PANAMA CITY BEACH CITY COUNCIL
AGENDA

NOTE: AT EACH OF ITS REGULAR OR SPECIAL MEETINGS, THE CITY COUNCIL ALSO SITS, EX-OFFICIO, AS THE CITY OF PANAMA CITY BEACH COMMUNITY REDEVELOPMENT AGENCY AND MAY CONSIDER ITEMS AND TAKE ACTION IN THAT LATTER CAPACITY.

SPECIAL MEETING DATE: August 11, 2016
MEETING TIME: 9:00 A.M.

I. CALL TO ORDER AND ROLL CALL

II. INVOCATION- RON BAAS, SHADDAI SHRINE TEMPLE MEMBER

III. PLEDGE OF ALLEGIANCE- COUNCILWOMAN STRANGE

IV. APPROVAL OF MINUTES OF BUDGET WORKSHOP OF JULY 7TH AND REGULAR MEETING OF JULY 28, 2016

V. APPROVAL OF AGENDA, AND ADDITIONS OR DELETIONS

VI. PRESENTATIONS –
   1. SHADDAI SHRINE TEMPLE PRESENTATIONS TO POLICE DEPARTMENT AND PARKS & RECREATION.
   2. PROCLAMATION AND PRESENTATION TO TILL BRUETT, FORMER AIRPORT AUTHORITY BOARD MEMBER.—COUNCILMAN REICHARD.

VII. PUBLIC COMMENTS - (Limited to 3 Minutes for Consent and Regular Agenda Items only)

VIII. CONSENT AGENDA
1. REVISION OF THE CITY MASTER AUDIT LIST TO REMOVE OBSOLETE ITEMS. All Departments have been asked to update their audit lists for surplus/obsolete equipment/vehicles/etc. These items are to be removed from the City Master Audit List. STAFF RECOMMENDS approval to remove these items. By approval of this matter in the Consent Agenda, the City Council makes a finding of surplus for these items and approves their removal from the Master Audit List.

2. RESOLUTION 16-101, CRI ENGAGEMENT LETTER FY 2016 AUDIT. “A Resolution approving and authorizing execution of an Agreement with Carr, Riggs & Ingram, LLC, for the annual audit and evaluation of the City’s Financial Statements for Fiscal Year ending 9/30/16 in the amount of $108,400.”

3* RESOLUTION 16-104, CRA 2017 NEAR TERM WORK PLAN. “A Resolution of the City Council of the City of Panama City Beach, Florida, and Ex Officio as the governing body of the Panama City Beach Community Redevelopment Agency, relating to the Community Redevelopment within the Front Beach Road Redevelopment Area; providing for Findings; authorizing and directing the execution of a Near Term Work Plan; and providing for an effective date.”

4 RESOLUTION 16-106, BID AWARD- PURCHASE OF 31 RADIO TELEMETRY UNIT (RTU) PANELS. “BE IT RESOLVED that the appropriate Officers of the City are authorized but not required to execute and deliver on behalf of the City that certain Agreement between the City and Champion Controls, Inc., relating to the purchase of 31 lift station radio telemetry unit panels, in the basic amount of $179,800, in substantially the form attached
and presented to the Council today, draft dated August 1, 2016, with such changes, insertions or omissions as may be approved by the City Manager and whose execution of such Agreement shall be conclusive evidence of such approval."

5 RESOLUTION 16-107, BID AWARD - PURCHASE OF COMPACT TRACK LOADER. "BE IT RESOLVED that the appropriate Officers of the City are authorized but not required to execute and deliver on behalf of the City that certain Agreement between the City and Rental LLC/Bobcat of Panama City, relating to the purchase of one compact track loader with forestry attachments, in the basic amount of $87,722, in substantially the form attached and presented to the Council today, draft dated August 1, 2016, with such changes, insertions or omissions as may be approved by the City Manager and whose execution of such Agreement shall be conclusive evidence of such approval."

6 RESOLUTION 16-108, SEEDLINGS FOR THE CONSERVATION PARK. "BE IT RESOLVED that the appropriate Officers of the City are authorized but not required to execute and deliver on behalf of the City that certain Agreement between the City and FL Department of Agriculture and Consumer Services Florida Forest Service, Andrews Nursery, relating to the purchase of 96,000 containerized longleaf pine seedlings and 110,000 containerized wiregrass seedlings for the next phase of site restoration at the Conservation Park, in a total amount not to exceed $45,050, in substantially the form attached and presented to the Council today, with such changes, insertions or omissions as may be approved by the City Manager and whose execution of such Agreement shall be conclusive evidence of such approval."

7 RESOLUTION 16-109, BID AWARD - STREET RESURFACING PROJECT FY16. "BE IT RESOLVED that the appropriate Officers of the City are authorized but not required to execute and deliver on behalf of the City that certain Agreement between the City and GAC Contracting, relating to the street resurfacing of Cobb Road, Clara Avenue, portions of Fairway Boulevard, and the intersection of Woodtrail Drive and Sandalwood Lane, in the basic amount of $427,665, substantially the form attached and presented to the Council today, with such changes, insertions or omissions as may be approved by the City Manager, whose execution of such Agreement shall be conclusive evidence of such approval."

8 RESOLUTION 16-110, BID AWARD - CALADIUM CIRCLE DRAINAGE IMPROVEMENTS PROJECT. "BE IT RESOLVED that the appropriate Officers of the City are authorized but not required to execute and deliver on behalf of the City that certain Agreement between the City and Sikes Construction, Inc., relating to the execution of the Caladium Circle Drainage Improvements Project, in the basic amount of $154,950, in substantially the form attached and presented to the Council today, with such changes, insertions or omissions as may be approved by the City Manager and whose execution of such Agreement shall be conclusive evidence of such approval."

IX. REGULAR AGENDA - DISCUSSION/ACTION

<table>
<thead>
<tr>
<th>NO.</th>
<th>OFFICIAL</th>
<th>ITEM</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>MG</td>
<td>PRMG WATER &amp; WASTEWATER RATE STUDY UPDATE PRESENTATION.</td>
</tr>
<tr>
<td>2</td>
<td>MG</td>
<td>PENSION BOARDS AND CIVIL SERVICE BOARD APPOINTMENTS.</td>
</tr>
<tr>
<td>3</td>
<td>MG</td>
<td>ORDINANCE 1390, GULF POWER FRANCHISE AGREEMENT, 1ST READING.</td>
</tr>
<tr>
<td>4</td>
<td>MG</td>
<td>ORDINANCE 1393, CHANGING MEETING TIMES, 1ST READING.</td>
</tr>
</tbody>
</table>
TECO GAS FRANCHISE FEE 3% TO 6%, DISCUSSION.

PUBLIC COMMENTS. LIMITED TO THREE MINUTES.

ATTORNEY REPORT.

CITY MANAGER REPORT.

COUNCIL COMMENTS.

ADJOURN.

* Action on this item is taken by both the City Council and the City of Panama City Beach Community Redevelopment Agency, jointly and concurrently.

JOHN REICHARD _x_  PHIL CHESTER _x_  JOSIE STRANGE _x_  HECTOR SOLIS _x_  MIKE THOMAS _x_

I certify that the Council members listed above have been contacted and given the opportunity to include items on this agenda.

City Clerk 8/5/16

IN AN EFFORT TO CONDUCT YOUR COUNCIL MEETINGS IN AN ORDERLY AND EXPEDIENT MANNER, WE RESPECTFULLY REQUEST THAT YOU WAIT UNTIL THE CHAIR RECOGNIZES YOU TO SPEAK, THEN COME TO THE PODIUM AND STATE YOUR NAME AND ADDRESS FOR THE RECORD.

E-mailed and/or Faxed to following interested parties on: 8/8/16, noon.

NEWS MEDIA CONTACT
News Herald John Henderson
Bullet Editor
Channel 4 Ryan Rodig
Channel 7 Rex Ogburn
Channel 13 Ken McVay
Comcast Kay C. McWilliams
WOW Cil Schnitker
WKGC Emily Balazs
WLTG A. D. Whitehurst
Magic Broadcasting Chris Allen
Clear Channel Crystal Presley
Panama City Radio Brandon Andrews

NOTE: COPIES OF THE AGENDA ITEMS ARE POSTED ON THE CITY'S WEBSITE WWW.PCBGOV.COM UNDER "AGENDA INFORMATION". THIS MEETING WILL BE LIVE-STREAMED ON THE CITY WEBSITE.

If a person decides to appeal any decision made by the City Council with respect to any matter considered at the meeting, if an appeal is available, such person will need a record of the proceeding, and such person may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is based. Sec. 286.0105, FS (1995)
PRESENTATION
AGENDA ITEM #2
~Proclamation~

A PROCLAMATION THANKING TILL BRUETT
FOR HIS YEARS OF SERVICE
AS THE CITY REPRESENTATIVE
ON THE AIRPORT AUTHORITY BOARD

WHEREAS, Mr. Till Bruett was chosen as the City representative on the Airport Authority Board in June 24, 2010; and

WHEREAS, during his two terms, he has seen and guided the Airport expansion to accommodate all of the new visitors to our area; and

WHEREAS, Mr. Till Bruett was chosen as Chairman during his last term, in acknowledgment of his expertise; and

WHEREAS, he can now return to his hobbies as an avid golfer and fisherman; and

WHEREAS, it was the City's and the Airport Authority Board's loss for his only being able to serve two terms on behalf of the City.

NOW, THEREFORE, BE IT RESOLVED that I, Mike Thomas, as Mayor of the City of Panama City Beach do hereby proudly proclaim August 11, 2016 as

TILL BRUETT DAY

IN WITNESS WHEREOF, I have hereunto set My Hand and caused the Official Seal of our Great City to be affixed this Eleventh Day of August, in the Year of Our Lord Two Thousand Sixteen.

City of Panama City Beach

Mike Thomas, Mayor

ATTEST:

Diane Fowler, City Clerk
CONSENT AGENDA

ITEM #1
1. **DEPARTMENT MAKING REQUEST/NAME:** ADMINISTRATION

2. **MEETING DATE:** 08/11/16

3. **REQUESTED MOTION/ACTION:**
   Find these items as surplus and approve removal from the Master Audit List.

4. **AGENDA**
   - **PRESENTATION**
   - **PUBLIC HEARING**
   - **CONSENT**
   - **REGULAR**

5. **IS THIS ITEM BUDGETED (IF APPLICABLE)?**
   - **Yes**
   - **No**
   - **N/A**

6. **BACKGROUND:** *(WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)*
   Quarterly, all departments are asked if any items are to be declared surplus and removed from the Master Audit List. These are the items eligible to be declared surplus for various reasons. Staff recommends they be declared surplus and removed from the Master Audit List.
<table>
<thead>
<tr>
<th>City ID #</th>
<th>Year</th>
<th>Item</th>
<th>Serial #</th>
<th>Dpt.</th>
<th>Recommended Disposition</th>
<th>Notes</th>
<th>CC Mtg</th>
</tr>
</thead>
<tbody>
<tr>
<td>1034</td>
<td>2011</td>
<td>Ford Crown Vic</td>
<td>2FABP78V1BX122480</td>
<td>Street</td>
<td>Trashed</td>
<td>Street Totaled-Used for parts</td>
<td>08/16</td>
</tr>
<tr>
<td>1675</td>
<td>2014</td>
<td>Dodge Charger</td>
<td>2G3C9AT9H367635</td>
<td>Street</td>
<td>Used for parts</td>
<td>Street Totaled-Used for parts</td>
<td>08/16</td>
</tr>
<tr>
<td>1678</td>
<td>2003</td>
<td>Ford F150 Truck</td>
<td>1FTRF18W13NB63431</td>
<td>Street</td>
<td>none</td>
<td>Street Burned up</td>
<td>08/16</td>
</tr>
<tr>
<td>619</td>
<td>2015</td>
<td>Ford F150 Truck</td>
<td>1FTRF1453SNA81670</td>
<td>Street</td>
<td>street</td>
<td>Street Burned up</td>
<td>08/16</td>
</tr>
<tr>
<td>784</td>
<td>2003</td>
<td>Ford F150 Truck</td>
<td>1FTRF18W13NB63431</td>
<td>Street</td>
<td>street</td>
<td>Street Burned up</td>
<td>08/16</td>
</tr>
<tr>
<td>2071</td>
<td>1999</td>
<td>Ford Dump Truck S-12</td>
<td>1FDXF80C2WVA20490</td>
<td>Street</td>
<td>street</td>
<td>Street Burned up</td>
<td>08/16</td>
</tr>
<tr>
<td>1033</td>
<td>2005</td>
<td>Ford F150 Truck S-6</td>
<td>1FTRF1453SNA81670</td>
<td>Street</td>
<td>street</td>
<td>Street Burned up</td>
<td>08/16</td>
</tr>
<tr>
<td>2006</td>
<td>1998</td>
<td>Suzuki ATV</td>
<td>JSAAJ51A162100170</td>
<td>Street</td>
<td>street</td>
<td>Street Burned up</td>
<td>08/16</td>
</tr>
</tbody>
</table>
CONSENT AGENDA
ITEM #2
RESOLUTION 16-101


BE IT RESOLVED that the appropriate officers of the City are authorized but not required to execute and deliver on behalf of the City that certain Agreement between the City and Carr, Riggs & Ingram, LLC, relating to the annual audit and evaluation of the City’s financial statements for Fiscal Year ending September 30, 2016, in an amount not to exceed One Hundred Eight Thousand Four Hundred Dollars ($108,400), in substantially the form attached and presented to the Council today, draft dated July 15, 2016, with such changes, insertions or omissions as may be approved by the City Manager, whose execution of such agreement shall be conclusive evidence of such approval.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in special session this ___ day of __________, 2016.

CITY OF PANAMA CITY BEACH

By: ____________________________
    Mike Thomas, Mayor

ATTEST:

______________________________
Diane Fowler, City Clerk
<table>
<thead>
<tr>
<th>1. DEPARTMENT MAKING REQUEST/NAME:</th>
<th>2. MEETING DATE:</th>
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<tbody>
<tr>
<td>ADMINISTRATION</td>
<td>08/11/16</td>
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<tr>
<th>3. REQUESTED MOTION/ACTION:</th>
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<tbody>
<tr>
<td>Approval of engagement letter with Carr, Riggs &amp; Ingram for the provision of auditing services for the fiscal year ending 09/30/16</td>
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<tr>
<th>4. AGENDA</th>
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<tbody>
<tr>
<td>PRESENTATION</td>
</tr>
<tr>
<td>PUBLIC HEARING</td>
</tr>
<tr>
<td>CONSENT</td>
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<tr>
<td>REGULAR</td>
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<table>
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<tr>
<th>5. IS THIS ITEM BUDGETED (IF APPLICABLE)?</th>
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<tbody>
<tr>
<td>YES ✓</td>
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</table>

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<tr>
<th>6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)</th>
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<tbody>
<tr>
<td>Florida Statute 218.39 requires local government entities to have an annual financial audit of its accounts and records performed by an independent certified public accountant. The City's auditor, Carr, Riggs &amp; Ingram, LLC, has presented an engagement letter to provide such services for the fiscal year ending 09/30/16. The proposed fee for the audit services is $108,400.00 which represents a reduction of 6% from the existing contract. The City's operating budget to be adopted for the fiscal year ending 09/30/17 includes the fee for audit services. Staff recommends that Council approve Carr, Riggs &amp; Ingram, LLC to perform the audit for the fiscal year ending 09/30/16 for a fee of $108,400.00</td>
</tr>
</tbody>
</table>
July 15, 2016

Mr. Mario Gisbert
City of Panama City Beach, Florida
110 South Arnold Road
Panama City Beach, Florida 32413

We are pleased to confirm our understanding of the services we are to provide City of Panama City Beach, Florida for the year ended September 30, 2016. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of City of Panama City Beach, Florida as of and for the year ended September 30, 2016. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management’s discussion and analysis (MD&A), to supplement City of Panama City Beach, Florida’s basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to City of Panama City Beach, Florida’s RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management’s Discussion and Analysis.
2) Schedule of Analysis of Funding Progress – Pension Trust Funds.
3) Schedule of Contributions from Employer and Other Entity’s Contributions – Pension Trust Funds.
4) Schedule of Actuarial Considerations – Pension Trust Funds.
5) Schedules of Other Post-Employment Benefits (OPEB).

We have also been engaged to report on supplementary information other than RSI that accompanies City of Panama City Beach, Florida’s financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will
provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor’s report on the financial statements:

1) Combining and Individual Non-major Fund Financial Statements.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

The Government Auditing Standards report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity’s internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to Council of City of Panama City Beach, Florida. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable
to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, Government Auditing Standards do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and Government Auditing Standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be
performed to test the effectiveness of certain controls that we consider relevant to preventing and
detecting errors and fraud that are material to the financial statements and to preventing and
detecting misstatements resulting from illegal acts and other noncompliance matters that have a
direct and material effect on the financial statements. Our tests, if performed, will be less in scope
than would be necessary to render an opinion on internal control and, accordingly, no opinion will
be expressed in our report on internal control issued pursuant to Government Auditing Standards.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate
the effectiveness of the design and operation of controls that we consider relevant to preventing or
detecting material noncompliance with compliance requirements applicable to each major federal
award program. However, our tests will be less in scope than would be necessary to render an
opinion on those controls and, accordingly, no opinion will be expressed in our report on internal
control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant
deficiencies or material weaknesses. However, during the audit, we will communicate to
management and those charged with governance internal control related matters that are required
to be communicated under AICPA professional standards, Government Auditing Standards, and the
Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of
material misstatement, we will perform tests of City of Panama City Beach, Florida’s compliance
with provisions of applicable laws, regulations, contracts, and agreements, including grant
agreements. However, the objective of those procedures will not be to provide an opinion on
overall compliance and we will not express such an opinion in our report on compliance issued
pursuant to Government Auditing Standards.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable
assurance about whether the auditee has complied with federal statutes, regulations, and the
terms and conditions of federal awards applicable to major programs. Our procedures will consist
of tests of transactions and other applicable procedures described in the OMB Compliance
Supplement for the types of compliance requirements that could have a direct and material effect
on each of City of Panama City Beach, Florida’s major programs. The purpose of these procedures
will be to express an opinion on City of Panama City Beach, Florida’s compliance with requirements
applicable to each of its major programs in our report on compliance issued pursuant to the
Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards,
and related notes of City of Panama City Beach, Florida in conformity with U.S. generally accepted
accounting principles and the Uniform Guidance based on information provided by you. These
nonaudit services do not constitute an audit under Government Auditing Standards and such
services will not be conducted in accordance with Government Auditing Standards. We will perform
the services in accordance with applicable professional standards. The other services are limited to
the financial statements, schedule of expenditures of federal awards, and related notes services
previously defined. We, in our sole professional judgment, reserve the right to refuse to perform
any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) establishing and maintaining effective internal controls, including
internal controls over compliance, and for evaluating and monitoring ongoing activities, to help
ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3)
ensuring that there is reasonable assurance that government programs are administered in
compliance with compliance requirements; and (4) ensuring that management and financial
information is reliable and properly reported. Management is also responsible for implementing
systems designed to achieve compliance with applicable laws, regulations, contracts, and grant
agreements. You are also responsible for the selection and application of accounting principles; for
the preparation and fair presentation of the financial statements, schedule of expenditures of
federal awards, and all accompanying information in conformity with U.S. generally accepted
accounting principles; and for compliance with applicable laws and regulations and the provisions
of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to
us and for the accuracy and completeness of that information. You are also responsible for
providing us with (1) access to all information of which you are aware that is relevant to the
preparation and fair presentation of the financial statements, (2) additional information that we
may request for the purpose of the audit, and (3) unrestricted access to persons within the
government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements
and confirming to us in the management representation letter that the effects of any uncorrected
misstatements aggregated by us during the current engagement and pertaining to the latest period
presented are immaterial, both individually and in the aggregate, to the financial statements taken
as a whole.

You are responsible for the design and implementation of programs and controls to prevent and
detect fraud, and for informing us about all known or suspected fraud affecting the government
involving (1) management, (2) employees who have significant roles in internal control, and (3)
others where the fraud could have a material effect on the financial statements. Your
responsibilities include informing us of your knowledge of any allegations of fraud or suspected
fraud affecting the government received in communications from employees, former employees,
grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the
government complies with applicable laws, regulations, contracts, agreements, and grants.
Management is also responsible for taking timely and appropriate steps to remedy fraud and
noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that
we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to
evaluate and monitor noncompliance with federal statutes, regulations, and the terms and
conditions of federal awards; take prompt action when instances of noncompliance are identified
including noncompliance identified in audit findings; promptly follow up and take corrective action
on reported audit findings; and prepare a summary schedule of prior audit findings and a separate
corrective action plan. The summary schedule of prior audit findings should be available for our
review on December 31, 2016.
You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably...
from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Carr, Riggs, & Ingram, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant or grantor agency pursuant to authority given it by law or regulation or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Carr, Riggs, & Ingram, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.
The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the City. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Richard Moreira is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed $108,400 for the fiscal year ending September 30, 2016, and thereafter upon mutual consent, the engagement may be renewed at a fee mutually agreed upon. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Electronic Data Communication and Storage and Use of Third Party Service Provider

In the interest of facilitating our services to your company, we may send data over the Internet, securely store electronic data via computer software applications hosted remotely on the Internet, or allow access to data through third-party vendors' secured portals or clouds. Electronic data that is confidential to your company may be transmitted or stored using these methods. We may use third-party service providers to store or transmit this data, such as, but not limited to, providers of tax return preparation software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and data access secure in accordance with our obligations under applicable laws and professional standards. We also require our third-party vendors to do the same.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or data once it has been sent or has been subject to unauthorized access, notwithstanding all reasonable security measures employed by us or our third-party vendors. You consent to our use of these electronic devices and applications and submission of confidential client information to third-party service providers during this engagement.

To enhance our services to you, we will use a combination of remote access, secure file transfer, virtual private network or other collaborative, virtual workspace or other online tools or environments. Access through any combination of these tools allows for on-demand and/or real-time collaboration across geographic boundaries and time zones and allows CRI and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use certain of these tools and in addition to execution of this acknowledgement and engagement letter, you may be required to execute a separate client acknowledgement or agreement and agree
to be bound by the terms, conditions and limitations of such agreement. You agree that CRI has no responsibility for the activities of its third-party vendors supplying these tools and agree to indemnify and hold CRI harmless with respect to any and all claims arising from or related to the operation of these tools. While we may back up your files to facilitate our services, you are solely responsible for the backup of your files and records; therefore, we recommend that you also maintain your own backup files of these records.

Dispute Resolution

In the event of a dispute between the parties which arises out of or relates to this contract or engagement letter, the breach thereof or the services provided or to be provided hereunder, and, if the dispute cannot be settled through negotiation, the parties agree that before initiating arbitration, litigation or some other dispute resolution procedure, they will first to try in good faith to resolve the dispute through non-binding mediation. The mediation will be administered by the American Arbitration Association under its Dispute Resolution Rules for Professional Accounting and Related Services Disputes. The costs of any mediation proceedings shall be shared equally by all parties.

We appreciate the opportunity to be of service to City of Panama City Beach, Florida and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Certified Public Accountants
Panama City Beach, Florida

RESPONSE:
This letter correctly sets forth the understanding of City of Panama City Beach, Florida.

Mario Gisbert, City Manager
CONSENT AGENDA
ITEM #3
<table>
<thead>
<tr>
<th>1. DEPARTMENT MAKING REQUEST/NAME:</th>
<th>2. MEETING DATE:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Redevelopment Agency (CRA)/Kelly Jenkins</td>
<td>8/11/2016</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. Requested Motion/Action:</th>
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<tbody>
<tr>
<td>Approve Resolution setting CRA program priorities for FY 2017</td>
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</tbody>
</table>

<table>
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<tr>
<th>4. Agenda</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presentation</td>
</tr>
<tr>
<td>Public Hearing</td>
</tr>
<tr>
<td>Consent</td>
</tr>
<tr>
<td>Regular</td>
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<table>
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<tr>
<th>5. Is this item budgeted (If applicable)?</th>
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</thead>
<tbody>
<tr>
<td>Budget Amendment or N/A</td>
</tr>
<tr>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6. Background: (Why is the action necessary, what goal will be achieved)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A public budget workshop was held on July 7, 2016 for a variety of City departments, during which an update on progress and financial condition of the CRA was presented to the City Council. During the presentation a Draft Near Term Work Plan for Fiscal Year 2017 was proposed and discussed. Staff was directed to move forward with the draft work plan and it is included within the resolution attached. By approving this resolution a CRA activities and priorities for FY 2017 can be memorialized and implemented.</td>
</tr>
</tbody>
</table>
RESOLUTION NO. 16-104

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PANAMA CITY BEACH, FLORIDA, AND EX OFFICIO AS THE GOVERNING BODY OF THE PANAMA CITY BEACH COMMUNITY REDEVELOPMENT AGENCY, RELATING TO COMMUNITY REDEVELOPMENT WITHIN THE FRONT BEACH ROAD REDEVELOPMENT AREA; PROVIDING FOR FINDINGS; AUTHORIZING AND DIRECTING THE EXECUTION OF A NEAR TERM WORK PLAN; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on July 7, 2016, the City Council acting in its capacity as the Panama City Beach Community Redevelopment Agency held a public workshop for the purpose of reviewing the current and proposed budgets for the Front Beach Road Community Redevelopment Agency, and to discuss and develop a consensus relating to the use and expenditure of currently available Front Beach Road Community Redevelopment Trust Fund monies; and

WHEREAS, by this resolution this City Council desires to articulate and memorialize its consensus and policy direction.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PANAMA CITY BEACH, FLORIDA, AND EX OFFICIO AS THE GOVERNING BODY OF THE PANAMA CITY BEACH COMMUNITY REDEVELOPMENT AGENCY, AS FOLLOWS:

SECTION 1. AUTHORITY. Pursuant to Article VIII, Section 29(b) of the Florida Constitution, and Sections 166.021 and 166.041, Florida Statutes, the City of Panama City Beach (the "City") has all powers of local self-government to perform municipal functions and render municipal services except when prohibited by law. Pursuant to Section 163.358, Florida Statutes, the City, acting
ex officio as the Panama City Beach Community Redevelopment Agency (the "Agency"), has all the powers necessary or convenient to carry out and effectuate the purposes and provision of Part III of Chapter 163, Florida Statutes (the "Community Redevelopment Act").

SECTION 2. FINDINGS. It is ascertained, determined and declared as follows:

(A) The Front Beach Road Community Redevelopment Plan contains three, long term, primary objectives:

(1) Pedestrian, Parking and Transportation Improvements. This objective includes an enhanced and interconnected network of right of way and other infrastructure projects that focuses on improving pedestrian movement, overall parking needs along Front Beach Road, ingress/egress and evacuation routes along Front Beach Road and its major connectors, upgrading stormwater management along Front Beach Road, and undergrounding of utilities within the Redevelopment Area.

(2) Enhance Beach Access and Related Parking. This objective includes the enhancement of existing beach access points and the creation of new access points where warranted, and the provision of parking areas to support these access points throughout the corridor.

(3) Plan Funding and Financing. This objective includes the creation and maintenance of efficient, practical and equitable funding and
financing to properly implement the Plan and its several projects, utilizing tax increment revenues, non-ad valorem assessment revenue, bonds, other public instruments, grants, public/private partnerships and other sources of funding.

(B) Activities previously authorized by the City Council in accordance with the last Work Plan adopted by Resolution 14-104 on September 25, 2014, and subsequently completed to advance the first, and third and to more limited degree the second, primary objectives include:

(1) Front Beach Road Segment 2. Completed revision and preparation of final design documents and construction plans for multi-laning, multimodal, storm drainage and aesthetic improvements for a portion of Front Beach Road Segment 2. Negotiated preconstruction and transfer agreement with DOT for permitting and transfer of Road Segment 2. Acquired outstanding temporary construction easements and right of way. Reviewed updated costs of undergrounding electrical facilities. (Resolutions 15-17, 15-19, 15-20, 15-21, 15-34, 15-38, 15-44, 16-04, 16-08, 16-99)

(2) Front Beach Road Segment 3 and Hwy 79. Provided right-of-way needs assessment on Front Beach Road Segment 3 and Highway 79 project and provide efforts to obtain right-of-way.

(3) Front Beach Road Segment 1. Negotiated transfer agreement with DOT. (Resolution 16-70)

(4) Coordinated with future developments for CRA right-of-way partnerships.

(5) Managed CRA landscape maintenance contract for Churchwell Drive, Richard Jackson Boulevard, Powell Adams Segment 1, South Thomas Drive and Front Beach Road Segment 1.

(6) Developed and advertised RFQ for the financial modeling of Front Beach Road CRA with Operations and Maintenance costs including:
   - Future Capital Costs
   - Future Maintenance Costs
   - Future Funding
(7) Blighted properties. Supported identification and cleanup of blighted properties within CRA. Developed, adopted and implemented nuisance abatement assessment program specific to the CRA to recoup costs for abatement activities. (Resolutions 15-15, 15-40, 15-47, 15-120, 15-121)

(8) Considered beach parking opportunities to compliment beach access points to include public/private parking partnerships.

(9) Authorized issuance of Capital Improvement Refunding Revenue Bond, Series 2015, to refund and refinancing 2006 bond issue for the Front Beach Road Project, which resulted in $4,358,725 of net present value debt service savings. Continued effort to evaluate local economic trends and available tax increment revenues to develop financing options and plans, including leveraging tax increment funds to procure additional bond financing. (Resolutions 15-68, 15-69, 15-70)

(10) Continued exploring alternate roadway transit funding through government grants, loan programs, and public/private partnerships. Submitted TRIP application for Front Beach Road Segment 4.3. TIGER Grant application for segment 2. (Resolution 15-62, 15-95)

(11) Coordinated approval of the CRA Work Plan through the Bay County Transportation Planning Organization (TPO) and integrated the plan into the Long Range Transportation Plan.

(C) The City Council, and ex officio as the governing body of the Panama City Beach Community Redevelopment Agency, at its budget workshop on July 7, 2016, considered the long term primary objectives of the Front Beach Road Redevelopment Plan, the currently authorized activities, the funds available and the uncertainty of future financing, and hereby re-confirms its direction and support for the long term and short term goals stated above and its previous authorizations for those activities intended to achieve those goals.
(F) The July 7, 2016, workshop provided the City Council and public the opportunity to discuss and prioritize the activities and projects to be authorized and undertaken with current funds available and unencumbered for the remaining 2016 fiscal year and through fiscal year 2017.

SECTION 3. DIRECTION AND AUTHORITY TO EXECUTE A NEAR TERM WORK PLAN.

(A) The City Manager and staff under his direction, including the Program Manager and City sub-consultants, are hereby directed and authorized to budget or encumber, subject to final approval by the City Council, the available and unencumbered funds for fiscal years 2016 and 2017 necessary to undertake or carry out the following activities to advance the first, and third and to more limited degree the second primary CRA objectives, referred to as the "Near Term Work Plan:"

1. Bid and manage Front Beach Road Segment 2 project.

2. Continue right-of-way needs assessment on Front Beach Road Segment 3 and Highway 79 project and provide efforts to obtain right-of-way.

3. Coordinate with future developments for CRA right-of-way partnerships.

4. Manage CRA landscape maintenance contract.

5. Evaluation, negotiate and award contract for the financial modeling of Front Beach Road CRA with Operations and Maintenance costs including:
   - Future Capital Costs
   - Future Maintenance Costs
   - Future Funding
(6) Continue support of removal of blighted properties within CRA.

(7) Increase parking rates at City parking lots. Consider beach parking opportunities to compliment beach access points to include public/private parking partnerships.

(8) Continue exploring alternate roadway transit funding through government grants, loan programs, and public/private partnerships.

(9) Continue effort to evaluate local economic trends and available tax increment revenues to develop financing options and plans, including leveraging tax increment funds to procure additional bond financing.

(B) If current funds on hand shall appear insufficient to complete the Near Term Work Plan, the City Council reserves the duty to resolve conflicting priorities.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon its passage and adoption.

ADOPTED this _______ of ____________________ .

CITY COUNCIL OF PANAMA CITY BEACH, FLORIDA, AND EX OFFICIO AS THE GOVERNING BODY OF THE PANAMA CITY BEACH COMMUNITY REDEVELOPMENT AGENCY

________________________

Mayor, and Ex Officio as Chair of the Agency

________________________

City Clerk, and Ex Officio as Clerk to the Agency
CONSENT AGENDA
ITEM #4
RESOLUTION 16-106

BE IT RESOLVED that the appropriate officers of the City are authorized but not required to accept and deliver on behalf of the City that certain Agreement between the City and Champion Controls, Inc., relating to the purchase of thirty one (31) lift station radio telemetry unit panels, in the basic amount of One Hundred Seventy Nine Thousand, Eight Hundred Dollars ($179,800), in substantially the form attached and presented to the Council today, draft dated August 1, 2016, with such changes, insertions or omissions as may be approved by the City Manager and whose execution shall be conclusive evidence of such approval.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in special session this ___ day of __________, 2016.

CITY OF PANAMA CITY BEACH

By: ____________________________
    Mike Thomas, Mayor

ATTEST:

_______________________________
Diane Fowler, City Clerk
# CITY OF PANAMA CITY BEACH
## AGENDA ITEM SUMMARY

<table>
<thead>
<tr>
<th>1. DEPARTMENT MAKING REQUEST/NAME:</th>
<th>2. MEETING DATE:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities Department - Al Shortt, Utilities Director</td>
<td>August 11, 2016</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>3. REQUESTED MOTION/ACTION:</th>
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<tbody>
<tr>
<td>Approve the purchase of Thirty-One (31) Radio Telemetry Unit panels from Champion Controls for use at City wastewater lift stations.</td>
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<tr>
<th>4. AGENDA</th>
<th>5. IS THIS ITEM BUDGETED (IF APPLICABLE)?</th>
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<tr>
<td></td>
<td>Yes ☑ No ☐ N/A</td>
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<tbody>
<tr>
<td><strong>PRESENTATION</strong></td>
<td><strong>BUDGET AMENDMENT OR N/A</strong></td>
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<tr>
<td><strong>PUBLIC HEARING</strong></td>
<td><strong>DETAILED BUDGET AMENDMENT ATTACHED</strong></td>
</tr>
<tr>
<td><strong>CONSENT</strong></td>
<td><strong>YES ☑ NO ☐ N/A</strong></td>
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<tr>
<td><strong>REGULAR</strong></td>
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<tr>
<th>6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)</th>
</tr>
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<tbody>
<tr>
<td>The City Utilities Department uses a radio based telemetry system which allows nearly all of the 120+ sewer lift stations in the system to communicate with the operations room at the City wastewater treatment plant. Operators get real-time updates of conditions at the stations, including alarms for several situations that require prompt responses to reduce risks of back-ups or sewer overflows. The original system is out of date so, several years ago, the City switched to a newer system for all new or rehabilitated stations. Panels at older lift stations were changed out as they failed. Now the remaining original system equipment is no longer supported. Spare parts are not available to repair the original receiving equipment at the WWTP. Staff needs to replace the remaining lift station panels that are still on the old system so they will be able to communicate with the new system.</td>
</tr>
</tbody>
</table>

Bid specifications were prepared, a solicitation for supply was publicly advertised and five bidders responded. A copy of the bid tabulation is attached.

Staff has reviewed the bids, and recommends awarding a purchase order to the low bidder, Champion Controls, Inc. in the basic amount of $179,800 for supplying the 31 radio telemetry unit (RTU) panels.

This project is currently budgeted and the proposed expenditure is within budget. Staff will be performing the installation work in-house.

WHY - To allow the City Manager to issue a Purchase Order to Champion Controls, Inc. for supplying the 31 panels.

WHAT - Bring the remaining lift stations on to the newer radio telemetry unit (RTU) system to maintain communications, improve service and minimize environmental risks from overflows.
<table>
<thead>
<tr>
<th>BIDDER</th>
<th>ADDRESS</th>
<th>TOTAL</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Champion Controls, Inc.</td>
<td>811 NW 57 Place, Ft. Lauderdale, FL 33309</td>
<td>$179,800.00</td>
<td></td>
</tr>
<tr>
<td>Andre Wedderburn</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automation Control Service, LLC</td>
<td>6281 Technology Drive, Pensacola, FL 32505</td>
<td>$182,435.00</td>
<td></td>
</tr>
<tr>
<td>Paul Richardson</td>
<td><a href="mailto:paul.richardson@autoconser.com">paul.richardson@autoconser.com</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revere Control Systems, Inc.</td>
<td>2240 Rocky Ridge Road, Birmingham, AL 35216</td>
<td>$183,302.00</td>
<td></td>
</tr>
<tr>
<td>Arthur Thomas</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Control Panels, Inc.</td>
<td>209 Mosley Drive, Lynn Haven, FL 32444</td>
<td>$198,918.00</td>
<td></td>
</tr>
<tr>
<td>Ray Hickman</td>
<td><a href="mailto:RayHickman@controlpanelsinc.com">RayHickman@controlpanelsinc.com</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primex Controls c/o Jim House &amp; Associates</td>
<td>24312 U.S. Hwy 98, Fairhope, AL 36532</td>
<td>$229,228.00</td>
<td></td>
</tr>
<tr>
<td>Phyllis McAleer</td>
<td></td>
<td></td>
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</tbody>
</table>
BID PROPOSAL FORM

TO: City of Panama City Beach, Florida

SUBMITTED: August 1, 2016.

THIRTY-ONE (31) LIFT STATION RTU PANELS

The Undersigned, as Bidder, hereby declares that they have examined the bid specifications and informed themselves fully in regard to all conditions pertaining to the equipment to be supplied.

The Bidder proposes and agrees, if this proposal is accepted, to contract with the City of Panama City Beach for the lump sum price listed, in full and complete accordance with the requirements of the specifications to the full and entire satisfaction of the City of Panama City Beach, Florida, with a definite understanding that no additional money will be allowed for extra work. Payment in full will be made to the supplier within 30 days of delivery. The Bidder further proposes and agrees hereby to supply all specified equipment within 16 consecutive weeks from approval of shop drawings.

Purchase will be made under terms and conditions specified by City in its form of Purchase Order. Partial payment requests will be considered, provided they are for payment of not less than 10 delivered and accepted panels. Final payment, in readily available funds, will be made upon acceptance by City of strictly conforming goods after delivery. Strict adherence to the specifications is required.

ADDENDUM ACKNOWLEDGMENT:
I, the undersigned bidder, hereby acknowledge receipt of the following addenda:

ADDENDUM NO. _______ ADDENDUM NO. _______

LUMP SUM BID PRICE:
Lump sum price for furnishing Thirty-one (31) Lift Station RTU Panels in accordance with the contract Specifications:

$179,800.00

One hundred Seventy Nine Thousand & Eight Hundred Dollars

CHAMPION CONTROLS, INC

BY: Andre Wedderburn

TITLE: PRINCIPAL

ADDRESS: 811 NW 57 PL

FORT LAUDERDALE, FL 33309

END OF BID FORM

CONSENT
AGENDA ITEM # (4)
CONSENT AGENDA
ITEM #5
RESOLUTION 16-107

BE IT RESOLVED that the appropriate officers of the City are authorized but not required to accept and deliver on behalf of the City that certain Agreement between the City and Rental LLC/Bobcat of Panama City, relating to the purchase of one compact track loader with forestry attachments, in the basic amount of Eighty Seven Thousand, Seven Hundred Twenty Two Dollars ($87,722), in substantially the form attached and presented to the Council today, draft dated August 1, 2016, with such changes, insertions or omissions as may be approved by the City Manager and whose execution shall be conclusive evidence of such approval.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in special session this ___ day of __________, 2016.

CITY OF PANAMA CITY BEACH

By: ____________________________
    Mike Thomas, Mayor

ATTEST:

______________________________
Diane Fowler, City Clerk
**CITY OF PANAMA CITY BEACH**  
**AGENDA ITEM SUMMARY**

<table>
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<tr>
<th>1. DEPARTMENT MAKING REQUEST/NAME:</th>
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<td>Utilities Department - Al Shortt, Utilities Director</td>
<td>August 11, 2016</td>
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</tbody>
</table>

<table>
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<tr>
<th>3. REQUESTED MOTION/ACTION:</th>
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<tbody>
<tr>
<td>Approve the purchase of One (1) Compact Track Loader from Rental LLC/ Bobcat of Panama City for use at Conservation Park.</td>
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</table>

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<tr>
<th>4. AGENDA</th>
<th>5. IS THIS ITEM BUDGETED (IF APPLICABLE)?</th>
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<tbody>
<tr>
<td>PRESENTATION</td>
<td>Yes ☑ No ☐ N/A</td>
</tr>
<tr>
<td>PUBLIC HEARING</td>
<td></td>
</tr>
<tr>
<td>CONSENT</td>
<td>Yes ☑ No ☐ N/A</td>
</tr>
<tr>
<td>REGULAR</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The City Utilities Department uses a compact track loader with a forestry cutter package at Conservation Park to mechanically thin heavy brush and trees (up to 6&quot; diameter) in preparation for prescribed burns. The thinning and subsequent burning is performed as part of staff’s ongoing effort to restore the site back to what existed prior to its use in a commercial pulp wood growing operation. The current unit has been in service since 2011 and needs to be replaced since it has reached the end of its service life.</td>
</tr>
</tbody>
</table>

Bid specifications were prepared, a solicitation for supply was publicly advertised and two bidders responded. A copy of the bid tabulation is attached.

Staff has reviewed the bids, and recommends awarding the purchase order to the low bidder, Rental LLC/ Bobcat of Panama City in the basic amount of $87,722 for supplying the Compact Track Loader with a forestry cutter package.

This purchase is currently budgeted and the proposed expenditure is within budget. The old unit will be retired in the near future after the City takes possession of the new loader.

WHY - To allow the City Manager to issue a Purchase Order to Rental LLC/ Bobcat of Panama City for supplying the Compact Track Loader with forestry cutter package.

WHAT - Allow staff to continue the work needed for restoration of the Conservation Park site.
<table>
<thead>
<tr>
<th>BIDDER</th>
<th>ADDRESS</th>
<th>TOTAL</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental LLC/Bobcat of Panama City</td>
<td>127 Griffin Boulevard</td>
<td>$87,722.00</td>
<td></td>
</tr>
<tr>
<td>Bryan Forte</td>
<td>Panama City Beach, FL 32413</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beard Equipment Co./John Deere</td>
<td>4625 Hwy 231 N.</td>
<td>$100,971.00</td>
<td></td>
</tr>
<tr>
<td>Chad Cole/Bobby Buchanan</td>
<td>Panama City, FL 32404</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
BID PROPOSAL FORM

TO: City of Panama City Beach, Florida  SUBMITTED: 8 / 1 / 2018.

ONE (1) COMPACT TRACK LOADER W/ FORESTRY ACCESSORIES

The Undersigned, as Bidder, hereby declares that they have examined the bid specifications and informed themselves fully in regard to all conditions pertaining to the equipment to be supplied.

The Bidder proposes and agrees, if this proposal is accepted, to contract with the City of Panama City Beach for the lump sum price listed, in full and complete accordance with the requirements of the specifications to the full and entire satisfaction of the City of Panama City Beach, Florida, with a definite understanding that no additional money will be allowed for extra work. Payment in full will be made to the supplier within 30 days of delivery. The Bidder further proposes and agrees hereby to supply the specified equipment within 12 consecutive weeks from issuance of a Purchase Order.

Purchase will be made under terms and conditions specified by City in its form of Purchase Order. Partial payment requests will be considered, provided they are for payment of not less than 10 delivered and accepted panels. Final payment, in readily available funds, will be made upon acceptance by City of strictly conforming goods after delivery. Strict adherence to the specifications is required.

ADDENDUM ACKNOWLEDGMENT:

I, the undersigned bidder, hereby acknowledge receipt of the following addenda:

ADDENDUM NO. ________________  ADDENDUM NO. ________________

LUMP SUM BID PRICE:
Lump sum price for furnishing One (1) Compact Track Loader w/ Forestry Accessories in accordance with the contract Specifications:

$ 87,722

RENTAL LLC / BOBCAT of Panama City
(SUPPLIER)

BY: Bryan Fonte

TITLE: Equipment Sales

ADDRESS: 127 Griffin Boulevard

Panama City Beach, FL 32413

STATE

END OF BID FORM
Product Quotation
Quotation Number: 26302D026307
Date: 2016-07-29 09:51:52

<table>
<thead>
<tr>
<th>Description</th>
<th>Part No</th>
<th>Qt</th>
<th>Price Ea.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>T870 T4 Bobcat Compact Track Loader</td>
<td>M0295</td>
<td>1</td>
<td>$55,532.00</td>
<td>$55,532.00</td>
</tr>
<tr>
<td>A91 Option Package</td>
<td>M0295-P01-A91</td>
<td>1</td>
<td>$5,587.00</td>
<td>$5,587.00</td>
</tr>
<tr>
<td>Cab Enclosure with Heat and AC</td>
<td>Deluxe Instrument Panel</td>
<td>Keyless Start</td>
<td>Engine Block Heater</td>
<td>Attachment Control Kit</td>
</tr>
<tr>
<td>High Flow Hydraulics</td>
<td>Sound Reduction</td>
<td>Hydraulic Bucket Positioning</td>
<td>Power Bob-Tach</td>
<td>Selectable Joystick Controls (SJC)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>M0295-R01-C04</td>
<td>1</td>
<td>$855.00</td>
<td>$855.00</td>
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<tr>
<td></td>
<td>M0295-R05-C12</td>
<td>1</td>
<td>$207.00</td>
<td>$207.00</td>
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<tr>
<td></td>
<td>M0295-R26-C02</td>
<td>1</td>
<td>$275.00</td>
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<tr>
<td></td>
<td>7204137</td>
<td>1</td>
<td>$18,518.00</td>
<td>$18,518.00</td>
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<tr>
<td></td>
<td>7179952</td>
<td>1</td>
<td>$755.00</td>
<td>$755.00</td>
</tr>
<tr>
<td></td>
<td>7257723</td>
<td>1</td>
<td>$5,993.00</td>
<td>$5,993.00</td>
</tr>
<tr>
<td>Total of Items Quoted</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Quote Total - US dollars</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Notes:
All prices subject to change without prior notice or obligation. This price quote supersedes all preceding price quotes.
Customer must exercise his purchase option within 30 days from quote date.

Customer Acceptance:
Purchase Order: ____________________________

Authorized Signature:
Print: ____________________ Sign: ______________ Date: ____________

CONSENT
AGENDA ITEM # 5
CONSENT AGENDA
ITEM #6
RESOLUTION 16-108

BE IT RESOLVED that the appropriate Officers of the City are authorized but not required to execute and deliver on behalf of the City that certain Agreement between the City and Florida Department of Agriculture and Consumer Services Florida Forest Service, Andrews Nursery, relating to the purchase of 96,000 containerized longleaf pine seedlings and 110,000 containerized wiregrass seedlings for the next phase of site restoration at the Conservation Park, in a total amount not to exceed Forty Five Thousand, Fifty Dollars ($45,050), in substantially the form attached and presented to the Council today, with such changes, insertions or omissions as may be approved by the City Manager whose execution of such Agreement shall be conclusive evidence of such approval.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in special session this 11 day of August, 2016.

CITY OF PANAMA CITY BEACH

By ______________________
MIKE THOMAS, MAYOR

ATTEST:

DIANE FOWLER, CITY CLERK
CITY OF PANAMA CITY BEACH
AGENDA ITEM SUMMARY

<table>
<thead>
<tr>
<th>1. DEPARTMENT MAKING REQUEST/NAME:</th>
<th>2. MEETING DATE:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities Department - Al Shortt, Utilities Director</td>
<td>August 11, 2016</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. REQUESTED MOTION/ACTION:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approve the purchase of 96,000 containerized longleaf and 110,000 containerized wiregrass seedlings from the State of Florida's Andrews Nursery for planting at Conservation Park.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. AGENDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRESENTATION</td>
</tr>
<tr>
<td>☐</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>5. IS THIS ITEM BUDGETED (IF APPLICABLE)?</th>
<th>BUDGET AMENDMENT OR N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff requests authorization to continue one of several site restoration phases called for in the Conservation Park management plan. The upland areas in the park historically consisted of a scattered longleaf pine forest with grass lands, but the practices of tree farming and fire suppression had dramatically altered the site. Most of the commercially planted slash pine trees have been removed from upland areas during the past 5 years to allow space for native longleaf pines. To date, approximately 570 acres on site have been replanted with 146,000 longleaf seedlings. 44,000 wiregrass seedlings have also been planted in 16 acres scattered in the park.</td>
</tr>
</tbody>
</table>

| The next phase of the restoration plan is to plant another 318 acres with longleaf seedlings and 40 acres with wiregrass seedlings in February 2017. Due to high demand for these seedlings, and limited availability, orders typically need to be placed as early as possible to be able to obtain the needed quantities. |

| The most cost effective source for the City to obtain the desired quantity is to purchase directly from the State of Florida through its Andrews Nursery near Chiefland. An order form in the total amount of $45,050 for the required seedlings is attached for your review. Payment is required at the time orders are placed, and if delivery cannot be made, the state would refund the City's money. Staff intends to use specialized contract labor to hand plant the seedlings after preparatory prescribed burns are completed. Labor for planting will be bid this fall and that additional cost is estimated to be approximately $45,000 to $50,000. Staff recommends approval of the purchase and funds are in the current wastewater system budget. |
TREE SEEDLING ORDER FORM
Chapter 589.11(2), F.S.

CUSTOMER INFORMATION

Name: City of Panama City Beach
(First) (Last) (M.I.)
Address: 110 S. Arnold Road
City: Panama City Beach
State: FL
Zip: 32413
Phone: (850) 233-5100, x 2400
Daytime Contact Person: Albert E. Shortt
(If different from above)
Contact Phone: 258-4231

Type of Land Ownership (Check one)

☐ 1. Federal
☐ 2. Private
☐ 3. Forest Industry
☐ 4. State Forest
☐ 5. Other State Lands
☐ 6. Other Government
☐ 7. Other Industry

COUNTY: Bay
(Where seedlings will be planted)

SEEDLING TYPE | QUANTITY ORDERED | UNIT COST | SEEDLING COST | DELIVERY COST (If applicable) | Pickup or Delivery Date: mm/dd/yyyy
---|---|---|---|---|---
Container Longleaf | 96,000 | $190/M | $18,240.00 | $960.00 | 
Container Wiregrass | 110,000 | $225/M | $24,750.00 | $1100.00 | 

TOTAL SEEDLING COST | $42,990.00 |
TOTAL DELIVERY COST | $2,060.00 |
GRAND TOTAL | $45,050.00 |

OFFICE USE ONLY

Received By: ____________________________
Date Received: ____________________________
Check or M.O. Number: ____________________________
Issue Date: ____________________________

CONSENT
AGENDA ITEM # ____________________________
INSTRUCTIONS FOR COMPLETING SEEDLING ORDER FORM

PLEASE READ THE ACCOMPANYING SEEDLING BROCHURE PRIOR TO COMPLETING THIS FORM. THE FLORIDA FOREST SERVICE IS NOT RESPONSIBLE FOR ERRORS DUE TO A FAILURE ON THE CONSUMER'S PART TO READ THE BROCHURE. ORDER FORMS THAT ARE INCOMPLETE OR ILLEGIBLE WILL BE RETURNED. IF YOU HAVE ANY QUESTIONS, PLEASE CALL THE ANDREWS NURSERY OFFICE (352-493-6096) OR YOUR COUNTY FORESTER.

- Fill in the customer information box. The name may be a person, organization, or a business. The address should be a mailing address. Please list both a day and evening telephone number. A contact person should be listed on orders from organizations or businesses, as well as on orders from individuals who wish to designate another person who will be responsible for their seedlings.

- Indicate the type of land ownership and the Florida county in which the seedlings will be planted.

- Andrews Nursery will assign an order number when we receive your order form. Do not write in this box.

- Indicate whether you will pick up your seedlings at Andrews Nursery (No delivery costs) or have your seedlings delivered to one of the FFS delivery points listed in the Seedling Brochure (delivery costs apply). If you have selected a pick-up or delivery date, list that date in the “Pick-up or Delivery Date” box. Seedling orders may be divided into multiple deliveries. The nursery will be happy to assist you with scheduling.

- Verify the grand total of the order and mail the completed form along with full payment to Andrews Nursery. We can only accept checks or money orders made out to the “Florida Department of Agriculture & Consumer Services.”

- The nursery will return a copy of the order to you, which will serve as your receipt. Your order number will be at the top of the returned copy. Please refer to your Order Number when discussing your order with the nursery.

- You are responsible for notifying the nursery of when you wish to receive your seedlings. Orders that are never scheduled for pickup or delivery will be cancelled without refund on March 1st.

- Please notify the nursery at least five (5) working days prior to the date you wish to receive your seedlings. This applies to both new scheduling and changes to existing scheduling.
ITEM #7
CONSENT AGENDA
RESOLUTION 16-109

BE IT RESOLVED that the appropriate officers of the City are authorized but not required to execute and deliver on behalf of the City that certain Agreement between the City and GAC Contracting, relating to the street resurfacing of Cobb Road, Clara Avenue, portions of Fairway Boulevard, and the intersection of Woodtrail Drive and Sandalwood Lane, in the basic amount of Four Hundred Twenty Seven, Six Hundred Sixty Five Dollars ($427,665.00), in substantially the form attached and presented to the Council today, with such changes, insertions or omissions as may be approved by the City Manager, whose execution of such agreement shall be conclusive evidence of such approval.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in special session this ___ day of __________, 2016.

CITY OF PANAMA CITY BEACH

By: ____________________________
    Mike Thomas, Mayor

ATTEST:

______________________________
Diane Fowler, City Clerk
CITY OF PANAMA CITY BEACH
AGENDA ITEM SUMMARY

1. DEPARTMENT MAKING REQUEST/NAME: Street Resurfacing Project FY - 2016/Paul Casto
2. MEETING DATE: 8/11/2016

3. Requested Motion/Action:
Approve the construction agreement for the Street Resurfacing project FY - 2016 with GAC Contracting, in the amount not to exceed $427,665.00.

4. Agenda

<table>
<thead>
<tr>
<th>Presentation</th>
<th>Public Hearing</th>
<th>Consent</th>
<th>Regular</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>✔</td>
<td></td>
</tr>
</tbody>
</table>

5. Is this item budgeted (if applicable)? Yes ☑ No ☐ N/A ☐

6. Background: (Why is the action necessary, what goal will be achieved)
Every year the Public Works Department is tasked with resurfacing roadways within City limits that are in need of repair or showing deterioration from normal traffic wear. This project includes the milling and resurfacing of Cobb Road, the resurfacing of Clara Avenue, milling and resurfacing a portion of Fairway Boulevard, reconstructing the intersection of Woodtrail Drive and Sandalwood Lane in Summerwood Subdivision, and construction of up to 10 speed humps. A solicitation for construction bids was publicly advertised and four bidders responded. Staff has reviewed the bids, and the low bidder was GAC Contracting for $643,056.00. In order to stay within this year's street resurfacing budget, staff recommends removing bid items # 4 and # 7 leaving the total bid amount of a not to exceed price of $427,665.00.

Attached is a copy of the bid tabulation, a portion of the bid proposal form, and a draft agreement.
<table>
<thead>
<tr>
<th>BIDDER</th>
<th>ADDRESS</th>
<th>BID BOND</th>
<th>DRUG FREE</th>
<th>PUBLIC ENTITY CRIMES</th>
<th>ADD #1</th>
<th>ADD #2</th>
<th>ADD #3</th>
<th>BASE BID</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAC Contracting</td>
<td>4116 Hwy 231 N Panama City, FL 32404</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>$643,056.00</td>
</tr>
<tr>
<td>John Pollman</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Roberts &amp; Roberts, Inc.</td>
<td>1741 N. Sherman Avenue Panama City, FL</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>$666,986.00</td>
</tr>
<tr>
<td>George Roberts</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>CW Roberts Contracting, Inc.</td>
<td>1603 Bay Avenue Panama City, Florida 32405</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>$708,625.00</td>
</tr>
<tr>
<td>Darryl Carpenter</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Anderson Columbia</td>
<td>2316 Highway 71 Marianna, FL 32448</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>$729,919.50</td>
</tr>
<tr>
<td>L. Eugene Strickland</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Item #</td>
<td>Roadway Description</td>
<td>Length</td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>1</td>
<td>Cobb Road (From Back Beach Road to Front Beach Road)</td>
<td>2,161LF +/-</td>
<td>$94,211.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mill and resurface per specifications. Include striping per plans.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Fairway Boulevard (From Fairway Circle to 410 Fairway Blvd.)</td>
<td>3,105LF +/-</td>
<td>$165,854.00</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Mill and resurface per specifications. Include striping, speed humps, and signage per plans.</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>3</td>
<td>Intersection of Woodtrall Drive &amp; Sandalwood Lane</td>
<td>25 LF +/-</td>
<td>$9,700.00</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td></td>
<td>Resurface and repair pot holes per specifications. Include striping per plans.</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Eagle Drive (From Fairway Boulevard to Eagle Drive Intersection)</td>
<td>909 LF +/-</td>
<td>$119,391.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Sawcut and remove asphalt and base and replace per specifications. Include striping per plans.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>5</td>
<td>Clara Avenue (From Back Beach Road to Front Beach Road)</td>
<td>4,050LF +/-</td>
<td>$114,200.00</td>
<td></td>
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<tr>
<td></td>
<td>Resurface per specifications. Include striping per plans.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>6</td>
<td>Additional areas not identified in plans that are found by the Contractor during construction and approved by the City to be saw cut and removed and replace both asphalt and base per section as noted on Sheet 4 of the construction plans.</td>
<td>Per 300 SY</td>
<td>$15,700.00</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>7</td>
<td>Optional additional areas to be resurfaced per specifications similar to Clara Avenue (including striping at one intersection)</td>
<td>Per 8375 SY</td>
<td>$96,000.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>8</td>
<td>Speed Humps with striping (some indicated on plans and other locations as directed by City)</td>
<td>10</td>
<td>$28,000.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

**LUMP SUM BID (1+2+3+4+5+6+7+8)**

$643,056.00

**IN WORDS**  Six Hundred Forty Three Thousand and Fifty-Six Dollars and no cents

**CONTRACTOR:**

**BY:** GAC Contractors Inc.

_________________________
(Printed and Signed)

**TITLE:** Derwin White, Vice President

**DATE:** 8-3-16

CONSENT

AGENDA ITEM #
THIS AGREEMENT is made this 11 day of August, 2016 by and between THE CITY OF PANAMA CITY BEACH, FLORIDA, (hereinafter called "OWNER") and GAC Contractors, Inc., doing business as an individual, or (a corporation), having a business address of 4116 Highway 231 N., Panama City, Florida 32404 hereinafter called "CONTRACTOR") for the performance of the Work (as that term is defined below) in connection with the construction of "STREET RESURFACING PROJECT – FY 2016", to be located at Panama City Beach, Florida, in accordance with the Drawings and Specifications prepared by CITY OF PANAMA CITY BEACH, the Engineer of Record (hereinafter called "Engineer") and all other Contract Documents hereafter specified.

OWNER and CONTRACTOR, for the consideration herein set forth, agree as follows:

1. The CONTRACTOR shall furnish, at its sole expense, all supervision, labor, equipment, tools, material, and supplies to properly and efficiently perform all of the work required under the Contract Documents and shall be solely responsible for the payment of all taxes, permits and license fees, labor fringe benefits, insurance and bond premiums, and all other expenses and costs required to complete such work in accordance with this Agreement (collectively the "Work"). CONTRACTOR'S employees and personnel shall be qualified and experienced to perform the portions of the Work to which they have been assigned. In performing the Work hereunder, CONTRACTOR shall be an independent contractor, maintaining control over and having sole responsibility for CONTRACTOR'S employees and other personnel. Neither CONTRACTOR, nor any of CONTRACTOR'S sub-AGREEMENT 00050-1
Contractors or sub-subcontractors, if any, nor any of their respective employees or personnel, shall be deemed servants, employees, or agents of OWNER.

2. The CONTRACTOR will commence the Work required by the Contract Documents within ten (10) calendar days after the date of the NOTICE TO PROCEED to be issued by OWNER in writing within thirty (30) calendar days from the date of this Agreement and will achieve Substantial Completion of the Work within 60 consecutive calendar days of the required commencement date, except to the extent the period for Substantial Completion is extended pursuant to the terms of the Contract Documents ("Contract Time"). Final Completion of the Work shall be achieved by CONTRACTOR within the time period set forth in Section 15.2 of Section 00100, General Conditions.

3. The CONTRACTOR agrees to pay the OWNER, as liquidated damages, the sum of $ 250.00/day for each calendar day that expires after the Contract Time for Substantial Completion as more fully set forth in Section 15 of the General Conditions.

4. The CONTRACTOR agrees to perform all of the Work described in the Contract Documents and comply with the terms therein for street resurfacing for a total Not to Exceed contract of $ 427,665.00 as shown in the BID SCHEDULE, included within the Bid Proposal Form, as said amount may be hereafter adjusted pursuant to the terms of the Contract Documents ("Contract Price").
The term "Contract Documents" means and includes the following documents, all of which are incorporated into this Agreement by this reference:

- Section 00010 ADVERTISEMENT FOR BIDS
- Section 00020 INFORMATION FOR BIDDERS
- Section 00030 BID PROPOSAL FORM
- Section 00040 BID BOND
- Section 00050 AGREEMENT
- Section 00060 PERFORMANCE BOND
- Section 00070 PAYMENT BOND
- Section 00080 NOTICE OF AWARD
- Section 00090 NOTICE TO PROCEED
- Section 00095 DRUG FREE WORKPLACE
- Section 00097 PUBLIC ENTITY CRIMES
- Section 00099 CERTIFICATE OF INSURANCE
- Section 00100 GENERAL CONDITIONS

SPECIFICATIONS prepared or issued by City of Panama City Beach.
CONSTRUCTION PLANS prepared or issued by City of Panama City Beach.
Attachment A

ADDENDA:
No. 1, dated August 3, 2016
No. 2, dated August 3, 2016
No. 3, dated August 3, 2016
No. __, dated ______________, 2016

The Contract Documents also includes any written amendments to any of the above signed by the party to be bound by such amendment. The Contract Documents are sometimes referred to herein as the "Agreement".

AGREEMENT 00050-3
6. The OWNER will pay the Contract Price to the CONTRACTOR in the manner and at such times as set forth in Contract Documents.

7. This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.

8. This Agreement shall be governed by the laws of the State of Florida.

9. All notices required or made pursuant to this Agreement shall be in writing and, unless otherwise required by the express terms of this Agreement, may be given either (i) by mailing same by United States mail with proper postage affixed thereto, certified, return receipt requested, or (ii) by sending same by Federal Express, Express Mail, Airborne, Emery, Purolator or other expedited mail or package delivery, or (iii) by hand delivery to the appropriate address as herein provided. Notices to OWNER required hereunder shall be directed to the following address:

If to Owner:

City of Panama City Beach
110 South Arnold Road
Panama City Beach, FL 32413
ATTENTION: Mario Gisbert, City Manager
Fax No.: (850) 233-5108

If to Contractor:

ATTENTION:
Fax No.: 

Either party may change its above noted address by giving written notice to the other party in accordance with the requirements of this Section.
10. CONTRACTOR recognizes that OWNER is exempt from sales tax and may wish to generate sales tax savings for the Project. Accordingly, to the extent directed by and without additional charge to OWNER, CONTRACTOR shall comply with and fully implement the sales tax savings program as more fully described in the Sales Tax Exemption Addendum. If required by OWNER, the Sales Tax Exemption Addendum shall be made a part of the Contract Documents, the form of which is set forth in Section 00808.

11. The failure of OWNER to enforce at any time or for any period of time any one or more of the provisions of the Agreement shall not be construed to be and shall not be a continuing waiver of any such provision or provisions or of its right thereafter to enforce each and every such provision.

12. Each of the parties hereto agrees and represents that the Agreement comprises the full and entire agreement between the parties affecting the Work contemplated, and no other agreement or understanding of any nature concerning the same has been entered into or will be recognized, and that all negotiations, acts, work performed, or payments made prior to the execution hereof shall be deemed merged in, integrated and superseded by this Agreement.

13. Should any provision of the Agreement be determined by a court with jurisdiction to be unenforceable, such a determination shall not affect the validity or enforceability of any other section or part thereof.

14. Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, references to the singular include the plural. The term "including" is not limiting, and the terms "hereof", "herein", "hereunder", and similar terms in this Agreement refer to this Agreement as a
whole and not to any particular provision of this Agreement, unless stated otherwise. Additionally, the parties hereto acknowledge that they have carefully reviewed this Agreement and have been advised by counsel of their choosing with respect thereto, and that they understand its contents and agree that this Agreement shall not be construed more strongly against any party hereto, regardless of who is responsible for its preparation.

15. For this Project, OWNER has designated a Project Representative to assist OWNER with respect to the administration of this Agreement. The Project Representative to be utilized by OWNER for this Project shall be Paul Casto, Public Works Director.

16. CONTRACTOR acknowledges and agrees that no interruption, interference, inefficiency, suspension or delay in the commencement or progress of the Work from any cause whatever, including those for which the OWNER, PROJECT REPRESENTATIVE, or ENGINEER may be responsible, in whole or in part, shall relieve CONTRACTOR of its duty to perform or give rise to any right to damages or additional compensation from OWNER. CONTRACTOR expressly acknowledges and agrees that it shall receive no damages for delay. CONTRACTOR's sole remedy, if any, against OWNER will be the right to seek an extension to the Contract Time; provided, however, the granting of any such time extension shall not be a condition precedent to the aforementioned "No Damage For Delay" provision. This section shall expressly apply to claims for early completion, as well as to claims based on late completion. Notwithstanding the foregoing, if the Work is delayed due to the fault or neglect of OWNER or anyone for whom OWNER is liable, and such delays have a cumulative total of more than 90 calendar days, CONTRACTOR may make a claim for its actual and direct delay damages accruing after said 90 calendar days. Except as expressly set forth in this section, in no event shall OWNER be liable to CONTRACTOR whether in contract, warranty, tort (including negligence or strict liability) or
otherwise for any acceleration, soft costs, lost profits, special, indirect, incidental, or consequential damages of any kind or nature whatsoever.

17. INSURANCE - BASIC COVERAGES REQUIRED
The CONTRACTOR shall procure and maintain the following described insurance on policies and with insurers acceptable to OWNER. Current Insurance Service Office (ISO) policies, forms, and endorsements or equivalents, or broader, shall be used where applicable.

These insurance requirements shall not limit the liability of the CONTRACTOR. The insurance coverage and limits required of CONTRACTOR under this Agreement are designed to meet the minimum requirements of OWNER and the OWNER does not represent these types or amounts of insurance to be sufficient or adequate to protect the CONTRACTOR'S interests or liabilities. CONTRACTOR alone shall be responsible to the sufficiency of its own insurance program.

The CONTRACTOR and the CONTRACTOR'S subcontractors and sub-subcontractors shall be solely responsible for all of their property, including but not limited to any materials, temporary facilities, equipment and vehicles, and for obtaining adequate and appropriate insurance covering any damage or loss to such property. The CONTRACTOR and the CONTRACTOR'S sub-contractors and sub-subcontractors expressly waive any claim against OWNER arising out of or relating to any damage or loss of such property, even if such damage or loss is due to the fault or neglect of the OWNER or anyone for whom the OWNER is responsible. The CONTRACTOR is obligated to include, or cause to be included, provisions similar to this paragraph in all of the CONTRACTOR'S subcontracts and its subcontractors' contracts with their sub-subcontractors.
The CONTRACTOR'S deductibles/self-insured retention's shall be disclosed to OWNER and are subject to OWNER'S approval. They may be reduced or eliminated at the option of OWNER. The CONTRACTOR is responsible for the amount of any deductible or self-insured retention. Any deductible or retention applicable to any claim or loss shall be the responsibility of CONTRACTOR and shall not be greater than $25,000, unless otherwise agreed to, in writing, by OWNER.

Insurance required of the CONTRACTOR or any other insurance of the CONTRACTOR shall be considered primary, and insurance of OWNER shall be considered excess, as may be applicable to claims or losses which arise out of the Hold Harmless, Payment on Behalf of OWNER, Insurance, Certificates of Insurance and any Additional Insurance provisions of this agreement, contract or lease.

WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE COVERAGE

The CONTRACTOR shall purchase and maintain workers' compensation and employers' liability insurance for all employees engaged in the Work, in accordance with the laws of the State of Florida, and, if applicable to the Work, shall purchase and maintain Federal Longshoremen's and Harbor Workers' Compensation Act Coverage. Limits of coverage shall not be less than:

<table>
<thead>
<tr>
<th>Limit Each Accident</th>
<th>Limit Disease Aggregate</th>
<th>Limit Disease Each Employee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

AGREEMENT 00050-8

CONSENT
AGENDA ITEM #
The CONTRACTOR shall also purchase any other coverage required by law for the benefit of employees.

The CONTRACTOR shall provide to OWNER an Affidavit stating that it meets all the requirements of Florida Statute 440.02 (15) (d).

**COMMERCIAL GENERAL LIABILITY COVERAGE**

CONTRACTOR shall purchase and maintain Commercial General Liability Insurance on a full occurrence form. Coverage shall include, but not be limited to, Premises and Operations, Personal Injury, Contractual for this Agreement, Independent Contractors, Broad Form Property Damage, Products and Completed Operation Liability Coverage and shall not exclude coverage for the "X" (Explosion), "C" (Collapse) and "U" (Underground) Property Damage Liability exposures. Limits of coverage shall not be less than:

| Bodily Injury, Property Damage & Personal Injury Liability | $1,000,000 Combined Single Limit Each Occurrence, and | $2,000,000 Aggregate Limit |

The General Aggregate Limit shall be specifically applicable to this Project. The Completed Operations Liability Coverage must be maintained for a period of not less than three (3) years following OWNER'S final acceptance of the project.

The CONTRACTOR shall add OWNER as an additional insured through the use of Insurance Service Office Endorsements No. CG 20.10.10.01 and No. CG 20.37.10.01 wording or equivalent, or broader, an executed copy of which shall
be attached to or incorporated by reference on the Certificate of Insurance to be provided by CONTRACTOR pursuant to the requirements of the Contract Documents.

BUSINESS AUTOMOBILE LIABILITY COVERAGE

The CONTRACTOR shall purchase and maintain Business Automobile Liability Insurance as to ownership, maintenance, use, loading and unloading of all of CONTRACTOR'S owned, non-owned, leased, rented or hired vehicles with limits not less than:

| Bodily Injury & Property | $1,000,000 Combined Single Limit Each Accident |

EXCESS OR UMBRELLA LIABILITY COVERAGE

CONTRACTOR shall purchase and maintain Excess Umbrella Liability Insurance or Excess Liability Insurance on a full occurrence form providing the same continuous coverage as required for the underlying Commercial General, Business Automobile and Employers' Liability Coverage with no gaps in continuity of coverage or limits with OWNER added by endorsement to the policy as an additional insured in the same manner as is required under the primary policies, and shall not be less than $10,000,000, each occurrence and aggregate as required by OWNER.

ADDITIONAL INSURANCE

No other insurance will be required by the City for this Contract.
IN WITNESS WHEREOF, the parties hereto have executed or caused to be executed by their duly authorized officials, this Agreement in two (2) copies each of which shall be deemed an original on the date first written above.

(Seal)

OWNER:

CITY OF PANAMA CITY BEACH,
FLORIDA

BY:

NAME: Mario Gisbert
(Please type)

TITLE: City Manager

City Clerk

City Attorney (as to form only)

CONTRACTOR:

GAC Contractors INC.

BY:

NAME: Derwin White, Vice President
(Please Type)

ADDRESS: 4116 Hwy 231 N, Panama City, FL 32404

[END OF SECTION 00050]
CONSENT AGENDA
ITEM #8
RESOLUTION 16-110

BE IT RESOLVED that the appropriate officers of the City are authorized but not required to accept and deliver on behalf of the City that certain Agreement between the City and Sikes Construction, Inc., relating to the execution of the Caladium Circle Drainage Improvements Project, in the basic amount of One Hundred Fifty Four Thousand, Nine Hundred Fifty Dollars ($154,950), in substantially the form attached and presented to the Council today, with such changes, insertions or omissions as may be approved by the City Manager and whose execution shall be conclusive evidence of such approval.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in special session this ___ day of __________, 2016.

CITY OF PANAMA CITY BEACH

By: __________________________
    Mike Thomas, Mayor

ATTEST:

______________________________
Diane Fowler, City Clerk
CITY OF PANAMA CITY BEACH
AGENDA ITEM SUMMARY

1. DEPARTMENT MAKING REQUEST/NAME:
   Caladium Circle Drainage Improvements/Kelly Jenkins

2. MEETING DATE:
   8/11/2016

3. REQUESTED MOTION/ACTION:
   Approve the construction agreement for Caladium Circle Drainage Improvements project with Sikes Construction, Inc. in the amount of $154,950.00.

4. AGENDA
   Presentation
   Public Hearing
   Consent
   Regular

5. IS THIS ITEM BUDGETED (IF APPLICABLE)?
   Yes [ ] No [ ] N/A [ ]
   BUDGET AMENDMENT OR N/A

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)

   Staff has identified several different areas within Panama City Beach that experience localized stormwater problems. Caladium Circle was identified as an area of concern. CDM - Smith along with their sub-consultant McNeil Carroll Engineering, completed all design and permitting necessary to bid construction work to provide drainage improvements to alleviate these concerns. The conveyance system was designed to alleviate standing water within the right-of-way, yards and structures in this area. The City will connect this system to the existing stormwater management pipes on Gulf Boulevard north of Front Beach Road and run and replace and improve an existing pipe that runs behind the commercial property located at 14652 Front Beach Road. Installing the new proposed system would alleviate flooding in this area.

   A solicitation for construction bids was publicly advertised and (5) five bidders responded with sealed bids by the required time and date. Bids were publicly opened on July 27, 2016 at 2:30 pm. After reviewing the bids, all bidders were deemed responsive and McNeil Carroll recommends that the Base Bid be awarded to the low bidder, Sikes Construction, Inc. in the amount of $154,950.00. This project is currently budgeted and the proposed expenditure is within budget. Attached is a copy of the engineer of records recommendation, bid tabulation (Exhibit A), a draft agreement (Exhibit B), and a drawing of improvements (Exhibit D).
August 1, 2016

Ms. Kelly Jenkins, P.E.
City of Panama City Beach
110 South Arnold Road, Florida 32413

Re: Caladium Circle Drainage Improvements
Award Recommendation
Panama City Beach, Florida
MCEI File No. 24509

Dear Ms. Jenkins,

McNeil Carroll Engineering, Inc. received bids from five (5) contractors for the Caladium Circle Drainage Improvements project on July 27, 2016.

A certified bid tabulation sheet is attached and labeled as Exhibit A.

After a thorough review of all bids, it was determined that all of the bidders were deemed responsive and that Sikes was the lowest responsive bidder. Therefore, we recommend that the City of Panama City Beach (City) award Sikes the contract for $154,950.00.

The Notice of Award and Agreement (Exhibit B) are enclosed and are to be executed if the City Commission approves our recommendation.

In addition, two copies of each bid package received are included as Exhibit C.

Should you have any questions or require clarification, please do not hesitate to call.

Respectfully,

McNeil Carroll Engineering, Inc.

Robert Carroll, P.E.
Vice President
## Exhibit A

**DETAILED BID TABULATION**

**CALADRIUM CIRCLE DRAINAGE IMPROVEMENTS - PLANHOLDERS LIST**

MCEI Project # 245.09

Bid Opening Date: July 27, 2016 at 2:30 pm

<table>
<thead>
<tr>
<th>BIDDER</th>
<th>Lump Sum Bid</th>
<th>Mobilization</th>
<th>Bonds and Insurance</th>
<th>Testing, Flashing, Disconnection</th>
<th>Layout and As Built</th>
<th>Demolition</th>
<th>Erosion Control</th>
<th>Best Bid</th>
<th>Public Entity Crimes</th>
<th>Drug Free Form</th>
<th>Bid Bond</th>
<th>Trench Safety Act</th>
<th>Addendum 1</th>
</tr>
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<td>C Mil-Bee</td>
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<td>GAC Contractors</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Silva</td>
<td>$154,950.00</td>
<td>$7,700.00</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Robert Carroll, P.E.
PE Reg No. 57988

28-Jul-16

Date
SECTION 00050
AGREEMENT

THIS AGREEMENT, made this ______ day of ______, 2016,
by and between, the City of Panama City Beach (hereinafter called “OWNER”) and
Sikes Construction, Inc. doing business as Sikes Construction, Inc.,
having a business address of 8030 Highway 77, Southport, Florida 32409
(hereinafter called “CONTRACTOR”), for the performance of the Work (as that term is defined
below) in connection with the construction of the PANAMA CITY BEACH – CALADIUM
CIRCLE – DRAINAGE IMPROVEMENTS (Project), to be located in Bay County, Florida,
in accordance with the Drawings and Specifications prepared by McNEIL CARROLL
ENGINEERING, INC., the Engineer of Record (hereinafter called “ENGINEER”) and all other
Contract Documents hereinafter specified.

The OWNER and the CONTRACTOR, for the consideration herein set forth, agree as
follows:

1. The CONTRACTOR shall furnish, at its sole expense, all supervision, labor,
equipment, tools, material, and supplies to properly and efficiently perform all of the
Work required under the Contract Documents and shall be solely responsible for the
payment of all taxes, permits and license fees, labor fringe benefits, insurance and
bond premiums, and all other expenses and costs required to complete such Work in
accordance with this Agreement (collectively the “Work”). CONTRACTOR’s
employees and personnel shall be qualified and experienced to perform the portions
of the Work to which they have been assigned. In performing the Work hereunder,
the CONTRACTOR shall be an independent contractor, maintaining control over
and having sole responsibility for CONTRACTOR’s employees and other personnel.
Neither CONTRACTOR, nor any of CONTRACTOR’s subcontractors or sub-
subcontractors, if any, nor any of their respective employees or personnel, shall be
deemed servants, employees, or agents of the OWNER.

2. The CONTRACTOR will commence the Work required by the Contract Documents
within 10 calendar days after the date of the Notice to Proceed to be issued by
OWNER in writing within 10 calendar days from the date of this Agreement and will
achieve Substantial Completion of the Work within consecutive calendar days
of the required commencement date, except to the extent the period for Substantial
Completion is extended pursuant to the terms of the Contract Documents (“Contract Time”). Final Completion of the Work shall be achieved by the CONTRACTOR
within the time period set forth in Section 15 of Section 00100, General Conditions.

3. The CONTRACTOR agrees to pay the OWNER, as liquidated damages, the sum of
$________ for each calendar day that expires after the Contract
Time for Substantial Completion as more fully set forth in Section 15 of Section
00100, General Conditions.

CALADIUM CIRCLE – DRAINAGE IMPROVEMENTS
PROJECT NO. 245.09

CONSENT
AGENDA ITEM # 8

AGREEMENT 00050-1
a. The CONTRACTOR agrees to perform all of the Work described in the Contract Documents and comply with the terms therein for the sum of $154,860.00 as shown in the Bid Schedule, included within the Bid Proposal Form, as said amount may be hereafter adjusted pursuant to the terms of the Contract Documents ("Contract Price").

4. The term "Contract Documents" means and includes the following documents, all of which are incorporated into this Agreement by this reference:

1. ADVERTISEMENT FOR BIDS (SECTION 00010)
2. INFORMATION FOR BIDDERS (SECTION 00020)
3. BID (SECTION 00030)
4. BID BOND (SECTION 00040)
5. AGREEMENT (SECTION 00050)
6. PERFORMANCE BOND (SECTION 00060)
7. PAYMENT BOND (SECTION 00070)
8. NOTICE OF AWARD (SECTION 00080)
9. NOTICE TO PROCEED (SECTION 00090)
10. DRUG-FREE WORK PLACE (SECTION 00095)
11. CERTIFICATE OF COMPLIANCE WITH THE FLORIDA TRENCH SAFETY ACT (SECTION 00096)
12. PUBLIC ENTITY CRIMES STATEMENT (SECTION 00097)
13. SALES TAX AGREEMENT (SECTION 00098)
14. CERTIFICATE OF INSURANCE (SECTION 00099)
15. GENERAL CONDITIONS (SECTION 00100)
16. SUBMISSION OF WORK SCHEDULE (SECTION 00801)
17. PREVENTION, CONTROL AND ABATEMENT OF EROSION CONTROL (SECTION 00802)
18. SPECIAL PROVISIONS (SECTION 01046)
19. PERMITS AND FEES (SECTION 01065)
20. REFERENCE STANDARDS (SECTION 01095)
21. SPECIAL PROJECT PROCEDURES (SECTION 01100)
22. ENVIRONMENTAL PROTECTION (SECTION 01110)
23. SUBMITTALS (SECTION 01300)
24. CONSTRUCTION PHOTOGRAPHS (SECTION 01380)
25. MOBILIZATION/DEMOBILIZATION (SECTION 01505)

CALADIUM CIRCLE – DRAINAGE IMPROVEMENTS PROJECT NO. 245.09 AGREEMENT 00050-2
26. CONTRACT CLOSEOUT (SECTION 0170S)
27. SITEWORK (SECTIONS 02110, 02200, AND 02211)
28. MECHANICAL (SECTIONS 15061, 15062, 15063, 15070, AND 15101)
29. APPENDICES (APPENDICES A THROUGH H)
30. PLANS prepared by McNeil Carroll Engineering, Inc.
31. ADDENDA
   No.1, dated ________________, 2016.
   No.2, dated ________________, 2016.
   No.3, dated ________________, 2016.

The Contract Documents also includes any written amendments to any of the above signed by the party to be bound by such amendment. The Contract Documents are sometimes referred to herein as the "Agreement."

5. The OWNER will pay to the CONTRACTOR in the manner and at such times as set forth in the General Conditions (SECTION 00100) such amounts as required by the Contract Documents.

6. This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.

7. This Agreement shall be governed by the laws of the State of Florida.

8. All notices required or made pursuant to this Agreement shall be in writing and, unless otherwise required by the express terms of this Agreement, may be given:
   i. By mailing same by United States mail with proper postage affixed thereto, certified, return receipt requested; or
   ii. By sending same by Federal Express, Express Mail, Airborne, Emery, Purolator or other expedited mail or package delivery; or,
   iii. By hand delivery to the appropriate address as herein provided. Notices to OWNER required hereunder shall be directed to the following address:

   If to OWNER:
   __________________________________________
   City of Panama City Beach
   __________________________________________
   110 South Arnold Road
   __________________________________________
   Panama City Beach, Florida 32413
   __________________________________________
   ATTENTION: Mario Gisbert, City Manager
   __________________________________________
   Fax No.: (850) 233-5108

CALADIUM CIRCLE – DRAINAGE IMPROVEMENTS
PROJECT NO. 245.09

CONSENT
AGENDA ITEM #
If to Contractor:

Sikes Construction, Inc.
8030 Highway 77, Southport, Florida 32409

ATTENTION: Hubert L. Sikes, Jr.

Fax No.: ______________________

Either party may change its above-noted address by giving written notice to the other party in accordance with the requirements of this Section.

9. The CONTRACTOR recognizes that the OWNER is exempt from sales tax and may wish to generate sales tax savings for the Project. Accordingly, to the extent directed by and without additional charge to the OWNER, the CONTRACTOR shall comply with and fully implement the sales tax savings program. As set forth in the Sales Tax Agreement, Section 00098.

10. The failure of the OWNER to enforce at any time or for any period of time any one or more of the provisions of the Agreement shall not be construed to be and shall not be a continuing waiver of any such provision or provisions or of its right thereafter to enforce each and every such provision.

11. Each of the parties hereto agrees and represents that the Agreement comprises the full and entire agreement between the parties affecting the Work contemplated, and no other agreement or understanding of any nature concerning the same has been entered into or will be recognized, and that all negotiations, acts, work performed, or payments made prior to the execution hereof shall be deemed merged in, integrated and superseded by this Agreement.

12. Should any provision of the Agreement be determined by a court with jurisdiction to be unenforceable, such a determination shall not affect the validity or enforceability of any other section or part thereof.

13. Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, references to the singular include the plural. The term “including” is not limiting, and the terms “hereof,” “herein,” “hereunder,” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement, unless stated otherwise. Additionally, the parties hereto acknowledge that they have carefully reviewed this Agreement and have been advised by counsel of their choosing with respect thereto, and that they understand its contents and agree that this Agreement shall not be construed more strongly against any party hereto, regardless of who is responsible for its preparation.

CALADIUM CIRCLE - DRAINAGE IMPROVEMENTS
PROJECT NO. 245.09

AGREEMENT 00050-4

CONSENT
AGENDA ITEM #
14. For this Project, the OWNER has designated a Project Representative to assist the OWNER with respect to the administration of this Agreement. The Project Representative to be utilized by the OWNER for this Project, shall be Robert Carroll, P.E. of McNeil Carroll Engineering, Inc.

15. The CONTRACTOR acknowledges and agrees that no interruption, interference, inefficiency, suspension or delay in the commencement or progress of the Work from any cause whatever, including those for which the OWNER, Project Representative, or ENGINEER may be responsible, in whole or in part, shall relieve the CONTRACTOR of his/her duty to perform or give rise to any right to damages or additional compensation from OWNER. The CONTRACTOR expressly acknowledges and agrees that it shall receive no damages for delay. CONTRACTOR's sole remedy, if any, against the OWNER will be the right to seek an extension to the Contract Time.

16. INSURANCE - BASIC COVERAGES REQUIRED

The CONTRACTOR shall procure and maintain the following described insurance, except for coverages specifically waived by the OWNER, on policies and with insurers acceptable to the OWNER. Current Insurance Service Office (ISO) policies, forms, and endorsements or equivalents, or broader, shall be used where applicable.

These insurance requirements shall not limit the liability of the CONTRACTOR. The insurance coverages and limits required of CONTRACTOR under this Agreement are designed to meet the minimum requirements of the OWNER and the OWNER does not represent these types or amounts of insurance to be sufficient or adequate to protect the CONTRACTOR's interests or liabilities. The CONTRACTOR alone shall be responsible to the sufficiency of its own insurance program.

The CONTRACTOR and the CONTRACTOR's subcontractors and sub-subcontractors shall be solely responsible for all of their property, including but not limited to any materials, temporary facilities, equipment and vehicles, and for obtaining adequate and appropriate insurance covering any damage or loss to such property. The CONTRACTOR and the CONTRACTOR's subcontractors and sub-subcontractors expressly waive any claim against the OWNER arising out of or relating to any damage or loss of such property, even if such damage or loss is due to the fault or neglect of the OWNER or anyone for whom the OWNER is responsible. The CONTRACTOR is obligated to include, or cause to be included, provisions similar to this paragraph in all of the CONTRACTOR's subcontracts and its subcontractors' contracts with their sub-subcontractors.
The CONTRACTOR’s deductibles/self-insured retention’s shall be disclosed to the OWNER and may be disapproved by the OWNER. They may be reduced or eliminated at the option of the OWNER. The CONTRACTOR is responsible for the amount of any deductible or self-insured retention. Any deductible or retention applicable to any claim or loss shall be the responsibility of the CONTRACTOR and shall not be greater than $25,000, unless otherwise agreed to, in writing, by the OWNER.

Insurance required of the CONTRACTOR or any other insurance of the CONTRACTOR shall be considered primary, and insurance of the OWNER shall be considered excess, as may be applicable to claims or losses which arise out of the Hold Harmless, Payment on Behalf of the OWNER, Insurance, Certificates of Insurance and any Additional Insurance provisions of this agreement, contract or lease.

**Workers’ Compensation and Employers’ Liability Insurance Coverage**

The CONTRACTOR shall purchase and maintain workers’ compensation and employers’ liability insurance for all employees engaged in the Work, in accordance with the laws of the State of Florida, and, if applicable to the Work, shall purchase and maintain Federal Longshoremen’s and Harbor Workers’ Compensation Act Coverage. Limits of coverage shall not be less than:

<table>
<thead>
<tr>
<th></th>
<th>Limit Each Accident</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>$1,000,000</td>
<td>Limit Disease Aggregate</td>
</tr>
<tr>
<td>$1,000,000</td>
<td>Limit Disease Each Employee</td>
</tr>
</tbody>
</table>

The CONTRACTOR shall also purchase any other coverage required by law for the benefit of employees.

The CONTRACTOR shall provide to the OWNER an Affidavit stating that he/she meets all the requirements of Florida Statute 440.02 (13) (d).

**Commercial General Liability Coverage**

The CONTRACTOR shall purchase and maintain Commercial General Liability Insurance on a full-occurrence form. Coverage shall include, but not be limited to, Premises and Operations, Personal Injury, Contractual for this Agreement, Independent Contractors, Broad Form Property Damage, Products and Completed Operation Liability Coverages and shall not exclude coverage for the “X” (Explosion), “C” (Collapse) and “U” (Underground) Property Damage Liability exposures. Limits of coverage shall not be less than:
The General Aggregate Limit shall be specifically applicable to this Project. The Completed Operations Liability Coverages must be maintained for a period of not less than 3 years following OWNER’s final acceptance of the Project.

The CONTRACTOR shall add the OWNER as an additional insured through the use of Insurance Service Office Endorsements No. CG 20.10.10.01 and No. CG 20.37.10.01 wording or equivalent, or broader, an executed copy of which shall be attached to or incorporated by reference on the Certificate of Insurance to be provided by the CONTRACTOR pursuant to the requirements of the Contract Documents.

Business Automobile Liability Coverage

The CONTRACTOR shall purchase and maintain Business Automobile Liability Insurance as to ownership, maintenance, use, loading and unloading of all of CONTRACTOR’s owned, non-owned, leased, rented or hired vehicles with limits not less than:

<table>
<thead>
<tr>
<th>Bodily Injury &amp; Property Damage</th>
<th>$1,000,000 Combined Single Limit Each Accident</th>
</tr>
</thead>
</table>

Excess or Umbrella Liability Coverage

The CONTRACTOR shall purchase and maintain Excess Umbrella Liability Insurance or Excess Liability Insurance on a full-occurrence form providing the same continuous coverages as required for the underlying Commercial General, Business Automobile, and Employers’ Liability Coverages with no gaps in continuity of coverages or limits with the OWNER added by endorsement to the policy as an additional insured in the same manner as is required under the primary policies, and shall not be less than $10,000,000, each occurrence and aggregate as required by the OWNER.
IN WITNESS WHEREOF, the parties hereto have executed or caused to be executed by their duly authorized official, this Agreement in two copies each of which shall be deemed an original on the date first written above.

(SEAL)

ATTEST:______________________________

BY_____________________________(Signature)

NAME________________________________

TITLE________________________________

(SEAL)

ATTEST:______________________________

BY_____________________________(Signature)

NAME________________________________

TITLE________________________________

OWNER

CITY OF PANAMA CITY BEACH

BY_____________________________(Signature)

NAME Mario Gisbert

TITLE City Manager

CONTRACTOR

BY_____________________________(Signature)

NAME Hubert L. Sikes, Jr.

TITLE President

ADDRESS: 8030 Highway 77
Southport, Florida 32409

Employer Identification Number 58-3442178

END OF SECTION

CALADIUM CIRCLE – DRAINAGE IMPROVEMENTS
PROJECT NO. 245.09

AGREEMENT 00050-8

CONSENT
AGENDA ITEM # 8
EXHIBIT "D"  CALADIUM CIRCLE DRAINAGE IMPROVEMENTS

DATE  DRAWN BY  CHECKED BY
8-5-16  L.J.S.  K.L.Y.
REGULAR AGENDA
ITEM #1
City of Panama City Beach

Water and Wastewater Rate Study Update

DRAFT

Presented on August 11, 2016

Public Resources Management Group, Inc.
Utility, Rate, Financial and Management Consultants
Study Objectives

- Update the financial forecast for recent changes to the rate plan based on current operating conditions
- Develop a funding strategy to pay for capital repairs & upgrades
- Estimate revenue requirements to be recovered from rates
- Evaluate Debt Service Coverage compliance
- Propose future water and wastewater rate increases
Existing Financial Condition

- FY16 Gross Revenues - $31.5 million
- FY16 Gross Revenue Requirements - $30.3 million
  - Operating Expenses - $21.3 million
  - Existing Debt Service Payments - $4.8 million
  - Capital Funded from Rates - $4.2 million
- Projected $1.2 million Cash Flow Surplus from Monthly Rates or 4%
- City has identified approximately $87 million in capital projects from FY16-22, and $54 million is estimated to be funded from monthly rates and existing reserves
Capital Improvement Program

- Capital Improvement Program - $86.5 million FY16-22
  - Includes $750,000 per year for Capital Outlay
  - Includes $1.5 million per year for System Renewal & Replacement or 5% of combined revenues
    - Based on individual system needs: 3% of water revenues and 8% of wastewater revenues
- Major Projects
  - Automated Water Meter Reading / Billing Upgrades
  - Bayside Water & Sewer Improvements
  - CRA Segment 2 and SR79 Line Relocations
  - Line Replacements & Lift Station Upgrades
  - Grand Lagoon & Laguna Beach Sewer Expansions
Capital Improvement Program (cont.)

Funding of Capital Plan FY16-22 - $86.5 million
Based on the Proposed Alternative Rates

- Capital Funded from Operating Reserves
- Capital Funded from Rates
- Capital Funded from Impact Fees
- Capital Funded from Existing Construction Fund
- Capital Funded from Grants and Other Sources

$28,475,942, 32%
$15,546,411, 18%
$5,903,253, 7%
$13,335,528, 15%
$25,086,420, 28%
Study Tasks

- Update the Financial Forecast
  - Fiscal Years 2016 to 2022 to match the funding requirements of the Capital Plan

- Develop projections of:
  - Customers and Sales
  - Operating Expenses
  - Debt Service Payments & Other Requirements
  - Adequacy of Revenues at Existing Rates
Revenue Assumptions

- **Projected Rate Revenues** - $29.9 million in FY16
  - Based on actual 2015 revenues plus existing rate increases effective October 1, 2015
  - New customer growth estimated at 300 new water and wastewater connections (ERCs) per year or an average growth rate of 1.3% per year
    - Estimates based on actual growth in customers and sales levels from FY11-15

- **Projected Miscellaneous Revenues** - $1.6 million
  - Includes reclaimed water revenues, interest income, turn-on/turn-off fees, late penalties, and other miscellaneous income
  - Amounts held constant over the study period
Expense Assumptions

- Projected Operating Expenses
  - Based on the Amended 2016 Budget
    - Budgeted purchased water expenses based on current wholesale rates for FY16 & FY17, but future bulk rates assumed to increase 2.4% per year based on projections of the Consumer Price Index (CPI) [*]

[*] City staff is evaluating the need to create a “Pass-through Formula” or “Bulk Rate Adjustment” to account for any unexpected increases in the Bulk Water Rate from Bay County.

- Includes a contingency of 1.0% of expenses or $215,000 per year to account for unforeseen expenditures
- Includes an allowance for bad debt of 0.25% or $75,000 per year
Expense Assumptions (cont.)

- Assumed cost increases beyond 2016
  - Utility Power Costs – 5% annually
  - Labor and Benefits – 4% annually
  - Employee Insurance – 8% annually
  - Workers' Compensation – 5% annually
  - Property/Liability Insurance – 5% annually
  - Repairs & Maintenance – 3% annually
  - General Inflation – 2.4% annually [*]

[*] Annual average based on projections by the Congressional Budget Office, January 2016.

- City also plans to add approximately ten (10) new water and wastewater positions from FY17-22 that will be phased-in over the study period
  - Additional salaries and benefits estimated at $630,000 per year by FY22
Expense Assumptions (cont.)

Projected Operating and Maintenance Expenses

Projected average increase of 4.13% from FY17-22, including additional personnel costs.
Existing Debt Service

- Existing Debt Service Payments - $4.6 million average per year
  - $3.2 million Senior Lien Debt
  - $1.4 million Junior Lien Debt

- Based on existing results, the City does not plan to issue additional debt
Adequacy of Existing Water Rates

Projected Water Revenue Sufficiency at Existing Rates

- Total Operating Expenses
- Debt Service Requirements
- Annual Capital Funded from Rates
- Water Revenues at Existing Rates

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Operating Expenses</th>
<th>Debt Service Requirements</th>
<th>Annual Capital Funded from Rates</th>
<th>Water Revenues at Existing Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$15,000,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>$15,000,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>$15,000,000</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2020</td>
<td>$15,000,000</td>
<td></td>
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<tr>
<td>2021</td>
<td>$15,000,000</td>
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<tr>
<td>2022</td>
<td>$15,000,000</td>
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<td></td>
</tr>
</tbody>
</table>

AGENDA ITEM #1
Adequacy of Existing Wastewater Rates

Projected Wastewater Revenue Sufficiency at Existing Rates

- Total Operating Expenses
- Debt Service Requirements
- Annual Capital Funded from Rates
- Wastewater Revenues at Existing Rates
Study Considerations and Goals

- Existing Unrestricted Cash Balance - $49 million

- Proposed Rates based on using $25 million in cash reserves to fund a portion of capital projects and to phase-in rate increases
  - Results based on a minimum Unrestricted Cash Balance of not less than 270 days of O&M or approximately $20 million by FY22

- Must Meet Debt Service Covenant Compliance
  - Test 1 – Senior Lien Coverage (1.10x)
  - Test 2 – Junior Lien Coverage (1.15x)

- Study results include 2 Scenarios:
  - Base Case – as presented
  - Proposed Alternative – based on Transferring $4.0 million to the General Fund in FY17
## Summary of Scenarios

<table>
<thead>
<tr>
<th>Base Case</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>Cumulative</th>
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<tbody>
<tr>
<td>Water System</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>1.0%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Wastewater System</td>
<td>0%</td>
<td>1.6%</td>
<td>1.6%</td>
<td>1.6%</td>
<td>1.6%</td>
<td>1.6%</td>
<td>8.3%</td>
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</table>

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</tr>
</thead>
<tbody>
<tr>
<td>Water System</td>
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<td>1%</td>
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<td>0%</td>
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<tr>
<td>Wastewater System</td>
<td>0%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>0%</td>
<td>8.3%</td>
</tr>
</tbody>
</table>

[*] Amounts based on Transferring $4.0 million to the City’s General Fund in FY17. To replenish the cash reserves balances in order to maintain approximately 270 Days of O&M, the water and wastewater rate increases were moved ahead in the study period, but achieve similar financial results when compared to the Base Case.

The City maintains approximately 9,500 water only accounts or 43% of the total water system.
Comparison of Existing Residential Water & Wastewater Rates

City of Panama City Beach
Combined Rate Comparison of Bay County Utilities
(Comparison based on 6,000 gallons of service)

Other Neighboring Utilities' Average $97.95

$53.24

City of Panama City Beach
City of Lynn Haven
City of Panama City
City of Callaway
City of Mexico Beach
City of Parker
City of Sopchoppy
Bay County
Adequacy of Proposed Alternative Water Rates

Projected Water Revenue Sufficiency at Proposed Rates

Proposed Revenues based on a 1.0% increase in FY18 Only.

- Total Operating Expenses
- Annual Capital Funded from Rates
- Debt Service Requirements
- Water Revenues at Existing Rates
- Water Revenues at Proposed Rates
Adequacy of Proposed Alternative Wastewater Rates

Projected Wastewater Revenue Sufficiency at Proposed Rates

- Total Operating Expenses
- Annual Capital Funded from Rates
- Debt Service Requirements
- Wastewater Revenues at Proposed Rates
- Wastewater Revenues at Existing Rates

Proposed Revenues based on a 2% increase each year FY18-21.
Adequacy of Proposed Alternative Rates

Projected Water and Wastewater Revenue Sufficiency at Proposed Rates

- Total Operating Expenses
- Annual Capital Funded from Rates
- Combined Revenues at Proposed Rates
- Debt Service Requirements
- Combined Revenues at Existing Rates

2017 2018 2019 2020 2021 2022

$0 $5,000,000 $10,000,000 $15,000,000 $20,000,000 $25,000,000 $30,000,000 $35,000,000 $40,000,000
Senior Lien Coverage at Proposed Alternative Rates

Projected Senior Lien Debt Service Coverage at Proposed Rates

Senior Lien Test includes Pledged Revenues from the Public Service Tax.
Junior Lien Coverage at Proposed Alternative Rates

Projected Junior Lien Debt Service Coverage at Proposed Rates

- Calculated Junior Lien Debt Service Coverage
- Minimum Requirement
Projected Cash Balances at Proposed Alternative Rates

Projected Cash Balances at Proposed Rates

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
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<tr>
<td>2016</td>
<td>$61,531,537</td>
<td>$799</td>
<td>$51,359,977</td>
<td>$50,151,943</td>
<td>$41,124,343</td>
<td>$36,677,162</td>
<td>432</td>
</tr>
<tr>
<td>2017</td>
<td>$51,359,977</td>
<td>$668</td>
<td>$50,151,943</td>
<td>$41,124,343</td>
<td>$33,872,203</td>
<td>$23,108,099</td>
<td>268</td>
</tr>
<tr>
<td>2018</td>
<td>$50,151,943</td>
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<td></td>
<td>$41,124,343</td>
<td>$20,695</td>
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<tr>
<td>2019</td>
<td>$41,124,343</td>
<td>$525</td>
<td></td>
<td>$36,677,162</td>
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<td>$33,872,203</td>
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<tr>
<td>2021</td>
<td>$33,872,203</td>
<td>$432</td>
<td></td>
<td>$23,108,099</td>
<td>$200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>$23,108,099</td>
<td>$268</td>
<td></td>
<td>$100</td>
<td>$100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Conclusion & Recommendations

- The existing rates are currently producing a surplus relative to the annual recurring expenditure needs of the System
  - No rate increases are proposed for Fiscal Year 2017

- Due to the planned addition of new personnel and projected inflationary increases to operating expenses, the water and wastewater rates are projected to be deficient in Fiscal Year 2022 by 1% and 8%, respectively

- In order to meet a proposed $4 million Transfer to the General Fund, while maintaining minimum reserve fund levels, the City Council should consider increasing the water rates 1% in FY18 and wastewater rates by 2% per year from FY18-21

- The City Council should update this study within the next 2-3 years or when the system experiences significant changes to its operations not accounted for in this plan
REGULAR AGENDA
ITEM #2
**CITY OF PANAMA CITY BEACH**

**AGENDA ITEM SUMMARY**

<table>
<thead>
<tr>
<th>1. DEPARTMENT MAKING REQUEST/NAME:</th>
<th>ADMINISTRATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. MEETING DATE:</td>
<td>08/11/16</td>
</tr>
<tr>
<td>3. REQUESTED MOTION/ACTION:</td>
<td>Direct Staff to advertise on the website for applicants interested in appointment to the City's Civil Service and 3 Pension Boards.</td>
</tr>
<tr>
<td>4. AGENDA</td>
<td></td>
</tr>
<tr>
<td>PRESENTATION</td>
<td></td>
</tr>
<tr>
<td>PUBLIC HEARING</td>
<td></td>
</tr>
<tr>
<td>CONSENT</td>
<td>✓</td>
</tr>
<tr>
<td>REGULAR</td>
<td></td>
</tr>
<tr>
<td>5. IS THIS ITEM BUDGETED (IF APPLICABLE)?</td>
<td>Yes □</td>
</tr>
<tr>
<td>BUDGET AMENDMENT OR N/A</td>
<td></td>
</tr>
<tr>
<td>DETAILED BUDGET AMENDMENT ATTACHED</td>
<td>Yes □</td>
</tr>
<tr>
<td>6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)</td>
<td>For Civil Service Board: One member is appointed by the City Council for a two year term. The current appointee, Sherry Swartout will end her term on 9/30/16. For the 3 Pension Boards: The current appointees, general employee Holly White, police officer employee Officer Robert Clifton, and firefighter employee Shawn Legleiter will each end their term on 9/30/16.</td>
</tr>
</tbody>
</table>
REGULAR AGENDA
ITEM #3
## CITY OF PANAMA CITY BEACH
### AGENDA ITEM SUMMARY

<table>
<thead>
<tr>
<th>1. DEPARTMENT MAKING REQUEST/NAME:</th>
<th>2. MEETING DATE:</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADMINISTRATION/LEGAL</td>
<td>AUGUST 11, 2016</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>3. REQUESTED MOTION/ACTION:</th>
</tr>
</thead>
<tbody>
<tr>
<td>APPROVE FIRST READING OF ORDINANCE 1390</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. AGENDA</th>
<th>5. IS THIS ITEM BUDGETED (IF APPLICABLE)?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presentation</td>
<td>YES ☑ NO ☐ N/A ☑</td>
</tr>
<tr>
<td>Public Hearing</td>
<td></td>
</tr>
<tr>
<td>Consent</td>
<td>DETAILED BUDGET AMENDMENT ATTACHED YES ☑ NO ☑ N/A ☑</td>
</tr>
<tr>
<td>Regular</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>THE CITY'S 15-YEAR FRANCHISE AGREEMENT WITH GULF POWER EXPIRED IN MARCH 2016. STAFF HAS APPROACHED GULF POWER ABOUT RENEWING THE FRANCHISE AGREEMENT, AND AFTER CONVERSATIONS WITH THEIR LEGAL DEPARTMENT, RECOMMENDS ENTERING INTO A TWO YEAR AGREEMENT AS A LONGER-TERM AGREEMENT IS NEGOTIATED. BUT FOR THE TERM, THIS PROPOSED TWO YEAR FRANCHISE AGREEMENT IS SUBSTANTIALLY THE SAME AS THE PRIOR AGREEMENT. STAFF RECOMMENDS APPROVAL OF FIRST READING, SUCH THAT STAFF CAN ADVERTISE A SECOND READING AND PUBLIC HEARING TO ADOPT THE ORDINANCE.</td>
</tr>
</tbody>
</table>
ORDINANCE NO. 1390

AN ORDINANCE OF THE CITY OF PANAMA CITY BEACH, FLORIDA, RELATING TO ELECTRIC UTILITY FRANCHISE; PROVIDING DEFINITIONS; PROVIDING FOR THE GRANTING OF FRANCHISE; PROVIDING FOR RIGHT TO OPERATE; PROVIDING FOR LIMITS ON FRANCHISE; PROVIDING FOR TERM OF FRANCHISE; PROVIDING FOR CONSIDERATION; PROVIDING FOR TRANSFERABILITY; PROVIDING FOR FORFEITURE OF FRANCHISE; PROVIDING FOR TERMINATION OF GRANT BY INSOLVENCY OR BANKRUPTCY; PROVIDING HOLD HARMLESS AGREEMENT; PROVIDING FOR SEVERABILITY; PROVIDING FOR REVIEW AND REVISION OF FRANCHISE PROVISIONS; PROVIDING FOR OTHER FRANCHISES; PROVIDING FOR SUCCESSORS AND ASSIGNS; PROVIDING FOR RATES, RULES AND REGULATIONS; PROVIDING FOR PROPER OPERATION; PROVIDING FOR INTERRUPTION OF SERVICE; PROVIDING FOR REPEALING CLAUSE; PROVIDING FOR SURRENDER OF RIGHTS; PROVIDING FOR WRITTEN ACCEPTANCE BY GRANTEE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Panama City Beach finds it in the public interest to ensure that all areas within its limits are adequately provided with high-quality and reliable electric service; and

WHEREAS, the City of Panama City Beach finds it in the public interest to provide that any entity granted authority to use the public rights-of-way for the provision of electricity shall, in a spirit of mutual trust, from time to time, review and negotiate the rights and obligations of the provider of electricity within the boundaries of the City, because of the overriding public health, safety and welfare considerations associated with the provision of this service; and

WHEREAS, the City of Panama City Beach finds it in the public interest to retain control over the use of public rights-of-way by providers of electricity to ensure against interference with the public convenience, to promote aesthetic considerations, to promote planned and efficient use of limited right-of-way space and to protect the public investment of right-of-way property; and
WHEREAS, the City of Panama City Beach finds that the granting of this franchise is the best means of assuring that the above-described interests of the City are promoted; and

WHEREAS, the use of the public rights-of-way as contemplated by this franchise is a valuable commodity, the income from which is critical to the City of Panama City Beach due to its limited sources of revenue; and

WHEREAS, the best method to determine and charge the fair rental value of the public rights-of-way is as a percentage of the franchisee’s gross revenue because the value of the rights-of-way is a direct function of the revenue that the franchisee generates from using the rights-of-way; and

WHEREAS, the City finds that a franchise fee of five percent (5%) is fair based upon the low dollar amount of fees paid to the City in recent years and a survey of market rates in neighboring cities; and

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF PANAMA CITY BEACH, FLORIDA, THAT:

SECTION I. Definitions. For the purpose of this ordinance, the following terms, phrases, words, abbreviations and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number and words in the singular number include the plural number. The word “shall” is always mandatory and not merely directory. Words not defined shall be given their common and ordinary meaning.

A. “Commencement Date” shall mean ________, 2016.

B. “Corporate Limits” shall mean the Corporate Limits of the Grantor as said limits are now established or as such limits may hereafter be extended or reduced.

C. “Customer” or “Consumer” shall mean any Person, firm, partnership, association, corporation, company or organization of any kind served by the Grantee within the franchise area.

D. “Electric Utility Service” shall include all sales of electricity to all classes of Customers within the Corporate Limits; all administrative charges associated with the sale of electricity to all Customer classes located within the Corporate Limits which shall include, but not be limited to: connection charges, reconnection charges, insufficient funds charges, restoration charges, temporary service fees; ancillary or unbundled electric services provided to all Customer classes within the Corporate Limits when sold separately from kWh which shall include, but not be limited to: reactive supply and voltage control, scheduling, system control and dispatch, regulation and frequency response, energy imbalance, operating reserves, supplemental reserves, and spinning
reserves; and transmission and distribution when sold separately from kWh to any Person located within the Corporate Limits.

E. “Electric Utility System” is an electric power system installed and operated in the franchise area in compliance with applicable Federal Energy Regulatory Commission (FERC) and Florida Public Service Commission (FPSC) rules and regulations, for the transmission and distribution of electrical energy, which shall include all transmission and distribution facilities, equipment and administrative services necessary or convenient to provide electric service to Customers within the franchise area for any use, and such extensions, additions or reductions as may hereafter be made.

F. “Franchise Area” shall mean the geographic, Corporate Limits of the Grantor as those limits may change from time to time.

G. “Grantee” shall mean Gulf Power Company, its successors and assigns.

H. “Gross Revenue” shall mean all sums of money which the Grantee receives or becomes lawfully entitled to receive from (1) the provision of Electric Utility Service or (2) the use of the Electric Utility System within the Franchise Area by any Person not holding at the time of such use a franchise from the Grantor granting such Person the right to use and occupy the Rights-of-way within the Corporate Limits of the Grantor.

I. “Grantor” shall mean the City of Panama City Beach, Florida, its successors and assigns.

J. “Person” shall mean any Person, firm, partnership, association, corporation, company or organization of any kind.

K. “Public Places” shall mean any place to or upon which the public resorts or travels, whether such place is owned or controlled by the Grantor, the state, or is a place to or upon which the public resorts or travels by custom or by invitation, express or implied, but excluding any park, recreational area or festival ground owned or controlled by the Grantor unless Grantor shall by separate written instrument include such area within this franchise.

L. “Retail Wheeling” is the use of Grantee’s transmission, distribution and associated facilities to deliver electricity purchased by end use Customers located within the Grantor’s Franchise Area from electric suppliers other than the Grantee.

M. “Right-of-way” shall mean streets, alleys, and Public Places, as defined herein.

N. “Street” and “Alley” shall mean the entire width subject to an easement for public right-of-way, or owned in fee by the Grantor, county or state, or every way or place, of whatever nature, whenever any part thereof is open to the use of the public as a
matter of right for purposes of public travel. The word "Alley" shall mean any such way or place providing a secondary means of ingress and egress from a property.

SECTION 2. Grant of Franchise.

A. In consideration of the benefits that will accrue to the Grantor and the inhabitants thereof, Grantee, a corporation organized under the laws of the State of Maine, and authorized to do business in the State of Florida, its successors and assigns as provided herein, is hereby granted the right, easement and privilege to construct, erect, own, suspend, install, extend, renew, repair, maintain, operate and conduct within the Corporate Limits, a plant or plants and poles, wires, cables, underground conduits, manholes, fiber optic cable for its own use, and all other facilities and equipment necessary for the maintenance and operation of its Electric Utility System, provided that all portions of the Electric Utility System within the Corporate Limits shall conform to the provisions of the National Electrical Safety Code and other applicable federal and state statutes, rules and regulations.

B. This grant of authority is limited to the provisions by Grantee of Electric Utility Services. In the event Grantee desires to use its existing facilities, or construct new facilities, in order to provide basic local telecommunications service, nonbasic telecommunications service, local interconnection, network access service, internet access service, leased fiber optic capacity, video programming service or any services utilizing Rights-of-way, other than Electric Utility Services, to existing or potential Customers, Grantee must obtain additional and separate permission from the Grantor for such activities prior to their commencement.

C. The easements herein granted apply in, over, under, along, upon and across all Streets, bridges and Public Places as they now exist or as they may hereafter be laid out, reduced or extended with the Corporate Limits.

D. Grantor retains the right to purchase or generate electric power for its own purposes.

E. The Electric Utility System shall be located or relocated, erected or operated, so as to interfere as little as possible with vehicular or pedestrian traffic over, along and across said public Streets, bridges and Public Places, and with reasonable egress and ingress to and between abutting and adjoining property.

F. Grantee shall have the authority to trim trees upon and overhanging Streets (including sidewalks and driveway entrances), Alleys and Public Places of the Grantor so as to prevent the branches of the trees from coming into contact with the wires and cables of the Grantee, provided that all trimming is done in compliance with the National Electric Safety Code and at the expense of the Grantee.

G. The right to use and occupy Rights-of-way for the purposes set forth herein shall be non-exclusive, and the Grantor reserves the right to grant a similar use of
said rights-of-way to any Person at any time during the term of this franchise so long as such grant does not materially and adversely impact Grantee’s right to use and occupy those same rights-of-way.

H. In exchange for this grant of franchise, Grantee hereby undertakes to perform each and every obligation assigned herein and hereby agreed to.

SECTION 3. Limits of Franchise. This franchise covers the geographical area of the entire Corporate Limits of the City of Panama City Beach, Florida. Grantee agrees that the limits of the franchise are subject to expansion or reduction by annexation and contraction of municipal boundaries and that Grantee has no vested right in a specific area. Grantee hereby agrees to provide service to any and all areas that may be annexed to the Granter under the same terms and conditions of this ordinance as the current areas now covered by this franchise. If Granter approves any Franchise Area expansion or reduction by annexation or contraction, Granter will provide written notice to the Grantee. Grantee must revise its payments due to any expansion or reduction by annexation or contraction within a reasonable time after notice by Granter, but no later than sixty (60) days after receipt of notice.

SECTION 4. Term of Franchise - Right to Purchase.

A. The franchise granted by this Ordinance shall exist, and continue in full force and effect for a period of two (2) years commencing on the Commencement Date, and as a condition precedent to the taking effect of this grant, Granter does hereby reserve and the Grantee gives and grants to the said Granter the right, upon termination of this franchise by lapse of time or otherwise, to purchase the Electric Utility System and other property within the Franchise Area necessarily or conveniently used under or in connection with the franchise hereby granted, or such part of such property as the Granter may desire to purchase at a value to be fixed in accordance with the provisions of Section 180.16, Florida Statutes, as amended from time to time.

B. In the event that either appropriate state and federal governmental entities authorize or require, or Grantee on its own initiative engages in: (1) Retail Wheeling or Customer choice of electric supplier; or (2) the unbundling and separate pricing of the generation, transmission or distribution of Electric Utility Service(s), then either party may reopen all provisions of this ordinance upon thirty (30) days written notice to the other. If the parties are unable to agree within ninety (90) days of reopening, either party may declare an impasse and may file an action in the Circuit Court of Bay County, Florida, for declaratory relief as to the proper terms and conditions of this franchise for the full remainder of the franchise term in light of the changed circumstances. In determining such terms and conditions the Court shall consider and compare (1) the original terms and conditions of this franchise in light of the regulatory and economic conditions obtaining at the time this franchise was made with (2) the regulatory and economic conditions obtaining at the time of the Court’s ruling, and seek to achieve as nearly as practicable the public purposes, including the generation of revenue to the Granter, intended when this franchise was made.
C. Each party shall bear its own costs in a proceeding described in Paragraph B of this section. During the pendency of any negotiations pursuant to the reopener, or any declaratory action, the current franchise payment as set forth in Section 5 shall continue to apply. Should different terms and conditions be negotiated or imposed as a result of court decision, these new terms and conditions shall apply retroactively to the first full month following the date this Ordinance is reopened and the parties shall balance their accounts accordingly.

D. Under any event, Granter shall not grant more favorable treatment to other suppliers of electricity than is granted to Grantee under this Ordinance, it being the intent of the parties that no future provider of Electric Utility Service to end users located within the Corporate Limits of the Granter be given a competitive advantage over the Grantee.

SECTION 5. Franchise Consideration.

A. As a further consideration for the granting of the rights, privileges and franchises hereby granted and the use of the public Right-of-way, and to defray the cost of administering the provisions of this franchise, the Grantee, its successors and assigns, shall pay to the City of Panama City Beach within twenty (20) days after the first day of each calendar month, a franchise fee of five percent (5%) of Grantee’s Gross Revenue during the preceding calendar month. The monthly payment may be made by wire transfer. Any monthly payment or any portion thereof received ten (10) days or more after the due date shall be subject to interest at the rate of ten percent (10%) per annum until all payments are paid in full.

SECTION 6. Transferability. The Grantee shall give ninety (90) days written notice of any sale or transfer of any portion of its plant or system to another, or transfer of any rights under this franchise to another. No such sale or transfer shall be effective until the vendee, assignee or lessee has filed with the Granter an instrument, duly executed, reciting the fact of such sale, assignment or lease, accepting the terms of this franchise, and agreeing to perform all the conditions thereof. Such assignment, sale or transfer shall not relieve Grantee of its obligation to fully comply with all of the provisions, terms and requirements of this franchise.

SECTION 7. Forfeiture of this Franchise. Failure by the Grantee to comply, in any substantial respect with any of the provisions, terms or requirements of this franchise shall result in a forfeiture. Notice of breach of the franchise shall be given to the Grantee in writing within thirty (30) days from the discovery of the breach, and Grantee shall be given thirty (30) days from the date of the notice to cure the breach or to make substantial progress acceptable to the Granter toward cure. If the breach is not cured in accord with the provisions above, forfeiture shall be effective upon a finding by a court of competent jurisdiction that Grantee has substantially breached any of the provisions, terms or requirements of this franchise. Both the Granter and Grantee reserve the right of appeal of such court findings. During the pendency of any court proceeding this franchise shall

Ordinance No. 1390
Page 6 of 12
remain in effect. The Grantee shall have one (1) month after the final determination of
the question to make restitution or make good the default or failure or to make substantial
progress acceptable to the Grantor before forfeiture shall result.

SECTION 8 Termination of Grant by Insolvency or Bankruptcy of Grantee. In
the event of a final adjudication of bankruptcy of the Grantee under Title 11 of the United
States Code, the Grantor shall have full power and authority to terminate, revoke and
cancel any and all rights granted under the provisions of this franchise.

SECTION 9 Indemnification, Liability and Insurance.

A. The Grantee agrees by the acceptance of this franchise to indemnify, keep
and save the Grantor, its council members, officers, boards, agents, and employees, free
and harmless, and defend, from and against all liability and expense, including reasonable
attorney’s fees, in connection with or on account of any and all claims whatsoever for
injuries, harm or damage to Persons or property arising out of or associated with (i) the
construction, maintenance, repair or operation of its Electric Utility System or its
provision of Electric Utility Service, or (ii) any act or omission of Grantee, its servant,
employee or agent, or (iii) the failure of Grantee, its servant, employee or agent, to
comply with the provisions of any federal, state or local statute, ordinance or regulation
applicable to Grantee in its business hereunder, or (iv) the employment by Grantee of any
Person in its business hereunder, or (v) any act or omission by or on behalf of Grantee’s
right to do business.

B. Grantee shall maintain throughout the term of this franchise sufficient
financial resources to provide self insurance insuring the Grantor and Grantee with regard
to all damages set forth in Paragraph A of this Section, in the minimum amounts of:

(i) $1,000,000 for bodily injury or death to a Person; $3,000,000 for
bodily injury or death resulting from any one accident.

(ii) $50,000 for property damage resulting from any one accident.

(iii) $1,000,000 for all other types of liability.

C. It is acknowledged by Grantor that Grantee provides its own liability
insurance, i.e., Grantee is self-insured. Grantee must submit on an annual basis
documentation that clearly demonstrates that it has accumulated sufficient financial
resources in order to provide insurance coverage as indicated in Paragraph B of this
Section.

D. Nothing contained herein shall be construed to waive Grantor’s immunity
from liability under the doctrine of sovereign immunity or Section 768.28, Florida
Statutes.
SECTION 10. Severability. Should any section or provision of this Ordinance, or any portion thereof, be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remainder, as a whole or any part hereof, other than the part declared to be invalid; provided, however, the Grantor may elect to declare that the entire agreement is invalidated if the portion declared invalid is, in the judgment of the Grantor, an essential part of this Ordinance, including without limitation, the obligation of Grantee to pay in full the Franchise Fee.

SECTION 11. Review and Revision of Franchise Provisions. Either party may from time to time request a review of any or all other provisions of this franchise, and the parties by mutual agreement may revise or add any provision.

SECTION 12. Other Franchises. Upon request of the Grantor, Grantee shall furnish Grantor a copy of all other municipal and county franchises that it has been granted from time to time during the term of this franchise, unless prohibited by law.

SECTION 13. Successors and Assigns. Whenever in this Ordinance either the Grantor or the Grantee is named or referred to, it shall be deemed to include the respective successor, successors or assigns of either, and all rights, privileges and obligations herein conferred shall bind and insure to the benefit of such successor, successors or assigns of the Grantor, or of the Grantee as herein provided.

SECTION 14. Rate, Rules, and Regulations.

A. The Grantee shall provide electric energy and power service within the limits of this franchise on reasonable terms and conditions at just, reasonable and nondiscriminatory rates to all who request said service during the term of this franchise and thereafter, as required by law or by July constituted public regulatory body.

B. The Grantee shall file with the Grantor and keep current a complete set of rules and regulations and a complete set of tariffs and rate schedules under which Electric Utility Service is provided under this franchise. Grantee shall furnish the Grantor a copy of its annual report to its stockholders as soon as it is produced.

SECTION 15. Proper Operation. Grantee's poles, towers, conduits, cables, conductors, transforming stations, generating stations, fittings, appliances and appurtenances shall be constructed in accordance with good engineering practices and so as not to unreasonably interfere with the proper use and appearance of the Streets, bridges and Public Places in the Franchise Area and shall be maintained in reasonably good condition and repair.


A. Whenever the Grantee shall cause any opening or alteration to be made in any of the Streets, bridges or Public Places within the Franchise Area for the purpose of installing, maintaining, operating or repairing any poles, towers, conduits, cables or other
appliances, the work shall be completed at Grantee’s expense within a reasonable time and the Grantee shall, upon the completion of such work, restore such portion of the Streets, bridges or other Public Places to as good or better condition as it was before the opening or alteration was so made, including landscaping and all other improvements, and will promptly remove any debris. Should the Grantee fail to complete restoration after seven (7) days’ notice provided in writing by the Grantor to Grantee, the Grantor may repair such portion of the Street or other public place that may have been disturbed by the Grantee, and the cost shall be charged to the Grantee.

B. No provisions of this Ordinance shall be construed to prohibit Grantor from imposing permitting for excavation, maintenance and restoration projects by Grantee, and requiring adequate security therefore, to assure appropriate planning, construction, completion and restoration of such projects.

SECTION 17. Interruption of Service. In the event the supply of electric energy should be interrupted or fail by reason of any cause beyond the control of the Grantee, the Grantee shall, at its own expense, restore the service within a reasonable time and such interruption shall not constitute a breach of this franchise nor shall the Grantee be liable for any loss or damages by reason of such interruption or failure. Failure to restore service within a reasonable time shall be a material breach of this franchise. Any substantial outage caused by the neglect or willful act of Grantee shall be a material breach of this franchise.

SECTION 18. Applicable Regulations. The franchise granted by this Ordinance is subject to the terms and conditions of all applicable provisions of the codes, law, rules and regulations of the Grantor, the State of Florida, and the United States Government.

SECTION 19. Accounting: Audit, Inspection.

A. Grantee shall keep an accurate set of books and records reflecting the Gross Revenue derived under and pursuant to the franchise rights herein granted for a period of five years. Said books and records shall reflect, in addition to information normally reflected pursuant to standard accounting and procedures, the name and service address of each Customer, dates of commencement and termination of services, the service charge and any other charges thereto, the billings and billing dates and the receipt of revenues. Any special contracts entered into between the Grantee and any Customer receiving Electric Utility Services within the Corporate Limits shall also be provided in their entirety for the purposes of the audit.

B. Grantor may cause, upon reasonable notice, an audit to be made of the books and records of Grantee in order to determine whether or not the franchise fees paid are the same as those required thereby. The omission by the Grantor to exercise its rights to any audit at any time shall not constitute a waiver of such right. In the event Grantor elects to exercise its right of audit, Grantor shall provide to Grantee written notice of such election at least forty-eight (48) hours in advance of the time of such audit. Grantor shall
have the right to select auditors to make the audit and the audit shall be made at Grantor's expense. Grantee shall make available to the auditor such Personnel and records as the Grantor may in its reasonable discretion request in order to complete such audit, and shall make no charge to the Grantor therefor. Such audits shall be conducted during regular business hours.

C. Grantor shall have the right to inspect the books, records, maps, plans and other like materials of Grantee related to its operations in the service area at any time during normal business hours.

D. Upon request by the Grantor, but no less than annually, the Grantee will prepare a statement of its estimate of Grantee's revenue by revenue account for the period covered by the statement signed by an authorized representative of the Grantee, in such reasonable form and detail as the Grantor may from time to time prescribe, sufficient to show the source and method of calculation of Grantee's revenue. The acceptance of any statement or payment shall not estop the Grantor from asserting that the amount paid is not the amount due or from recovering any deficit by any lawful proceeding, including interest.

SECTION 20. Repealing Clause. All ordinances or parts of ordinances in conflict herewith shall be and the same are hereby repealed to the extent of such conflict.

SECTION 21. Surrender of Rights. As a further consideration for the granting of the rights, privileges and franchises granted hereby, Grantee surrenders all rights, privileges and franchises heretofore granted by the Grantor for any of the purposes stated in Section 2 of this Ordinance and now enjoyed by Grantee in the Franchise Area; provided, however, that such surrender shall not be effective unless and until this Ordinance shall be finally adopted and in effect and the rights, privileges and franchises granted hereby shall be validly in force and effect.

SECTION 22. Attorney's Fees and Expenses. Except as otherwise provided herein, Grantor and Grantee hereby agree that if litigation becomes necessary to enforce any of the obligations, terms and conditions of this franchise, the prevailing party shall be entitled to recover a reasonable amount of attorneys' fees and court costs, including fees and costs on appeal, from the non-prevailing party, except as provided in Paragraph 4.C.


A. The rights and privileges granted to Grantee by this franchise shall be at all times subordinate and inferior to the rights of the public in and to the ordinary use of Grantor's Right-of-way and nothing in this franchise shall be considered as a surrender by Grantor of its right and power to use and relocate the use of its Right-of-way.

B. This franchise shall be governed by the laws of the State of Florida and applicable federal laws.
C. In the event that any legal proceeding is brought to enforce the terms of this franchise, the same shall be brought in Bay County, Florida, or, if a federal claim, in the U.S. District Court in and for the Northern District of Florida.

SECTION 24. Notices. Except in exigent circumstances (in which case notice by telephone and facsimile shall be attempted), all notices by either Grantor or Grantee to the other shall be made by either depositing such notice in the U.S. Mail, Certified Mail, return receipt requested or by facsimile. Any notice served by Certified Mail, return receipt requested, shall be deemed delivered five (5) days after the date of such deposit in the United States Mail unless otherwise provided. Any notice given by facsimile is deemed received by the next business day. "Business day" for purposes of this Section shall mean Monday through Friday, Grantor and Grantee observed holidays excepted. All notices shall be addressed as follows:

To Grantor:
City Manager
City of Panama City Beach
110 South Arnold Road
Panama City Beach FL 32413

To Grantee:
General Counsel
Gulf Power Company
P.O. Box 1151
Pensacola FL 32520-0300

Notice shall be given as required by the terms of this franchise and for all other emergencies. Notice shall be provided to the above-named addresses unless directed otherwise in writing by Grantor or Grantee.

SECTION 25. Non-Waiver Provision. The failure of either party to insist in any one or more instances upon the strict performance of any one or more of the terms provisions of this franchise shall not be construed as a waiver or relinquishment for the future of any such term or provision, and the same shall continue in full force and effect. No waiver or relinquishment shall be deemed to have been made by either party unless said waiver or relinquishment is in writing and signed by the parties.

SECTION 26. Meters. Grantee shall install and maintain, free of charge (unless a customer requests a special meter and a separate charge for that meter is permitted by the Florida Public Service Commission), meters and any other device useful or convenient for measuring current or services sold under this franchise, and shall have free access to the premises of the Consumer, from time to time, for the purpose of reading, repairing, testing and maintaining such meters or other devices and their appurtenances. Such meters, devices, and appurtenances shall remain the property of the Grantee.

SECTION 27. Undergrounding. Upon request, the Grantee shall submit to Grantor estimates of the price differential, if any, between above ground and underground distribution lines currently installed, or projected to be installed, within the Corporate Limits. The party requesting undergrounding shall be responsible for payment of a
reasonably calculated price differential, with the Grantee installing the underground distribution lines.

SECTION 28. Effective Date. This Ordinance shall be in force and effect upon its adoption by the Grantor's City Council; the term of this franchise shall commence on the Commencement Date, for a term of fifteen (15) years, provided the Grantee unconditionally accepts this Ordinance in writing filed with the City Clerk of the City of Panama City Beach on or before the _____ day of _______ March, 2016.

PASSED, APPROVED AND ADOPTED at the regular meeting of the City Council of the City of Panama City Beach, Florida, this _____ day of ____________, 2016.

ATTEST:

Mike Thomas, MAYOR

Diane Fowler, CITY CLERK

EXAMINED AND APPROVED by me this _____ day of ____________, 2016.

Mike Thomas, MAYOR

PUBLISHED IN the ____________ on the _____ day of ____________, 2016.

POSTED ON pcbgov.com on the _____ day of ____________, 2016.

Diane Fowler, CITY CLERK
REGULAR AGENDA
ITEM #4
**CITY OF PANAMA CITY BEACH**
**AGENDA ITEM SUMMARY**

<table>
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<tr>
<th>1. DEPARTMENT MAKING REQUEST/NAME:</th>
<th>2. MEETING DATE:</th>
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<th>3. Requested Motion/Action:</th>
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<td>APPROVE FIRST READING OF ORDINANCE 1393</td>
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<th>4. AGENDA</th>
<th>5. IS THIS ITEM BUDGETED (IF APPLICABLE)?</th>
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| 6. BACKGROUND:  (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED) |
| AT ITS LAST MEETING, COUNCIL APPROVED A MOTION SCHEDULING FUTURE MEETINGS FOR 9AM. TO FULLY ACCOMPLISH THE COUNCIL'S INTENT, AN ORDINANCE IS NECESSARY TO REVISE SECTION 2-16 OF THE CITY'S CODE OF ORDINANCES WHICH CODIFIES THE MEETING DATES AND TIMES FOR REGULAR MEETINGS OF THE CITY COUNCIL. |

STAFF RECOMMENDS APPROVAL OF FIRST READING, SUCH THAT STAFF CAN ADVERTISE A SECOND READING AND PUBLIC HEARING TO ADOPT THE ORDINANCE.
ORDINANCE NO. 1393

AN ORDINANCE OF THE CITY OF PANAMA CITY BEACH, AMENDING THE CITY’S CODE OF ORDINANCES RELATED TO MEETING TIMES OF THE CITY COUNCIL; REVISING THE MEETING SCHEDULE TO PROVIDE FOR REGULAR MEETINGS OF THE COUNCIL TO BEGIN AT 9AM; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT; PROVIDING FOR CODIFICATION AND PROVIDING AN IMMEDIATELY EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PANAMA CITY BEACH:

SECTION 1. From and after the effective date of this ordinance Section 2-16 of the Code of Ordinances of the City of Panama City Beach, related to Council Meetings is amended to read as follows:

Sec. 2-16. Meetings.
The regular meetings of the City Council shall be held on the second Thursday of each month beginning at 6:00 p.m. and the fourth Thursday of each month beginning at 9:00 a.m. in the George C. Cowgill Annex adjacent to City Hall, provided however, that the regular meeting of the City Council scheduled for the fourth Thursday in November and December may be cancelled or rescheduled by the City Council.

SECTION 2. All ordinances or parts of ordinances in conflict herewith are repealed to the extent of such conflict.

SECTION 3. The appropriate officers and agents of the City are authorized and directed to codify, include and publish in electronic format the provisions of this Ordinance within the Panama City Beach Code, and unless a contrary ordinance is adopted within ninety (90) days following such publication, the codification of this Ordinance shall become the final and official record of the matters herein ordained. Section numbers may be assigned and changed whenever necessary or convenient.

SECTION 4. This Ordinance shall take effect immediately upon passage.

PASSED, APPROVED AND ADOPTED at the regular meeting of the
City Council of the City of Panama City Beach, Florida, this ____ day of ______________, 2016.

__________________________
MAYOR

ATTEST:

__________________________
CITY CLERK

EXAMINED AND APPROVED by me this ____ day of ______________, 2016.

__________________________
MAYOR

Published in the __________________________ on the ____ day of ____________, 2016.

Posted on pcbgov.com on the ____ day of ______________, 2016.