



**CITY OF JACKSONVILLE BEACH
FLORIDA**

MEMORANDUM TO:

The Honorable Mayor and
Members of the City Council
City of Jacksonville Beach, Florida

Council Members:

The following Agenda of Business has been prepared for consideration and action at the Regular Meeting of the City Council on **Monday, February 16, 2015, at 7:00 P.M. in the Council Chambers, 11 North Third Street, Jacksonville Beach, Florida.**

**Opening Ceremonies: Invocation
Salute to the Flag**

Roll Call

1. **APPROVAL OF MINUTES:**

- Regular City Council Meeting held February 2, 2015

2. **ANNOUNCEMENTS:**

3. **COURTESY OF THE FLOOR TO VISITORS:**

4. **MAYOR AND CITY COUNCIL:**

- (a) Presentation of Resolution of Esteem to Harry Royal

5. **CITY CLERK:**

6. **CITY MANAGER:**

- (a) Acceptance of the Independent Auditor's Report on the General Purpose Financial Statements of the City of Jacksonville Beach for the Fiscal Year Ending September 30, 2014
- (b) Monthly Financial Report – Month of January 2015
- (c) Appointment of One Councilmember to Serve on the General Employees' Pension Board of Trustees

- (d) Authorize the City Manager to Sign the Transmission Operator Alliance Agreement Establishing Orlando Utilities Commission (OUC) as the Transmission Operator (“TOP”) for Beaches Energy Services, and Approving the Alliance Agreement
- (e) Ratify the Amendment to the Collective Bargaining Agreement with Laborer’s International Union of North America (LIUNA), Local 630, Effective March 1, 2015

7. **RESOLUTIONS:**

(a) **RESOLUTION NO. 1943-2015**

A RESOLUTION AMENDING THE CITY OF JACKSONVILLE BEACH POSITION CLASSIFICATION AND PAY PLAN FOR MANAGERIAL, PROFESSIONAL, ADMINISTRATIVE AND UNCLASSIFIED (NONUNION) CITY POSITIONS, EFFECTIVE MARCH 1, 2015.

8. **ORDINANCES:**

ADJOURNMENT

Respectfully submitted,

/s/George D. Forbes
CITY MANAGER

GDF:lds
02/12/15

If a person decides to appeal any decision made by the City Council with respect to any matter considered at any meeting, such person may need a record of the proceedings and, for such purpose, such person may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

The public is encouraged to speak on issues on this Agenda that concern them. Anyone who wishes to speak should submit the request to the City Clerk prior to the beginning of the meeting. These forms are available at the entrance of the City Council Chambers for your convenience.

In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities needing special accommodation to participate in this meeting should contact the City Clerk’s Office at (904) 247-6299, ext. 10, no later than 12:00 PM, Friday, February 13, 2015.

**Minutes of Regular City Council Meeting
held Monday, February 2, 2015 at 7:00 P.M.
in the Council Chambers, 11 North 3rd Street,
Jacksonville Beach, Florida.**



CALL TO ORDER:

Mayor Charles Latham called the meeting to order at 7:00 PM.

OPENING CEREMONIES:

Invocation was by Council Member Buck; followed by the Salute to the Flag.

ROLL CALL:

Mayor: William C. Latham

Council Members: Lee Buck Keith Doherty Christine Hoffman (absent)
 Bruce Thomason Phil Vogelsang Jeanell Wilson

Also present was City Manager George Forbes, and Acting City Clerk Nancy Pyatte.

APPROVAL OF MINUTES

It was moved by Ms. Wilson, seconded by Mr. Vogelsang, and passed unanimously, to approve the following minutes as presented:

- Regular City Council Meeting held January 20, 2015

ANNOUNCEMENTS

City Manager George Forbes

- Mr. Forbes stated that in USA Today, on the front page, there was a piece about 'Great Places to Visit in Florida' and both Jacksonville Beach and Neptune Beach were on that list.

Council Member Keith Doherty –

- Mr. Doherty reminded everyone about the 3rd Annual Chariots of Fur Run this coming weekend on February 7, 2015.

Mayor Latham –

Mayor Latham made the following announcements:

- The Mayor attended the dedication of the new Water Maintenance Building on January 28, 2015. The building was dedicated to the memory of a long time Public Works City employee, John Birch. Ty Edwards and his staff did a very nice job and it was a touching tribute to John.

- The Mayor attended the Four Chaplains Memorial Service on February 1, 2015. He stated it was an honor to represent the City and he thanked the American Legion Post 129 for hosting the annual event.
- The 'State of the Beaches' presentation, sponsored by the Beaches Watch, will be take place this Wednesday, February 4, 2015, at 7:00 PM in the Neptune Beach branch library.
- Chariots of Fur will be held Saturday, February 7, 2015 at 8:00 AM. This event sponsors the efforts of the St. Francis Animal Hospital, to provide health care to animals for those who cannot normally afford it. More information is online at www.StFrancisAnimalHospital.org.
- The Exchange Club is sponsoring a 'Bowl-a-Thon' this Sunday, February 8, 2015, at Beach Bowl from noon to 4:00 PM. The Mayor said there is a team for Jax Beach and all the council members are asked to participate. Our team's goal is to obtain \$1,000 in donations for the Exchange Club. If anyone wants to contribute to the Jax Beach team, please contact any of the council members.

COURTESY OF THE FLOOR TO VISITORS:

MAYOR AND CITY COUNCIL:

CITY CLERK:

CITY MANAGER:

- (a) Approve the City Manager's Decision to Appoint Laurie Scott to the Position of City Clerk, Effective February 3, 2015

Motion: It was moved by Ms. Wilson, seconded by Mr. Vogelsang, to approve the City Manager's decision to appoint Laurie Scott to the position of City Clerk, effective February 3, 2015.

Laurie Scott was introduced by the City Manager. Ms. Scott gave a powerpoint presentation (on file) to the Mayor and Council of her graphic biography.

Roll call vote: Ayes - Buck, Doherty, Thomason, Vogelsang, Wilson, and Mayor Latham; motion carried unanimously.

- (b) Appointment of Trustee to the Firefighters' Pension Board of Trustees

Motion: It was moved by Ms. Wilson, seconded by Mr. Vogelsang, to approve the appointment of a Trustee to the Firefighters' Pension Board of Trustees, to fill a vacancy and complete the term expiring on March 31, 2016.

Mr. Doherty made a motion to nominate Gaylord Candler for the appointment as a Trustee to the Firefighters' Pension Board of Trustees, seconded by Ms. Wilson.

Roll call vote: Ayes - Doherty, Thomason, Vogelsang, Wilson, and Mayor Latham;
motion carried unanimously.

(c) Appointment of Two Alternate Members to the Board of Adjustment

Motion: It was moved by Ms. Wilson, seconded by Mr. Vogelsang, to approve the reappointment of Mr. Truhlar to a new two-year term as the First Alternate member to the Board of Adjustment, which will expire on January 31, 2017.

Roll call vote: Ayes - Thomason, Vogelsang, Wilson, Buck, Doherty, and Mayor Latham;
motion carried unanimously.

Motion: It was moved by Ms. Wilson, seconded by Mr. Vogelsang, to approve the reappointment of Mr. Reddington to a new two-year term as the Second Alternate member to the Board of Adjustment, which will expire on January 31, 2017.

Roll call vote: Ayes - Vogelsang, Wilson, Buck, Doherty, Thomason and Mayor Latham;
motion carried unanimously.

The Mayor thanked the council members who attended the Board Interviews last week, stating there was a great turnout – only two council members were unable to attend. He commented that this process provides the opportunity to meet current board members as well as new applicants. Mr. Latham noted there was discussion about changing the alternate positions to regular member positions. The City will research the legal requirements to confirm if this is an option for the various boards.

(d) Appoint One Regular Member and Two Alternate Members to the Planning Commission

There was a brief discussion about the pros/cons of placing term limits for the board members, and the value of knowledgeable and experienced long-time board members.

Motion: It was moved by Ms. Wilson, seconded by Mr. Vogelsang, to approve the reappointment of Mr. Dahl to a new four-year term on the Planning Commission as a Regular Member, which will expire on January 31, 2019.

Roll call vote: Ayes - Wilson, Buck, Doherty, Thomason, Vogelsang, and Mayor Latham;
motion carried unanimously.

Motion: It was moved by Ms. Wilson, seconded by Mr. Vogelsang, to approve the appointment of Mr. Sanders to a new two-year term on the Planning Commission as the First Alternate Member, which will expire on January 31, 2017.

Roll call vote: Ayes - Buck, Doherty, Thomason, Vogelsang, Wilson, and Mayor Latham; motion carried unanimously.

The Mayor provided a description of the duties of the alternates as follows:

- attend all meetings
- hear, review, consider applications
- vote in the absence of a regular member

Motion: It was moved by Ms. Wilson, seconded by Mr. Vogelsang, to approve the appointment of Mr. Jones to a new two-year term on the Planning Commission as the Second Alternate Member, which will expire on January 31, 2017.

Roll call vote: Ayes - Doherty, Thomason, Vogelsang, Wilson, Buck, and Mayor Latham; motion carried unanimously.

(e) Award Bid Number 1415-04 Carpet Installation for City Buildings to **Carpet Image Services, Inc.**

Motion: It was moved by Ms. Wilson, seconded by Mr. Vogelsang, to Award Bid Number 1415-04 Carpet Installation for City Buildings to **Carpet Image Services, Inc.**, for a total amount including contingencies of \$55,935 as described in the memorandum from the Purchasing Administrator dated January 22, 2015.

Mr. Forbes stated that the carpeting in both City Hall and the Operations & Maintenance Facility (O&M) has exceeded its useful life and is in need of replacement. Last year the carpet replacement was started in City Hall. First completed was Planning and Development, and replacement has started in the City Clerk's office and four offices on the second floor. Mr. Forbes said they might install vinyl flooring for the second floor hallways.

Mr. Forbes explained that due to grade density, yarn weight and thickness, the lowest and best bid, not the lowest bid, was recommended. Jason Phitides, Purchasing Administrator, displayed samples of carpet tiles showing the difference in quality and Carpet Image provided the best quality product.

Roll call vote: Ayes - Vogelsang, Wilson, Buck, Doherty, Thomason, and Mayor Latham; motion carried unanimously.

(f) Approve the Dedication to the City and Acceptance for Maintenance of the Public Infrastructure Improvements (Potable Water, Sanitary Sewer, Stormwater, and Roadway and Underground Electrical Improvement) Constructed by the Developer, *Richmond American Homes of Florida, LP*

Motion: It was moved by Ms. Wilson, seconded by Mr. Vogelsang, to Approve the Dedication to the City and Acceptance for Maintenance of the Public Infrastructure Improvements

for the Ocean Terrace Subdivision as described in the memorandum from the Public Works Director dated January 22, 2015.

Mr. Forbes said Ocean Terrace is the new subdivision under construction on South Beach Parkway. He stated that when a subdivision is completed – streets are in, water/sewer/electric installed – when that’s completed and approved by the City, along with the warranty bond in place, the Council is asked to approve the subdivision.

Mr. Vogelsang inquired when the lane would be added to South Beach Parkway. Mr. Forbes stated that within the next thirty days he anticipated the next phase will come before the Council to discuss, when we’ll be at 60% of the design. After design, the project will be bid and construction can begin. Also, BES first has to remove their poles and install those lines underground. Mr. Forbes stated it will be a while before we’re at the final design phase for Council approval.

Mr. Forbes expressed congratulations to Ty Edwards and Public Works, and the contractor for completing the stormwater project as quick as they did in that area. The traffic rerouting flowed well even during the peak hours.

Roll call vote: Ayes - Vogelsang, Wilson, Buck, Doherty, Thomason, and Mayor Latham;
motion carried unanimously.

ADJOURNMENT:

There being no further business the meeting adjourned at 7:28 PM.

Submitted by: Nancy J. Pyatte
Acting City Clerk

Approval:

William C. Latham, MAYOR

Date: February 16, 2015

Distinguished Service Award

Harry E. Royal

Whereas, Harry E. Royal is a native resident of Jacksonville Beach; and

Whereas, Mr. Royal received his MBA from The University of North Florida and was a graduate of The Florida State University; and

Whereas, Mr. Royal began his career with the City of Jacksonville Beach in 1992 serving as the Finance Officer; and

Whereas, Mr. Royal received the Government Finance Officers Association Award for Excellence in Financial and Budgetary Reporting for twenty years in a row; and

Whereas, Mr. Royal served as a member of the Florida League of Cities Municipal Finance and Taxation Committee and received recognition by the League as the most effective municipal lobbyist for the 2012 legislative session; and

Whereas, Mr. Royal was an instrumental member of the City's pension reform team that enabled the City to not only retain its defined benefit pension plans but, to put them in sound financial condition for the future; and

Whereas, Mr. Royal served on the City's health insurance committee and actively participated in the successful decisions that guided the City through the health care crisis and health care reform; and

Whereas, Mr. Royal served on the Audit and Risk Oversight Committee for the Florida Municipal Power Association; and

Whereas, Mr. Royal Exhibited a tremendous depth of knowledge as a dedicated professional who demonstrated his command of the City's financial position at council meetings; and

Whereas, Mr. Royal enhanced thinking and practiced conservative spending which built reserves allowing the City to endure lean budget years during a recession and, through sound financial management and stewardship, the City will be debt free in five years

Now, hence, be it resolved, that the Mayor and City Council honor Finance Officer, Harry Ellis Royal, with the highest respect, admiration, and esteem, for his dedicated and distinguished service to the City and its residents. The Mayor and City Council hereby present this award to Harry E. Royal.

Authenticated this 16th day of February, 2015.

Charlie Latham, MAYOR

City of
Jacksonville Beach
City Hall
11 North Third Street
Jacksonville Beach
FL 32250
Phone: 904.247 6274
Fax: 904.270 1 642

www.jacksonvillebeach.org

February 9, 2015

MEMORANDUM

TO: George D. Forbes
City Manager

From: Harry E. Royal
Finance Officer

RE: Audit Report for the Fiscal Year Ending September 30, 2014

ACTION REQUESTED:

Acceptance of the independent auditor's report on the general purpose financial statements of the City of Jacksonville Beach for the fiscal year ending September 30, 2014.

BACKGROUND:

A copy of the City's Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2014 has been provided for your review. We have scheduled a workshop for 6:30 P.M. on February 16, 2015 to discuss the report with the City Council. We again received an unqualified audit opinion on our annual financial report. In addition, the auditors have found no major deficiencies in internal controls or any compliance violations of any laws or regulations. If you or the Mayor and Council Members have any questions for me prior to the workshop, please give me a call at 247-6274.

We will submit this report to the Government Finance Officers Association for the Certificate of Achievement Award for Financial Reporting. Last year we were one of only 1,908 cities (36,010 cities in the United States) that received this award nationwide.

RECOMMENDATION:

Accept the Comprehensive Annual Financial Report for fiscal year ending September 30, 2014.





February 3, 2015

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Jacksonville Beach, Florida:

Florida Statutes require that all general purpose local governments publish within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report for the City of Jacksonville Beach, Florida, for the fiscal year ended September 30, 2014.

This report consists of management's representations concerning the finances of the City of Jacksonville Beach, Florida (the City). Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, the City's management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Purvis, Gray and Company, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon their audit, that there is a reasonable basis for rendering unqualified opinions on the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City for the fiscal year ended September 30, 2014, and that the City's financial statements are presented fairly in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City is sometimes part of a broader federal and state mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. This year the City did not meet the minimum expenditures required for a state or Federal Single Audit.

City of
Jacksonville Beach

City Hall
11 North Third Street
Jacksonville Beach

FL 32250

Phone: 904.247 6274

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www.jacksonvillebeach.org



GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City was incorporated in 1907 and is located on the northeastern part of the state. The City currently occupies a land area of 8.06 square miles and serves a population of over 22,000. The City is empowered to levy a property tax on both real and personal properties located within its boundaries.

The City has operated under the council-manager form of government since 1937. Policy-making and legislative authority are vested in a governing council consisting of the mayor and six other members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the government's manager and attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The Council is elected on a nonpartisan basis. Council members are elected to four-year staggered terms with three council members elected every two years. The mayor is elected to a four-year term. Three council members are elected from within their districts, and the mayor and the remaining three council members are elected at-large.

The City provides a full range of services that include police and fire protection, sanitation services, the maintenance of streets and infrastructure, recreational activities and cultural events. In addition to general government activities, the City provides a full range of utility services including electric, natural gas, stormwater drainage, water, and wastewater treatment.

The annual budget serves as the foundation for the City's financial planning and control. All City departments are required to submit requests for appropriation to the City Manager. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the City Council for review. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30 of each year. The City Council annually adopts a budget resolution for all funds of the City except capital projects funds. Project-length financial plans are adopted for capital projects funds.

The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Management must seek City Council approval to make budgetary amendments at the departmental level in the general fund, and at the fund level for all other funds. Management may, however, make a budget adjustment as long as it does not increase the overall budget for a department within the general fund or for any other fund in total. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbered appropriations are carried forward into subsequent years' budget without being rebudgeted. All encumbered budget appropriations, except project budgets, lapse at the end of each fiscal year. Encumbrances existing at year-end are recorded as reservations of fund balance and do not require re-appropriation.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue funds, this comparison is presented as part of the basic financial statements for the governmental funds beginning on page 27. For other nonmajor governmental funds with appropriated annual budgets, this comparison is presented in the combining and individual nonmajor fund subsection of this report, starting on page 83.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local Economy

The City, which is adjacent to the Atlantic Ocean, has grown into a solid business, resort, and residential community that is in close proximity to historical, entertainment, and tourism attractions. The City has a considerable commercial district that includes shopping centers, restaurants, and hotels, which contributes significantly to its economy. Major employers in the area include: the United States Navy and the Beaches Baptist Medical Center.

Even though the City is the economic center of the beaches area, housing is still the dominant land use, occupying well in excess of 66% of the developed land areas of the City. Approximately 55.5% of the City's housing is comprised of single-family homes and 44.5% is multifamily dwellings based on U.S. Census Bureau estimates. Generally, the quality of the housing is high, with approximately 50% of the housing built since 1980. The City is a mature community, which is nearly fully developed.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2013. This was the twentieth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR that satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the government also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2013. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories: as a policy document, a financial plan, an operations guide, and a communications device.

Preparation of the financial report would not have been possible without the commitment and dedication of the Finance Department. We would like to express our appreciation to members of all departments who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and City Council for their unfailing support in the management of the finances for the City.

Respectfully submitted,



George D. Forbes
City Manager



Harry E. Royal, C.P.A., M.B.A.
Finance Office

February 4, 2015

MEMORANDUM

City of

Jacksonville Beach

City Hall

11 North Third Street

Jacksonville Beach

FL 32250

Phone: 904.247.6299 ext. #10

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Fax: 904.247.6256

E-Mail: cityclerk@jaxbchfl.net

www.jacksonvillebeach.org

TO: The Honorable Mayor and
Members of the City Council

FROM: Nancy J. Pyatte, Acting City Clerk

SUBJECT: Appointment of Council Member to General Employees'
Pension Board of Trustees

ACTION REQUESTED:

Appointment of one councilmember to serve on the General Employees'
Pension Board of Trustees.

BACKGROUND

Pursuant to the Jacksonville Beach Code of Ordinances, Section 2-162.24(b)
Board of Trustees, the General Board consists of five (5) members, as
follows:

- Two (2) members of the City Council, appointed by the City Council
(Serve at the pleasure of the Council)
- Two (2) members of the General Employees' Retirement System,
elected by the current employees of the General Employees'
Retirement System
- A fifth member selected by the four (4) members and appointed, as
a ministerial act, by the City Council

Councilmember Steve Hartkemeyer served as a trustee since August 2011.
His term of office expired in November 2014 and a member of the Council
needs to be appointed.

Following discussion with Councilmembers, newly elected Councilmember
Bruce Thomason has agreed to serve as a trustee, if appointed by Council.
The term of office will become effective upon appointment and will continue
at the Council's pleasure.

RECOMMENDATION:

Appoint Councilmember Bruce Thomason, to serve as a trustee on the
General Employees' Pension Board.

/njp





BEACHES ENERGY
SERVICES

MEMORANDUM

To: Mayor and City Council

From: George D. Forbes, City Manager

Date: February 2, 2015

Re: Transmission Operator Alliance Agreement between the Orlando Utilities Commission, Beaches Energy Services, and the Kissimmee Utility Authority.

ACTION REQUESTED:

Authorize the City Manager to sign the Transmission Operator Alliance Agreement establishing Orlando Utilities Commission (OUC) as the Transmission Operator ("TOP") for Beaches Energy Services, and approving the Alliance Agreement.

BACKGROUND:

Beaches Energy Services is a North American Electric Reliability (NERC) registered Transmission Operator (TOP) responsible for the reliability of its local transmission system and the operation of its own Control Center to monitor, manage and operate its transmission facilities which are interconnected with the Bulk Electric System. NERC reliability standards continually evolve to keep pace with technological and regulatory changes. Existing standards are assessed and revised, and new standards are developed when necessary.

In particular, new NERC Critical Infrastructure Protection ("CIP") standards (Version 5), present significant challenges to electric utilities. On the transmission side, many utilities, particularly small- to mid-sized operators, have yet to deploy robust NERC Critical Infrastructure Protection (CIP) programs and will struggle to meet the requirements of CIP Version 5. Under the new standard, new classifications of assets will require additional funding (includes both an initial investment and annual operating and maintenance costs), additional staffing, and technical solutions to ensure the protection and security of transmission system assets. These changes introduce an increased risk of non-compliance and associated penalties to registered Transmission Operators (TOP) such as Beaches Energy Services.

Following several months of discussion and negotiation, a mutual agreement has been reached among Beaches Energy Services (member), Orlando Utilities Commission (member/agent), and Kissimmee Utility Authority (member), to adopt a Transmission Operator Alliance Agreement ("Alliance Agreement"). This Alliance Agreement, which introduces operational and administrative efficiencies into each member's operations and compliance efforts, will save thousands of dollars for the customers of all three member utilities, significantly reduce the risk of operational and cyber security regulatory compliance violation penalties, and avert the need for additional Beaches Energy staff to deal with the

growing compliance workload. Beaches Energy Services analysis shows an up-front cost savings of more than \$1.46 million dollars by entering into the agreement versus implementing our own solution. Additionally, we estimate a cost savings of \$190,000 per year in operating and maintenance costs by adopting this agreement.

Attached is a copy of the final proposed Transmission Operator Alliance Agreement and letters from Orlando Utilities Commission (OUC) management estimating the initial investment and operating budgets for the first three years of the agreement. **Key provisions of this Agreement include:**

- An Executive Committee composed of an executive from each of the 3 utilities. This committee must approve the Annual Budget for the Alliance Agreement and the Operational Handbook, and work to resolve any disputes.
- An Operational Committee consisting of an employee of each of the 3 utilities that is responsible for the oversight of operational matters with respect to the Alliance. The Committee must develop an operational handbook containing procedures, policies, and methodologies to be consistent with applicable NERC Reliability Standards.
- Term of agreement: Perpetual, but any party can terminate upon 3 years advance notice.
- Equal Sharing of any NERC penalties unless there is gross negligence, or unanimous agreement of the Executive Committee on another formula.
- Initial one-time cost of \$585,000, to reimburse OUC for up-front costs of \$3.5 million. The one-time cost can be paid over 3 years (See attached budget).
- Initial annual costs of \$470,000 that are primarily composed of control center operator salaries and compliance staff labor (See attached budget).

RECOMMENDATION:

Authorize the City Manager to execute the Transmission Operator Alliance Agreement.



The Reliable One®

January 27, 2015

Mr. George Forbes
City Manager
Jacksonville Beach
11 North Third Street
Jacksonville Beach, FL 32250

Mr. Greg Woessner
Vice President, System Compliance & Operations
Kissimmee Utility Authority
1701 W. Carroll Street
Kissimmee, FL 34741

Dear George and Greg:

As discussed during our last meeting, OUC is providing information related to TOP Alliance budgets.

In preparation for being compliant with CIP version 3 and subsequently, CIP version 5, OUC invested over \$3.51 million. The costs were primarily in the areas of Compliance, the Energy Management System (EMS), physical security for the control center, and communications. OUC utilized both internal and contracted labor to develop and document our processes and procedures, install hardware and software to better secure the EMS, and modified our physical security system to secure the control center to meet CIP standards. Because the control center houses both TOP and BA functions, the FMPP for which OUC performs the BA function, has agreed to split the compliance related costs 50/50 with the TOP. Therefore, the \$3.51 million has first been divided in half with the FMPP, and then into thirds among the TOP Alliance members yielding a cost per participant of \$585,000 for historical investment costs. These costs will be amortized over a three-year period and will be included in a monthly bill beginning October 1, 2015.

Operating costs are budgeted to be \$470,000 annually per TOP Alliance member and are primarily composed of control center operator salaries and to a lesser extent, EMS and Compliance staff labor for maintenance of CIP compliance. These charges will be based on actual expenses. Any costs beyond the budgeted amount will be brought to the TOP Alliance Executive Committee for approval.

Please let me know if you have any questions.

Sincerely,

Clint Bullock
Vice President
Electric & Water Delivery

CB:ads

ORLANDO UTILITIES COMMISSION

Reliable Plaza at 100 West Anderson St | P O Box 3193 | Orlando, FL 32802 | 407.423.9100 Tel | 407.236.9616 Fax | www.ouc.com



The Reliable One[®]

January 28, 2015

Mr. George Forbes
City Manager
Jacksonville Beach
11 North Third Street
Jacksonville Beach, FL 32250

Mr. Greg Woessner
Vice President, System Compliance & Operations
Kissimmee Utility Authority
1701 W. Carroll Street
Kissimmee, FL 34741

Dear George and Greg:

In response to a request regarding additional details for the TOP Alliance annual budget, I submit the following information:

TOP Alliance Budget Detailed Breakdown

\$950,000	5 Certified NERC System Operators at \$190,000/year	Salaries, benefits, overtime	TOP only
\$200,000	OUC Compliance Staff	Hourly rate plus benefits	Split 50/50 between BA and TOP (\$400,000 annual budget)
\$135,000	EMS Staff	Hourly rate plus benefits	Split 50/50 between BA and TOP (\$270,000 annual budget)
\$65,000	EMS Software Maintenance Expense	Annual maintenance	Split based on applicability of applications
\$60,000	Communications Systems and Other Support	Hourly rate plus benefits	Specific charges for TOP activities

\$1,410,000	Divided among the three TOP Alliance members = \$470,000
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Please let me know if you have any additional questions.

Sincerely,

Clint Bullock
Vice President
Electric & Water Delivery

CB:ads

ORLANDO UTILITIES COMMISSION

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Revision Date: January 22, 2015

TRANSMISSION OPERATOR ALLIANCE AGREEMENT

AMONG

**ORLANDO UTILITIES COMMISSION, KISSIMMEE UTILITY AUTHORITY,
AND THE CITY OF JACKSONVILLE BEACH, D/B/A, BEACHES ENERGY
SERVICES**

THIS TRANSMISSION OPERATOR ALLIANCE AGREEMENT (“ALLIANCE AGREEMENT”) is made as of the ___ day of _____, 2015 (the “**Effective Date**”) by and between **ORLANDO UTILITIES COMMISSION (“OUC”), KISSIMMEE UTILITY AUTHORITY (“KUA”), and THE CITY OF JACKSONVILLE BEACH, D/B/A, BEACHES ENERGY SERVICES (“BEACHES ENERGY”)** each a —municipal utility engaged in the production and/or distribution of electricity. (collectively referred to as the “**Parties**”, and separately as a “**Party**”).

RECITALS

WHEREAS, each of the Parties is a NERC registered Transmission Operator (“TOP”) responsible for the reliability of its local Transmission system and operates its own Control Center to direct and operate its Transmission facilities which are interconnected to the Bulk Electric System (“BES”); and

WHEREAS, NERC has developed Critical Infrastructure Protection (“CIP”) Standards for the industry that mandates all TOPs to be in compliance with CIP version 5 Standards on or before April 1, 2016; and

WHEREAS, most TOPs will need to make substantial monetary investments in their Control Centers over the next two years in order to be compliant with the aforesaid CIP Standards; and

WHEREAS, the Parties desire to reduce their respective liabilities related to CIP compliance and achieve greater efficiencies and cost savings through economies of scale realized from creating a single centralized TOP Control Center (primary and back-up) and share in the cost of operating one centralized TOP; and

WHEREAS, OUC has made substantial investments in its Control Center to meet NERC CIP cyber and security standards and desires to provide the resources necessary to provide centralized BES transmission system operations including staffing, facilities, compliance and EMS; and

WHEREAS, the Parties have entered into a non-binding letter of intent (“Letter of Intent”) with the mutual desire to form a joint BES Transmission Operator alliance (“Alliance”);

designate and authorize OUC to act as the NERC certified system operator for the Alliance; establish preliminary terms and conditions of OUC assuming the role as the NERC certified system operator for the Alliance; and to set forth the understanding of the Parties with respect to a formal written agreement governing the operations of the Alliance; and

WHEREAS, the Parties entered into a Transmission Operations Alliance Preliminary Funding and Initial Work Agreement (“Preliminary Funding and Initial Work Agreement”) in order to, among other things, set forth the understandings of the Parties with respect to the establishment of the Alliance, the preparation of a definitive agreement to govern the operation of the Alliance, establish the initial funding requirements for preliminary study and other activities necessary to implement the Alliance, and identify such preliminary study and other activities and the Party or Parties responsible for carrying them out; and

WHEREAS, the Parties desire to establish the Alliance, in accordance with the Letter of Intent and Preliminary Funding and Initial Work Agreement, and to establish this definitive agreement to govern the operation of the Alliance.

NOW THEREFORE, the Parties agree as follows:

1. **RECITALS.** The foregoing recitals are true and correct and are incorporated herein by this reference.

2. **DEFINITIONS.** The Parties agree that in construing this Alliance Agreement, capitalized words, phrases and terms used in this Alliance Agreement unless the context requires otherwise shall have the meaning set forth in Schedule A to this Alliance Agreement, which is incorporated herein by this reference.

3. **TERM AND TERMINATION.** This Alliance Agreement shall commence on October 1, 2015 and continue in perpetuity; provided, however, that any Party at any time may withdraw from the Alliance, and thereby terminate its participation in this Alliance Agreement, upon giving written notice of its intent to withdraw to all Parties no later than three years prior to the notified termination date.

4. **ORGANIZATION AND GOVERNANCE.**

(a) **Establishment of Committees.** As a means of securing effective cooperation, exchange of information and orderly management of the Alliance, the Parties agree that oversight and governance of the Alliance will be provided by an Executive Committee and an Operating Committee shall be established for oversight of operational matters as set forth below:

(i) **Executive Committee.** Each Party, by written notice signed by an officer duly authorized to commit such Party, shall designate a representative to serve on the Executive Committee and an alternate authorized to act in the absence of the designated representative.

(1) **Function of the Executive Committee.** The Executive Committee shall implement this Alliance and shall be responsible for determining policy with respect to all matters within the scope of this Alliance. The Executive Committee will further serve to resolve

any disputes between the parties arising under the Alliance prior to going into litigation. Each member of the Executive Committee shall be entitled to one vote. All decisions by the Executive Committee shall be by a 2/3 super majority consent of those members present.

(2) Executive Committee Meetings. At least ten (10) days written notice of any meetings of the Executive Committee shall be given by the chairman to each member and alternate member of the Executive Committee. The notice shall state the time and place of the meeting and shall include an agenda of the items to be considered. Except by unanimous consent of those present, no action shall be taken on any item other than those included on the agenda. The roles of committee officers and the parliamentary procedure used to conduct meetings shall be as generally described in Robert's Rules of Order.

(3) The Executive Committee, at least annually at an appropriate location, shall review the operations of the Alliance and make a good faith effort to resolve any inequities for any of the Parties which have arisen from the operation of the Alliance, or as a result of the terms of the definitive agreement or any other agreement(s) between the Parties. The Executive Committee shall meet at least annually and at such times as the chairman may determine or as requested by two or more of the Executive Committee members.

(4) A representative from OUC shall serve as the chairman of the Executive Committee for the Initial Term. The Executive Committee shall select from among its members a vice chairman who will serve for the Initial Term. Thereafter, the Executive Committee shall select from among its members a chairman and vice chairman who will serve a term of two years. Commencing thereafter, and every two years thereafter, the vice chairman shall become the chairman and a new vice chairman shall be selected by the Executive Committee. If the chairman or vice chairman position becomes vacant, the Executive Committee shall select from among its members a chairman or vice chairman who shall serve the remainder of the term for the vacant position. Notwithstanding the foregoing, should the chairman position becomes vacant and a vice chairman was selected, then said vice chairman shall become the new chairman and a new vice chairman shall be selected by the Executive Committee.

(ii) Appointment of Members to Operating Committee. Each member of the Executive Committee shall appoint by written notice to the other members, a representative and alternate(s) to serve on the Operating Committee.

(1) Function of the Operating Committee. The Operating Committee shall be responsible for oversight of operational matters with respect to the Alliance and shall develop –an Alliance Handbook (“Handbook”) containing governing practices, procedures, policies, methodologies and other governing document for the Alliance and shall submit the same to the Executive Committee for approval. These practices shall be consistent with applicable NERC Reliability Standards where applicable. The Operating Committee shall also be responsible for ensuring the performance of all tasks and functions associated with compliance with the NERC Reliability Standards requirements. In order to fulfill the assigned responsibilities, the Operating Committee chairman shall have the authority to establish such subcommittees, working groups and task forces as he or she deems necessary. The Executive Committee may delegate authority to the Operating Committee to amend certain portions of the Handbook; decisions on such amendments –shall be by the same voting requirements of the

Executive Committee. All other decisions of the Operating Committee shall be by a majority vote of those members present.

(2) Operating Committee Meetings. Except as provided in Section (4)(a)(ii)(3) below, at least ten (10) days written notice of any meetings of the Operating Committee shall be given by the chairman to each member of the Operating Committee. The notice shall state the time and place of the meeting and shall include an agenda of the items to be considered. Except by unanimous consent of those present, no action shall be taken on any item other than those included on the agenda. The roles of committee officers and the parliamentary procedure used to conduct meetings shall be as generally described in Robert's Rules of Order.

(3) The Operating Committee, at least annually, shall review the operations of the Alliance and make a good faith effort to resolve any inequities for any of the Parties which have arisen from the operation of the Alliance, or as a result of the terms of the definitive agreement or any other agreement(s) between the Parties. The Operating Committee shall meet in person at least annually and at such times as the chairman may determine or as requested by two or more of the Operating Committee members. Notwithstanding anything to the contrary herein, the chairman may call for meetings or conference calls, with or without notice, on an as needed basis when operational circumstances or compliance related events dictate.

(4) A representative from OUC shall serve as the chairman of the Operating Committee for the Initial Term. The Operating Committee shall select from among its members a vice chairman who will serve for the Initial Term. Thereafter, the Operating Committee shall select from among its members a chairman and vice chairman who will serve a term of two years. Commencing thereafter, and every two years subsequently, the vice chairman shall become the chairman and a new vice chairman shall be selected by the Operating Committee.

(b) Authorization of Committee Action and Conduct of Meetings. The Parties recognize that certain actions or recommendations of the Executive and Operating Committees may require further authorization of their respective governing boards consistent with existing charter and other procedures applicable to each. The Parties further acknowledge that the Executive and Operating Committees need to be familiar with and be prepared to comply with all applicable notice, recordkeeping and other requirements set forth in Florida's open meetings law, as set forth in Florida Statutes, Chapter 286, to the extent meetings of either committee are subject to the law.

5. **ROLES, RESPONSIBILITIES AND AUTHORITY OF THE PARTIES.** The roles, responsibilities and authority of the Parties in conducting the business of the Alliance are set forth in the following:

(a) TOP Alliance Handbook. After execution of this Agreement, the Parties will develop a TOP Alliance Handbook ("Handbook") containing the governing policies, procedures, methodologies and similar governing documents for the business of the Alliance. The TOP Alliance Handbook will be approved by the Executive Committee and is hereby incorporated into this agreement by reference. Amendments to the Handbook may be made by the Executive

Committee, which may delegate authority to amend certain portions of the Handbook to the Operating Committee.

(b) Responsibility Assignment. OUC shall act as Agent for the performance of TOP Control Center based functions and as such OUC shall be the NERC certified System Operator for the Parties' Bulk Electric System with respect to Transmission Operations Control Center functions. The Parties agree to enter into a NERC Coordinated Functional Registration Agreement ("Registration Agreement") with OUC as necessary for the performance of and compliance with all NERC Reliability Standards and requirements within said standards with respect to the matters contemplated herein, and is attached hereto and incorporated herein as Exhibit 1. The responsibility for performing and demonstrating compliance to each individual NERC requirement applicable to TOPs will be set forth within Appendix 1 of the Registration Agreement ("Responsibility Assignment"). Any requirements not assigned to OUC according to the Responsibility Assignment will remain the responsibility of the individual entities. The Registration Agreement will be submitted to FRCC for approval; however non-approval does not release any member from performance of said requirements as assigned in the Registration Agreement. Amendments to the Registration Agreement shall be considered upon changes in regulation, such as when FERC approves a NERC standard, and best efforts by all Parties shall be made to incorporate any necessary changes to comply with the new or revised regulation before the effective date of that regulation. OUC shall be responsible for maintaining the Responsibility Assignment and bringing to the attention of the Executive Committee required modifications. Any necessary amendments to the Registration Agreement shall be made by the Executive Committee.

Parties agree to provide OUC, as needed, with sufficient data and information to demonstrate full compliance with requirements assigned to OUC as identified within Appendix 1 of the Registration Agreement but not specifically required to be performed within a Control Center.

In addition, the Parties agree to:

- (a) Authorize OUC to arrange for new interchange agreements if needed.
- (b) Provide OUC with studies to be used to plan for reliable operations.
- (c) Ensure the TOP System Operator participates in the Parties system planning process.
- (d) Notify OUC of any of the following:
 - (i) Intent to implement an Under Voltage Load Shed system
 - (ii) Any changes in protection systems configurations or settings
 - (iii) Any relay or equipment failures
 - (iv) Any significant changes in load
- (e) Implement and abide by the following which may be modified from time to time and or hereby incorporated by reference:

- (i) OUC GMD Operating Procedure
- (ii) OUC Event Reporting Operating Plan
- (iii) OUC SOL Identification Methodology

(c) Control Center Cutover. The Parties have developed a TOP Control Center Cutover schedule that identifies the dates and capabilities/authorities for operation of the individual TOP BES. The Control Center Cutover schedule is attached hereto as Exhibit 2 and hereby incorporated into this agreement. Each Party (except for OUC) will submit to FRCC notice of moving its primary and back-up Control Center(s) to OUC.

(d) Other OUC Responsibilities. OUC will further be responsible for:

- a. Maintaining OUC Control Center Facility to the current version of the NERC CIP Standards
- b. Maintaining NERC Certified Personnel.
- c. Ensuring the Control Center Operators follow OUC operational procedures and processes.
- d. Obtaining TOP Control Center Certification.
- e. Fulfilling applicable obligations of the Reliability Coordinator (e.g., the FRCC Handbook), including those not contained within the NERC standards.

(e) No Preference. OUC will perform its responsibilities associated with this Alliance Agreement without any preferential treatment to any member of the Alliance.

6. COST AND LIABILITY SHARING

(a) Initial Cost. Each Party agrees to pay to OUC a one-time, non-refundable fee for the initial investment, set-up for each Party and upgrading of the Control Center. The initial cost is based on the number of participants (inclusive of OUC) in the Alliance and is set at \$585,000 per participant based on the number of current Alliance members. Payment of this fee may be amortized over a period not to exceed three years and shall begin no later than October 1, 2015. Should additional participants enter into the Alliance after the initial contract execution, all existing participants will receive a weighted share of the new participant's fee in the form of a reduced monthly payment or as a lump sum should a participant's obligation be paid in full. The weighting shall be proportional to the number of full weeks that member has been participating in the Alliance with the exception that the original three members will be credited with an additional 52 weeks each for use in calculating the percentage. The amount of the new participant's charge shall be approved by the Executive Committee.

(b) Annual Operating Costs. Each Party agrees to share in the actual cost of operating the Control Center(s) including costs associated with system operators, EMS support,

software, hardware, and compliance labor. The initial budget to cover anticipated operating costs for the first year, based on the number of current Alliance members is \$470,000 per member.

(c) Sharing of Penalties, Sanctions or Fines.

(i) Unless overridden by unanimous vote of the Executive Committee, any penalties, sanctions, fines or costs associated therewith assessed by FERC, NERC, or FRCC upon OUC for OUC's responsibilities as established in Appendix 1 of the Registration Agreement for actual or alleged violations of a Reliability Standard, except as caused by gross negligence, shall be allocated equally amongst the Parties. This equal allocation shall not apply to penalties, sanctions, fines or costs ("liability") assessed against ~~OUC-any Party~~ for any requirement not set forth in Appendix 1 of the Registration Agreement. Such liability would remain ~~that Party's responsibility~~OUC's alone.

(ii) Any penalties, sanctions, fines or costs associated therewith assessed by FERC, NERC, or FRCC upon a Party other than OUC for that Party's responsibilities as established in Appendix 1 of the Registration Agreement for actual or alleged violations of a Reliability Standard shall be borne by that Party.

(d) Annual Budgeting Process.

(i) Budgeted Expenditures. Annually, by April 30th, OUC will present an operating budget and capital plan to the Executive Committee. The purpose shall be to inform the Alliance members as to their expected share of the expenses so they can properly adjust their own budgets for the upcoming fiscal year. The operating component of the budget will be comprised primarily of System Operator, Compliance staff, and EMS labor charges and will be considered non-discretionary. Approval by the Executive Committee shall be requested and such approval shall not be unreasonably withheld. The capital plan will be a forecast of the capital expenditures that OUC deems necessary for the upcoming year. Approval by the Executive Committee shall be requested and such approval shall not be unreasonably withheld. OUC shall not be obligated to and shall have sole discretion whether to fund any portion of the budget that is not approved by the Executive Committee.

(ii) Budget Amendments. In the course of any business, situations arise where expenditures may be required that were unexpected at the time the budget was formulated. For such cases, where expenditures are forecast to exceed the originally presented budgets, OUC shall develop a ~~Budget~~budget Amendment amendment and seek approval by the Executive Committee ("Budget Amendment").

(iii) Actual vs. Budget Reporting. At a frequency determined by the Executive Committee, but, initially quarterly, OUC shall report on actual expenditures as compared to budget.

(e) Payment. OUC shall invoice the Alliance members monthly and such monthly invoice shall include: (i) a portion of the Initial Costs as set forth in paragraph 6(a) of this Alliance Agreement, if any and if payment for those costs are to be scheduled over a mutually agreed number of months; and (ii) actual Operating Costs as set forth in paragraph 6(b) of this Alliance Agreement. Each Party agrees to pay OUC all amounts due within 30 days of receipt of the monthly invoice. In the event of any dispute as to any portion of any bill, the Party shall nevertheless pay the full amount of the disputed charges when due and shall, within 45 days from the date of the disputed bill, give written notice of the dispute to the Executive Committee for settlement within 60 days. Such notice shall identify the disputed bill, state the amount in dispute and set forth a full statement on the ground on which the dispute is based. No adjustment shall be considered or made for disputed charges unless required notice is given.

(f) Audit Rights. Any Party or its designee shall have the right, at its sole expense and during normal working hours, to examine any and all records to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Alliance Agreement and/or the operation of the Alliance. If any such examination reveals any inaccuracy in any statement, the necessary adjustments in such statement and the payments thereof will be made promptly and shall bear interest calculated at the interest rate of one percent (1%) per month, compounded monthly from the date the overpayment or underpayment was made until paid. The aforesaid audit rights are limited to 24 months after the issuance of any particular invoice.

8. **DISPUTES RESOLUTION.** The Parties shall first negotiate in good faith to attempt to resolve any dispute, controversy or claim arising out of, under, or relating to the Alliance (a "Dispute"). In the event the Parties are unsuccessful in resolving a Dispute through such negotiations, the Parties must elevate the Dispute to the Executive Committee. If the Executive Committee cannot reach consensus in accordance with its parliamentary procedures, either Party may proceed immediately to litigation concerning the Dispute.

(a) Good-Faith Negotiations. The process of "good-faith negotiations" requires that each Party set out in writing to the other its reason(s) for adopting a specific conclusion or for selecting a particular course of action, together with the sequence of subordinate facts leading to the conclusion or course of action. The Parties shall attempt to mutually agree to a resolution of the Dispute. —A Party shall not be required as part of these negotiations to provide any information which is confidential or proprietary in nature unless it is satisfied in its discretion that the other Party will maintain the confidentiality of and will not misuse such information or any information subject to attorney-client or other privilege under applicable law regarding discovery and production of documents.

(b) The negotiation process shall include at least one meeting to discuss any Dispute (with no obligation to have more than two meetings). Each Party must be represented at such meeting(s) by a person who has the authority to resolve the Dispute or has the authority to recommend settlement to the Party's general manager or governing board. Unless otherwise mutually agreed, the first meeting shall take place within ten days after either Party has received notice from the other of the desire to commence formal negotiations concerning the Dispute. Unless otherwise mutually agreed, the second meeting shall take place no more than ten days

later. In the event a Party refuses to attend a negotiation meeting, either Party may proceed immediately to the Executive Committee concerning the Dispute.

9. **Indemnification.** To the extent permitted by law and without waiving sovereign immunity or the limits of liability contained in Florida Statute 768.28, each Party shall indemnify the other Parties and each of the other Party's respective commissioners, directors, officers, managers, employees, agents, representatives, successors and assigns (the "Indemnified Parties") from and against any and all claims brought by third parties for personal injury, death or property damage, including attorneys' fees, which: (i) arise out of the Party's performance of work, services or operations pursuant to the Transmission Operator Alliance Agreement, or (ii) are associated with the Party's performance of such work, services, or operations; however, no duty to indemnify exists for an act or failure to act on the part of an Indemnified Party, which constitutes a willful violation of state, federal or local law, willful misconduct or gross negligence. This Section 9 does not apply to any penalties, sanctions, fines, or costs referenced in Section 6.

10. **NOTICES.** Any notices which may be permitted or required hereunder shall be in writing, shall be delivered both electronically via e-mail and physically by overnight courier or hand delivery, and shall be deemed to have been duly given (i) one day after depositing with a nationally recognized overnight courier service, or (ii) on the day of hand delivery (provided such delivery occurs prior to 5:00 pm, Eastern Standard Time, as applicable), to the address listed below or to such other address as a Party may from time to time designate by written notice in accordance with this paragraph:

To OUC: Vice President, Electric and Water Delivery
100 West Anderson Street
Orlando, Florida 32802

With a copy to: Office of General Counsel
100 West Anderson Street
Orlando, Florida 32802

To KUA: Vice President of System Compliance & Operations
1701 W. Carroll St.
Kissimmee, FL 34741

With copy to: Vice President & General Counsel
1701 W. Carroll St.
Kissimmee, FL 34741

To Beaches Energy: George Forbes
City Manager
CityManager'sOffice@jaxbchfl.net
11 3rd St. N

Jacksonville Beach, FL 32250

With copy to: Allen Putnam
Electric Director
aputnam@beachesenergy.com
Beaches Energy Services
1460 Shetter Avenue
Jacksonville Beach, FL 32250

With copy to: Kevin Stewart
System Operations Supervisor
kstewart@beachesenergy.com
Beaches Energy Services
1460 Shetter Avenue
Jacksonville Beach, FL 32250

With copy to: Don Cuevas
Engineering Supervisor
dcuevas@beachesenergy.com
Beaches Energy Services
1460 Shetter Avenue
Jacksonville Beach, FL 32250

With copy to: Steve Lancaster
Regulatory Compliance Officer
Electrical Engineer
slancaster@beachesenergy.com
Beaches Energy Services
1460 Shetter Avenue
Jacksonville Beach, FL 32250

11. **NO JOINT VENTURE.** The Parties intend by this Alliance Agreement to establish the basis upon which they will cooperate together, but on an independent basis. This Alliance Agreement does not constitute or create a joint venture, partnership, or any other similar arrangement between the Parties. Each of the Parties are independent and except as expressly provided herein, none of them are an agent of, nor has the authority to bind the others for any purpose. No Party shall bind any other, or represent that it has the authority to do so.

12. **NO CONSEQUENTIAL DAMAGES.** Notwithstanding anything to the contrary elsewhere in the Alliance Agreement, in no event shall any Party be liable to any other Party for indirect, incidental, special or consequential damages, including, but not limited to, loss of revenue, loss of profit, cost of capital, or loss of opportunity regardless of whether such liability arises out of contract, tort (including negligence), strict liability, or otherwise.

13. **NO THIRD PARTY BENEFICIARIES.** This Alliance Agreement shall inure to the benefit of and be binding upon each of the Parties and their respective successors and upon their

assigns pursuant to the provisions of Section 15 hereof. Nothing in this Alliance Agreement, express or implied, is intended to confer upon any other person, organization or entity any rights or remedies hereunder.

14. **AMENDMENTS AND WAIVERS.** Each Party may request changes to this Alliance Agreement. Any changes, modifications, revisions or amendments to this Alliance Agreement which are mutually agreeable upon and between the Parties to this Alliance Agreement shall be incorporated by written instrument and effective when executed and signed by all Parties to this Alliance Agreement.

15. **NO ASSIGNMENT.** No Party may assign or otherwise transfer to or permit any third-parties to exercise any rights granted hereunder unless approved by all Parties.

16. **CHANGES IN LAW.** The understandings contained herein are premised upon and assume a continuation of present laws and regulations and the administration interpretation and application thereof in substantially the same manner as on the Effective Date of this Agreement. Should any applicable law or regulation, or the administration or interpretation thereof by NERC or any governmental entity, change in any manner, and any such change increases the cost to OUC for providing the centralized TOP Control Centers, (including the imposition of any new tax, fee or surcharge other than federal, state or local taxes based on net income), then OUC shall be entitled to calculate the impact thereof and recover such added expenses without profit, on an equitable pro rata basis, from all of the Parties in accordance with the budgeting process described in Section 6(d) of this Alliance Agreement.

17. **MISCELLANEOUS.**

(a) **Entire Agreement.** This Alliance Agreement contains the entire understanding of the Parties with respect to the matters set forth herein and no other agreement, oral or written, not set forth herein, nor any course of dealings of the Parties, shall be deemed to alter or affect the terms and conditions set forth herein.

(b) **Applicable Law.** This Alliance Agreement shall be construed in accordance with the laws of the State of Florida.

(c) **Headings.** The section headings in this Alliance Agreement are for convenience only, shall in no way define or limit the scope or content of this Alliance Agreement, and shall not be considered in any construction or interpretation of this Alliance Agreement or any part hereof.

(d) **Construction.** Where the sense of this Alliance Agreement requires, any reference to a term in the singular shall be deemed to include the plural of said term, and any reference to a term in the plural shall be deemed to include the singular of said term.

(e) **Counterparts.** This Alliance Agreement may be executed in counterparts, each of which shall constitute an original, but all taken together shall constitute one and the same Alliance Agreement

(f) Representation. The Party's City Manager or General Manager, will have the authority to execute and amend any exhibits to this agreement and is designated as the official with the full power to represent the party in all dealings related to this agreement.

IN WITNESS WHEREOF, the Parties to this Alliance Agreement through their duly authorized representatives have executed and delivered this Alliance Agreement to evidence their respective agreement to its terms and conditions of this Alliance Agreement.

ATTEST:

ORLANDO UTILITIES COMMISSION

By: _____

Title: _____

Kenneth P. Ksionek
General Manager & CEO

Approved As To Form And Legality

Attorney

ATTEST:

KISSIMMEE UTILITY AUTHORITY

By: _____

James C. Welsh
President & General Manager

Title: _____

Approved As To Form And Legality

Attorney

ATTEST:

BEACHES ENERGY SERVICES

By: _____

George Forbes
City Manager

Title: _____

Approved As To Form And Legality

Attorney

SCHEDULE A

DEFINITIONS

Agent: OUC acting as the agent of Alliance members, for the sole and limited purpose of performing the TOP Agent Functions as enumerated herein.

TOP Control Center Functions: Those NERC requirements applicable to a TOP registered entity, and performed by a Certified System Operator within a Control Center.

Bulk Electric System or "BES" (becomes effective on 7/1/14): Unless modified by the lists shown below, all Transmission Elements operated at 100 kV or higher and Real Power and Reactive Power resources connected at 100 kV or higher. This does not include facilities used in the local distribution of electric energy.

Inclusions:

- I1 - Transformers with the primary terminal and at least one secondary terminal operated at 100 kV or higher unless excluded under Exclusion E1 or E3.
- I2 - Generating resource(s) with gross individual nameplate rating greater than 20 MVA or gross plant/facility aggregate nameplate rating greater than 75 MVA including the generator terminals through the high-side of the step-up transformer(s) connected at a voltage of 100 kV or above.
- I3 - Blackstart Resources identified in the Transmission Operator's restoration plan.
- I4 - Dispersed power producing resources with aggregate capacity greater than 75 MVA (gross aggregate nameplate rating) utilizing a system designed primarily for aggregating capacity, connected at a common point at a voltage of 100 kV or above.
- I5 - Static or dynamic devices (excluding generators) dedicated to supplying or absorbing Reactive Power that are connected at 100 kV or higher, or through a

dedicated transformer with a high-side voltage of 100 kV or higher, or through a transformer that is designated in Inclusion I1.

Exclusions:

- E1 - Radial systems: A group of contiguous transmission Elements that emanates from a single point of connection of 100 kV or higher and:
 - a) Only serves Load. Or,
 - b) Only includes generation resources, not identified in Inclusion I3, with an aggregate capacity less than or equal to 75 MVA (gross nameplate rating). Or,
 - c) Where the radial system serves Load and includes generation resources, not identified in Inclusion I3, with an aggregate capacity of non-retail generation less than or equal to 75 MVA (gross nameplate rating).

Note – A normally open switching device between radial systems, as depicted on prints or one-line diagrams for example, does not affect this exclusion.

- E2 - A generating unit or multiple generating units on the customer's side of the retail meter that serve all or part of the retail Load with electric energy if: (i) the net capacity provided to the BES does not exceed 75 MVA, and (ii) standby, back-up, and maintenance power services are provided to the generating unit or multiple generating units or to the retail Load by a Balancing Authority, or provided pursuant to a binding obligation with a Generator Owner or Generator Operator, or under terms approved by the applicable regulatory authority.
- E3 - Local networks (LN): A group of contiguous transmission Elements operated at or above 100 kV but less than 300 kV that distribute power to Load rather than transfer bulk power across the interconnected system. LN's emanate from multiple points of connection at 100 kV or higher to improve the level of service to retail customer Load and not to accommodate bulk power transfer across the interconnected system. The LN is characterized by all of the following:
 - a) Limits on connected generation: The LN and its underlying Elements do not include generation resources identified in Inclusion I3 and do not have an aggregate capacity of non-retail generation greater than 75 MVA (gross nameplate rating);
 - b) Power flows only into the LN and the LN does not transfer energy originating outside the LN for delivery through the LN; and
 - c) Not part of a Flowgate or transfer path: The LN does not contain a monitored Facility of a permanent Flowgate in the Eastern Interconnection, a major transfer path within the Western Interconnection, or a comparable monitored

Facility in the ERCOT or Quebec Interconnections, and is not a monitored Facility included in an Interconnection Reliability Operating Limit (IROL).

- E4 – Reactive Power devices owned and operated by the retail customer solely for its own use. Note - Elements may be included or excluded on a case-by-case basis through the Rules of Procedure exception process.

Control Center: One or more facilities hosting operating personnel that monitor and control the Bulk Electric System (BES) in real-time to perform the reliability tasks, including their associated data centers, of: 1) a Reliability Coordinator, 2) a Balancing Authority, 3) a Transmission Operator for transmission Facilities at two or more locations, or 4) a Generator Operator for generation Facilities at two or more locations.

Coordinated Functional Registration: refers to where two or more registered entities agree to a division of compliance responsibility among them for a particular function. A written agreement between the co-registrants identifies each entity's responsibility for one or more NERC Reliability Standards for that function, and may specify each entity's responsibility for one or more requirements within a standard(s).

Critical Infrastructure Protection Standards: refers to the standards and requirements promulgated by NERC covering the security of electronic perimeters and the protection of critical cyber assets as well as personnel and training, security management and disaster recovery planning.

EMS: Energy Management System.

FERC: The Federal Energy Regulatory Commission, or its successor.

FRCC: The Florida Reliability Coordinating Council, Inc., or its successor.

NERC: The North American Electric Reliability Corporation, or its successor.

Operations Date: shall mean the date on which a Party transfers monitoring and control of their BES TOP assets to OUC.

Reliability Standards: A requirement, approved by the United States Federal Energy Regulatory Commission under Section 215 of the Federal Power Act, or approved or recognized by an applicable governmental authority in other jurisdictions, to provide for reliable operation of the bulk-power system [Bulk-Power System]. The term includes requirements for the operation of existing bulk-power system [Bulk-Power System] facilities, including cyber security protection, and the design of planned additions or modifications to such facilities to the extent necessary to provide for reliable operation [Reliable Operation] of the bulk-power system [Bulk-Power System], but the term does not include any requirement to enlarge such facilities or to construct new transmission capacity or generation capacity.

Transmission: An interconnected group of lines and associated equipment for the movement or transfer of electric energy between points of supply and points at which it is transformed for delivery to customers or is delivered to other electric systems.

Transmission Operator or "TOP": The entity responsible for the reliability of its "local" transmission system, and that operates or directs the operations of the transmission facilities.

Transmission Operator Area: The collection of Transmission assets over which the Transmission Operator is responsible for operating.

Exhibit 1
(Registration Agreement)

Exhibit 2
(Control Center Cutover Schedule)

July 1st 2015 (Wednesday) Phase I, OUC Monitoring only

August 5th 2015 (Wednesday) Phase II, OUC Monitoring with ability to control, Entity still controlling

September 2nd 2015 (Wednesday) Phase III, OUC Monitoring and controlling, Entity still has ability to control

October 1st 2015 (Thursday) Phase IV, OUC Monitoring and controlling, Entity is Monitoring only

**NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION
RELIABILITY STANDARDS RESPONSIBILITY ALLOCATION
NERC FUNCTION: TRANSMISSION OPERATOR**

COORDINATED FUNCTIONAL REGISTRATION AGREEMENT

BETWEEN THREE NERC REGISTERED TOP ENTITIES:

**ORLANDO UTILITIES COMMISSION
AND
KISSIMMEE UTILITY AUTHORITY
AND
THE CITY OF JACKSONVILLE BEACH**

This Coordinated Functional Registration Agreement (“Agreement”) is made and entered into this 1st day of October, 2015 (“Effective Date”), by and between (a) Orlando Utilities Commission (“**OUC**”) and (b) Kissimmee Utility Authority (“**KUA**”) and (c) The City of Jacksonville Beach, D/B/A, Beaches Energy Services (“**Beaches Energy**”), each a municipal utility registered as a Transmission Operator within the NERC registry (hereinafter, OUC, KUA and Beaches Energy may be herein collectively referred to as the “**Parties**”, and individually as a “**Party**”).

RECITALS

WHEREAS, each of the Parties is registered with the North American Electric Reliability Corporation (“**NERC**”) as a Transmission Operator (“**TOP**”) responsible for the reliability of their respective local Transmission system and complying with certain Reliability Standards that are subject to enforcement by the Compliance Enforcement Authority designated by NERC; and

WHEREAS, each of the Parties own and maintain certain transmission facilities that are part of the Bulk Power System and operates their own Control Center to direct and operate their respective Transmission facilities which are interconnected to the Bulk Electric System (“**BES**”); and

WHEREAS, the Parties have formed a Joint BES Transmission Operator alliance (the “**Alliance**”) and created a single centralized TOP Control Center in order to achieve greater efficiencies and cost savings through economies of scale; and

WHEREAS, the Parties have designated and authorized OUC to act as the NERC certified system operator for the Alliance; and

WHEREAS, the Parties intend by this Agreement to effectuate a Coordinated Functional Registration, as provided for in Rule 508 of the NERC Rules of Procedure, specifying their respective compliance responsibilities with respect to each applicable NERC Reliability Standard, Requirements, or Sub-Requirements (“**Reliability Standard**”) relating to the

Transmission Operator ("TOP") function within the Florida Reliability Coordinating Council, Inc. (FRCC) Region and TOP Area covered by this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the mutual benefits to be derived by each of the Parties pursuant to the terms and conditions set forth herein, the Parties agree as follows:

1. DEFINITIONS.

Unless otherwise specified, capitalized terms used in this Agreement have the meanings specified in the NERC Rules of Procedure, the NERC Reliability Standards for the Bulk Electric Systems of North America or NERC's Glossary of Terms Used in NERC Reliability Standards.

2. TERM.

2.1 Effective Date. This Agreement shall become effective on the Effective Date set forth above.

2.2 Termination. This Agreement shall remain in effect until: (1) a date upon which the Parties agree in writing to terminate it; (2) the date upon which any Party to this Agreement becomes deregistered as a TOP; or (3) upon the termination of the accompanying Transmission Operator Alliance Agreement entered into by the Parties.

2.3 Surviving Obligations. This Agreement shall continue in effect after termination with respect to compliance and enforcement obligations under the NERC Compliance Monitoring and Enforcement Program ("NERC CMEP") related to the Parties' performance of their TOP obligations during the term of this Agreement. This Agreement shall remain in effect to the extent necessary to complete corrective mitigation actions identified in the Compliance monitoring process as well as satisfy all other obligations including any financial responsibilities arising under this Agreement prior to its termination. Upon termination of this Agreement, any outstanding financial right or obligation, and any provision of this Agreement necessary to give effect to such right or obligation, shall survive until satisfied.

3. PURPOSE OF AGREEMENT

The Parties intend by this Agreement to effectuate a Coordinated Functional Registration ("CFR"), as provided for in Section 508 of the North American Electric Reliability Corporation ("NERC") Rules of Procedure. The Parties thus agree that the purpose of the Agreement is to identify each Party's respective compliance responsibilities with respect to each applicable NERC Reliability Standard, Requirements, or Sub-Requirements ("Reliability Standard") relating to the Transmission Operator ("TOP") function within the FRCC Region. This Agreement is limited to the Reliability Standards that are applicable to the TOPs, which are identified in the CFR Matrix attached hereto as Appendix 1 and incorporated herein. Each Party shall remain wholly and separately

responsible for any Reliability Standards compliance obligations that are outside the scope of this Agreement.

**4. DELINEATION OF DUTIES AND RESPONSIBILITIES OF THE PARTIES;
CFR MATRIX.**

4.1 CFR Matrix. To identify the responsibilities of each Party and to avoid gaps or redundancy in the performance of their responsibilities, the Parties have mutually collaborated in developing a CFR Matrix that identifies each Party's respective responsibilities for each Reliability Standard Requirement and sub-Requirement applicable to the TOP function with respect to the area of the Bulk Electric System ("BES") for which it has TOP compliance obligations ("TOP Area") in accordance with the NERC CMEP. The CFR Matrix is attached hereto as Appendix 1.

4.2 Delineation of Responsibilities. The CFR Matrix sets forth the specific Reliability Standards, Requirements or sub-Requirements applicable to the TOP function and, for each such Requirement or sub-Requirement, sets forth the division of responsibility between the Parties. For each applicable Requirement or sub-Requirement, the CFR Matrix identifies the responsible entity (or entities) and includes a "Responsibility Details" column that provides additional information. As of the Effective Date, each Party acknowledges and assumes, with respect to the area of the Bulk Electric System ("BES") for which it has TOP compliance obligations ("TOP Area") in accordance with the NERC CMEP):

- i. Responsibility for compliance, and
- ii. Liability for failure to comply

with each Reliability Standard approved by the Federal Energy Regulatory Commission ("FERC") specified as the responsibility of such signatory to this Agreement in Appendix 1.

An "X" designation in only one entry field of the Responsibility column of the Matrix means that the identified Party is separately and wholly responsible for compliance with the specified Requirement or sub-Requirement with respect to the TOP functions and transmission facilities covered by this Agreement. An "X" designation in each of the entry fields of the Responsibility column of the Matrix means that the Parties each have certain responsibilities with respect to the specified Requirement or sub-Requirement, which are then delineated in the Responsibility Details column. In such instance where an "X" designation is in each of the entry fields of the Responsibility column of the Matrix, where the Parties each have certain responsibilities with respect to a specified Requirement or Sub-requirement, and one Party fails to fulfil its responsibilities and such failure results in a violation of the Reliability Standards requirement or sub-Requirement, then that Party shall be held solely liable for the violation. For each of the aforementioned designations, the Parties intend that, in the case of an alleged violation of a Reliability Standards Requirement or sub-Requirement, only the Party whose

designated obligation has been violated should be held liable, and one Party should not be held liable for the alleged violation of a responsibility that pertains to the other Responsible Entity. In each instance where a Party is designated in the Matrix as having a responsibility for a particular Requirement, sub-Requirement, or portion of a Requirement or sub-Requirement, that Party holds full compliance responsibility for the designated obligation pursuant to Rule 508 of the NERC Rules of Procedure, as it may be modified from time to time.

4.3 TOP Contact Information. Each Party shall identify an individual responsible for identifying and providing to its applicable NERC Regional Entity a point of contact who is responsible for providing information and data, including submitting reports, as needed by the Regional Entity in Appendix 1 with monitoring and enforcement responsibility for a Reliability Standard under this Agreement.

4.4 Process for Revising the CFR Matrix.

4.4.1 If, subsequent to the Effective Date of this Agreement, FERC approves one (1) or more new Reliability Standards or make changes to existing Reliability Standards applicable to a TOP (a "Post-Agreement Standard"), then, the Parties shall confer and negotiate in good faith to determine which Party should be responsible for each such Post-Agreement Standard prior to the mandatory enforcement date of the Post-Agreement Standard and amend Appendix 1 as appropriated to reflect such assignment of responsibility. Negotiations shall commence at the Executive Committee as that term is defined in the Transmission Operator Alliance Agreement among Orlando Utilities Commission, Kissimmee Utility Authority, and The City of Jacksonville Beach, D/B/A, Beaches Energy Services ("Alliance Agreement"). If the Executive Committee reaches an impasse, then the respective chief executive officers of the Parties shall meet to try and reach resolution. This process of good faith negotiations shall conclude no later than thirty (30) days prior to the mandatory enforcement date of the Post-Agreement Standard. If the Parties fail to timely agree upon the Parties' compliance responsibility for such Post-Agreement Standard, amend the CFR Matrix, or effectuate changes to the NERC Compliance registry prior to the mandatory enforcement date of a Post-Agreement Standard, then, with respect to the Post-Agreement Standard, each Party shall be responsible for compliance, and liable for noncompliance, with the Post-Agreement Standard for its TOP Area. Nothing contained in this Subsection 4.4.1 shall be construed to limit the rights of a Party to any remedy available to it at law or equity.

4.4.2 Upon agreement by the Parties as to the compliance responsibilities for the new or revised Standard(s), a revision to the CFR Matrix shall be made to address the new or revised Standard(s). The Parties shall complete the revision to the CFR Matrix before the effective date of the new or revised Standard(s). The revised CFR Matrix shall replace and supersede the previous version on a going-forward basis. Such revision to the CFR Matrix does not constitute an amendment to this Agreement. Notwithstanding the foregoing, revisions to

existing Reliability Standards applicable to a TOP that are either errata updates or interpretations, which merely correct scrivener's errors, or provide clarity on interpreting a requirement, and do not substantively affect the meaning of the Reliability Standard shall not require a prior agreement between the Parties to amend this Agreement.

4.4.3 Upon ten (10) business days' written notice, either Party may initiate a review of the CFR Matrix for purposes of redefining the Parties' respective responsibilities for a given Requirement or sub-Requirement.

4.4.4 The Parties shall keep a mutually agreed upon revision history document that tracks each revision to the CFR Matrix, identifying the date of each revision and the change(s) made. The Parties shall also retain copies of each of the superseded versions of the CFR Matrix for reference.

5. MUTUAL COOPERATION; RESPONSE TO NOTICES OF POSSIBLE OR ALLEGED VIOLATION; ALLOCATION OF PENALTIES.

5.1 Mutual Cooperation. In addition to any obligations set forth in the CFR Matrix, the Parties agree to cooperate fully to provide each other the information, documentation and assistance necessary to demonstrate compliance with their respective obligations for the Reliability Standards requirements covered by this Agreement. This cooperation shall include, without limitation, providing each other information, documentation and assistance in connection with any audit, spot-check, investigation or inquiry brought by a Compliance Enforcement Authority or by FERC, or in connection with any self-certification or self-report, relating to one or more of the Reliability Standards requirements covered by this Agreement. Unless otherwise agreed, the Parties agree that upon fifteen (15) days of receipt of a written notice from the Party requesting the information, the other Party responsible for providing the information shall timely deliver the requested information. The written notice shall be delivered as set forth in Section 8.17 of this Agreement, unless the Parties have agreed in writing upon an alternative person and/or means of communication.

5.2 Response to Notices of Possible or Alleged Violations. In the event that either Party receives a Notice of Possible Violation or a Notice of Alleged Violation from a Compliance Enforcement Authority or FERC with respect to one or more Reliability Standards requirements covered by this Agreement and for which the Parties' responsibility is designated as either individual or joint in the CFR Matrix, the Party receiving the notice shall notify the other Party in writing within seven (7) days of receiving the written notice. In the event that there is a disagreement between the Parties as to which of the Parties is the Responsible Entity with respect to the subject matter that is at issue in the notice, the disagreement shall be resolved in the manner set forth in Rule 508 of the NERC Rules of Procedure.

5.3 Allocation of Penalties. Any monetary penalty imposed upon a party by a Compliance Enforcement Authority or FERC for a violation of any Reliability

Standards Requirement or sub-Requirement covered by this Agreement shall be allocated as set forth in Section 6(c) of the Alliance Agreement entered into by the Parties.

6. AMENDMENT TO AGREEMENT.

This Agreement may not be amended or otherwise modified without the written consent of all Parties.

7. PERFORMANCE STANDARDS.

Each Party shall perform all of its obligations under this Agreement in accordance with applicable laws and regulations, applicable Reliability Standards, and prudent utility practice.

8. GENERAL TERMS AND CONDITIONS.

8.1 Liability. Except for Penalties assessed by a Compliance Enforcement Authority or FERC, no Party to this Agreement shall be liable to the other Party, or to any other person or entity, for any indirect, special, incidental or consequential losses, damages, claims, liabilities, costs or expenses (including attorneys' fees and court costs) arising from the performance or nonperformance of its obligations under this Agreement, regardless of the cause (including intentional action, willful action, gross or ordinary negligence, or force majeure); provided, however, that a Party may seek equitable or other non-monetary relief as may be necessary to enforce this Agreement and that damages for which a Party may be liable to another Party under another agreement will not be considered damages under this Agreement.

8.2 Confidentiality.

8.2.1 Treatment of Confidential Information. The Parties recognize and agree that for the purposes of demonstrating compliance with the Reliability Standards and preparing for a self-certification or responding to a Compliance Audit, spot-check, investigation, or inquiry by the Compliance Enforcement Authority or FERC, they may receive information from each other that has been marked as Confidential Information. Except as set forth herein, the Parties agree to keep in confidence and not to copy, disclose, or distribute to any other person or entity any Confidential Information or any part thereof provided for these evidentiary purposes, without the prior written permission of the other Party.

8.2.1.1 Location of Confidential Information. Confidential Information that the Parties have given to each other in hard copy form that is intended for disclosure to the Compliance Enforcement Authority or to FERC during the course of a Compliance Audit or other investigation or inquiry will be kept in a secure and restricted location and clearly marked so as to distinguish it from the business records of the Party receiving the Confidential Information.

8.2.1.2 Provision of Confidential Information to Compliance Enforcement Authority. During the course of a Compliance Audit or other investigation or inquiry, the Party providing the Confidential Information to the Compliance Enforcement Authority or FERC shall notify the receiving Party if and when the Compliance Enforcement Authority or FERC takes physical possession of the Confidential Information. If the Compliance Enforcement Authority or FERC takes physical possession of the Confidential Information, the receiving Party shall be permitted to make one copy of the Confidential Information that will be afforded confidential treatment pursuant to this Agreement. To the extent the Compliance Enforcement Authority or FERC does not take physical possession of the Confidential Information, or if a copy has been made of the Confidential Information, the receiving Party shall return the Confidential Information to the providing Party promptly after the conclusion of the Compliance Audit or other applicable proceeding, including the appeal of Alleged Violations or Penalties. The Party providing the other Party's Confidential Information to the Compliance Enforcement Authority or FERC has the affirmative duty to request that the Compliance Enforcement Authority or FERC treat the Confidential Information as Confidential Information under NERC Rules of Procedure Section 1500.

8.2.2 Disclosure of Confidential Information. If, while in the possession of the receiving Party, disclosure of the Confidential Information is required to respond to a subpoena, law, or other directive of a court, administrative agency, or arbitration panel, the receiving Party hereby agrees to provide the providing Party with prompt written notice of such request or requirement in order to enable the providing Party to (a) seek an appropriate protective order or other remedy, (b) consult with the receiving Party with respect to taking steps to resist or narrow the scope of such request or legal process, or (c) waive compliance, in whole or in part, with the terms of this Section. The receiving Party agrees to work with the providing Party to obtain assurance that confidential treatment will be accorded to such Confidential Information and will cooperate to the maximum extent practicable to minimize the disclosure of the Confidential Information consistent with applicable law.

8.2.3 Exceptions to Non-Disclosure. Notwithstanding Sections 8.2.1 and 8.2.2 above, each Party to this Agreement shall not have breached any obligation under this Agreement if Confidential Information is disclosed to a third party when the Confidential Information:

(a) was in the public domain at the time of such disclosure or is subsequently made available to the public consistent with the terms of this Agreement; or

(b) had been received by either Party at the time of disclosure through other means without restriction on its use, or had been independently developed by either Party as shown through documentation; or

(c) is subsequently disclosed to either Party by a third party without restriction

on use and without breach of any agreement or legal duty; or

(d) subject to the provisions of Sections 8.2.1 and 8.2.2, is used or disclosed pursuant to statutory duty (law), or an order, subpoena or other lawful process issued by a court or other governmental authority of competent jurisdiction.

8.2.4 Other Parties. The receiving Party shall keep Confidential Information in confidence and shall not disclose such information or otherwise make it available, in any form or manner, to any other person or entity other than its employees, contractors and subcontractors as necessary for mandatory Reliability Standards compliance, without the prior written consent of the providing Party. Each Party will cause its contractors' and subcontractors' employees who will have access to Confidential Information, if any, to acknowledge that they have read and agree to abide by the terms of this Agreement regarding use and disclosure of Confidential Information.

8.3 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

8.4 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows:

- (1) the singular number includes the plural number and vice versa;
- (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually;
- (3) reference to any agreement, document, instrument, or tariff means such agreement, document, instrument, or tariff as amended or modified from time to time and in effect at the time of interpretation, including, if applicable, rules and regulations promulgated thereunder;
- (4) reference to any applicable laws and regulations means such applicable laws and regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect at the time of interpretation, including, if applicable, rules and regulations promulgated thereunder;
- (5) unless expressly stated otherwise, reference to any Article, Section, or Appendix means such Article or Section of this Agreement or such Appendix to this Agreement;
- (6) "hereunder," "hereof," "herein," "hereto," and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Section;
- (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term;

(8) relative to the determination of any period of time, “from” means “from and including,” “to” means “to but excluding,” and “through” means “through and including;” and

(9) “days” shall mean calendar days unless otherwise specified; if the last calendar day falls on a weekend or national holiday, the specified deadline shall fall on the next calendar day that is not a weekend or national holiday.

8.5 Entire Agreement. This Agreement, including all Attachments, Exhibits and Appendices hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants, which constitute any part of the consideration for, or any condition to, any Party’s compliance with its obligations under this Agreement.

8.6 General Interpretation. The terms of this Agreement have been negotiated by the Parties hereto and the language used in this Agreement shall be deemed the language chosen by the Parties to express their mutual intent. This Agreement shall be construed without regard to any presumption or rule requiring construction against the party causing such instrument or portion hereof to be drafted or in favor of the party receiving a particular benefit under this Agreement. No rule of strict construction will be applied against any Party.

8.7 No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

8.8 Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by a Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this Agreement. Any waiver of this Agreement shall, if requested, be provided in writing. Any waivers at any time by any Party of its rights with respect to any default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this Agreement. Any delay, short of the statutory period of limitations, in asserting or enforcing any right under this Agreement shall not constitute or be deemed a waiver of such right.

8.9 Headings. The descriptive headings of the various Articles and Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.

8.10 Authority. The undersigned hereby represents and warrants that he or she has the requisite power and authority to bind the applicable Party to the terms and obligations of this Agreement.

8.11 Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which is deemed an original, but all constitute one and the same instrument.

8.12 No Joint Venture. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

8.13 Assignment. No Party to this Agreement may assign its obligations under this Agreement without the other Parties prior written consent, which consent shall not be unreasonably withheld by the other Parties. No assignment of this Agreement shall relieve the assigning Party from any obligation or liability under this Agreement arising or accruing prior to the date of assignment.

8.14 Specific Performance. Each Party's obligations under this Agreement are unique. The Parties each acknowledge that, if any Party should default in performance of the duties and obligations imposed by this Agreement, it would be extremely impracticable to measure the resulting damages. Accordingly, the non-defaulting Party, in addition to any other available rights or remedies, may seek specific performance and the Parties each expressly waive the defense that a remedy in damages will be adequate.

8.15 Force Majeure. No Party shall be liable for any failure to perform its obligations in connection with any action described in this Agreement, if such failure results from any cause beyond the reasonable control of the claiming Party or including without limitation any act of God; act of civil or military authority; act of war whether declared or undeclared; act (including delay, failure to act, or priority) of any governmental authority; civil disturbance; insurrection or riot; sabotage; fire; inclement weather conditions; earthquake; flood; regional strike, accident in shipping or transportation; labor, or materials from usual sources, but excluding failure caused by a party's financial condition or negligence.

8.16 Governing Law. The rights and obligations of the Parties and the interpretation and performance of this Agreement shall be governed by the laws of the State of Florida. Notwithstanding the foregoing, nothing shall affect the rights of the Parties under the Federal Power Act, any applicable agreement, the NERC Rules of Procedure, or rules or orders promulgated by FERC.

8.17 Notices. Any written notice provided for in this Agreement shall be in writing transmitted via electronic mail to the persons identified in Appendix 2, followed with a

hard copy delivered in person or sent by overnight mail or United States certified mail within three (3) days of the electronic mail transmission. Electronic mail notice shall be deemed effective upon transmission unless the Party sending the electronic mail learns that delivery was unsuccessful, in which case notice is deemed effective upon service of the hard copy. Any Party may at any time, by at least fifteen (15) days notice to the other Party, change the designation or address of a person specified in Appendix 2. Such a change to Appendix 2 shall not constitute an amendment to this Agreement.

8.18 FERC Jurisdiction. Nothing in this Agreement shall be meant to imply or cede jurisdiction to FERC, NERC or any other regulatory or Compliance Enforcement Authority, to the extent that FERC, NERC or other regulatory or Compliance Enforcement Authority does not have jurisdiction over a Party to this Agreement. FERC, NERC and other regulatory or Compliance Enforcement Authority entities have limited jurisdiction over certain Parties and, by executing this Agreement, no Party is waiving or conceding any defenses it has to assert jurisdictional defenses, including, but not limited to, sovereign immunity, intergovernmental immunities, or lack of subject matter jurisdiction.

8.19 No Waiver of Sovereign Immunity. Other than those provisions that specifically reference a Party's responsibility for penalties, fines, costs and interest imposed by FERC, NERC or the FRCC, nothing contained in this Agreement shall be construed as a waiver by any Party of its sovereign immunity, and the accompanying limitations of liability applicable to it, as set forth in Florida Statutes, Section 768.28.

8.20 Severability. If any term or provision of this Agreement is held to be illegal, invalid, or unenforceable under any present or future law or by FERC: (a) such term or provision shall be fully severable; (b) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; and (c) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom.

IN WITNESS WHEREOF, the Parties have executed this Agreement and it is effective as of the Effective Date pursuant to Section 2.1.

[SIGNATURE PAGES TO FOLLOW]

ATTEST:

ORLANDO UTILITIES COMMISSION

By: _____

Kenneth P. Ksionek
General Manager & CEO

Title: _____

Approved As To Form And Legality

Attorney

ATTEST:

KISSIMMEE UTILITY AUTHORITY

By: _____

By: _____

Title: _____

Its: _____

Approved As To Form And Legality

Attorney

ATTEST:

BEACHES ENERGY SERVICES

By: _____

By: _____

Title: _____

Its: _____

Approved As To Form And Legality

Attorney

APPENDIX 1
(CFR MATRIX)

APPENDIX 2
(CONTACT POINT FOR NOTICES)

JRO ID	NERC ID	Registered Entity	Region	Type	Function	Standard	Requirement	Responsibility			Comments
								OUC	CFR	BES	
NCR00057	Orlando Utilities Commission	FRCC	CFR	Transmission Operator	VAR-001-4	R3	X			OUC has full responsibility	
NCR00057	Orlando Utilities Commission	FRCC	CFR	Transmission Operator	VAR-001-4	R4	X			OUC has full responsibility	
NCR00057	Orlando Utilities Commission	FRCC	CFR	Transmission Operator	VAR-001-4	R4.1	X			OUC has full responsibility	
NCR00057	Orlando Utilities Commission	FRCC	CFR	Transmission Operator	VAR-001-4	R5	X			OUC has full responsibility	
NCR00057	Orlando Utilities Commission	FRCC	CFR	Transmission Operator	VAR-001-4	R5.1	X			OUC has full responsibility	
NCR00057	Orlando Utilities Commission	FRCC	CFR	Transmission Operator	VAR-001-4	R5.2	X			OUC has full responsibility	
NCR00057	Orlando Utilities Commission	FRCC	CFR	Transmission Operator	VAR-001-4	R5.3	X			OUC has full responsibility	
NCR00057	Orlando Utilities Commission	FRCC	CFR	Transmission Operator	VAR-001-4	R6	X			OUC has full responsibility	

City of

Jacksonville Beach

City Hall

11 North Third Street

Jacksonville Beach

FL 32250

Phone: 904.247.6263

Fax: 904.247.6169

www.jacksonvillebeach.org

MEMORANDUM

TO: George D. Forbes, City Manager
FROM: Karen Nelson, Human Resources Director
SUBJECT: Ratification of amendments to the LIUNA Collective Bargaining Agreement, Effective February 16, 2015.
DATE: February 11, 2015

ACTION REQUESTED

Ratify the amendments to the Collective Bargaining Agreement with Laborer's International Union of North America (LIUNA), Local 630, effective February 16, 2015.

BACKGROUND

1) Planning & Development: The City currently has three Permit Specialists who are classified in the LIUNA Contract in Pay Grade 116. One of those specialists performs additional duties in a lead role, including training personnel and assisting in the administration of the department. We are changing the title of one Permit Specialist to Senior Permit Specialist. Our consultants, Cody and Associates, recommend classifying the Senior Permit Specialist position in pay grade 118 and the Union has agreed to the change.

2) Public Works: The Traffic Paint & Sign Technician (pay grade 116) is responsible for the preparation and maintenance of traffic signs and markings. We are changing the title and pay grade of this position to Traffic Marking/Signage Supervisor (pay grade 120). We have revised the job description to include procurement as well as supervising other City employees and contractors providing traffic control marking and signage services. The reclassified position will also develop and maintain the city's traffic signage digital asset management system and take the lead in the Public Works Streets Division for coordinating graffiti abatement throughout the community. The Union has agreed to the title and pay grade changes.



Memo to George D. Forbes
February 11, 2015
Page 2

3) Administrative & Fiscal: The Assistant Customer Service Supervisor and the Conservation Specialist work in the Utility Billing Division in professional level administrative positions. To classify these positions in accordance with the required skill level, education, experience and level of supervisory responsibility, we have reclassified them from LIUNA positions to nonunion positions exempt from overtime. These positions were added to the Nonunion Pay Plan by resolution and the Union has agreed to reclassification.

RECOMMENDATION

Ratify the amendments to the Collective Bargaining Agreement with Laborer's International Union of North America (LIUNA), Local 630, effective February 16, 2015. These amendments will establish the pay grades and classifications for the Senior Permit Specialist and the Traffic Marking/Signage Supervisor positions.

**APPENDIX A
SECTION I
CLASSIFICATIONS AND PAY GRADES**

CLASSIFICATION	POSITION TITLE	GRADE
Administrative & Fiscal	Accounting Technician	118
	Assistant Customer Service Supervisor	121
	Buyer	120
	Collections Representative	119
	Computer Systems Oper./Web Admin.	124
	Conservation Specialist	120
	Customer Service Representative I	115
	Customer Service Representative II	117
	Purchasing Specialist	115
	Storekeeper	116
Planning & Development	Building Codes Inspector	124
	Code Enforcement Inspector	120
	Permit Specialist	116
	<u>Senior Permit Specialist</u>	<u>118</u>
Landscape & Maintenance	Building Attendant	109
	Building Maintenance Mechanic	118
	Equipment Mechanic	118
	Lead Equipment Mechanic	120
	Maintenance Worker I	112
	Maintenance Worker II	115
	Maintenance Worker III	116
Public Safety	Animal Control Officer	115
	Community Service Officer	115
	Parking Enforcement Coordinator	118
	Police Records Specialist	114
	Property & Evidence Officer	117
	Public Safety Communications Officer	118
	Sr. Public safety Communications Officer	121

APPENDIX A

SECTION I CLASSIFICATIONS AND PAY GRADES

CLASSIFICATION	POSITION TITLE	GRADE
Electric Utilities	Apprentice Lineworker	200
	Apprentice Relay Technician	200
	Consumption Technician	118
	Cut In-Cut Out Technician	117
	Design Drafting Technician	120
	Electric Meter Technician	121
	Electrical Engineer	132
	Electrical Engineer (Registered PE)	133
	Electrical Engineering Technician I	117
	Electrical Engineering Technician II	122
	Journey Lineworker	202
	Lead Design Drafting/GIS Technician	122
	Line Crew Leader	203
	Meter Reader	115
	Relay Technician	202
	Relay/Substation Crew Leader	203
	System Operator	201
	System Operator (NERC Certified)	202
	System Operator/Programmer (NERC Cert)	203
Public Works	Construction Project Manager	128
	Crew Supervisor	120
	Engineering Design/GIS Technician	122
	Equipment Operator	117
	General Supervisor	122
	Heavy Equipment Operator	118
	Lift Station Mechanic	118
	Maintenance Worker I	112
	Maintenance Worker II	115
Maintenance Worker III	116	

APPENDIX A

SECTION I
CLASSIFICATIONS AND PAY GRADES

CLASSIFICATION	POSITION TITLE	GRADE
Public Works	Plant Maintenance Helper	114
	Plant Operating/Training Specialist	123
	Sanitation Supervisor	121
	Senior Lift Station Mechanic	119
	Senior Utility Plant Operator	122
	Traffic Paint & Sign Technician <u>Traffic</u>	
	Marking/Signage Supervisor	<u>116120</u>
	Utility Plant Instrumentation Technician	122
	Utility Plant Mechanic	119
	Utility Plant Operator	120
	Utility Plant Operator Trainee	114
	Utility Service Worker I	115
	Utility Service Worker II	117
	Utility Service Worker III	118

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MEMORANDUM

TO: George D. Forbes, City Manager
FROM: Karen Nelson, Human Resources Director
SUBJECT: Resolution Number 1943-2015, Amending the Classification and Pay Plan, Effective March 1, 2015.
DATE: February 4, 2015

ACTION REQUESTED

Adopt Resolution Number 1943-2015, amending the Classification and Pay Plan for Managerial, Professional, Administrative and Unclassified (Nonunion) City positions, effective March 1, 2015.

BACKGROUND

1) Property and Procurement: The Property Management Division is comprised of 4 employees: the Property Management Superintendent, the Building Maintenance Supervisor and 2 Building Maintenance Mechanics. The Superintendent currently reports directly to the Director of Beaches Energy Services and is responsible for leased facilities, fleet maintenance and supervising the building maintenance functions. These are City-wide administrative functions that are **not** closely correlated with the primary functions under the direction of the Director of Beaches Energy Services.

Diana Pratt, the Property Management Superintendent, is scheduled to retire in June, 2015. Diana is currently the only employee within the division who has direct responsibility for overseeing the City's property management activities. In order to ensure continuity of operations and provide better employee coverage, we are consolidating the property management functions and the procurement functions into one division under the supervision of a Property and Procurement Officer. Consolidation of these functions will provide the opportunity for cross training among staff, which will reduce lost productivity due to employee absences and allow faster response time for services. The Property and Procurement Officer will report to the Chief Financial Officer.



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Memo to George D. Forbes

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Jason Phitides has been the City's Purchasing Administrator since 2013. In addition to managing the procurement functions, he has assumed the responsibilities of the Utilities Accountant and the Property Management Superintendent during their absence. He has also been involved in various special projects related to paid parking, natural gas and Christmas decorations. Jason has a Bachelor's Degree in Accounting, a Master's in Business Administration, is a Certified Public Accountant and a Certified Building Contractor. His education and experience make him an excellent candidate to oversee all property and procurement functions.

We recommend the following organizational and staffing changes:

- Change the title of the Purchasing Division to the Property and Procurement Division to function as an operating division of the Finance Department. The division will include procurement, fleet maintenance, leased facilities, and building maintenance functions.
- Reclassify the Purchasing Administrator (Pay Grade 125) to Property and Procurement Officer (Pay Grade 129). This position will oversee 6 employees and all division functions.

2) Information Systems: The End User System Analyst and the Public Safety Analyst provide support, training and acquisition of software for end user systems. We have changed the job titles and revised the job descriptions to better reflect the skill level, education and experience required for the job. Our consultants, Cody and Associates, recommend the following classifications:

- Reclassify the End User System Analyst (Pay Grade 125) to System Administrator (Pay Grade 128).
- Reclassify the Public Safety Analyst (Pay Grade 126) to System Administrator/Public Safety (Pay Grade 128).



Memo to George D. Forbes

February 4, 2015

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3) Business Relations and Conservation: The Conservation Specialist is currently classified as a LIUNA (union) position in pay grade 120. This position has recently taken on additional responsibilities as the City's Business Relations Coordinator. The position will be reclassified to a nonunion position exempt from overtime. Cody and Associates recommends classifying the Business Relations/Conservation Coordinator position in pay grade 122.

4) City Clerk: Ordinance No. 2013-8029 transferred the administrative services for the City's three pension plans from the City Clerk's Office to the Human Resources Department. This change resulted in a reduction in the overall workload in the City Clerk's Office with no corresponding adjustment to the City Clerk's pay grade or classification. Resolution No. 1940-2014 reclassified the City Clerk position from department director to an administrative position reporting to the Deputy City Manager. In order to align the pay grade for the City Clerk position with the classification and level of duties and responsibilities, we recommend changing the pay grade from 131 to 129.

RECOMMENDATION

Adopt Resolution Number 1943-2015, amending the Classification and Pay Plan for Managerial, Professional, Administrative and Unclassified (Nonunion) City positions, effective March 1, 2015. This will establish pay grades and classifications for the Property and Procurement Officer, the System Administrator, the System Administrator/Public Safety, the City Clerk and the Business Relations/Conservation Coordinator positions.

Introduced By: _____

Adopted: _____

RESOLUTION NUMBER 1943-2015

A RESOLUTION AMENDING THE CITY OF JACKSONVILLE BEACH POSITION CLASSIFICATION AND PAY PLAN FOR MANAGERIAL, PROFESSIONAL, ADMINISTRATIVE AND UNCLASSIFIED (NONUNION) CITY POSITIONS, EFFECTIVE MARCH 1, 2015.

WHEREAS, The City Council has adopted a Classification and Pay Plan which establishes job classifications and salary ranges for each position which are competitive with similar positions in the labor market, and

WHEREAS, it periodically becomes necessary to update the Classification and Pay Plan to ensure positions are properly classified and compensated in accordance with skill levels, job duties and supervisory responsibility.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, THAT:

SECTION 1. The City amends the Classification and Pay Plan for Managerial, Professional, Administrative and Unclassified (Nonunion) City positions attached hereto as *Attachment A*, dated March 1, 2015, which: 1) changes the job title of the Purchasing Administrator to the Property and Procurement Officer, 2) changes the job title of the End User System Analyst to the System Administrator, 3) changes the job title of the Public Safety Analyst to the System Administrator/Public Safety and 4) establishes the classification and pay grade for the Business Relations/Conservation Coordinator, the Property and Procurement Officer, the System Administrator, the System Administrator/Public Safety and the City Clerk positions.

SECTION 2. The City Manager is hereby authorized to implement the amended pay plan and take any action necessary to carry out implementation not in conflict with any other laws or ordinances.

SECTION 3. This resolution shall take effect March 1, 2015.

AUTHENTICATED this _____ day of _____ 2015.

William C. Latham, Mayor

Laurie Scott, City Clerk

CITY OF JACKSONVILLE BEACH
POSITION CLASSIFICATION AND PAY PLAN



Classification and Pay Plan

For

**Managerial, Professional, Administrative and Unclassified
(Nonunion) Positions**

Effective March 1, 2015

SECTION II
CLASSIFICATIONS AND PAY GRADES
By Classification

CLASSIFICATION	POSITION TITLE	GRADE
Department Director	* Chief Financial Officer	137
	* Deputy City Manager	140
	* Director of Beaches Energy Services	140
	* Director of Human Resources	134
	* Director of Parks and Recreation	133
	* Director of Planning and Development	134
	* Director of Public Works	137
	* Fire Chief	137
	* Police Chief	138
Administrative, Fiscal & Related	* Accountant	125
	* Accounting Supervisor	129
	Administrative Assistant	119
	Assistant City Clerk	121
	* Assistant Customer Service Supervisor	121
	* Assistant Finance/Budget Officer	133
	* Assistant to the City Manager	123
	Building Maintenance Supervisor	122
	* Building Official	131
	* Business Relations/Conservation Coordinator	122
	Chief Storekeeper	119
	* City Clerk	131 129
	Clerical Assistant	112
	* Customer Service Supervisor	129
	* GIS Administrator	129
	Human Resources Generalist	120
	* Information Systems Supervisor	133
	* Internal Auditor	128
	* Network Engineer	129
	* Payroll/Benefits Administrator	129
	Payroll Specialist	119
	* Planning Official	131
	Project/Safety Coordinator	118
	* Purchasing Administrator Property and Procurement Officer	125 129
	* Property Management Superintendent	125
	Staff Assistant	116
	* End User System Analyst System Administrator	124 128
* Public Safety Analyst System Administrator/Public Safety	126 128	
* Utilities Accountant/Analyst	125	

* Exempt from overtime under the Fair Labor Standards Act.

CLASSIFICATIONS AND PAY GRADES
By Grade

GRADE	POSITION TITLE
107	Golf Cart/Range Attendant
107	Golf Starter
107	Tennis Court Attendant
111	Golf Shop Attendant
112	Clerical Assistant
113	Recreation Leader
114	Police Volunteer Coordinator
114	Recreation Program Assistant
116	Staff Assistant
117	* Tennis Professional
118	Project/Safety Coordinator
119	Administrative Assistant
119	Chief Storekeeper
119	Ocean Rescue Supervisor
119	Payroll Specialist
119	Police Records Supervisor
120	Human Resources Generalist
121	Assistant City Clerk
121	* Assistant Customer Service Supervisor
122	Building Maintenance Supervisor
<u>122</u>	* <u>Business Relations/Conservation Coordinator</u>
122	Police Accreditation Manager
122	Recreation Supervisor
123	* Assistant to the City Manager
123	Public Safety Communications Supervisor
125	* Accountant
125	* Property Management Superintendent
125	* Purchasing Administrator
125	* Recreation Superintendent
125	* Utilities Accountant/Analyst
125	Utility Plant Maintenance Supervisor
126	* Golf Course Superintendent
126	* Golf Professional
126	* Meter Services Supervisor
<u>124128</u>	* <u>End User System Analyst/System Administrator</u>
<u>126128</u>	* <u>System Administrator/Public Safety Analyst</u>

* Exempt from overtime under the Fair Labor Standards Act.

**CLASSIFICATIONS AND PAY GRADES
By Grade**

GRADE	POSITION TITLE
129	* Accounting Supervisor
131 129	* City Clerk
129	* Customer Service Supervisor
129	* GIS Administrator
129	* Network Engineer
129	* Payroll/Benefits Administrator
125 129	* Purchasing Administrator Property and Procurement Officer
130	* Distribution & Collection Superintendent
130	* Streets Superintendent
130	* Utility Plant Supervisor
131	* Building Official
131	* Construction & Maintenance Supervisor
131	* Planning Official
133	* Assistant Finance/Budget Officer
133	* Director of Parks and Recreation
133	* Information Systems Supervisor
133	* Police Commander
133	* System Operations Supervisor
134	* Director of Human Resources
134	* Director of Planning and Development
134	* Public Works City Engineer
134	* Public Works Project Engineer
135	* Electrical Engineering Supervisor
135	* Electric Utilities Superintendent
137	* Chief Financial Officer
137	* Director of Public Works
137	* Fire Chief
138	* Police Chief
140	* Deputy City Manager
140	* Director of Beaches Energy Services
180	Police Officer Reserve
182	Police Sergeant (Non-Union)
404	* Fire Captain/Shift Commander
405	* Fire Captain/Fire Marshall
Unclassified	Beach Patrol Guard
Unclassified	Beach Patrol Lieutenant
Unclassified	School Crossing Guard

* Exempt from overtime under the Fair Labor Standards Act.