation for Itron products. As such, you may not be required to release for bid your Itron purchases.

If you have any questions, or if I can provide any further information, please feel free to contact me directly at 615.388.4877 or Itron's Tracy Wright at 865.356.3546.

Sincerely,



Will Taylor
United Systems, Region Manager South


Itron, Inc.
2111 N. Molter Road
Liberty Lake, WA 99019
www.itron.com


United Systems & Software, Inc.
91 Southwest One Boulevard
Benton, KY 42025
www.united-systems.com



Quote # JP-071524-0103

Quotation

22 South Lake Avenue
 Avon Park, FL 33825-3902
www.avanticompany.com

Toll Free: 1-800-284-5231
 Fax: 863-453-0085
 E-Mail: info@avanticompany.com

Date 7/15/24

Terms Net 30 days

Prices FOB Factory

Delivery TBD

Phone # 561.586.1719

Fax # _____

Reference # _____


To: Chris Walker
 City of Lake Worth Beach
 1900 2nd Ave N
 Lake Worth Beach, FL 33461

cwalker@lakeworthbeachfl.gov

We are pleased to quote the following:

Item	Quantity	Description	Unit Price	Total
A	1	100W+, Encoder with Integral Connector & Antenna Connector P/N ERW-1300-402 24 units per box	\$119.00	\$119.00

****Price does not include freight charges**

Quoted By:  (Jerry Prokes) / Accepted By:

Prices quoted above are current prices in effect and are subject to acceptance within 30 days from the above date, and are firm on an order resulting from this quote scheduled to ship within 60 days from date of order entry. All items quoted will be produced in strict accordance to any Government Regulation in effect including Fair Labor-Standards Act, OSHA, and Equal Employment Opportunity Executive orders. Delivery schedules are contingent upon strikes, accidents, fires, availability of materials and all other causes beyond our control.

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: Water Utilities

TITLE:

Authorize water meter purchase with Utility Solutions & Automations LLC for Badger Meters for the City's Water Utility Department

SUMMARY:

Authorization to purchase City's water meters from Badger Meter for inventory for Fiscal Year 2025 in the amount not to exceed \$170,000.00

BACKGROUND AND JUSTIFICATION:

The Water Utilities Department provides and installs all water meters up to 2-inch water services within the water utility service area. The city purchases water meters from Utility Solutions & Automation, LLC for consistency in the system and for efficiency of operations and maintenance. Utility Solutions & Automations LLC are the sole source vendor for Badger Meters in Florida. These new meters will enable Water Distribution staff to continue installing water meters for new construction, as well as upgrading and replacing the meters in Water Utility service area. Meters will be purchased as needed for inventory demand. The price per meter for each meter size is listed in the attached quote.

MOTION:

Move to approve/disapprove purchase of water meters from Utility Solutions & Automations LLC in an amount not to exceed \$170,000.00 for Fiscal Year 2025.

ATTACHMENT(S):

Fiscal Impact Analysis
Quote

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	0	0	0	0	0
Operating	0	\$170,000	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact <i>(If not budgeted)</i>	0	\$170,000	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

New Appropriation (Not Budgeted) Fiscal Impact:		
	Revenue Source	Expenditure
Department	Water Utilities	Water Utilities
Division	Water Distribution	Water Distribution
GL Description	Pay Go	Repair/Maint Services/Meters/Lines
GL Account Number	Pay Go	402-7034-533.46-60
Project Number	N/A	N/A
Requested Funds	\$170,000	\$170,000
Remaining Balance	N/A	N/A



4545 W Brown Deer Road
PO Box 245036
Milwaukee, Wisconsin 53224-9536
414-355-0400 | 800-876-3837
www.badgermeter.com

June 28, 2024

Mr. Chris Walker
City of Lake Worth Beach
1900 2nd Ave. North
Lake Worth Beach, FL 33461

RE: Sole Source Letter

Dear Mr. Walker:

This correspondence confirms that Utility Solutions & Automation, LLC. is the sole authorized distributor of E-Series® Ultrasonic Meters, Recordall® Disc Meters and HR-E® Encoders for the City of Lake Worth Beach.

In the event you have any questions regarding this correspondence, we can be reached by telephone at 800-876-3837 or by email at proposals@badgermeter.com.

Sincerely,

BADGER METER, INC.

A handwritten signature in blue ink, appearing to read 'Matthew B. Gieseke', written over a light blue horizontal line.

Matthew B. Gieseke
Assistant Secretary and Proposal Lead



Utility Solutions & Automation, LLC

1205 Tech Blvd, Unit 106
Tampa, FL 33619

Phone # 1-833-379-6111
E-mail angela@utilitysa.com

Estimate

Date	Estimate #
6/24/2024	458

Name / Address
Lake Worth Beach Water Utilities Attn: Accounts Payable 7 North Dixie Highway Lake Worth, FL 33460

If you would like to place this order please reply to this email with a PO # or a verbal approval.

Customer Contact	Customer E-mail	Terms	Rep	Freight Terms	EXP DATE
	cwalker@lakeworthbeachfl.gov	Net 30	SW	PPD/ADD	12/31/24

Description	Qty	Cost	Total
M25, 5/8X3/4' Disc Meter, Plastic Bottom, SN Yr & PBB, HRE Register, USG (8Dial), PL Lid/Shrd-GRY, 5' Itron ILC, Torx Screw, Sidewalk read, BMI Standard Testing, Less Connections. BMI #100-6459	1	159.42	159.42
M55, 1' Disc Meter, Bronze Bottom, SN Yr 9D & PBB, HR-E Register, 8D-10 Gal, PL Lid/Shrd-GRY, Torx Screw, Sidewalk read, BMI Standard Testing, Less Connections, ILC-5ft. BMI #100-7150	1	281.60	281.60
M120, 1 1/2' Disc Meter, Elliptical Long with test plug, SN Yr 9D & PBB, HRE Register, USG (8Dial), PL Lid/Shrd-GRY, 5' ILC, Torx Screw, Sidewalk read, BMI Standard Testing, Less Connections. BMI #100-7005	1	557.20	557.20
M120, 1 1/2' Disc Meter, HEX with test plug, SN Yr 9D & PBB, HRE Register, USG (8Dial), PL Lid/Shrd-GRY, 5' ILC, Torx Screw, Sidewalk read, BMI Standard Testing, Less Connections. BMI #102-8717	1	557.20	557.20
M170, 2' Disc Meter, HEX with test plug, SN Yr 9D & PBB, HRE Register, USG (8Dial)-1, PL Lid/Shrd-GRY, 5' ILC, Torx Screw, Sidewalk read, BMI Standard Testing, Less Connections. BMI #102-8719	1	786.80	786.80

****PLEASE NOTE****

All shipments are FOB our dock. Freight charges will be added to all invoices less than \$35,000.00.

Restocking charges of a minimum 25% if returned within 90 days. After 90 days parts are not returnable.

Credit cards will be charged a 4.2% surcharge. We only take Visa.

Subtotal	\$2,342.22
Sales Tax (0.0%)	\$0.00
Total	\$2,342.22

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: Electric Utility

TITLE:

Amendment to Agreement with Reinhausen Manufacturing, Inc. to furnish and install Dissolved Gas Monitors for analysis of power transformers cooling oil

SUMMARY:

Amendment to Agreement with Reinhausen Manufacturing, Inc. for additional Three-Gas Monitors. This project has been identified as an element of the City's electric utility System Hardening and Reliability Improvement Project (SHRIP) and for which bonds were sold in November 2020.

BACKGROUND AND JUSTIFICATION:

The City Commissioners approved purchase of Dissolved Gas Monitors for the analysis of cooling oil in power transformers on January 30, 2024, from Reinhausen Manufacturing, Inc, and from Plan B Solutions, LLC.

The City Terminated the Agreement with Plan B Solutions, LLC for \$73,749.78, as the Three-Gas Monitors to be provided did not meet the required specifications. Reinhausen Manufacturing, Inc. Three-Gas Monitors do comply with the specification and will be procured for the cost of \$73,749.78 without any fiscal impact to the City.

In accordance with the City's procurement code, section 2-112 (g), City may waive the competitive selection procedures if the goods and/or services sought cannot reasonably be acquired through the normal competitive selection process. The Electric Utility plans to install Dissolved Gas Monitors on all substation power transformers as part of the numerous hardening and reliability improvements to the City's electrical systems. Early detection of dissolved gases in transformer cooling oil is critical in scheduling maintenance and repair to prevent transformer damage and possible catastrophic failure.

MOTION:

Move to approve/disapprove the Amendment to Agreement for Dissolved Gas Monitors with Reinhausen Manufacturing, Inc. at a cost not to exceed \$73,749.78.

ATTACHMENT(S):

Fiscal Impact Analysis
First Amendment
Plan B Cancellation
Reinhausen Offer

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	\$73,749.78	0	0	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact					
<i>(If not budgeted)</i>	0	0	0	0	0
No. of Addn'l Full-Time					
Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation (Budgeted)	
	Expenditure
Department	Electric Utility
Division	Transmission and Distribution
GL Description	Improve other than Build / Infrastructure
GL Account Number	421-6034-531-63.15
Project Number	SH2215
Requested Funds	\$73,749.78
Remaining Balance	\$1,250.22
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Series 2022 Consolidated Utility Revenue Bond

**FIRST AMENDMENT TO GOODS AND SERVICES AGREEMENT
(Dissolved Gas Analysis (DGA) Monitors for Three-Phase Power Transformer)**

THIS FIRST AMENDMENT (“FIRST Amendment”) to the Agreement for Goods and Services for Dissolved Gas Analysis (DGA) Monitors for Three-Phase Power Transformer is made as of _____, by and between the **City of Lake Worth Beach**, Florida, a (“CITY”) and **Reinhausen Manufacturing, Inc.**, a Foreign Corporation registered to do business in the State of Florida, with its office located at 2549 N. 9th Ave, Humboldt, TN 38343 (“CONTRACTOR”).

WHEREAS, on February 6, 2024, the CITY and CONTRACTOR entered into the Goods and Service Agreement for CONTRACTOR to provide the City of Lake Worth Beach with Dissolved Gas Analysis (DGA) Monitors for Three-Phase Power Transformer (“Agreement”); and

WHEREAS, the CITY is in need of additional Dissolved Gas Analysis (DGA) Monitors for Three-Phase Power Transformer because of the other awarded Contractor for DGA monitors could not supply needed requirement;

WHEREAS, the CONTRACTOR has provided a proposal for the purchase of 3 additional Dissolved Gas Analysis (DGA) Monitors for Three-Phase Power Transformers with the same specifications which details are attached hereto as **Exhibit “A”** and incorporated herein and under the same price as initial Contractor; and

WHEREAS, the CITY finds the proposal to be acceptable; and

WHEREAS, the CITY in accordance with the City’s procurement code, section 2-112 (g), CITY may waive the competitive selection procedures if the goods and/or services sought cannot reasonably be acquired through the normal competitive selection process; and

WHEREAS, the CITY finds amending the Agreement as set forth herein is in the best interest of the CITY and serves a valid public purpose.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the sufficiency of which is hereby acknowledged by each party hereto, the CITY and the CONTRACTOR agree to amend the Agreement, as follows:

1. **Recitals.** The above recitals are true and correct and are incorporated herein by reference.
2. **Maximum Cost.** The maximum not to exceed amount under this Agreement has been increased by Seventy-Three Thousand Seven Hundred Forty-Nine Dollars and Seventy-Eight Cents (\$73,749.78).
3. **Entire Agreement.** The CITY and the CONTRACTOR agree that the Agreement (as previously amended) and this First Amendment set forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this First Amendment may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto. All other terms and conditions of the Agreement (except as previously amended and amended herein) remain in full force and effect.
4. **Counterparts.** This First Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same

instrument. Either or both parties may sign this First Amendment via facsimile, email, or electronically and such signature is as valid as the original signature of such party.

**REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOLLOWS**

IN WITNESS WHEREOF, the parties hereto have made and executed this First Amendment to the Good and Service Agreement for Dissolved Gas Analysis (DGA) Monitors for Three-Phase Power Transformer on the day and year first above written.

CITY OF LAKE WORTH BEACH, FLORIDA

By: _____
Betty Resch, Mayor

ATTEST:

By: _____
Melissa Ann Coyne, MMC, City Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

APPROVED FOR FINANCIAL
SUFFICIENCY

By: _____
Glen J. Torcivia, City Attorney

By: _____
Yannick Ngendahayo, Financial Services Director

CONTRACTOR: REINHAUSEN MANUFACTURING, INC.

[Corporate Seal]

By: Jarrad Weiss
Print Name: Jarrad Weiss
Title: ASM

STATE OF Georgia
COUNTY OF Chatham

THE FOREGOING instrument was acknowledged before me by means of • physical presence or • online notarization on this 17 day of June 2024, by Jarrad Weiss, as the Area Sales Manager [title] of **Reinhausen Manufacturing, Inc.** a foreign corporation authorized to do business in the State of Florida, who is personally known to me or who has produced Georgia drivers license as identification, and who did take an oath that he or she is duly authorized to execute the foregoing instrument and bind the CONTRACTOR to the same.

Lori Anne Mastronardi
Notary Public Signature

Notary Seal:

LORI ANNE MASTRONARDI
NOTARY PUBLIC
Bryan County
State of Georgia
My Commission Expires:
01/26/2027

Exhibit "A"
(Contractor's Proposal - 3 pages)



Reinhausen Manufacturing Inc., 2549 North 9th Avenue, Humboldt, TN 38343

City of Lake Worth
Utilities Department
1900 2nd Avenue North
Lake Worth FL 33461

OFFER 10518811

Version 00
Contact person Wayne Brewster / WBS
E-mail w.brewster@us.reinhausen.com
Phone +1-731-562-4152
Fax +1-731-784-7682
Your inquiry email
Date of inquiry 05/14/2024
Project MSENSE® DGA 5
Notification 300622109
Your customer no 768257
Date 05/15/2024
Page 1 / 3

Dear Sir or Madam,

We thank you for your above mentioned inquiry and offer - based on the conditions stated below - as specified on the following pages.

Item	Material no.	Designation	Qty.	Unit of measure	Price (USD) / Unit	Value (USD)
10	MSENSEDG	MSENSE® DGA MSENSE® DGA 5	3	Pcs	24,583.26 / 1 Pcs	73,749.78
		Quantity of operation instructions for the transformer-manufacturer			1	
		Language of operating instructions for the transformer-manufacturer			English	
		Quantity of operation instructions for the transformer-operator			1	
		Language of operating instructions for the transformer-operator			English	

Reinhausen Manufacturing Inc.
2549 North 9th Avenue
Humboldt, TN 38343

Phone +1 (731) 784-7681
Fax +1 (731) 784-7682
www.reinhausen.com

President: Robert Vary

Reinhausen Group

Regions Bank Account: 7510125407

ABA number: 062005690

Swift Code: UPNBUS44

Federal Id # 62-1413391

Item	Material no.	Designation	Qty.	Unit of measure	Price (USD) / Unit	Value (USD)
	MSENSE® DGA				<p>Multi-gas online DGA device for measurement and analysis of the gases hydrogen (H2), carbon monoxide (CO), acetylene (C2H2), and ethylene (C2H4) dissolved in the insulating oil, as well as the humidity in the oil (H2O). Compact, lightweight, and maintenance-free device for mounting on a 1 ½" threaded connection. No need for additional carrier or calibration gases. Convenient operation via a large, graphic LC display and 17 operating keys.</p> <p>Analog outputs: 5x 4...20 mA for gas/humidity values (freely configurable) Relay outputs: 5x for alarms and device status (freely configurable) MSET DGA configuration software via RS485 and Ethernet Power consumption: Max. 400 VA Housing material: Aluminum Size: 263 x 263 x 327.5 mm Weight: Approx. 13.5 kg Degree of protection: IP55</p> <p>1½" NPT ANSI B 1.20.1 120 V -20% +15% AC 50/60Hz FO DNP3 RS485 / DNP3 OF or RJ45 / Modbus RTU RS485 / Modbus TCP OF or RJ45</p>	
Total of items						73,749.78
Final amount						73,749.78

INCOTERMS: EXW Humboldt TN

Terms of payment: 30 days after date of invoice

Terms of delivery: The delivery and/or service is based on enclosed "REINHAUSEN MANUFACTURING, INC. STANDARD SALES TERMS AND CONDITIONS".

Validity period: 07/14/2024

City of Lake Worth
1900 2nd Avenue North
Lake Worth FL 33461

Document number
10518811

Page
3 / 3

Price agreement: The offer with the stipulated prices applies to orders made within the above mentioned validity period and for deliveries until 12/31/2024

Delivery time: The delivery time is approx. 14 weeks (ex works) after receipt of the order for which all technical and commercial details have been clarified.

If we can be of any further assistance, please do not hesitate to contact us.

Best regards,

Reinhausen Manufacturing Inc.

This document was computer-generated and does not require a signature.

Please refer to the attached enclosures as applicable.



June 7, 2024

Via Federal Express and E-Mail

Plan B. Solutions, LLC
Attn: Steven Baker
404 Marshall Street,
Safety Harbor, FL 34695
Steven.baker@plan.b.solutions.com

Re: Termination of Agreement (Dissolved Gas Analysis (DGA) Monitors for Three-Phase Power Transformers)

In accordance with Section 12.1 - Defaults, Termination of Agreement - the Term of the above referenced Agreement, between the City of Lake Worth Beach and Plan B. Solutions, LLC, please accept this letter as the City's notice of termination effective immediately.

If you have any questions regarding this request, please do not hesitate to contact the City of Lake Worth Beach, FL, Purchasing Division at (561) 586-1738.

Thank you for your cooperation on this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ed Liberty", with a long horizontal flourish extending to the right.

Ed Liberty,
Director, Electric Utility

cc: Jamie Brown, Interim City Manager, City of Lake Worth Beach
City Attorney's Office, City of Lake Worth Beach
Financial Services, Procurement Division, City of Lake Worth Beach



Reinhausen Manufacturing Inc., 2549 North 9th Avenue, Humboldt, TN 38343

City of Lake Worth
Utilities Department
1900 2nd Avenue North
Lake Worth FL 33461

OFFER 10518811

Version 00
Contact person Wayne Brewster / WBS
E-mail w.brewster@us.reinhausen.com
Phone +1-731-562-4152
Fax +1-731-784-7682
Your inquiry email
Date of inquiry 05/14/2024
Project MSENSE® DGA 5
Notification 300622109
Your customer no 768257
Date 05/15/2024
Page 1 / 3

Dear Sir or Madam,

We thank you for your above mentioned inquiry and offer - based on the conditions stated below - as specified on the following pages.

Item	Material no.	Designation	Price (USD) / Unit	Value (USD)
	Qty.	Unit of measure		
10	MSENSEDG	MSENSE® DGA MSENSE® DGA 5		
	3	Pcs	24,583.26 / 1 Pcs	73,749.78
		Quantity of operation instructions for the transformer-manufacturer	1	
		Language of operating instructions for the transformer-manufacturer	English	
		Quantity of operation instructions for the transformer-operator	1	
		Language of operating instructions for the transformer-operator	English	

Reinhausen Manufacturing Inc.
2549 North 9th Avenue
Humboldt, TN 38343

Phone +1 (731) 784-7681
Fax +1 (731) 784-7682
www.reinhausen.com

President: Robert Vary

Reinhausen Group

Regions Bank Account: 7510125407

ABA number: 062005690

Swift Code: UPNBUS44

Federal Id # 62-1413391

Item	Material no.	Designation	Price (USD) / Unit	Value (USD)
	Qty.	Unit of measure		
		MSENSE® DGA	<p>Multi-gas online DGA device for measurement and analysis of the gases hydrogen (H₂), carbon monoxide (CO), acetylene (C₂H₂), and ethylene (C₂H₄) dissolved in the insulating oil, as well as the humidity in the oil (H₂O). Compact, lightweight, and maintenance-free device for mounting on a 1 ½" threaded connection. No need for additional carrier or calibration gases. Convenient operation via a large, graphic LC display and 17 operating keys.</p> <p>Analog outputs: 5x 4...20 mA for gas/humidity values (freely configurable) Relay outputs: 5x for alarms and device status (freely configurable) MSET DGA configuration software via RS485 and Ethernet Power consumption: Max. 400 VA Housing material: Aluminum Size: 263 x 263 x 327.5 mm Weight: Approx. 13.5 kg Degree of protection: IP55</p> <p>Connection Operating voltage Ethernet interface Protocols</p> <p>1½" NPT ANSI B 1.20.1 120 V -20% +15% AC 50/60Hz FO DNP3 RS485 / DNP3 OF or RJ45 / Modbus RTU RS485 / Modbus TCP OF or RJ45</p>	
Total of items				73,749.78
Final amount				73,749.78

INCOTERMS: EXW Humboldt TN

Terms of payment: 30 days after date of invoice

Terms of delivery: The delivery and/or service is based on enclosed "REINHAUSEN MANUFACTURING, INC. STANDARD SALES TERMS AND CONDITIONS".

Validity period: 07/14/2024

City of Lake Worth
1900 2nd Avenue North
Lake Worth FL 33461

Document number
10518811

Page
3 / 3

Price agreement: The offer with the stipulated prices applies to orders made within the above mentioned validity period and for deliveries until 12/31/2024

Delivery time: The delivery time is approx. 14 weeks (ex works) after receipt of the order for which all technical and commercial details have been clarified.

If we can be of any further assistance, please do not hesitate to contact us.

Best regards,

Reinhausen Manufacturing Inc.

This document was computer-generated and does not require a signature.

Please refer to the attached enclosures as applicable.

Reinhausen Manufacturing Inc.
2549 North 9th Avenue
Humboldt, TN 38343

Phone +1 (731) 784-7681
Fax +1 (731) 784-7682
www.reinhausen.com

President: Robert Vary

Reinhausen Group

Regions Bank Account: 7510125407

ABA number: 062005690

Swift Code: UPNBUS44

Federal Id # 62-1413391

Enclosures

10518811

Drawing	Version	Description	Item
2672235	03	Terms and Conditions RM	
2792698	03	Service conditions RM	

REINHAUSEN MANUFACTURING, INC.

STANDARD SALES TERMS AND CONDITIONS



Application: The predominant purpose of the transaction set forth in the Order Confirmation is for a sale of goods from Reinhausen Manufacturing, Inc. ("Seller") to Buyer and any services are merely incidental. To the extent the Order Confirmation reflects incidental or non-incidental services, the attached Reinhausen Manufacturing, Inc. Standard Service Terms and Conditions shall apply in addition to Reinhausen Manufacturing, Inc.'s Standard Sales Terms and Conditions.

General:

- a. This sale is made, and expressly conditioned on, Buyer's assent to the terms and conditions contained herein and no others. Notice of objection is hereby given to any different or additional terms and conditions whether major or minor in character. Buyer's acceptance of the product or service shall be conclusive evidence of Buyer's assent to the terms and conditions contained herein.
- b. This writing is intended as the final, complete and exclusive statement of the terms and conditions on which this sale is made. This writing supersedes all prior written agreements and correspondence and any oral agreements or representations made contemporaneously herewith.
- c. The terms and conditions contained herein will govern all future sales by Seller to Buyer unless otherwise agreed by Seller in writing.
- d. Quotations, proposals and other related documents, such as drawings, wiring diagrams, etc. and weight indications, are not binding upon Seller unless so specifically stated in writing. Seller retains exclusive ownership and copyrights of all documents. Drawings and other documents relating to quotations and/or proposals are to be returned without delay on demand if order is not placed.

Agreement Documents: The Order Confirmation and any attachments are the sole and exclusive agreement of Seller and Buyer for the products and services in the Order Confirmation, and no other document, will be part of this agreement. Terms contained in the Buyer's response to, or acknowledgment or acceptance of, this Order Confirmation, if any, that are additional to, or different from, the terms set forth herein (which terms would constitute a counter-offer by Buyer) are specifically rejected by Seller. Seller's offer to sell as provided in the Order Confirmation may not be modified by Buyer's counter-offers. Notwithstanding the foregoing, if this Order Confirmation is deemed an acceptance by Seller of a Buyer offer or counter-offer, then such acceptance is expressly made conditional on Seller's assent to all of the terms of this Order Confirmation, including those that are additional to, or different from, the terms of Buyer's offer or counter-offer. The terms and conditions of this Order Confirmation are subject to change without notice.

Prices: Prices are calculated to correspond with the cost situation at the time of the Order Confirmation. Seller reserves the right to adjust prices accordingly should the cost situation change. Prices quoted are valid for thirty (30) days unless

otherwise stated in the quotation. Changes in product specifications or deliveries shall be subject to change in prices.

Taxes: Buyer is responsible for and will pay all applicable taxes, charges, fees, levies, or other assessments imposed or collected by any governmental entity (or political subdivision thereof) worldwide on sales of products or services, or sales, use, transfer, goods, and services or value added tax or any other duties or fees related to any payment by Buyer to Seller for products and/or services provided to Buyer under or pursuant to the Order Confirmation.

Terms of Payment and Acceptance:

- a. An invoice will be issued when the products set forth in the Order Confirmation are shipped or when the services set forth in the Order Confirmation are scheduled, and terms of payment are net within thirty days from date of invoice unless different terms were stated by the seller in the quotation/order confirmation.
- b. If payments are not made in accordance with these terms, a service charge will, without prejudice to any rights of Seller, including that to immediate payment, be added to the account of Buyer in an amount equal to the lower of 1-1/2 % per month or fraction thereof or the highest legal rate on the unpaid balance.
- c. If, in the judgment of Seller, the financial condition of Buyer, at any time during the period of the contract, does not justify the terms of payment specified, Seller may require full or partial payment in advance.
- d. In the event Buyer becomes insolvent or insolvency or bankruptcy proceedings are instituted by or against Buyer under state and/or federal law, Seller may refuse to deliver products or to render services except for cash, including payment for all products previously delivered and services previously performed, may stop delivery of any products in transit or performance of any services in progress, and may, if permitted by applicable state and/or federal law, cancel this order and recover its proper cancellation charges from Buyer or Buyer's estate.

Terms of Delivery:

- a. Unless otherwise agreed in writing by Seller, all products are sold F.O.B. point of shipment, and do not include installation. Regardless of the manner of shipment, title to the goods and the risk of loss or damage thereto shall pass to Buyer upon delivery to the Buyer by Seller at the Buyer's location or upon tender to Buyer at Seller's location.
- b. Except in the case of F.O.B. destination shipments, Seller shall have no liability for concealed or other shipment damage. When shipment has been made on an F.O.B. destination basis, Buyer must unpack immediately and, if damage is discovered, must:

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- o Not move the product from the point of examination; retain shipping container and packing material;
 - o Notify the carrier of any apparent damage in writing on the carrier's delivery receipt and request the carrier to make an inspection;
 - o Notify the Seller's location for which the shipment originated within 72 hours of delivery; and
 - o Send Seller a copy of the carrier's inspection report.
- c. The period for delivery shall be calculated from the date on which Seller has signed a written agreement accepting Buyer's order. The delivery period can only be maintained if all necessary documents, specifications, authorizations, etc. to be provided by Buyer have been received in due time, and all commitments as well as terms of payment agreed upon have been fulfilled. Should these prerequisites not be complied in due time, the delivery period will be extended appropriately.
- d. In the event of mobilization, war or insurrection or of strike or lock-out of the relevant departments of Seller or sub-suppliers, or of a rejection of an important component or of other circumstances beyond Seller's control, thus preventing Seller from timely carrying out its obligations, the delivery period will be extended appropriately.
- e. Seller will endeavor to keep to the indicated delivery periods to the best of its ability. Seller, however, shall have no liability for damages due to delay, and Buyer shall have no right to cancel its order, unless Seller and Buyer have executed a separate written agreement in this respect.
- f. Partial deliveries are permissible.

Risk of Loss:

- a. Regardless of the manner of shipment, all risk of loss or damage will pass to Buyer upon the earlier of (1) tender to the carrier at the factory or warehouse of Seller or (2) if shipment is delayed at Buyer's request, at the time the product is ready for shipment. If requested by Buyer in writing, Seller will insure the product against shipment damage at Buyer's expense.
- b. Shipment shall not be delayed at Buyer's request except on terms that will indemnify Seller against all loss and additional expense including, but not limited to, demurrage, handling and storage charges. If requested by Buyer in writing, Seller will insure the product for the period of such delay at Buyer's expense.

Limited Warranty:

- a. Except as otherwise agreed to in writing by Seller, Seller warrants that the products manufactured by it and services performed by it will be free of defects in workmanship and material for the period of (2) year from the date of shipment or performance. This limited warranty does not cover, and Seller makes no warranty

regarding, the following: (1) parts that are not manufactured by Seller; (2) defects or failures caused by accident or improper handling or installation by persons other than Seller; (3) defects or failures caused by the failure to use or maintain the products according to Seller's recommendations; (4) products manufactured pursuant to plans, specifications, drawings or designs submitted or approved by Buyer; and (5) defects or failures caused by alteration, modification, or repair of products by persons other than Seller. This warranty extends to Buyer only and does not extend to any transferee, assignee or successor of Buyer.

- b. THIS SALE IS MADE WITHOUT ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE DESIGN, FITNESS, CAPACITY, QUALITY OR ANY OTHER MATTER CONCERNING THE PRODUCTS EXCEPT AS SET FORTH IN THE PRECEDING PARAGRAPH WITHOUT LIMITING THE FOREGOING, THIS SALE IS MADE WITHOUT ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT, ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED.

Exclusive Remedy; No Consequential Damages

- a. In the event any product or service supplied hereunder fails to comply with the limited warranty set forth in the preceding section and Buyer provides written notice to Seller within two years from the date of shipment or performance, Seller will correct such nonconformity by repair or, at its option, by replacement of the defective part, parts or service F.O.B. its factory or repair facility. In no event shall Seller be responsible for gaining access to the product, disassembly, reassembly and transportation of the product or parts from and to the place of installation. If Seller is unable to remedy the defect within a reasonable time, Seller shall, at its election and in its discretion, either replace the product or refund the purchase price.
- b. THE REMEDIES PROVIDED FOR IN THIS SECTION SHALL BE THE SOLE AND EXCLUSIVE REMEDIES FOR SELLER'S BREACH OF THE LIMITED WARRANTY SET FORTH HEREIN.

Limitation of Liability:

- a. TO THE EXTENT PERMITTED BY APPLICABLE LAW, UNDER NO CIRCUMSTANCES SHALL SELLER ITS AFFILIATES ITS CONTRACTORS AND SUPPLIERS OF ANY TIER, BE LIABLE IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE FOR DAMAGE OR LOSS OF OTHER PROPERTY OR EQUIPMENT, LOSS OF PROFITS OR REVENUE, LOSS OF USE OF EQUIPMENT OR POWER SYSTEM, COST OF CAPITAL, COST OF PURCHASED OR REPLACEMENT POWER OR TEMPORARY EQUIPMENT (INCLUDING ADDITIONAL EXPENSES INCURRED IN USING EXISTING FACILITIES), CLAIMS OF CUSTOMERS OF SELLER, OR FOR ANY SPECIAL, PUNITIVE,

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INCIDENTAL, OR CONSEQUENTIAL DAMAGES WHATSOEVER.

- b. THE TOTAL CUMULATIVE LIABILITY OF SELLER WITH RESPECT TO THIS CONTRACT OR ANYTHING DONE IN CONNECTION THEREWITH SUCH AS THE PERFORMANCE OR BREACH THEREOF, OR FROM THE MANUFACTURE, SALE, DELIVERY, RESALE, OR USE OF ANY PRODUCT COVERED BY OR FURNISHED UNDER THIS CONTRACT, WHETHER IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE, SHALL NOT EXCEED THE PRICE OF THE PRODUCT, PART OR SERVICE ON WHICH SUCH LIABILITY IS BASED.

Termination: Any order or contract may be terminated by Buyer only by written notice and upon payment of reasonable and proper termination charges, including but not limited to all costs identified to the order or contract which have been incurred up to the date of notice of termination. All additional costs resulting from the termination and 10% of the final net price will be included in the termination charges to compensate for disruptions in scheduling, planned production and other direct costs. Payment shall be made within 30 days from date of invoice.

Force Majeure: Notwithstanding anything contained in these terms and conditions to the contrary, neither Seller nor Buyer shall be liable for failure of performance hereunder if occasioned by war, declared or undeclared, acts of terrorism, civil unrest, epidemic, pandemic, riots, strikes, labor disputes, work stoppages, international or malicious acts of organized opposition, governmental actions including without limitation shelter-in-place orders, orders, restrictions or regulations, interruption of transportation, delays, prohibition of import or export of goods, embargo, closure of public highways, railways, airways or ports, seizure under legal process, acts of God, including without limitation, tornado, hurricane, cyclone, windstorm, tidal wave, earthquake, flood, fire, power failure, water sprinkler leakage, insect, explosion or any other cause beyond the control of Seller or Buyer. Any suspension of performance by reason of force majeure shall be limited to the period during which the cause of failure exists. The party claiming Force Majeure shall give prompt written notice to the other of any such event or circumstance, and the notifying party shall cooperate in good faith with the other to minimize and mitigate the impact of any such event or occurrence and do all things commercially reasonable under the circumstances to achieve such goal. No adjustments to pricing and schedule shall be made to account for a Force Majeure event and its resulting impact on the work, without prior written approval of Seller and Buyer.

Held Orders: Any orders held or delayed or rescheduled at the request of Buyer will be subject to the prices and conditions of sale in effect at the time of the release of the hold or the reschedule. Any such order held, delayed or rescheduled beyond a reasonable period of time will be treated as a Buyer termination. When a product is ready for shipment and shipment cannot be made because of reasons beyond Seller's control, Seller shall submit an invoice for such product payable upon receipt thereof and shall, upon

written notice to Buyer, store such product. In such event, the following conditions shall apply:

- a. Risk of loss of the product shall pass to Buyer upon moving such product to storage; and
- b. All expenses, incurred by Seller in connection with the storage of the product including demurrage, the cost of preparation for storage, storage charges, insurance if placed, and handling charges shall be payable by Buyer upon submission of invoices by Seller.

Cancellation by Seller: Seller shall have the right to cancel the contract at any time by written notice for any breach of the contract by Buyer.

Procedure for Returning Products: Authorization and shipping instructions for the return of any product must be obtained by Buyer from Seller before returning the product. The product must be returned with complete identification in accordance with Seller's instructions or it will not be accepted. Where Buyer requests authorization to return a product for reasons other than breach of warranty by Seller, Buyer will be charged for placing the returned goods in salable condition (restocking charge) and for any outgoing and incoming transportation paid by Seller. In no event will Seller be responsible for a product returned without proper authorization and identification and payment of costs related thereto.

Export Packaging: Prices include products having standard domestic packing only. Any request by Buyer for packing for overseas shipment shall result in addition to the contract price.

Minimum Billing: The minimum billing charge shall be \$50 plus transportation charges as indicated in the "Terms of Delivery" section above.

Product Notices: Buyer shall provide the user (including its employees) of the product with all Seller's supplied product notices, warnings, instructions, recommendations and similar materials.

Additional Conditions Applicable to Nuclear Applications:

- a. In the event that Buyer or third parties use the product or any part thereof in connection with any activity or process involving nuclear fission or fusion or any use or handling of any source, special nuclear or byproduct material as those materials are defined in the U.S. Atomic Energy Act of 1954 as amended, Buyer, at no expense to Seller, shall have arranged for insurance coverage, indemnities, waivers of liability, recourse and subrogation in such amounts and under such terms and conditions as may be acceptable to Seller, and fully adequate in the opinion of Seller to protect Seller (and its subcontractors or suppliers of any tier) against any and all loss, costs, damage or expenses and claims and demands therefore, in contract, in tort or otherwise, including the cost of investigating, litigating and/or settling any such claims or demands, on account of bodily injury, sickness, disease or death to any person or the loss of, loss of use of or damage to the property of any person whether located on or off the site of a nuclear installation, arising out of or resulting from the

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radioactive, toxic, explosive or other hazardous properties of source, special nuclear or byproduct materials, as those materials are defined in the U.S. Atomic Energy Act of 1954 as amended.

- b. In the event that Buyer resells, distributes or in any way relinquishes control of the product or services to a third party, Buyer shall require from such third party compliance with all requirements under this Section, and (2) assurance that any subsequent buyer of the product or services shall comply with all requirements under this Section.
- c. Seller shall not be obliged to deliver the product until such insurance, indemnities and waivers have been produced by Buyer and are legally operative in Seller's favor, and upon Buyer's failure to do so, Seller may rescind the sale without liability for damages of any nature.

Governing Law: The terms and conditions of this contract shall be governed by and construed and enforced in accordance with the laws of the state of Tennessee without giving effect to the principles of conflicts of law.

Assignment: The rights and obligations under this contract shall not be assigned or delegated by Buyer without prior written consent of Seller. Any attempted assignment or delegation in contravention of this Section shall be void.

Remedies: The warranties and remedies available to Seller under the terms of this contract shall be cumulative in addition to those implied or available at law. No waiver of any breach of this contract shall be construed to constitute a waiver of any other breach or of any provisions hereof.

Consent to Jurisdiction: Buyer hereby irrevocably submits to the jurisdiction of any Tennessee court sitting in Gibson County, Tennessee and the United States District Court for the Western District of Tennessee over any action or proceeding arising out of or relating to this contract or the products and agrees that all claims in respect of such action or proceeding may be heard and determined in any such court. Buyer further agrees that venue for any such action shall lie exclusively with courts sitting in Gibson County, Tennessee and the United States District Court for the Western District of Tennessee, unless Seller agrees to the contrary in writing. Seller agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

Expenses and Attorneys' Fees: Buyer agrees to pay any and all costs and expenses (including without limitation, reasonable attorneys' fees and litigation expenses) incurred by Seller and arising out of or relating to Buyer's breach of any covenant or agreement or the incorrectness or inaccuracy of any representation and warranty made by Buyer.

Amendment and Waiver: This contract cannot be amended, changed or modified, except by a writing signed by both parties. No acceptance of less than full, conforming performance by either party shall be deemed a waiver of that party's right to full, conforming performance at a subsequent time. Parole or extrinsic evidence and evidence of course of

dealing, usage of trade or course of performance shall be inadmissible to contradict the express terms of this contract or to supply any additional terms.

Severability: In the event that any one or more terms or provisions hereof shall be held void or unenforceable by any court, all remaining terms and provisions hereof shall remain in full force and effect.

Writings: If the terms hereof require that any consent, agreement or other item be provided in "writing," then such consent, agreement or other item must include a hand-written signature. Emails, voice mails and other forms of records that do not require handwritten signatures shall not qualify as a "writing" for the purpose hereof.

Intellectual Property: Buyer grants Seller all rights and licenses necessary for Seller and its affiliates to use, transfer, pass-through, and sell the products and services and to exercise the rights granted under this contract. Buyer shall not use the name or trademarks of Seller or its affiliates or refer to or identify Seller or its affiliates in any marketing materials (including without limitation testimonials or customer listings) or press releases without the prior written consent of Seller.

Ownership of Products: All work products developed by Seller and provided to Buyer under this contract are and shall remain the personal property of Seller.

Indemnification: Buyer agrees to defend, hold harmless, and indemnify Seller and its affiliates from any claim (including without limitation costs, expenses and attorney's fees) arising from (1) claims that any of Buyer's specifications infringe on any intellectual property rights, and (2) the failure of Buyer to comply with its warranties and obligations under this contract.

Insurance: Buyer shall obtain and maintain all applicable and appropriate insurance, (including, without limitation, business, workers' compensation, auto, errors and omissions, professional and commercial general and liability insurance) in an amount consistent with Buyer's industry practice.

REINHAUSEN MANUFACTURING, INC.

STANDARD SERVICE TERMS AND CONDITIONS



Application: The predominant purpose of the transaction set forth in the Order Confirmation is for Technical Service from Reinhausen Manufacturing, Inc. ("Seller") to Buyer and any services are merely incidental. To the extent the Order Confirmation reflects incidental or non-incidental services, Reinhausen Manufacturing, Inc.'s Standard Service Terms and Conditions shall apply in addition to the attached Reinhausen Manufacturing, Inc. Standard Sales Terms and Conditions.

Workplace Safety: Prior to performance of any of the services set forth in the Order Confirmation, Buyer shall conduct a workplace hazard assessment for the site where the services set forth in the Order Confirmation are to be performed. This assessment shall identify all site hazards and inform Seller's technicians of accident procedures and evacuation plans. Buyer shall also prepare a written certification labeled "Certification of Hazard Assessment" certifying that the workplace hazard assessment was completed for the services set forth in the order confirmation. In addition to the workplace hazard assessment, Buyer shall ensure that a pre-job meeting and/or pre-job brief is provided to Seller's technicians to perform the services set forth in the Order Confirmation. Buyer shall document that a pre-job meeting occurred and/or document that Seller's technicians received a copy of the pre-job brief. Buyer shall also ensure that upstream and downstream isolation switches are open, grounds have been placed on all windings (HV, LV & TV), and that appropriate lock-out/tag-out procedures have been followed. In the event that the services set forth in the Order Confirmation must be performed when equipment is energized, the tap changer must be locked on a fixed tap. If an unsafe condition arises, Seller's technicians reserve the right to stop work until the unsafe condition is corrected.

Authority: Seller's technicians are expressly without authority to bind Seller or REINHAUSEN to any contract, agreement or acknowledgment of liability.

Staffing: Seller reserves the right to assign which of its technicians will carry out the services set forth in the Order Confirmation. The assignment of Seller's technicians is dependent on the services set forth in the Order Confirmation, the site where the services are to be performed, and the availability of Seller's technicians. Buyer must make requests for specific service dates at least three weeks before services are to be performed so that attempts can be made to honor the requested service date. Any preliminary work to take place at the Seller's Humboldt, Tennessee facility will be billed at flat rate equal to the hourly service rate set forth in the Order Confirmation multiplied by the sum of total number of work days and total number of Seller's technicians used to perform the services set forth in the Order Confirmation.

REINHAUSEN Specialists: If it is necessary that an REINHAUSEN Specialist performs any of the services set forth in the Order Confirmation, Buyer shall obtain and provide the REINHAUSEN Specialist with the necessary entry visas and work permits prior to departure of the REINHAUSEN Specialist. All terms and conditions referring to Seller's technician shall apply equally to an REINHAUSEN Specialist.

Auxiliary Equipment and Personnel: Buyer shall supply all necessary auxiliary equipment (e.g., lifting devices, oil containers, oil pumps, scaffolding, etc.) and personnel. Buyer is also responsible for obtaining auxiliary personnel to drain tap changer oil, handle tap changer oil, vacuum fill tap changer oil and dispose of waste tap changer oil.

- a. Buyer agrees to defend and indemnify seller for any and all liability arising from delays in obtaining necessary auxiliary equipment and/or personnel, but for liability arising out of Seller's own negligence.
- b. Buyer agrees to defend and indemnify seller for any and all liability arising out of Buyer's procurement, installation and/or operation of necessary equipment, but for liability arising out of Seller's own negligence.
- c. Buyer agrees to defend and indemnify Seller for any and all liability arising out of auxiliary personnel's work, but for liability arising out of Seller's own negligence.

Cancellation: Buyer shall pay a twenty percent cancellation fee services set forth in the Order Confirmation that Buyer cancels within ten days of the mobilization date for such services.

Re-Stocking: Buyer shall pay a twenty percent restocking fee for parts ordered and shipped to Buyer or the site where services are to be performed that Buyer subsequently returns.

Delay: Buyer is responsible for all costs arising from delays in the performance of the services set forth in the Order Confirmation other than delays attributable to Seller.

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: Electric Utility

TITLE:

Florida Municipal Power Agency (FMPA) to provide Transmission Operations Support for certain limited Transmission Operator Activities

SUMMARY:

Request for approval of contracted support services from FMPA required to successfully operate under and comply with additional federal regulatory requirements associated with the City's electric utility's second interconnection to the Florida Power and Light ("FPL") high voltage transmission system.

BACKGROUND AND JUSTIFICATION:

The City of Lake Worth Beach, FL ("City") power delivery architecture has historically been comprised of a single radial interconnection to the FPL high voltage transmission system. City's electric utility and FPL are currently underway with construction of a second interconnection between the City's electric utility's electric transmission system and the FPL high voltage transmission system. When completed, the second interconnection will improve the reliability of the City's electric utility's electric transmission and distribution system. Preceding the completion of this construction, the City's electric utility must prepare for increased regulatory compliance responsibilities arising from the revised transmission configuration, which require Lake Worth Beach's electric utility to register as a Transmission Operator (TOP) as defined by the North American Reliability Corporation (NERC).

To support these requirements, City has executed a Transmission Operator Alliance Agreement with Orlando Utilities Commission (OUC), Kissimmee Utility Authority (KUA), and the City of Jacksonville Beach (Beaches Energy) under which OUC will provide certain TOP responsibilities on behalf of the Alliance participants such that the participants will jointly share in certain federally required operating and regulatory compliance activities. However, certain technical compliance responsibilities will remain with the City related to electric transmission operations planning. Currently, the Florida Municipal Power Agency (FMPA) serves as City's Transmission Planner and has offered to expand its support to provide transmission operations support for certain limited CTOP activities required of the City. Budget appropriations will commence in fiscal year 2025.

MOTION:

Move to approve/disapprove Florida Municipal Power Agency (FMPA) to provide Transmission Operations Support for certain limited Transmission Operator Activities

ATTACHMENT(S):

Fiscal Impact Analysis

Letter Agreement for Transmission Operations Support of Certain Limited CTOP Activities

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	0	0	0	0	0
Operating	0	\$70,000	\$70,000	\$70,000	\$70,000
Capital	0	0	0	0	0
Net Fiscal Impact					
<i>(If not budgeted)</i>	0	0	0	0	0
No. of Addn'l Full-Time					
Employee Positions	0	0	0	0	0

New Appropriation (Not Budgeted) Fiscal Impact:	
	Revenue Source
Department	Electric Utility
Division	System Operations
GL Description	Contractual Services
GL Account Number	401-6033-531.31.90
Project Number	N/A
Requested Funds	\$70,000
Remaining Balance	N/A



Jacob A. Williams
General Manager and Chief Executive Officer (CEO)

March 31, 2024

Mr. Ed Liberty
Director – Electric Utilities
City of Lake Worth Beach
1900 2nd Avenue North
Lake Worth Beach, FL 33461

Letter Agreement for Transmission Operations Support of Certain Limited CTOP Activities

Dear Ed:

Pursuant to your request for FMPA to provide a proposal to the City of Lake Worth Beach (“Lake Worth Beach”) for transmission operations support of certain limited Centralized Transmission Operator (“CTOP”) activities as a Member Service on behalf of Lake Worth Beach, FMPA has prepared a scope of work, herein appended as Attachment A, that defines the boundaries of and important considerations regarding this Member Service project. The scope of work in Attachment A is being proposed inclusive of an annual renewal option based on mutual acceptance of existing terms and conditions by both Lake Worth Beach and FMPA, inclusive of price escalation, if applicable and as determined by FMPA in its sole discretion. Lake Worth Beach can elect to terminate this scope of work at any time at its own risk.

Lake Worth Beach should review Attachment A as well as the terms and conditions set forth in this letter agreement in detail to ensure a proper understanding of respective responsibilities and obligations that remain fully and irrevocably with Lake Worth Beach immediately after Lake Worth Beach’s transition to a Transmission Operator (“TOP”) as defined by NERC, and should coordinate closely with the CTOP System Operator (“SO”), Orlando Utilities Commission (“OUC”), as such transition nears to foster multi-lateral consensus on where responsibilities and obligations of performance reside. Via execution of this letter agreement, Lake Worth Beach hereby agrees and acknowledges that it has read and is in agreement with Attachment A and has coordinated with the CTOP SO consistent with Attachment A and as Lake Worth Beach deems necessary or appropriate.

Nothing in this letter agreement shall imply or convey transference of ultimate compliance responsibility for all aspects of current and potential future elements of any NERC Standards, most notably TOP-002 in current and future/successor forms, to FMPA, nor is this letter agreement intended, nor is it to be construed to be, a Coordinated Functional Registration (“CFR”) agreement. While FMPA’s activities associated with the scope of work in Attachment A are in direct support of Lake Worth Beach’s obligations pursuant to TOP-002, ultimate compliance responsibility to provide the CTOP SO with the appropriate studies and outputs required for the CTOP SO to comply with their pre-existing CFR with Lake Worth Beach (pursuant to a separate agreement made directly between Lake Worth Beach and OUC for said

standard, among other related or unrelated standards), resides either directly with Lake Worth Beach or with the CTOP SO, as applicable.

Consistent with the paragraph above, Lake Worth Beach shall remain fully responsible for any and all fines or penalties associated with non-compliance related to Lake Worth Beach's actions or inaction (or any misalignment between expected and actual performance), as applicable and as determined by either the FRCC Reliability Coordinator ("RC"), SERC, the CTOP SO, or other future regulatory body. In turn, FMPA agrees to collaborate in good faith with Lake Worth Beach to aid in avoiding such circumstances and assist Lake Worth Beach in mitigating risks associated with non-compliance.

Furthermore, both Lake Worth Beach and FMPA recognize and agree that the scope of work as structured in Attachment A is being engaged in under a construct that is amenable to limited activities required of a TOP under current regulatory requirements, and that incremental additions to such requirements may have a material impact on the existing FMPA All-Requirements Power Supply Project ("ARP") Participant CTOP Members and on Lake Worth Beach. Such evolutionary requirements are impossible to predict, and FMPA must work to ensure that the ARP CTOP Members are held harmless from having to incur additional compliance costs due to Lake Worth Beach or make alternative arrangements that would create additional obligations for ARP CTOP Members due to Lake Worth Beach, inclusive of any potential future evolution of standards that may require more detailed evaluations or alternative structures as directed by a regulatory body. As such, Lake Worth Beach agrees that if FMPA bears additional costs for the existing ARP CTOP Members due to the inclusion of Lake Worth Beach, in whole or in part, it will hold FMPA financially harmless by reimbursing FMPA for any incremental cost it incurs and that FMPA reasonably demonstrates was caused by inclusion of Lake Worth Beach, **over and above labor and software costs associated with this proposal, as detailed further in the "Cost to Lake Worth Beach" subsection below.** In turn, FMPA agrees to work in good faith with Lake Worth Beach to provide advance notice, when possible, of impending costs of this nature, at which time Lake Worth Beach can elect to terminate the agreement at their own risk and/or seek an alternative solution to their needs. If unforeseen costs arise that could not have reasonably been anticipated, FMPA shall give written notice to Lake Worth Beach and Lake Worth Beach shall have an express option to immediately terminate the agreement (exercisable within 5 business days of FMPA's notice), and consequently, Lake Worth Beach would only be responsible for their incremental cost and associated payment to FMPA for such unforeseen costs incurred up to termination, or to the extent Lake Worth Beach elects not to terminate the agreement.

Cost to Lake Worth Beach

Given that there is no CFR associated with this scope of work, the hours expected to be dedicated to this effort by FMPA staff is effectively a Member Service project. FMPA's Member Services Advisory Committee has effectuated a policy that affords an FMPA Member up to 80 hours for a project with a defined scope prior to any staff billings. Consistent with this policy, FMPA has developed a good faith estimate on an annual basis of \$70,000 to perform the scope of work as articulated in Attachment A, which FMPA proposes be billed to Lake Worth Beach on a

proportionate monthly basis. While billable Member Projects typically have timecard accounting associated with them, this proposal is predicated upon a fixed fee per month, given the administrative burden of source-separating many parallel, and at times simultaneous, activities to be undertaken by FMPA on behalf of Lake Worth Beach alongside the ARP CTOP Members on a daily basis.

Notwithstanding the cost estimate above, Lake Worth Beach and FMPA acknowledge that compliance standards reflect a dynamic and highly uncertain environment that may require further effort and collaboration in the event standards are changed, appended to, or require a more extensive level of study to support future obligations. FMPA will inform Lake Worth Beach at least annually as to whether any such factors have increased the time involved or scope of work materially, and at such time, Lake Worth Beach can elect to be billed accordingly based on the then-current FMPA good faith estimate or make alternative arrangements subject to the exit provision defined above.

FMPA Agreement to Cover Staffing Contingency Events

Transmission operations planning requires specialized expertise that cannot readily be replaced were FMPA to incur a staffing contingency (either a temporary or permanent loss of access to qualified staff). Currently, FMPA maintains access to 2 full-time-equivalent employees to support ongoing daily CTOP activities. In the event one or more employees are unavailable to FMPA, FMPA will ensure it can continue to provide the scope of services detailed in Attachment A at the same cost to Lake Worth Beach for a maximum of 90 days. Beyond the 90 days, FMPA will work with CTOP Members to ensure coverage is available from an alternative provider. To that end, FMPA has requested cost ranges from capable firms within our existing suite of Master Service Agreements in the realm of power system studies to support our existing CTOP support service areas were FMPA to be in a position of need, recognizing that both ARP TOP Members and Lake Worth Beach could elect to pursue their own solution to such a contingency event.

[Remainder of this page intentionally left blank.]

If Lake Worth Beach agrees with the terms and conditions of this letter agreement, please signify by signing below.

Sincerely,

Jacob Williams
General Manager and CEO

Approved and accepted this ____ day of _____, 202_.

By: _____
TBD

Attest: _____
TBD

Approved as to form & legality:

By: _____
TBD

Attachment A – Scope of Work

Lake Worth Beach Transmission Operations Support of Certain Limited CTOP Activities Scope of Services

March 2024

PROJECT UNDERSTANDING

The City of Lake Worth Beach, FL (“Lake Worth Beach”) power delivery architecture has historically been radially fed¹ by the Florida Power and Light (“FPL”) high voltage transmission system. In effect, the loss of a single path of flow between FPL and Lake Worth Beach’s ultimate end-user distribution system customers would, absent otherwise existing local generation within Lake Worth Beach’s service area, leave customers in the dark until that particular transmission path was restored. Commensurate with recent negotiations with FPL in relation to their Network Integration Transmission Service (“NITS”) and Point-to-Point transmission service (“PTP”) rate filings, the parties advocated for and obtained agreement from FPL to construct a second, redundant transmission connection to the Lake Worth Beach Canal substation (“Canal transmission tap”). This added redundancy is intended to increase reliability under contingency events (e.g. n-1 loss of a transmission feed) and may present other opportunities to lower overall bulk power cost for Lake Worth Beach. The Canal transmission tap effort is ongoing, with an as yet undefined completion date, with estimates for the transition anywhere from summer 2024 to sometime in 2025. Preceding that transition, Lake Worth Beach must prepare for added compliance responsibilities arising from the revised transmission configuration, which will include FRCC Bulk Electric System flows which require Lake Worth Beach to register as a Transmission Operator as defined by NERC and comply with a wide range of TOP, CIP, and other related NERC standards. To support these requirements, Lake Worth Beach has executed an agreement with OUC to serve as their CTOP SO, with an associated CFR with OUC to cover respective compliance responsibilities that are to be borne by OUC as distinguished from Lake Worth Beach.

Based on discussions between OUC and Lake Worth Beach, the CTOP CFR contains an Assignment Agreement and associated provisions which redirect CFR responsibilities back to individual TOPs for certain CTOP functions, including the activities in support of NERC Standard TOP-002 (among other related and unrelated standards), which requires a TOP to perform certain daily activities and requires significant coordination with other TOPs, the FRCC RC, and with FPL to ensure an evergreen condition of transmission system solvency. In order to provide technical support services to aid with certain limited TOP requirements, Lake Worth Beach has

¹ The phrase “radially fed” is an oversimplification of actual architecture, but for practical purposes, represents the historical risk register under which Lake Worth Beach has taken transmission service from Florida Power and Light.

requested support from FMPA to provide certain limited services as a Member Service in support of Lake Worth Beach's obligations to provide the CTOP SO with studies and evaluations generally consistent with the TOP obligations within TOP-002.

PROJECT APPROACH

FMPA will leverage existing staff and power flow software licenses deployed in support of the ARP CTOP Members (currently, KUA and Beaches Energy Services) as well as in support of certain other daily transmission planning analyses and/or coordination for other ARP Participants (e.g. Ocala) to provide those certain limited CTOP activities as defined in the tasks below to Lake Worth Beach. For avoidance of doubt and consistent with the cover letter accompanying this attachment, **nothing in this scope of work shall imply or convey transference of ultimate compliance responsibility for all aspects of current and potential future elements of any NERC Standards, most notably TOP-002 in current and future/successor forms, to FMPA, nor is this letter agreement intended, nor is it to be construed to be, a CFR agreement.**

SCOPE OF SERVICES

Task 1: Next-Day (Daily) Studies, Model Maintenance, and Communications

Each day, beginning on the first day inclusive of the notice to proceed day, FMPA will (i) prepare an Operational Planning Analysis (a daily study conducted directly by FMPA to identify constraints on the transmission system that will need to be mitigated that is provided to the CTOP SO) and (ii) support the FRCC RC's development of an Operating Plan (an analysis conducted by the FRCC RC based on the RC's model that requires provision of mitigations to any transmission constraints or issues identified by the FRCC RC). Both the Operational Planning Analysis and the Operating Plan shall be reflective of anticipated system solvency and associated power flow under steady state and other contingency conditions, as deemed necessary, for the Lake Worth Beach transmission system. Any criteria violations, exceedances relative to system operating limits, or other drivers for mitigations will be identified, which may require significant coordination within a multi-party configuration involving Lake Worth Beach, FPL, FMPP, the FRCC RC, or other impacted systems, which FMPA will lead with support from a designated Lake Worth Beach transmission system operations coordinator who is empowered to make critical operational decisions as may be required from time to time on a day-ahead basis². The Operating Plan cadence will be coordinated with the FRCC RC, which calls for a study to be performed each day, with allowances for weekends and holidays, as applicable.

The Operational Planning Analysis will be based on the daily Florida Municipal Power Pool ("FMPP") and/or Florida Energy Marketing ("FEM") documentation that details projected load levels and associated dispatch conditions for the relevant study area, under the assumption that Lake Worth Beach will remain within the FMPP BA. **Deviations from this existing condition shall require alternative data inputs and may have a material impact on this scope of work as noted in the cover letter to this Attachment.** FMPA will also leverage daily Florida Transaction Management System ("FTMS") data detailing any coordinated transmission system element outages, and will use reasonable efforts to maintain and manage all relevant FRCC OPC models

² FMPA would strongly recommend a similar role be assigned to coordinate with OUC as they lead real-time CTOP functions.

to cover the studies (with new models being released on Monday and Thursday of each week). FMPA will also work with Lake Worth Beach to ensure an accurate representation of Lake Worth Beach's system (e.g. one-line diagram as benchmarked to model build), and will collaborate up front with Lake Worth Beach as required to configure the power flow model to capture the TOP condition immediately preceding deployment to include any edits that may be required to effectuate the Canal transmission tap and associated impacts on flows in the relevant study area(s).

Upon completion of the Operational Planning Analysis, FMPA will lead dissemination of the results of the study to the relevant parties via email, including Lake Worth Beach and the CTOP SO. FMPA will also log the daily RC Operating Plan review on behalf of Lake Worth Beach.

Importantly, as FMPA does not have ultimate authority to negotiate mitigations or alternatives with other transmission owners, FMPA will communicate any pertinent daily study outcomes in an advisory capacity to Lake Worth Beach and be available to address questions and develop options for Lake Worth Beach coordination, using reasonable efforts to assist in enabling Lake Worth Beach to understand the impact(s) of a given situation on a context-specific basis. Lake Worth Beach shall be ultimately responsible for said coordination with relevant outside parties in light of the options available and the associated risks of a given operational decision.

It is also important to note that this scope of work assumes that Lake Worth Beach staff will be fully responsible for cataloguing any evidentiary material as they deem required for compliance with TOP-002 requirements and for provision of requested materials to the CTOP SO, as applicable.

Deliverables:

- Coordinated RC Operating Plan for next day operations (through FRCC RC utilizing FTMS) (FMPA)
- Operational Planning Analysis as defined above and associated communications to relevant parties via email and serving in an advisory capacity to Lake Worth Beach (FMPA)
- Coordination of any criteria violations or system operating limit exceedances with relevant parties on a day-ahead basis (Lake Worth Beach)

Task 2: Outage Studies

Commensurate with the transition to a TOP, in the event Lake Worth Beach would like to take a planned outage on their transmission system, Lake Worth Beach will work to put in a request to both the CTOP SO and to FMPA to perform a study of the requested outage from a transmission solvency perspective, which may require assistance with schedule coordination of the outage with FPL. In addition, FPL may notify Lake Worth Beach of an outage in their surrounding area which may have impacts on the Lake Worth Beach transmission system that will require an outage study to be performed. In either instance, the request to FMPA for an outage study from Lake Worth

Beach would need to include the following required information to support FMPA's performance of the outage study:

1. Specifics of the requested outage – typically, requests would consist of outages associated with the tie lines with FPL at the Canal and Hypoluxo substations as well as any 138 kV lines within the Lake Worth Beach system (i.e. Hypoluxo-Main/Plant and Canal-Main/Plant).
2. Timing of the outage desired (i.e. periodicity).
3. Flexibility on timing or any other specific constraints – note that Lake Worth Beach does not need to request a study for outages on their native distribution system unless there are specific concerns that would require a review – this may require additional modeling of the Lake Worth Beach 26 kV system not currently contemplated in this scope of work.

FMPA will leverage the same tools and modeling constructs as are described within Task 1 above (with the recognition that certain forward looking seasonal cases may need to be utilized to cover the relevant outage study timeframe) to study the requested outage and provide either reassurance to Lake Worth Beach and other relevant parties of the viability of the outage or advise Lake Worth Beach of the need to coordinate further with applicable parties. The urgency of a given outage study will vary based on system conditions, and consequently, FMPA will coordinate with Lake Worth Beach on the appropriate turnaround times for outage study requests on a case-by-case basis.

Importantly, as FMPA does not have ultimate authority to negotiate mitigations or alternatives with other transmission owners, FMPA will communicate outage study outcomes in an advisory capacity only to Lake Worth Beach and be available to address questions and develop options for Lake Worth Beach coordination, using reasonable efforts to assist in enabling Lake Worth Beach to understand the impact(s) of a given situation on a context-specific basis. Lake Worth Beach shall then be ultimately responsible for said coordination with relevant outside parties in light of the options available and the associated risks of a given operational decision.

Deliverables:

- Outage study details required for FMPA evaluation (Lake Worth Beach)
- Outage study outcomes and communication of the same in an advisory role (FMPA)
- Coordination with relevant outside parties (e.g. FPL, CTOP SO) on any required scheduling or mitigation plans that may be required to support a successful outage while maintaining transmission system solvency (Lake Worth Beach)

Task 3: CTOP and Regional Coordination

FMPA will support the representation of Lake Worth Beach as a TOP in the context of both CTOP and regional coordination, as follows:

- Lake Worth Beach and FMPA will support the weekly OUC CTOP outage coordination call as necessary, typically held on Wednesday of each week. FMPA's attendance on the weekly call will be on an as-needed basis, with Lake Worth Beach's attendance highly encouraged for long term knowledge transfer purposes irrespective of whether there are any relevant outages in a given week.
- FMPA will coordinate with the FRCC OPWG to maintain models to support the most accurate system representation for both the daily and seasonal study cases.
- FMPA will participate in the FRCC OPC weekly regional call to ensure regional alignment of expectations and required cross-functional communication of any issues, as applicable.
- FMPA will supplement existing support of Lake Worth Beach in the context of FRCC OPC seasonal studies on a quarterly basis with any incremental nuances that may be required as a result of the transition of the system to a TOP (only as applicable).

Deliverables:

- Participation or coordination by at least one FMPA transmission planner in the calls, model maintenance, and study enhancements defined above (FMPA)

Task 4 (OPTIONAL): Participation in SERC Interactions As Directed by CTOP SO

As an optional task, FMPA transmission planning staff can be available to participate in any forthcoming Lake Worth Beach interactions with the Regional Entity that may be required to demonstrate that Lake Worth Beach has adequately planned for the specific subset of compliance responsibilities that this Member Services project is related to, as directed by Lake Worth Beach's CTOP SO (OUC). As the timing, duration, and nature of such support is as yet undefined, FMPA will work with Lake Worth Beach and the CTOP SO to determine whether and to what extent such support is necessary. This scope of work does not anticipate extended interactions of that nature beyond approximately 8-10 hours on an annual basis, with the most likely outcome being that this task may not be required after Lake Worth Beach begins operating as a TOP (as any review by the Regional Entity beyond such time would likely be in the form of either a spot check or an audit).

Deliverables:

- Up to 10 hours of support with SERC related interactions as directed by the CTOP SO (FMPA)

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27 2024

DEPARTMENT: Electric Utility

TITLE:

Transfer of Rate Stabilization Funds

SUMMARY:

Transfer \$1,403,278 from the Rate Stabilization Fund (RSF) to the Electric Fund

BACKGROUND AND JUSTIFICATION:

As a result of sudden increases in the costs of natural gas in 2022-2023 and other factors impacting the power costs, the City of Lake Worth Beach established the "Electric Utility Rate Stabilization Fund" to provide rate stability for customers of the City's Electric Utility, mitigate the impact of increases in purchase power costs, and help maintain rates competitive with other utilities.

The Rate Stabilization Fund currently has a balance of \$3,500,000 which was funded from customer Power Cost Adjustment (PCA) payments. Recently monthly PCA expenditures have surpassed PCA revenues resulting in a negative PCA Account balance of \$1,403,278 (See Exhibit A). Several factors have contributed to the increase in expenditures, such as increased capacity purchases due to a Stanton unit and St. Lucie unit forced outages, as well as our own GT2 & S3 unit outages, and significant increases in electric sales to customers.

Increased electric sales above prior years were experienced in the months of May through July. Electric sales for May were 15.9% over prior year, June were 7.7% over prior year, and July were 4.8% over prior year. New system peak loads were also established for those same months, spurred by increases in degree days and numbers of customers served.

The normal billing period delay between incurring PCA expenses and realizing the PCA revenues via electric bills to customers also contributes to an upfront negative monthly balance until customer payments are received one to two months later.

The RSF remains healthy with a balance of \$2,096,720 after the proposed transfer to the Electric Fund.

MOTION:

Move to approve/disapprove the transfer of \$1,403,278 from the RSF to the Electric Fund

ATTACHMENT(S):

PCA Balance
Transfer Requests
Resolution 10-2024

PCA Monthly Revenues Minus Expences Detail

Month	PCA Revenues	Actual Invoices				Total PCA Expenditures	Difference
		OUC	Stanton Energy	FPL Transmission	Power Plant Fuel		
PCA balance after creation of Rate Stabilization Fund / Storm Fund & Retroactive payment for Solar I cancellation payment from March '23 ----->>>>>							\$732,451
Oct-23	\$1,508,742	\$960,029	\$82,049	\$245,514	\$0	\$1,287,593	\$221,149
Nov-23	\$1,374,662	\$671,450	\$111,685	\$215,275	\$0	\$998,410	\$376,253
Dec-23	\$1,211,190	\$548,688	\$107,600	\$206,150	\$0	\$862,438	\$348,752
Jan-24	\$1,026,739	\$783,756	\$83,459	\$218,139	\$0	\$1,085,353	-\$58,614
Feb-24	\$978,222	\$297,967	\$93,115	\$266,411	\$0	\$657,493	\$320,729
Mar-24	\$889,150	\$751,530	\$73,502	\$325,202	\$0	\$1,150,234	-\$261,084
Apr-24	\$884,308	\$765,688	\$46,955	\$304,676	\$0	\$1,117,319	-\$233,011
May-24	\$1,038,614	\$1,420,879	\$0	\$350,589	\$10,794	\$1,782,262	-\$743,648
Jun-24	\$1,308,065	\$1,437,706	\$91,192	\$375,732	\$6,087	\$1,910,717	-\$602,652
Jul-24	\$1,308,972	\$1,246,634	\$194,361	\$375,000	\$3,466	\$1,819,461	-\$510,488
TOTALS	\$13,128,322	\$9,990,087	\$1,077,630	\$3,175,987	\$20,347	\$10,533,873	-\$1,403,278

PCA Monthly Working Balance Exclusive of RSF Balance

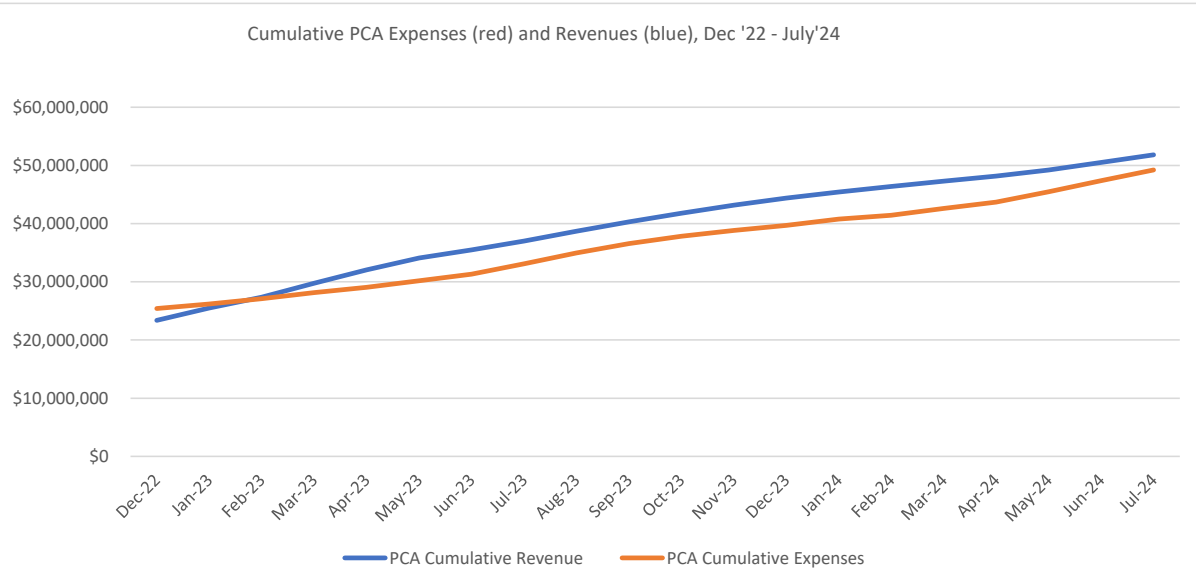
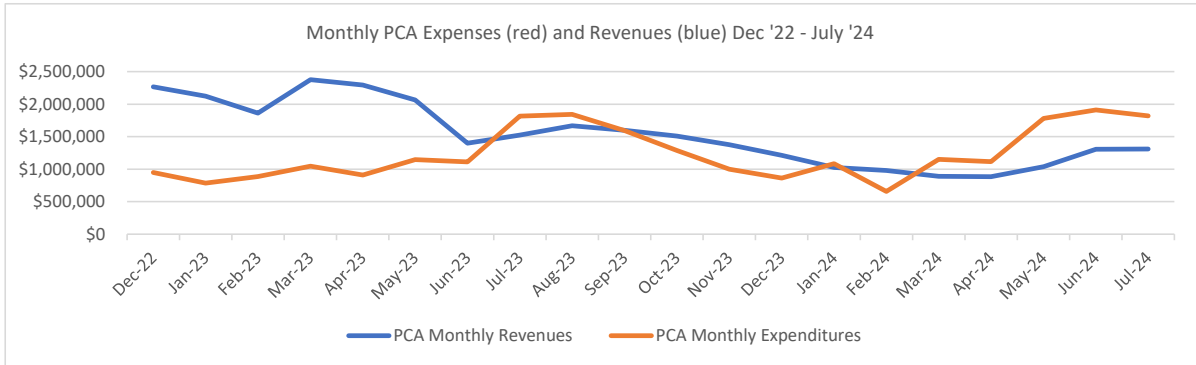
OUC May 2024 invoice includes a generation revenue credit of \$17,255.24 (GT1 5/27)
 OUC June 2024 invoice includes a generation revenue credit of \$8,661.04 (GT1 6/28)
 OUC July 2024 Invoice includes a generation revenue credit of \$12,888.65 (GT1 dispatch 7/15)

FPL Transmission Expense for July '24 is ESTIMATED. Invoice has not been received as of 8/15/24

PCA Table & Graphs

Month	PCA Monthly Revenues	PCA Monthly Expenditures	Difference
Dec-22	\$2,267,120	\$948,626	\$1,318,494
Jan-23	\$2,123,484	\$786,317	\$1,337,167
Feb-23	\$1,864,011	\$886,202	\$977,809
Mar-23	\$2,376,106	\$1,047,496	\$1,328,610
Apr-23	\$2,295,461	\$908,816	\$1,386,645
May-23	\$2,064,788	\$1,146,676	\$918,112
Jun-23	\$1,398,725	\$1,109,974	\$288,751
Jul-23	\$1,522,057	\$1,817,096	(\$295,039)
Aug-23	\$1,667,765	\$1,843,451	(\$175,686)
Sep-23	\$1,599,657	\$1,592,772	\$6,885
Oct-23	\$1,508,742	\$1,287,593	\$221,149
Nov-23	\$1,374,662	\$998,410	\$376,252
Dec-23	\$1,211,190	\$862,438	\$348,752
Jan-24	\$1,026,739	\$1,085,353	(\$58,614)
Feb-24	\$978,222	\$657,493	\$320,729
Mar-24	\$889,150	\$1,150,234	(\$261,084)
Apr-24	\$884,308	\$1,117,319	(\$233,011)
May-24	\$1,038,614	\$1,782,262	(\$743,648)
Jun-24	\$1,308,065	\$1,910,717	(\$602,652)
Jul-24	\$1,308,972	\$1,819,461	(\$510,489)
TOTALS	\$51,818,249	\$49,221,530	\$2,596,719

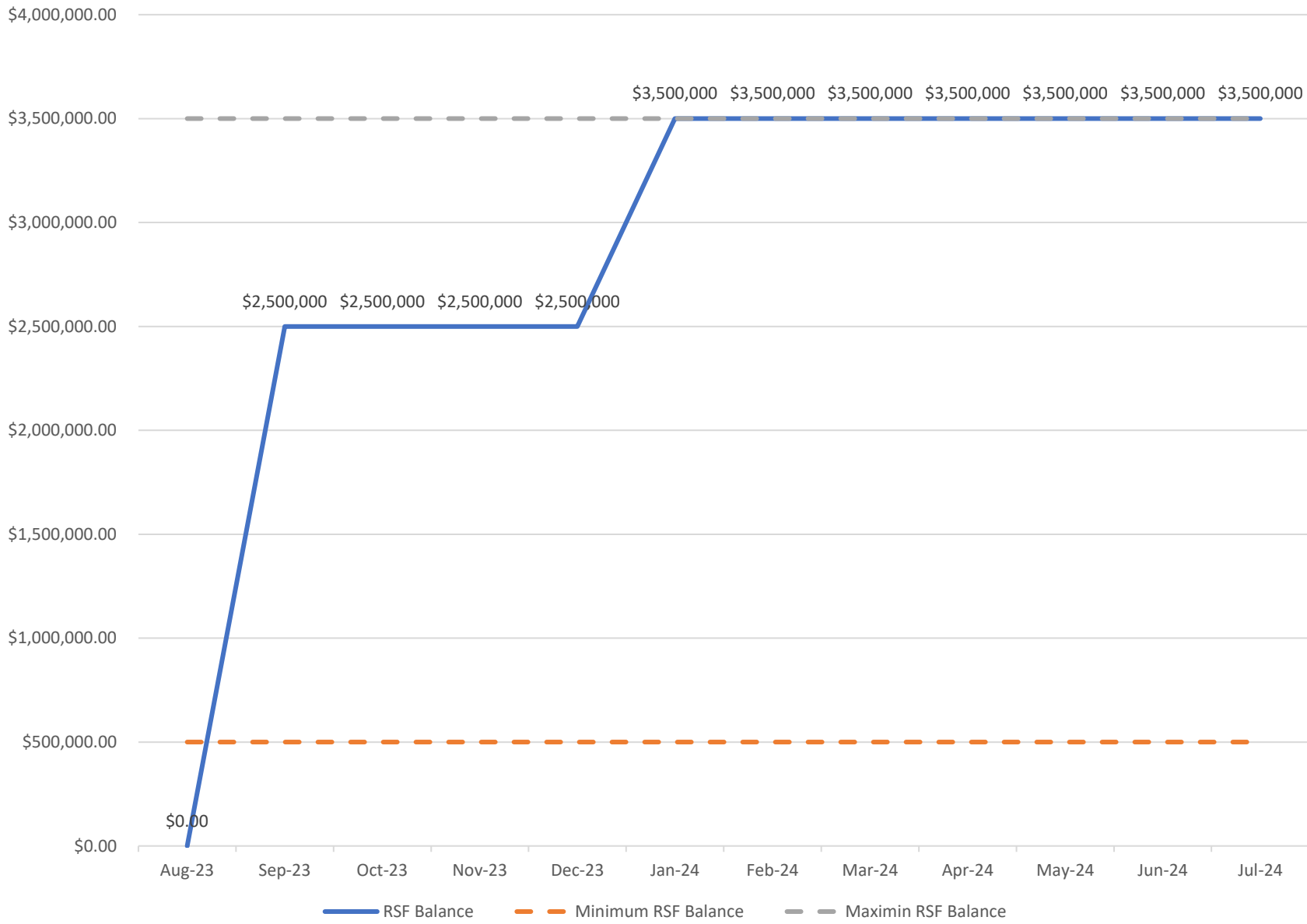
PCA Cumulative Revenue	PCA Cumulative Expenses
\$23,377,531	\$25,411,450
\$25,501,015	\$26,197,767
\$27,365,026	\$27,083,969
\$29,741,132	\$28,131,465
\$32,036,593	\$29,040,281
\$34,101,381	\$30,186,957
\$35,500,106	\$31,296,931
\$37,022,163	\$33,114,027
\$38,689,928	\$34,957,478
\$40,289,585	\$36,550,250
\$41,798,327	\$37,837,843
\$43,172,989	\$38,836,253
\$44,384,179	\$39,698,691
\$45,410,918	\$40,784,044
\$46,389,140	\$41,441,537
\$47,278,290	\$42,591,771
\$48,162,598	\$43,709,090
\$49,201,212	\$45,491,352
\$50,509,277	\$47,402,069
\$51,818,249	\$49,221,530



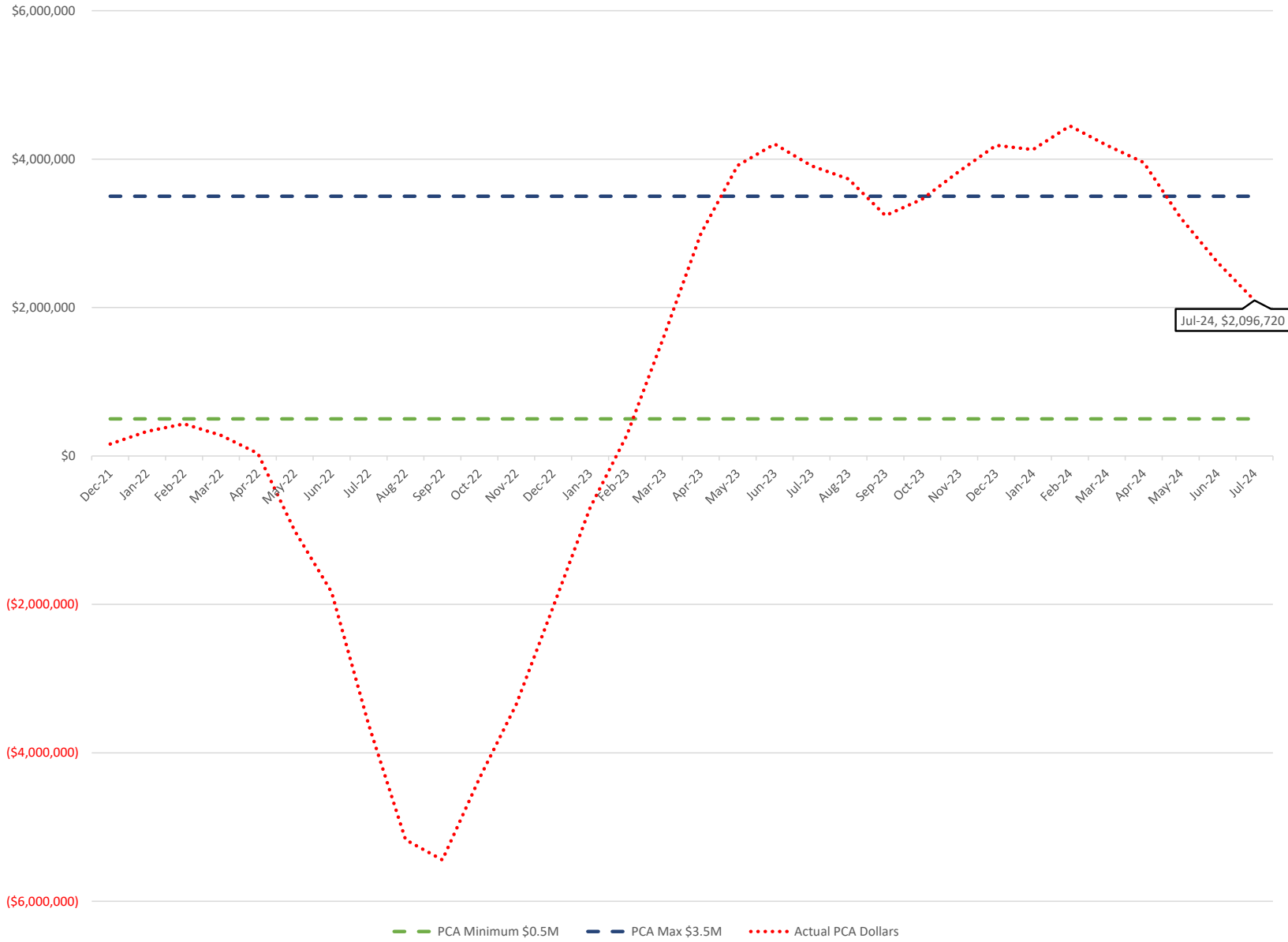
PCA Review Oct 22 - July 24

	PCA \$/MWhr			Sales (MWhr)		PCA Expense (\$)		PCA Revenue (\$)		Monthly Balance (\$)
	PCA Projection (\$/MWhr)	PCA Charge to Customers (\$/MWhr)	Actual PCA Expense Incurred (\$/MWh)	Projected MWh Sales	Energy Sales Receipts	Projected PCA Expense	Actual PCA Expense	Projected PCA revenues	Actual PCA Revenues	PCA Revenue minus Expense
Oct 22 PCA \$/MWh	\$38.96	\$60.92	\$38.47	45,573	43,063	\$1,775,541	\$1,656,627	\$2,776,289.07	\$2,754,939	\$1,098,312
Nov 22 PCA \$/MWh	\$33.06	\$60.92	\$36.32	33,529	36,153	\$1,108,437	\$1,313,150	\$2,042,566.60	\$2,305,698	\$992,548
Dec 22 PCA \$/MWh	\$29.97	\$60.92	\$26.69	35,793	35,541	\$1,072,766	\$948,626	\$2,180,502.81	\$2,267,120	\$1,318,494
Jan 23 PCA\$/MWh	\$30.44	\$60.92	\$23.56	32,861	33,374	\$1,000,344	\$786,317	\$2,001,892.12	\$2,123,484	\$1,337,167
Feb 23 PCA \$/MWh	\$33.08	\$60.92	\$30.23	28,320	29,313	\$936,685	\$886,202	\$1,725,254.40	\$1,864,011	\$977,809
Mar 23 PCA \$/MWh	\$41.55	\$60.92	\$28.79	30,894	36,387	\$1,283,666	\$1,047,496	\$1,882,062.48	\$2,376,106	\$1,328,610
April 23 PCA \$/MWh	\$25.92	\$60.92	\$27.66	36,886	32,851	\$956,104	\$908,816	\$2,247,095.12	\$2,295,461	\$1,386,645
May 23 PCA \$/MWh	\$35.58	\$53.63	\$31.05	34,740	36,934	\$1,235,877	\$1,146,676	\$1,863,106.20	\$2,064,788	\$918,112
June 23 PCA \$/MWh	\$33.03	\$31.33	\$27.08	41,479	40,984	\$1,370,203	\$1,109,974	\$1,299,537.07	\$1,398,726	\$288,752
July 23 PCA \$/MWh	\$46.56	\$31.33	\$41.25	45,370	44,049	\$2,112,400	\$1,817,096	\$1,421,442.10	\$1,522,057	-\$295,039
Aug 23 PCA \$/MWh	\$49.96	\$31.33	\$39.41	48,178	46,774	\$2,406,901	\$1,843,451	\$1,509,416.74	\$1,667,765	-\$175,686
Sept 23 PCA \$/MWh	\$48.22	\$31.33	\$34.28	47,862	46,468	\$2,307,918	\$1,592,772	\$1,499,516.46	\$1,599,657	\$6,885
Oct 23 PCA \$/MWh	\$29.14	\$31.33	\$29.23	43,925	44,043	\$1,279,900	\$1,287,593	\$1,376,170.25	\$1,508,742	\$221,149
Nov 23 PCA \$/MWh	\$30.87	\$31.33	\$24.56	36,877	40,654	\$1,138,302	\$998,410	\$1,155,356.41	\$1,374,662	\$376,252
Dec 23 PCA \$/MWh	\$22.29	\$31.33	\$23.59	36,252	36,553	\$807,882	\$862,438	\$1,135,775.16	\$1,211,190	\$348,752
Jan 24 PCA \$/MWh	\$23.62	\$31.33	\$34.08	35,042	31,849	\$827,836	\$1,085,353	\$1,097,865.86	\$1,026,739	-\$58,614
Feb 24 PCA \$/MWh	\$31.56	\$31.33	\$21.68	30,778	30,334	\$971,236	\$657,493	\$964,274.74	\$978,222	\$320,729
Mar 24 PCA \$/MWh	\$28.32	\$24.38	\$33.77	38,206	34,058	\$1,082,070	\$1,150,234	\$931,462.28	\$889,150	-\$261,084
Apr 24 PCA \$/MWh	\$30.91	\$24.38	\$32.89	33,180	33,967	\$1,025,675	\$1,117,319	\$808,928	\$884,308	-\$233,011
May 24 PCA \$/MWh	\$35.20	\$24.38	\$45.80	37,303	38,912	\$1,313,069	\$1,782,262	\$909,447	\$1,038,614	-\$743,648
June 24 PCA \$/MWh	\$37.70	\$24.38	\$40.50	41,393	47,180	\$1,560,632	\$1,910,717	\$1,009,161	\$1,308,065	-\$602,652
July 24 PCA \$/MWh	\$39.31	\$24.38	\$38.29	46,251	47,523	\$1,818,292	\$1,819,461	\$1,127,599	\$1,308,972	-\$510,489

Rate Stabilization Fund Balance as of July ' 24 - \$3,500,000



Total PCA Funds Balance as of May 31 2024 \$2,096,720 (\$3.5 M in RSF + **-\$1,403,270M** PCA Balance)



Transfer Requests

Transfer Requests			
Fund Name	GL Account#	Account Description	Amount
RSF	121-9010-581.91.55	Transfers to Electric Fund	(\$1,403,278)
Electric Fund	401-0000-381.10-21	Transfers from EU Rate Stabilization Fund	\$ 1,403,278

RESOLUTION NO. 10-2024 OF THE CITY OF LAKE WORTH BEACH, FLORIDA, REVISING RESOLUTION 31-2023, WHICH ESTABLISHED A RATE STABILIZATION FUND, AUTHORIZED AN INITIAL TRANSFER, AND SET GENERAL GUIDELINES FOR THE RATE STABILIZATION FUND, TO SET FORTH ADDITIONAL STANDARDS AND GUIDELINES FOR THE RATE STABILIZATION FUND AND RELATED ELECTRIC UTILITY OPERATIONS ACCOUNT; AND, PROVIDING FOR REPEAL OF CONFLICTS AND AN EFFECTIVE DATE

WHEREAS, the Electric Utility of the City of Lake Worth Beach desires to maintain rates competitive with other utilities, mitigate against potential increased costs of purchased power, and provide rate stability for the customers of the Electric Utility; and

WHEREAS, the City set forth the current electric utility rates and charges in Resolution No. 92-2021, which includes a variable rate to be charged to each customer for the City's purchased power costs entitled the "Purchased Power Adjustment" ("PCA") as further defined in Resolution No. 92-2021; and

WHEREAS, Resolution No. 92-2021 also set forth a calculation for the PCA based on a projected three (3) month period inclusive of the projected purchased power costs, a true-up of recovery of the PCA from the prior three (3) month period, and any amounts transferred from the Rate Stabilization Fund; and

WHEREAS, due to sudden increases in the costs of natural gas in 2022-2023 and other factors impacting the City's power costs, the City Commission in Resolution No. 31-2023 created the Rate Stabilization Fund ("The Fund"); authorized the transfer of excess PCA charges received from customers to the Fund; and, set general guidelines for the Fund; and

WHEREAS, the Electric Utility deposits all excess revenue from its customers into its Electric Utility operations account ("The Account"), which account includes excess revenue received from customers when the PCA charged exceeds the City's actual purchased power costs; and

WHEREAS, the City desires to revise Resolution No. 31-2023 to set forth additional standards and guidelines for The Fund as it relates to excess PCA revenue which may be in the Account; and

WHEREAS, the City Commission finds establishing this Resolution serves a valid public purpose.

NOW THEREFORE BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LAKE WORTH BEACH, FLORIDA, that:

Section 1. The foregoing recitals are incorporated into this Resolution as true and correct findings of the City Commission.

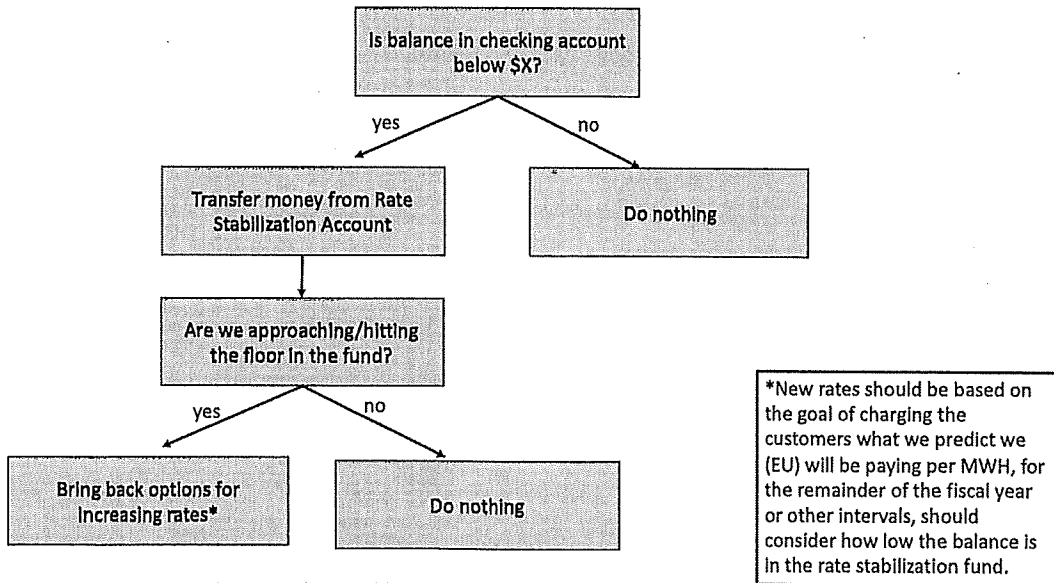
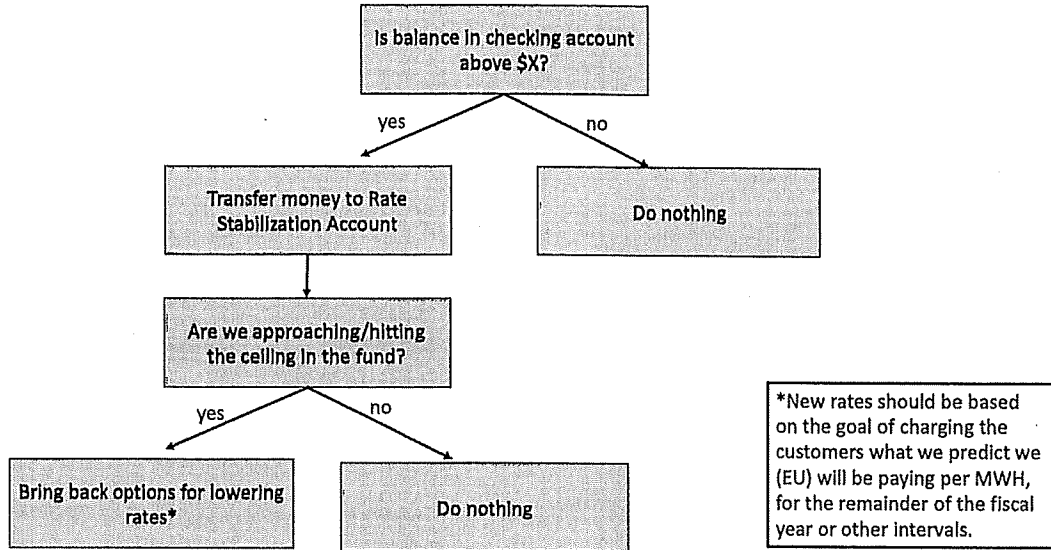
Section 2. Section 3 of Resolution No. 31-2023 is hereby amended to read as follows:
The City Commission shall have the sole authority to direct the deposit or withdrawal of funds

from The Fund. The Fund shall be administered by the Electric Utility and Financial Services Department. As directed in each fiscal year budget, the Electric Utility and Financial Services Department shall administer The Account. However, since funds in The Account are derived from PCA revenues which may exceed the City's actual purchased power costs, The Account and The Fund shall be considered together when making decisions with regards to the PCA and The Fund. Accordingly, the general guidelines for The Fund are as follows:

1. The Fund shall not be used for any purpose except for mitigating cost increases due to fluctuations in power costs or other electric utility emergencies that would otherwise be passed along to the customers in the form of a sudden electric utility rate increase.
2. Subject to the ultimate approval of the City Commission, the Electric Utility and Financial Services Department will propose to appropriate to The Fund each year an amount of not less than 10% of the expected annual purchased power costs or an amount not greater than 25% of the expected annual purchased power costs.
3. If during a fiscal year, The Fund falls to an amount less than 10% of the expected annual purchased power costs, the City Commission shall consider increasing the PCA charge to increase the amount in The Fund. If during a fiscal year, The Fund increases to an amount of more than 25% of the expected annual purchased power costs, the City Commission shall consider reducing the PCA to decrease the amount in The Fund.
4. Prior to increasing or decreasing the PCA, the City Commission will consider the status of The Account. The City Commission's desired target for the Account is \$ 600,000 ("The Account Target").
5. On at least a quarterly basis, the Electric Utility in conjunction with the Financial Services Department shall provide a status of The Fund and The Account to the City Commission and a recommendation regarding any proposed changes to The Fund and/or The Account (as it relates to The Fund).
6. For consistency, the Electric Utility's and Financial Services Department's status of The Fund and The Account shall be presented as follows:

	Quarter No.	
1.	Actual Purchased Power Costs (\$)	
2.	Actual Revenues Received (\$)	
3.	Difference in The Account (Line 2 – Line 1) (\$)	
4.	Prior Balance of The Account (\$)	
5.	Total excess/deficiency in The Account (Line 3 + Line 4) (\$)	
6.	The Account Target (from above) (\$)	
7.	Proposed Transfer (\$) (Line 5 +/- Line 6)	
The Rate Stabilization Fund (The Fund)		
8.	Current Balance of The Fund	
9.	Amount transferred to/from The Fund (Line 7) (\$)	
10.	New Total of The Fund (Line 8 + Line 9)	
	The Fund Minimum	500,000
	The Fund Maximum	3,500,000

Further, in considering the recommendation of the Electric Utility and the Financial Services Department, the following flow charts are provided to assist in the City Commission's decision (The Account is referred to as the "checking account"; "\$X" is The Account Target; and, "rates" are the PCA charged):



Finally, in determining any changes to the PCA charged the City's customers (the rates in the flow charts above), the City's projections shall be utilized and provided in the following format:

Projections	Q2	Q3	Q4	Q2-Q4
A: Projected Power Costs (\$)	2,508,142	3,195,733	4,895,682	10,599,557
D: Projected Retail Sales (MWH)	100,192	108,296	134,442	342,930
Projected Cost/MWH (A/D)	25.03	29.51	36.41	30.91
No change in rate	31.33	31.33	31.33	31.33
Projected difference	630,873	197,181	-683,614	144439.9

Section 4. All resolutions or parts of resolutions are hereby amended to the extent that they are in conflict with this Resolution.

Section 5. This Resolution shall become effective immediately upon passage.

The passage of this resolution was moved by Commissioner McVoy, seconded by Commissioner Diaz, and upon being put to a vote, the vote was as follows:

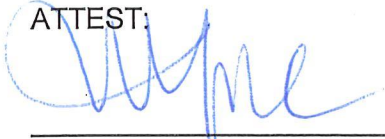
Mayor Betty Resch	ABSENT
Vice Mayor Sarah Malega	AYE
Commissioner Christopher McVoy	AYE
Commissioner Mimi May	AYE
Commissioner Reinaldo Diaz	AYE

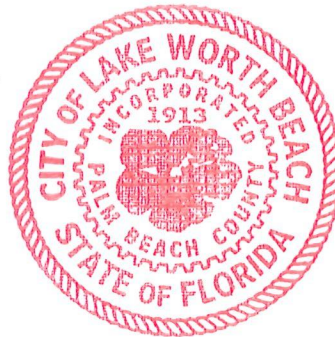
The Vice Mayor thereupon declared this resolution duly passed and adopted on this 30th day of April, 2024.

LAKE WORTH BEACH CITY COMMISSION

By: 
Sarah Malega, Vice Mayor

ATTEST:


Melissa Ann Coyne, MMC, City Clerk



STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: Electric Utility

TITLE:

Work Order #9 with Hooper Corp. to provide construction services for the System Hardening and Voltage Conversion of Circuit 0604 from the 6th Ave. S substation

SUMMARY:

This Work Order authorizes Hooper Corp. ("Hooper"), to complete construction services for the 0604 Circuit from the 6th Ave. S. Substation in the amount not to exceed \$561,786.27. This project has been identified as an element of the City's Electric Utility System Hardening and Reliability Improvement Program (SHRIP) and for which bonds were sold in 2020 and 2022.

BACKGROUND AND JUSTIFICATION:

The City of Lake Worth Beach issued IFB 23-116 to identify qualified contractors to perform construction services. Six (6) qualified contractors were selected, and which are technically qualified and responsible bidders to perform SHRIP construction projects.

The City approached to all prequalified Contractors and received four (4) responses. Proposals were received on July 3rd from Hooper Corp. and L E. Myers Co. and Primoris Edison while Michels Power, Inc. provided an email declining to provide a proposal, and Wilco Electrical, LLC who did not respond.

Hooper was the lowest cost, responsive bidder and provides the best value for the City. Work Order # 9 is for Hooper Corp. to complete the System Hardening and Voltage Conversion of the 6th Ave. S Circuit 0604 as per the engineering design in specified areas, to include hardened ductile iron poles replacing wood poles, transformer replacements, reconductoring and removal of existing conductors.

The City will provide feeder conductors, ductile iron poles, transformers, switches and related connection and mounting accessory materials which Hooper will assemble and install. If approved, Work Order #9 will be issued to Hooper in accordance with IFB# 23-116 for the City's Electric Utility SHRIP Program in the amount not to exceed \$561,786.27, which includes the contingency of \$92,395.00.

MOTION:

Move to approve/disapprove Work Order #9 with Hooper Corp. to provide construction services for the Hardening and Voltage Conversion of Circuit 0601 from the 6th Ave S substation at a cost not to exceed \$561,786.27.

ATTACHMENT(S):

Fiscal Impact Analysis
Work Order #9
Bid Tab

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	\$561,786.27	0	0	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact					
<i>(If not budgeted)</i>	0	0	0	0	0
No. of Addn'l Full-Time					
Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation (Budgeted)	
	Expenditure
Department	Electric Utility
Division	Distribution
GL Description	Improve Other than Build/ Infrastructure
GL Account Number	421-6034-531.63-15
Project Number	SH2223
Requested Funds	\$561,786.27
Remaining Balance	\$7,043,001.14
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Series 2022 Consolidated Utility Revenue Bond

**CONTRACT FOR SYSTEM HARDENING AND RELIABILITY IMPROVEMENTS
WORK ORDER NO. 9**

THIS WORK ORDER for System Hardening and Reliability Improvements (“Work Order” hereafter) is made on the _____, between the **City of Lake Worth Beach**, a Florida municipal corporation located at 7 North Dixie Highway, Lake Worth Beach, Florida 33460 (“City” hereafter) and **Hooper Corporation**, a foreign for profit corporation authorized to do business in State of Florida (“Contractor” hereafter).

1.0 Project Description:

The City desires the Contractor to provide all goods, services, materials and equipment as identified herein related to the System Hardening and Reliability Improvements project generally described as: 6th Ave South Hardening Circuit 4R0604 (the “Project”). The Project is more specifically described in the plans prepared by Hooper Corp, dated July 12 2024, and which are incorporated herein by reference.

2.0 Scope

Under this Work Order, the Contractor will provide the City of Lake Worth Beach with construction services for the Project as specified in the Contractor’s proposal attached hereto and incorporated herein as Exhibit “1”.

3.0 Schedule and Liquidated Damages

Substantial completion of all services and work under this Work Order shall be within 210 calendar days from the Effective Date of this Work Order. Final completion of all services and work (and all punch-list items (if any)) under this Work Order shall be within 210 calendar days from the Effective Date of this Work Order. The Effective Date of this Work Order is the date following the parties’ execution of this Work Order and the City’s delivery of a Notice to Proceed to the Contractor via e-mail, facsimile or other form of delivery as documented by the City. Substantial completion occurs when the services and work has progressed to the point where, in the opinion of the City, the work is sufficiently complete in accordance with the Contract Documents and this Work Order, so that the Project can be utilized for the purposes for which it is intended. Final completion occurs when all services and work (including punch-list items) has been completed and the project becomes fully operational and accepted by the City.

Liquidated Damages. The City and Contractor recognize that time is of the essence under this Work Order and the Contract Documents, and that the City will suffer financial loss if the services and work described in this Work Order and the Contract Documents are not completed within the times specified in this Work Order. The City and Contractor recognize, agree and acknowledge that it would be impractical and extremely difficult to ascertain and fix the actual damages that the City would suffer in the event Contractor neglects, refuses, or otherwise fails to complete the services and work within the time specified. Accordingly, instead of requiring any such proof, the City and Contractor agree that as liquidated damages for delay (but not as a penalty) Contractor shall pay the City Five hundred dollars (\$500.00) for each day that expires after the time specified in this Work Order.

4.0 Compensation and Direct Purchases

This Work Order is issued for a lump sum, not to exceed amount of **\$561,786.27**. The total not to exceed amount includes contingency of **\$92,395.00**. The attached proposal identifies all costs and expenses included in the Work Order

The following Direct Purchases are to be made under this Work Order by the City: **N/A**

5.0 Project Manager

The Project Manager for the Contractor is Gary Shortridge , phone: 313-573-5165 ; email: GShortridge@hoopercorp.com ; and, the Project Manager for the City is David Martyniuk , phone: 561-586-1629 ; email: dmartyniuk@lakeworthbeachfl.gov .

6.0 Progress Meetings

The Contractor shall schedule periodic progress review meetings with the City Project Manager as necessary but every 30 days as a minimum.

7.0 Contractor's Representations

In order to induce the City to enter into this Work Order, the Contractor makes the following representations:

7.1 Contractor has familiarized itself with the nature and extent of the Contract Documents including this Work Order, work, site, locality, and all local conditions and laws and regulations that in any manner may affect cost, progress, performance or furnishing of the work.

7.2 Contractor has obtained at his/her own expense and carefully studied, or assumes responsibility for obtaining and carefully studying, soil investigations, explorations, and test reports which pertain to the subsurface conditions at or contiguous to the site or otherwise may affect the cost, progress, performance or furnishing of the work as Contractor considers necessary for the performance or furnishing of the work at the stated work order price within the Work Order stated time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of the IFB; and no additional examinations, investigations, explorations, tests, reports, studies or similar information or data are or is deemed necessary by Contractor for such purposes.

7.3 Contractor has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of said Underground Facilities. No additional examinations, investigations, explorations, tests, reports, studies or similar information or data in respect of said Underground Facilities are or is deemed necessary by the Contractor in order to perform and furnish the work under this Work Order price, within the Work Order time and in accordance with the other terms and conditions of the Contract Documents.

7.4 Contractor has correlated the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.

7.5 Contractor has given the City's Contract Administrator written notice of all conflicts, errors or discrepancies that he or she has discovered in the Contract Documents and the written resolution thereof by City or its designee is acceptable to the Contractor.

8.0 Warranty. The Contractor warrants and guarantees to the City that all services and work provided under this Work Order will be in accordance with this Work Order and the other Contract Documents. The Contractor warrants that (a) all materials and parts supplied under this Work Order shall be free from defects for one (1) year from the final completion of all work (unless a longer manufacturer warranty applies); (b) all services and work performed under this Work Order will be free from defects for one (1) year from the final completion of all work and the project shall be fully operational without unreasonable downtime or failures; and (c) that the services and work will conform to the requirements of the Contract Documents. If, at any time prior to the expiration of the one (1) year warranty period, the City discovers any failure or breach of the Contractor's warranties or the Contractor discovers any failure or breach of the Contractor's warranties, the Contractor will, upon written notice from City or of its own accord, at the Contractor's sole cost and expense, promptly correct such failure or breach (which corrective action must include, without limitation, any necessary removal, disassembly, reinstallation, repair, replacement, reassembly, retesting, and/or re-inspection of any part or portion of the work and any other property damaged or affected by such failure, breach, or corrective action). The Contractor will remedy any such failure or breach so, to the extent possible, to avoid unnecessary disruptions to the operations of City or its systems. In the event the Contractor fails to initiate and diligently pursue corrective action within five (5) days of the Contractor's receipt of the City's notice or the Contractor's discovery of the same, the City may undertake such corrective action at the Contractor's expense.

9.0 Authorization

This Work Order is issued pursuant to the System Hardening and Reliability Improvements Contract for between the City of Lake Worth Beach and the Contractor, dated 09/28/2023, ("Contract" hereafter). If there are any conflicts between the terms and conditions of this Work Order and the Contract, the terms and conditions of the Contract shall prevail.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties hereto have made and executed this Work Order as of the day and year set forth above.

CITY OF LAKE WORTH BEACH, FLORIDA

By: _____
Betty Resch, Mayor

ATTEST:

By: _____
Melissa Ann Coyne, MMC, City Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

APPROVED FOR FINANCIAL
SUFFICIENCY

By: _____
Glen J. Torcivia, City Attorney

By: _____
Yannick Ngendahayo, Financial Services Director

CONTRACTOR:

HOOPER CORPORATION
By: B C

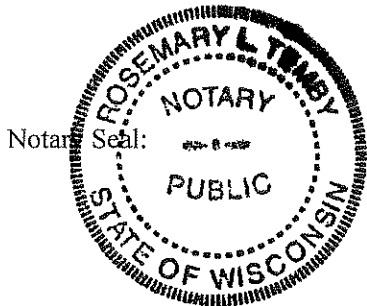
[Corporate Seal]

Print Name: Bruce Cram

Title: Vice President

STATE OF Wisconsin)
COUNTY OF Dane)

THE FOREGOING instrument was acknowledged before me by means of physical presence or online notarization on this 12th day of July 2024, by Bruce Cram, as the Vice President [title] of **Hooper Corporation**, a foreign profit Corporation, who is personally known to me or who has produced _____ as identification, and who did take an oath that he or she is duly authorized to execute the foregoing instrument and bind the CONTRACTOR to the same.



Rosemary Tenby
Notary Public Signature
My Commission Expires 02/01/2027



July 12, 2024

Reference: 6th Ave S Hardening Circuit 4R0604_Revised

Start Date: TBD

Completion Date: TBD

Project: 6th Ave. S 0604 System Hardening and Voltage Conversion.

Project Location: 6th Ave. S., Lake Worth Beach FL 33460

Scope of Work: Voltage conversion and system hardening of 0604 feeder. All work that shall be included is identified in a New drawing for the contractor. This includes overhead feeder lines with ductile iron poles with 3 phase conductor runs. Step down transformers must be installed to maintain the laterals operating on 4kV. The 3-phase feeder will be re-conducted with 3-556 and 4/0N and removal of existing conductors. All existing open wire secondary will be replaced with 4/0 triplex. When the open wire extends outside of the work area the secondary will be replaced to the first adjacent pole. All lateral work will be constructed by City of Lake Worth Beach staff. All locations of poles and conductor runs are identified in construction prints. Specifications will take precedence over drawings if Owner confirms accuracy of contradiction agrees with specification.

Controlling Documents:

- Distribution Hardening and Voltage Conversion Project email received 6/12/2024(Attached)
- IFB 0604 Storm Hardening and Voltage Conversion.docx
- Circuit 0604_Issued For Construction 05_07_2024 New.pdf
- Circuit 0604_Issued For Construction 05_07_Old.pdf

Clarifications:

- Pole Location 7A, 8A & 9A poles will not change out feeder will be reconducted.
- City of Lake Worth Beach will provide laydown yard.
- City of Lake Worth Beach will provide all materials.
- Hooper is responsible for sidewalk and asphalt repairs.
- Hooper shall have access to all work locations.
- Hooper will notify Lake Worth Beach of any conflicts with other utilities.
- All poles with 3rd party attachments will be top cut.
- Hooper doesn't foresee any required MOT permit being required. In the event it is needed Hooper will be responsible for the MOT permit.

Estimated Duration of work for project is 16 weeks.

Proposed Pricing is: \$469,391.27.

Contractor	Bid (Y/N)	In Scope (Y/N)	Cost	% over Rank 1	Rank	Comments
Primoris Edison	Y	Y	798,650.00	70.15%	3	Quote via email
Hooper	Y	Y	469,391.27	0.00%	1	Quote via email
L.E. Myers	Y	Y	723,836.77	54.21%	2	Quote via email
Michels	N	n/a	-	n/a	5	No Bid - Letter declining to bid provided
Wilco	N	n/a	-	n/a	4	No Quote

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: Electric Utility

TITLE:

Purchase Order to IRBY Utilities for the procurement of three (3) additional GE Reactors for the new 6th Ave. S substation

SUMMARY:

This Purchase Order authorizes the purchase of Three (3) GE Reactors from Irby Utilities in the amount not to exceed \$69,474.00 which is a component for the new 6th Ave., S substation.

BACKGROUND AND JUSTIFICATION:

Irby Utilities is the Sole Source provider of the GE Air Core Reactors available from GE Grid Solutions for use in electric utility facilities. The City's procurement code, section 2-112 (e), authorizes a single source procurement without competition if the single source is the only practical source or in the best interest of the City.

GE Current Limiting Reactors reduce short-circuit currents so that circuit breakers with lower circuit breaking capacity may be used to provide improved protection for distributed circuits.

The City's Electric Utilities engineers have specified and installed these same GE Reactors in the newer 7th Ave., N switching station and continue to specify this same brand based on consistency in substation design, familiarity and serviceability which is in the best interest of the City.

The Electric Utility is requesting Authorization to Procure 3 x GE1200 Ampere Current Limiting Reactors for a total cost of \$69,474.00, regular truck freight included, for installation in the new 6th Ave., S substation.

MOTION:

Move to approve/disapprove a Purchase Order to IRBY Utilities for the procurement of 3 GE Reactors for the new 6th Ave. S substation at a cost not to exceed \$69,474.00 including freight charges.

ATTACHMENT(S):

Fiscal Impact Analysis
GE Sole Source Letter
Quote

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	\$69,474.00	0	0	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact					
<i>(If not budgeted)</i>	0	0	0	0	0
No. of Addn'l Full-Time					
Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation (Budgeted)	
	Expenditure
Department	Electric Utility
Division	Distribution
GL Description	Improve Other than Build/ Infrastructure
GL Account Number	421-6034-531.63-15
Project Number	SH2211
Requested Funds	\$69,474.00
Remaining Balance	\$84,451
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	2022 Bond

QUOTATION - GE # BX240304, Rev.0



Customer: Irby
Project Name: City of Lake Worth, FL

Quote date: 15-Apr-24
Quote Validity: 31-July-24

GE Grid Solutions LLC
 4200 Wildwood Parkway
 Atlanta, GA 30339 USA

Dear valued customer,

On behalf of the GE Grid Solutions team, we appreciate the opportunity. Please find our pricing information below:

24 kV Current Limiting Reactors			FIRM	FIRM	
Item	Qty	Type	Unit Price (\$)	Total Price (\$)	Delivery time(*)
1	3	XSLR 1.326mH / 1200 A	\$23,158.00	\$69,474.00	20
Total	3	FOB Destination, freight allowed.....		\$69,474.00	

(*) Weeks after receipt of order and once the PO has been technically and commercially accepted.

Lead time is estimative and will be confirmed at purchase order stage - If a better lead time is needed, please let us know.

Drawings already approved/Identical.

We reserve the right to charge engineering hours for project revision/modification out of the scope of this order/project.

Warranty:

GE Grid Solutions standard warranty is 18 months from notification of readiness to ship or 12 months from operation whichever comes first.

GE Grid Solutions can provide an extended warranty for up to an additional 48 months for an additional 1% per year.

Incoterm/Transportation:

Regular truck delivery included - Flatbed adder:

\$ 1,900. Shipping Origin: GE Itajuba, Brazil

Destination: Lake Worth Beach, FL

Cancellation Schedule:

In case of cancellation, a payment will be due as per below:

Milestones	% of PO Value
From PO to 20% of quoted lead time	15%
Between 20% to 30% of quoted lead time	40%
Between 30% to 40% of quoted lead time	50%
Between 40% to 50% of quoted lead time	60%
Between 50% to 70% of quoted lead time	80%
After 70% of quoted lead time	100%

Delays and Storage fees:

The manufacturing process starts after drawings approval. Once started, the order cannot be moved out for a future delivery date. If your company cannot receive it on the negotiated date, please inform a new delivery address and notify us at least 30 days before shipping the product.

Thank you for considering GE Grid Solutions as your trusted supplier of air core reactors/line traps.

We look forward to a successful partnership with you.

Sincerely,

Andre Lanza

André Lanza - Lead Sales Specialist, NAM
 andre.lanza@ge.com
 706-550-3177





15/MAR/2024

Sole Source letter for City of Lake Worth, FL

City of Lake Worth Electric Utilities
1900 2nd Avenue North
Lake Worth, FL 33461

Renewables
GE Grid Solutions LLC

To whom it may concern,

This is to notify you that IRBY is the sole source provider of GE Air Core Reactors & Line traps products for your account.

All requests for quotes, purchase orders submittals and order processing will be submitted through Irby with the following parameters:

- E-mail for quotes and PO's is Frank Chetalo, franke@electricsalesinc.com and Michael.Altis@ge.com
- Purchase orders must include complete GE part numbers or proposal numbers.
- Orders will be acknowledged back within 48 hours of the receipt of a complete PO
- All Reactors/Line traps orders will include freight to site, FOB Dest, freight allowed.

We appreciate the opportunity to serve and do business with City of Lake Worth. Feel free to contact me with any questions or concerns.

Sincerely,

Andre Lanza
Sales Specialist
706-550-3177
andre.lanza@ge.com

Instrument Transformers LLC
1907 Calumet St
Clearwater, FL 33765
www.gegridsolutions.com

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: Electric Utility

TITLE:

First Amendment to Lease for Staff Office Space and Customer In-Person Service area for Utility Customer Service

SUMMARY:

Lease extension for Utility Customer Service functions at 120 N. Federal Highway

BACKGROUND AND JUSTIFICATION:

City's Utility Customer Service functions operate in leased office space located at 120 N. Federal Highway, Lake Worth Beach. The current lease for the space is expiring September 1, 2024 and Staff recommends that City extend the current lease agreement for an additional two (2) year period, at a cost of \$9,296.15 per month which includes Base Rent and CAM Charges.

The leased space provides both required space for in-person interaction with City's Utility customers as well as office space for City's Utility Customer Service staff. In-person services provided include City Utility bills payment drop-off, resolution of billing inquiries, drop off new service applications for utility services, service termination, and other utility customer service types of inquires that customers may choose to address in person rather than via phone.

MOTION:

Move to approve/disapprove First Amendment to Lease of space for Utility Customer Service

ATTACHMENT(S):

Fiscal Impact Analysis
Lease Agreement

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	0	0	0	0	0
Operating	\$111,554	\$111,554	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact					
<i>(If not budgeted)</i>	0	0	0	0	0
No. of Addn'l Full-Time					
Employee Positions	0	0	0	0	0

New Appropriation (Budgeted)	
	Expenditure
Department	Electric
Division	Customer Service
GL Description	Rental & Leases/Operating/Capital Leasing
GL Account Number	401-1240-513.44-20 (\$66,933) / 402-7022-533.44-10 (\$20,000)/ 402-7034-533.44-10 (\$17,500)/ 403-7231-535.44-10 (\$7,121)
Project Number	N/A
Requested Funds	\$111,554
Remaining Balance	N/A
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Paygo

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE AGREEMENT is made on the ____ day of August, 2024, by and between HH Promenade, LLC, (hereinafter referred to as “Landlord”) and City of Lake Worth Beach (hereinafter referred to as “Tenant”).

IN CONSIDERATION for the mutual covenants hereinafter contained, the Landlord and Tenant agree to amend the Lease Agreement dated August 10, 2022, (hereinafter referred to as the “Lease”).

WHEREAS, Tenant occupies Suite 202, 203 and 104, located at 120 N. Federal Highway, Lake Worth, Florida 33460, having approximately 3,684 square feet of net rentable area (hereinafter referred to as the “Demised Premises”):

WHEREAS, Tenant desires to extend the lease term for Suites 202, 203 and 104 and Landlord agrees to allow Tenant to extend the lease term; and

WHEREAS, Landlord and Tenant shall modify the terms and conditions of the Lease as hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agrees as follows:

1. The Lease Term shall hereby be extended for an additional two (2) year term with a new Lease Expiration Date of August 31, 2026.
2. The Rent for the extended term of the Lease shall be as follows:

Commencing on September 1, 2024, the Base Rent shall be \$6,754.00. Annual increases on Base Rent shall be 3% throughout the extended lease term.
3. Tenant is responsible for its proportionate share of the Operating Expenses (aka CAM Charges) during the extended term, currently estimated at \$2,542.15, subject to change as outlined within the Lease.
4. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original and such counterparts will constitute one and the same instrument. The parties agree to accept the execution and delivery of this Amendment Documents by electronic means and shall treat the same as an original.

All other terms and conditions of the Lease are in full force and effect and binding upon the parties hereto. Any provisions of this Amendment shall prevail over conflicting provisions contained in the Lease.

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SIGNATURE PAGE FOLLOWS

The parties have hereunto executed this First Amendment to the Lease Agreement for the purpose herein expressed this ____ day of August 2024.

TENANT: CITY OF LAKE WORTH BEACH, FLORIDA

By: _____
Betty Resch, Mayor

ATTEST:

By: _____
Melissa Ann Coyne, MMC, City Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

APPROVED FOR FINANCIAL
SUFFICIENCY

By: _____
Glen J. Torcivia, City Attorney

By: _____
Yannick Ngendahayo, Financial Services Director

LANDLORD: HH PROMENADE, LLC

By: _____

[Corporate Seal]

Print Name: _____

Print Title: _____

STATE OF _____)
COUNTY OF _____)

THE FOREGOING instrument was acknowledged before me by means of physical presence or online notarization on this ____ day of _____ 2024, by _____, as the _____ [title] of HH Promenade, LLC, a company authorized to do business in the State of Florida, who is personally known to me or who has produced _____ as identification, and who is duly authorized to execute the foregoing instrument and bind HH Promenade, LLC to the same.

Notary Public Signature

Notary Seal:

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: Electric Utility

TITLE:

Work Order #10 with Hooper Corp. to provide construction services for the Gulfstream and 1st Ave South System Hardening and Voltage Conversion Project

SUMMARY:

This Work Order authorizes Hooper Corp. (“Hooper”) to complete construction services for the Gulfstream and 1st Ave. South System Hardening and Voltage Conversion in the amount not to exceed \$581,806.00. This project has been identified as an element of the City’s Electric Utility System Hardening and Reliability Improvement Program (SHRIP) and for which bonds were sold in 2020 and 2022.

BACKGROUND AND JUSTIFICATION:

The City of Lake Worth Beach issued IFB 23-116 to identify qualified contractors to perform construction services. Six (6) qualified contractors were selected, and which are technically qualified and responsible bidders to perform SHRIP construction projects.

The City approached all pre-qualified Contractors and received 4 responses. Hooper was the lowest cost, responsive bidder and provides the best value for the City. Staff requests that Work Order # 10 be issued to Hooper Corp. to complete the Hardening and Voltage Conversion of the Gulfstream and 1st Ave. S. project as engineered in specified areas, to include the use of ductile iron poles replacing wood poles, replacement of transformers, installation of new conductors and removal of existing conductors.

The City will provide feeder conductors, ductile iron poles, transformers, switches and related connection and mounting accessory materials which Hooper will install and assemble. If approved, Work Order #10 will be issued to Hooper in accordance with IFB# 23-116 for the City’s Electric Utility SHRIP Program in the amount not to exceed \$581,806.00, this includes a contingency of \$92,678.13.

MOTION:

Move to approve/disapprove Work Order #10 with Hooper Corp. to provide construction services for the Gulfstream and 1st Ave. South System Hardening and Voltage Conversion Project at a cost not to exceed \$581,806.00.

ATTACHMENT(S):

Fiscal Impact Analysis
Work Order #10
Bid Tab

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	\$581,806.00	0	0	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact					
<i>(If not budgeted)</i>	0	0	0	0	0
No. of Addn'l Full-Time					
Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation (Budgeted)	
	Expenditure
Department	Electric Utility
Division	Distribution
GL Description	Improve Other than Build/ Infrastructure
GL Account Number	421-6034-531.63-15
Project Number	SH2136
Requested Funds	\$581,806.00
Remaining Balance	\$0
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Series 2020 Consolidated Utility Revenue Bond

**CONTRACT FOR SYSTEM HARDENING AND RELIABILITY IMPROVEMENTS
WORK ORDER NO. _____**

THIS WORK ORDER for System Hardening and Reliability Improvements (“Work Order” hereafter) is made on the _____, between the **City of Lake Worth Beach**, a Florida municipal corporation located at 7 North Dixie Highway, Lake Worth Beach, Florida 33460 (“City” hereafter) and **Hooper Corporation**, a foreign for profit corporation authorized to do business in State of Florida (“Contractor” hereafter).

1.0 Project Description:

The City desires the Contractor to provide all goods, services, materials and equipment as identified herein related to the System Hardening and Reliability Improvements project generally described as: Gulfstream and 1st Ave S System Hardening and Voltage Conversion (the “Project”). The Project is more specifically described in the plans prepared by Hooper Corp, dated July 31th 2024, and which are incorporated herein by reference.

2.0 Scope

Under this Work Order, the Contractor will provide the City of Lake Worth Beach with construction services for the Project as specified in the **Contractor’s proposal attached hereto and incorporated herein as Exhibit “1”**.

3.0 Schedule and Liquidated Damages

Substantial completion of all services and work under this Work Order shall be within **180 calendar days** from the Effective Date of this Work Order. Final completion of all services and work (and all punch-list items (if any)) under this Work Order shall be within **210 calendar days** from the Effective Date of this Work Order. The Effective Date of this Work Order is the date following the parties’ execution of this Work Order and the City’s delivery of a Notice to Proceed to the Contractor via e-mail, facsimile or other form of delivery as documented by the City. Substantial completion occurs when the services and work has progressed to the point where, in the opinion of the City, the work is sufficiently complete in accordance with the Contract Documents and this Work Order, so that the Project can be utilized for the purposes for which it is intended. Final completion occurs when all services and work (including punch-list items) has been completed and the project becomes fully operational and accepted by the City.

Liquidated Damages. The City and Contractor recognize that time is of the essence under this Work Order and the Contract Documents, and that the City will suffer financial loss if the services and work described in this Work Order and the Contract Documents are not completed within the times specified in this Work Order. The City and Contractor recognize, agree and acknowledge that it would be impractical and extremely difficult to ascertain and fix the actual damages that the City would suffer in the event Contractor neglects, refuses, or otherwise fails to complete the services and work within the time specified. Accordingly, instead of requiring any such proof, the City and Contractor agree that as liquidated damages for delay (but not as a penalty) Contractor shall pay the City Five hundred dollars (\$500.00) for each day that expires after the time specified in this Work Order.

4.0 Compensation and Direct Purchases

This Work Order is issued for a lump sum, not to exceed amount of **\$581,806.00**. The Work Order Price includes **\$92,678.13** as a contingency for unforeseen changes and potential additional changes requested by the City (“**Contingency**”). The Contractor must submit a written request to the City prior to commencing any Work to be covered by the Contingency. The City’s Contract Administrator is authorized to approve in writing the use of the Contingency by the Contractor. The attached proposal identifies all costs and expenses included in the Work Order.

The following Direct Purchases are to be made under this Work Order by the City: N/A

5.0 Project Manager

The Project Manager for the Contractor is Gary Shortridge, phone: 313-573-5165; email: GShortridge@hoopercorp.com; and, the Project Manager for the City is: Marcel Korman, phone: 561-533-7353; email: _mkorman@LakeWorthBeachfl.gov.

6.0 Progress Meetings

The Contractor shall schedule periodic progress review meetings with the City Project Manager as necessary but every 30 days as a minimum.

7.0 Contractor’s Representations

In order to induce the City to enter into this Work Order, the Contractor makes the following representations:

7.1 Contractor has familiarized itself with the nature and extent of the Contract Documents including this Work Order, work, site, locality, and all local conditions and laws and regulations that in any manner may affect cost, progress, performance or furnishing of the work.

7.2 Contractor has obtained at his/her own expense and carefully studied, or assumes responsibility for obtaining and carefully studying, soil investigations, explorations, and test reports which pertain to the subsurface conditions at or contiguous to the site or otherwise may affect the cost, progress, performance or furnishing of the work as Contractor considers necessary for the performance or furnishing of the work at the stated work order price within the Work Order stated time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of the IFB; and no additional examinations, investigations, explorations, tests, reports, studies or similar information or data are or is deemed necessary by Contractor for such purposes.

7.3 Contractor has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of said Underground Facilities. No additional examinations, investigations, explorations, tests, reports, studies or similar information or data in respect of said Underground Facilities are or is deemed necessary by the Contractor in order to perform and furnish the work under this Work Order price, within the Work Order time and in accordance with the other terms and conditions of the Contract Documents.

7.4 Contractor has correlated the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.

7.5 Contractor has given the City's Contract Administrator written notice of all conflicts, errors or discrepancies that he or she has discovered in the Contract Documents and the written resolution thereof by City or its designee is acceptable to the Contractor.

8.0 Warranty. The Contractor warrants and guarantees to the City that all services and work provided under this Work Order will be in accordance with this Work Order and the other Contract Documents. The Contractor warrants that (a) all materials and parts supplied under this Work Order shall be free from defects for one (1) year from the final completion of all work (unless a longer manufacturer warranty applies); (b) all services and work performed under this Work Order will be free from defects for one (1) year from the final completion of all work and the project shall be fully operational without unreasonable downtime or failures; and (c) that the services and work will conform to the requirements of the Contract Documents. If, at any time prior to the expiration of the one (1) year warranty period, the City discovers any failure or breach of the Contractor's warranties or the Contractor discovers any failure or breach of the Contractor's warranties, the Contractor will, upon written notice from City or of its own accord, at the Contractor's sole cost and expense, promptly correct such failure or breach (which corrective action must include, without limitation, any necessary removal, disassembly, reinstallation, repair, replacement, reassembly, retesting, and/or re-inspection of any part or portion of the work and any other property damaged or affected by such failure, breach, or corrective action). The Contractor will remedy any such failure or breach so, to the extent possible, to avoid unnecessary disruptions to the operations of City or its systems. In the event the Contractor fails to initiate and diligently pursue corrective action within five (5) days of the Contractor's receipt of the City's notice or the Contractor's discovery of the same, the City may undertake such corrective action at the Contractor's expense.

9.0 Authorization

This Work Order is issued pursuant to the System Hardening and Reliability Improvements Contract for between the City of Lake Worth Beach and the Contractor, dated 09/28/2023, ("Contract" hereafter). If there are any conflicts between the terms and conditions of this Work Order and the Contract, the terms and conditions of the Contract shall prevail.

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SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties hereto have made and executed this Work Order as of the day and year set forth above.

CITY OF LAKE WORTH BEACH, FLORIDA

By: _____
Betty Resch, Mayor

ATTEST:

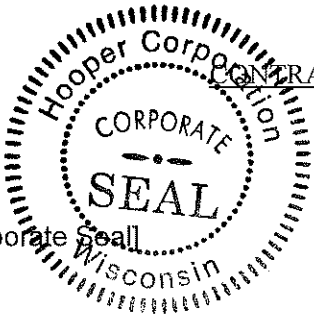
By: _____
Melissa Ann Coyne, MMC, City Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

APPROVED FOR FINANCIAL
SUFFICIENCY

By: _____
Glen J. Torcivia, City Attorney

By: _____
Yannick Ngendahayo, Financial Services Director

CONTRACTOR: _____

[Corporate Seal]

HOOPER CORPORATION
By: B C
Print Name: Bruce Cram
Title: Vice President

STATE OF Wisconsin)
COUNTY OF Dane)

THE FOREGOING instrument was acknowledged before me by means of physical presence or online notarization on this 7th day of August 2024, by Bruce Cram, as the Vice President of **Hooper Corporation**, a company authorized to do business in the State of Florida, who is personally known to me or who has produced N/A as identification, and who did take an oath under penalty of perjury that the facts stated with regard to section 787.06, Florida Statutes, are true and correct, and that he or she is duly authorized to execute the foregoing instrument and bind **Hooper Corporation** to the same.

Cynthia C Olson
Notary Public Signature

Notary Seal:
My Commission expires: 09/21/2025

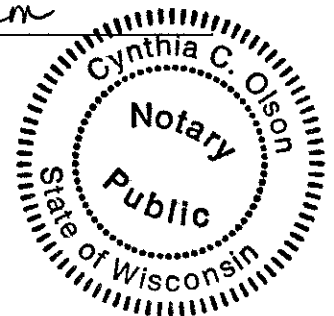


Exhibit "1"
(Contractor's Proposal – 2 pages)



July 31, 2024

Reference: Gulfstream and 1st Ave S System Hardening and Voltage Conversion

Start Date: TBD

Completion Date: TBD

Project: Gulfstream and 1st Ave S System Hardening and Voltage Conversion.

Project Location: Gulfstream and 1st Ave S

Scope of Work Undergrounding circuits 5003, 0602, and 0603. This will create a looped primary system providing power to the Gulfstream Hotel and Bryant Park. The voltage will also be converted from 4kV to 26kV. Additional work will be performed to convert the secondary services to buildings located at 15 and 31 S Golfview Rd. The plans also include installing conduits for two separate communication providers in the area. All construction plans, pictures, diagram, and proposed installation details are included to provide aid in the quoting of the scope of work.

Controlling Documents:

- Gulfstream and 1st Ave S System Hardening and Voltage Conversion email received 7/10/2024(Attached)
- IFB Gulfstream and 1st Ave S Undergrounding and Voltage Conversion.docx
- Gulfstream Hotel Road Improvement Plan & Profile_7_8_2024.pdf
- Gulfstream One Line.pdf
- Vault Room 15 S Golfview Rd.pdf
- Weather-head Upgrade 31 S Golfview Rd.pdf

• **Clarifications:**

- None of the Overhead Circuit will be reconductored on this project.
- The city of Lake Worth Beach will provide laydown yard.
- The city of Lake Worth Beach will provide all material except Bused Gutter enclosure and riser conduits at 15 & 31 S Golfview Rd.
- Hooper is responsible for sidewalk and asphalt repairs.
- Hooper shall have access to all work locations.
- Hooper will notify Lake Worth Beach of any conflicts with other utilities.
- All poles with 3rd party attachments will be top cut.
- Hooper doesn't foresee any required MOT permit being required. In the event it is needed Hooper will be responsible for the MOT permit.

- Locations 13 & 14 will not have any secondary connections
- The city will assist in coordinating outages for 15 & 31 S Gulfview.
- Underground installations will be both trenching and directional boring, method will be determined after all locates and GPR have been completed.

Estimated Duration of work for project is 10 weeks.

Proposed Pricing is: \$489,127.87.

Contractor	Bid (Y/N)	In Scope (Y/N)	Cost	% over Rank 1	Rank	Comments
Hooper	Y	Y	\$ 489,127.87	0%	1	Quote via email
L.E. Myers	N	n/a	\$ -	n/a	2	No Bid - email declining to bid provided
Michels	N	n/a	\$ -	n/a	3	No Bid - email declining to bid provided
Power Standard	N	n/a	\$ -	n/a	4	No Bid - email declining to bid provided
Wilco	N	n/a	\$ -	n/a	5	No Bid
Primoris-Edison	N	n/a	\$ -	n/a	6	No Bid