FORT PIERCE UTILITIES AUTHORITY
REGULAR MEETING
AGENDA

TUESDAY
January 17, 2023 2:00 PM
City Commission Chambers
100 North U.S. #1, Fort Pierce, Florida

MEETING TO ORDER

Opening Prayer by Alice Delannoy, Treasure Coast Energy Center

Pledge of Allegiance

ROLL CALL AND DECLARATION OF A QUORUM

A. SET THE AGENDA

B. APPROVAL OF MINUTES:

1. Approve the Minutes of the Regular Meeting on January 3, 2023.

C. COMMENTS FROM THE PUBLIC:

D. CONSENT AGENDA:

1. Approve Post Budgeted Project/Budget Request for the 3896 Selvitz Rd project in the amount of $180,055.

E. RECOGNITION OF EXCELLENCE:

F. OLD BUSINESS:

G. NEW BUSINESS:

1. Seacoast National Bank Presentation – For Information Only.
2. Natural Gas Inspection for 2022 – For Information Only
3. November 2022 Bill Comparison – For Information Only
4. FPUA Attorney/General Counsel Search Process
5. FPUA Director of Utilities 2022 Performance Evaluation and Compensation Adjustment

H. AWARD OF BID:

I. RESOLUTIONS:

1. Approve Resolution No. UA 2023-02 – Contract Agreement Line of Credit with Seacoast Bank.

J. DIRECTOR:

K. ATTORNEY:

L. COMMENTS FROM BOARD MEMBERS:

M. ADJOURN

Contracts under $50,000 in Board Packet for Chairman and Secretary Signature:

1. Strategic Communications Support Services – VancoreJones - $48,000.00

MINUTES OF A REGULAR MEETING OF THE FORT PIERCE UTILITIES AUTHORITY, TUESDAY, JANUARY 3, 2023, 2:00 P.M., CITY COMMISSION CHAMBERS.

Members Present: Vice Chair Barbara Bennett; Secretary Larry Lammers; Deputy Secretary Frank H. Fee, IV; and Mayor Linda Hudson.

Member Absent: Chairman Kristina Gibbons

Others present: Javier Cisneros, Director of Utilities; Barbara Mika, Director of Finance and Administrative Services; Daniel Retherford, Director of Utility Support Services; Bo Hutchinson, Director of Water/Wastewater Systems, Craig Crawford, Director of Electric & Gas Systems, and Jody Finklea, Special Counsel to FPUA Board.

The meeting was called to order by Madam Vice Chair Barbara Bennett.

Opening Prayer was by Jason Mittler, Manager FPUA.net.

The Pledge of Allegiance was recited.

The roll was called and a quorum declared.

ITEM A: SET THE AGENDA

A motion was made by Mr. Fee, seconded by Mr. Lammers, and unanimously carried to approve the set agenda.

ITEM B: APPROVAL OF MINUTES

A motion was made by Mayor Hudson, seconded by Mr. Lammers, and unanimously carried to approve the Minutes of the Regular Meeting of December 6, 2022.

ITEM C: COMMENTS FROM THE PUBLIC

ITEM D: CONSENT AGENDA

A motion was made by Mr. Fee, seconded by Mayor Hudson, and unanimously carried to approve the Consent Agenda.

ITEM E: RECOGNITION OF EXCELLENCE

ITEM F: OLD BUSINESS

ITEM G: NEW BUSINESS

1. Eric Meyer and Dwayne Struble reported on the 2022 NERC Annual Review – For Information Only

Mayor Hudson asked if your work with FMIT because they have cybersecurity coverage now. Mr. Cisneros said we typically work with FMPA, they have cybersecurity specialist. Mr. Struble said he would look into FMIT and get back to Mr. Cisneros. Mr. Lammers asked what kind of recommendations did the consultant give us on ways to improve.
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2. Eric Meyer presented RFQu No. 20-10A – Authorize staff to negotiate contracts for Continuing Professional Engineering and/or Design-Build Services related to Electric and Gas Systems with selected firms for a five-year term, with unlimited five-year renewal options.

A motion was made by Mr. Fee, seconded by Mr. Lammers and unanimously carried to authorize staff to negotiate contracts for Continuing Professional Engineering and/or Design-Build Services related to Electric and Gas Systems.
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3. Fred Gaddis reported on the Natural Gas Rate Stabilization Fund Update – November 2022 – For Information Only
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4. Jason Mittler presented Smart Neighborhood Initiative – Approve Memorandum of Understanding (MOU) between Allegany Franciscan Ministries, Inc. (AFM), of Palm Harbor, Florida, The City of Fort Pierce, St. Lucie County, and FPUA for the Smart Neighborhood Initiative to provide high speed connectivity in the Lincoln Park Community of Fort Pierce. FPUA's contribution to this project is not expected to exceed $600,000.

A motion was made by Mayor Hudson, seconded by Mr. Lammers, and unanimously carried to approve the MOU between AFM, City of Fort Pierce, St. Lucie County, and FPUA for the Smart Neighborhood Initiative.
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5. Daniel Retherford presented POA 15-11 – Approve the single source purchase of Neptune Meters and Registers from Sunstate Meter Supply, Inc. in an amount not to exceed $1,028,576.72, for the final phase of the Advanced Metering Infrastructure (AMI) Project.

A motion was made by Mr. Lammers, seconded by Mayor Hudson, and unanimously carried to approve the single source purchase of Neptune Meters and Registers from Sunstate in an amount not to exceed $1,028,576.72.

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6. Barbara Mika presented on the CDARS Investments – For Information Only

Mayor Hudson asked if CDARS is something new. Mrs. Mika said we have used it before.

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7. Barbara Mika presented on the Status Report on Electric Power Cost Adjustment (PCA) for November 2022.

A motion was made by Mayor Hudson, seconded by Mr. Fee, to increase the PCA by $8.00 for 1000 Kw hours from $35 to $43 effective February 1, 2023. Those voting yes were Mr. Fee, and Mayor Hudson. Mr. Lammers and Mrs. Bennett voted no. Motion rejected.
A motion was made by Mayor Hudson, seconded by Mr. Lammers, to increase the PCA by $4.00 for 1000 kw hours from $35 to $39 effective February 1, 2023. Those voting yes were Mr. Lammers; Yes; Mayor Hudson, Yes; Mrs. Bennett, Yes. Mr. Fee voted no, and the motion was approved.

ITEM H: AWARD OF BID

ITEM I: RESOLUTIONS

1. Barbara Mika presented Resolution No. UA 2023-01 – Approve Resolution of the Fort Pierce Utilities Authority, adopting the 2023 Official Investment Policy.

Mrs. Cortes read Resolution of the Fort Pierce Utilities Authority, Fort Pierce, Florida, Providing for a Local Government Policy relative to the deposit and investment of Authority Funds. Adopting the attached investment policy consisting of 17 pages, designating the Director of Financial Administration responsible for execution of this policy, providing that a copy of said Utilities Investment Policy be on file in the offices of the Director of Financial Administration and the Director of Utilities, repealing all resolutions and parts of resolutions in conflict herewith and providing for an effective date hereof.

A motion was made by Mayor Hudson, seconded by Mr. Lammers, and unanimously carried to approve Resolution No. UA 2023-01 of the Fort Pierce Utilities Authority, adopting the 2023 Official Investment Policy.

ITEM J: DIRECTOR

Mr. Cisneros said I have a couple of updates. We have finalized a resolution for Mr. Koblegard's 27 years of service, it will likely come before the Board at the first meeting in February. The latest version of the job description for the FPUA Attorney/General Counsel was provided at the beginning of this meeting. Pending any additional changes, staff will have this on the agenda for approval and discussion on how we develop a short list and the interview process. The new mainland water reclamation facility groundbreaking will be on February 3rd, and official invitations were provided at the beginning of the meeting. On December 16th, FPUA submitted a grant proposal requesting $8.3 million of Federal funds for Electric Grid Resiliency. On December 21st, we provided a Wastewater Plant Relocation Tour to two State Representatives and Two Federal Senate Representatives with Mayor Hudson and Commissioner Jeremiah Johnson. For clarity, Mayor Hudson and Commissioner Johnson were at different locations at different times. This week we are submitting two State Appropriation Request. One for $900,000 toward sewer lining and one multi-million-dollar request for the wastewater plant, amount still to be determined. Presenting to the St. Lucie County Delegation and our local policy makers about these projects and expect to hear some results for two of our larger wastewater plant grant requests this month. Last item, I have provided the Board Members with my performance memo for you review. Today is officially my one-year anniversary in this role. One-year evaluation and recommendation for cost of living adjustment will be on the agenda for the next Board meeting.

ITEM K: ATTORNEY

Mr. Finklea said I represented the Utility Authority in a collection matter before a judge in St. Lucie County and we are going to continue to prosecute that. There have been some security concerns involving substations, so I expect to see increased regulatory review of those types of thing.

ITEM L: COMMENTS FROM BOARD MEMBERS

Mr. Lammer said I thought staff's recommendation on the $8 cost adjustment was, in many ways a good one. I am a little bit sensitive to how much we raise the PCA right now having gone through what we went through. Definitely want to look at it next month and reevaluate.

Mayor Hudson asked what about the increases for Florida Power and Light. Mr. Cisneros said there have been a couple of articles online. They do have an increase that went into effect in January, one potentially in April, and then potentially another one in October. They also have one preapproved for January of 2024. They are trying to recover not only the cost of fuel, the PCA for the last year, they're also trying to prepare for the 2023 estimated cost for purchase power.

They're also trying to recover costs for Hurricane Ian. Mr. Finklea said they will have at least three rate increases this year.

A motion was made by Mayor Hudson, seconded by Mr. Fee, and unanimously carried to excuse Mrs. Kristina Gibbons.

Madam Vice Chair Bennett Gibbons asked if she had a motion to adjourn this meeting? Thank you.

ITEM M: ADJOURN

There being no further business, the meeting was adjourned at 3:59 pm.

ATTEST:

_____ _____

SECRETARY CHAIRMAN

Note: These minutes are not verbatim, only important issues and motions are reproduced in writing for the benefit of the Fort Pierce Utilities Authority and Board Members. The recording itself is the official record for the meeting.

Fort Pierce Utilities Authority

206 South Sixth Street (34950) | PO Box 3191, Fort Pierce, FL 34948-3191 | Phone: 772.466.1600

Board Submission Form

1/10/2023

Department: 56 - Electric & Gas Engineering

Board Meeting Date: 01/17/2023

Item Type: Consent Agenda

Subject: 3896 Selvitz Road- Underground Conversion and New Commercial Electric Services

Recommendation:

Approve Post Budgeted Project/Budget Request for the 3896 Selvitz Rd project in the amount of $180,055.

Reviewed By Attorney:

Funds Available From: X No Funds Needed ___ Budgeted ___ Contingency

Approvals:

System Director:	CRAWFORD, CRAIG A.	Jan 9 2023 9:57AM
Director of Finance:	MIKA, BARBARA A.	Jan 9 2023 10:43AM
Director of Utilities:	CISNEROS, JAVIER	Jan 10 2023 4:25PM

Fort Pierce Utilities Authority

Memorandum

TO: Javier Cisneros, P.E., Director of Utilities

THROUGH: Craig A. Crawford, Director of Electric & Gas Systems

FROM: Eric D. Meyer, Supervising Engineer

DATE: January 10, 2023

SUBJECT: **3896 Selvitz Road- Underground Conversion and New Commercial Electric Services**

PRESENTER(S): Thierry Sydne

RECOMMENDATION:

Approve Post Budgeted Project/Budget Request for the 3896 Selvitz Rd project in the amount of $180,055.

SUMMARY/SUPPORTING INFORMATION

This is a project to provide the facilities necessary to serve two new commercial electric services and provide redundancy to an industrial sector. The project will require relocation of the existing overhead primary lines, the installation of two (2) pad-mounted transformers, 12,000 ft of 1/0 UG primary, and 3,000 ft of conduit. The customer will be providing and installing facilities to be owned and maintained by FPUA (in-kind services) that total a value of $44,693.

The total estimated FPUA budget cost is $180,055, with the following cost responsibilities:
- Rates: $175,031
- CIA: $5,024

The funds are available in project 508 and 518.

FPUA will complete this work using in-house crews and our unit price contractor.

ALTERNATIVES (IF ANY):

Not approve the recommended cost allocation for this project and request a higher Contribution-In-Aid (CIA).

ATTACHMENTS:

Fort Pierce Utilities Authority

206 South Sixth Street (34950) | PO Box 3191, Fort Pierce, FL 34948-3191 | Phone: 772.466.1600

Board Submission Form

1/10/2023

Department: 14 - Regulatory Affairs

Board Meeting Date: 01/17/2023

Item Type: Regular Agenda

Subject: Seacoast Bank Presentation

Recommendation:

For Information Only

Reviewed By Attorney:

Funds Available From: _X_ No Funds Needed ____ Budgeted ____ Contingency

Approvals:

System Director:	MIKA, BARBARA A.	Jan 9 2023 12:46PM
Director of Finance:	MIKA, BARBARA A.	Jan 9 2023 12:46PM
Director of Utilities:	CISNEROS, JAVIER	Jan 10 2023 4:24PM

Fort Pierce Utilities Authority

Memorandum

TO: Javier Cisneros, P.E., Director of Utilities

FROM: Barbara A. Mika, Director of Financial Admin.

DATE: January 10, 2023

SUBJECT: **Seacoast Bank Presentation**

PRESENTER(S): Barbara Mika

RECOMMENDATION:

For Information Only

SUMMARY/SUPPORTING INFORMATION

Seacoast Bank will be presenting information for the FPUA Board to know about their organization.

ALTERNATIVES (IF ANY):

ATTACHMENTS:

Fort Pierce Utilities Authority

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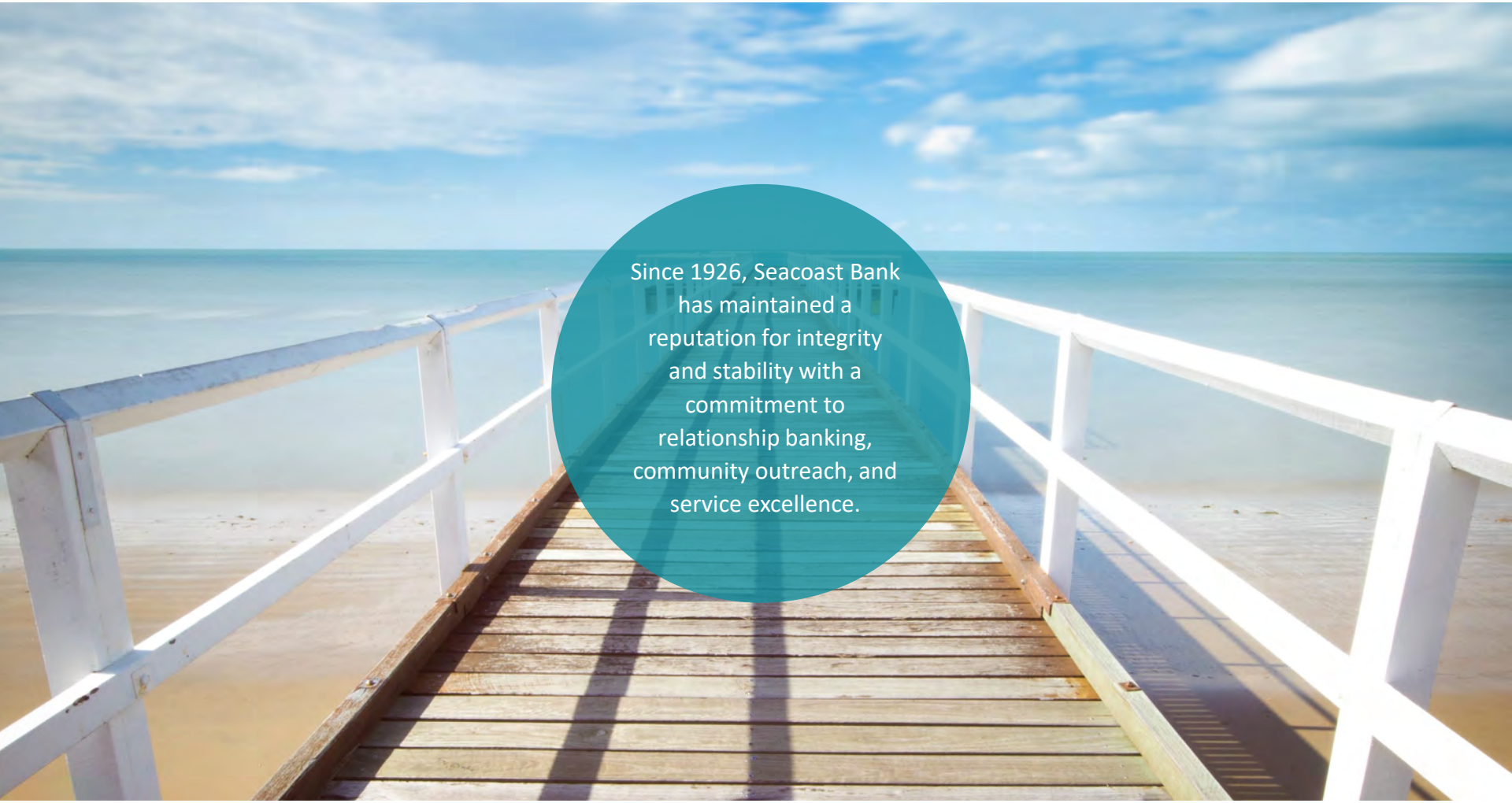
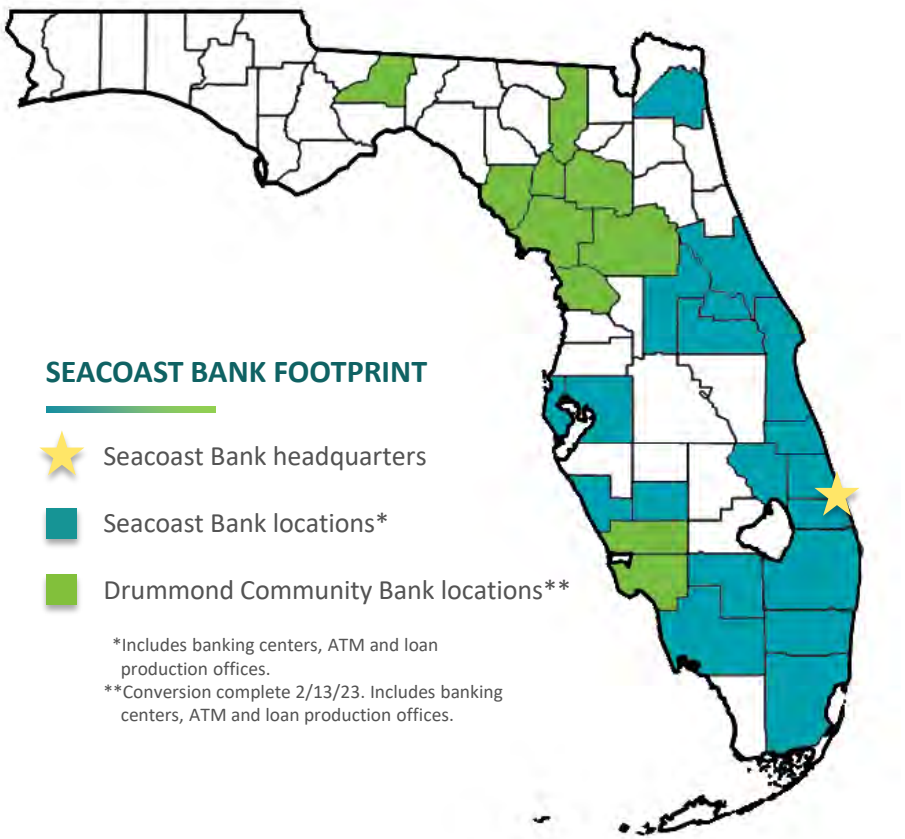
Fort Pierce Utilities Authority's Banking Relationship Team

Name	Title	Location	Contact
Dana McSweeney Dana.McSweeney@SeacoastBank.com	VP, Banking Center Manager	1901 S US Hwy 1 Fort Pierce, FL 34950	Office 772.466.3419
Kelly Firkel Kelly.Firkel@SeacoastBank.com	Treasury Management Sales Manager	340 S Harbor City Blvd Melbourne, FL 32901	Office 321.302.2326
Kathleen Richardson Kathleen.Richardson@SeacoastBank.com	Treasury Sales Support	815 Colorado Ave Stuart, FL 34994	Office 386-317-3120
Steven Rivera Steven.Rivera@SeacoastBank.com	SLC Market President	9698 S U.S. Hwy 1 Port St Lucie, FL 32952	Office 772.221.2717
Penny Morin Penny.Morin@SeacoastBank.com	SVP, Community Banking Director	1790 SW Gatlin Blvd Port St Lucie, FL 34953	Office 772-807-8158


Since 1926, Seacoast Bank has maintained a reputation for integrity and stability with a commitment to relationship banking, community outreach, and service excellence.



SEACOAST BANK FOOTPRINT

- Seacoast Bank headquarters
- Seacoast Bank locations*
- Drummond Community Bank locations**

*Includes banking centers, ATM and loan production offices.
**Conversion complete 2/13/23. Includes banking centers, ATM and loan production offices.

CORPORATE PROFILE

Since 1926, Seacoast Bank has maintained a reputation for integrity and stability with a commitment to relationship banking, community outreach, and added value service.

OUR VISION

To be the trusted advisor of choice to the customers, businesses, and communities we serve.

OUR FOUR PROMISES

- Get you comfortable with the right products and the right team to serve you
- Make your day-to-day banking simple
- Resolve out-of-the-ordinary items responsively
- Invest in you and your community

Today, Seacoast Bank is among the largest publicly traded community banks headquartered in Florida. We have strong presence in Florida's most vibrant markets. Seacoast Bank makes banking easy and convenient by offering solutions that allow you to bank anywhere, anytime.

For more information about Seacoast Bank, visit us at **SeacoastBank.com.**

NASDAQ: SBCF

SEACOAST BANK HISTORY

The Bank of Stuart and Feroe Building in 1913. *(Photo: CONTRIBUTED PHOTO FROM STUART HERITAGE MUSEUM)*

The Bank of Stuart and Feroe Building in 1913. *(Photo: CONTRIBUTED PHOTO FROM STUART HERITAGE MUSEUM)*

Seacoast Bank's original charter is from 1926 as Indian River County Bank in Sebastian, Florida. This charter was used to open Citizen's Bank in the city of Okeechobee in 1930. In 1933, the Citizen's Bank of Stuart opened its headquarters sharing space with Stuart City Hall and the Police and Fire Departments. With cashier Dennis S. Hudson, Sr., employee Ruth Brooks and assets of about $50,000, it served for years as the only bank between Fort Pierce and West Palm Beach.

As Stuart's only bank in the early '40s during the war, Citizens was a leader in the county for promoting and selling U.S. bonds for that effort and became a member of the Federal Reserve System in 1946. Dennis S. Hudson, Sr., served as the Savings Bond Chairman for Martin County and also served on the board for the Selective Service in World War II.

A $30,000 remodeling project in May 1953, included a 12-foot by 85-foot addition on Colorado Avenue. The bank also had the county's first drive-in teller's window, one of the very first drive-ins in the State of Florida, constructed of bullet-proof glass and steel with a microphone connection permitting conversation between the bank employee and customers in their cars.

SEACOAST BANK HISTORY

This First National Bank sign was on a tall pylon to direct people to the Stuart bank that later would become Seacoast Bank. (photo from 1963) *(Photo: CONTRIBUTED PHOTO FROM THE THURLOW COLLECTION)*

On Sept. 2, 1958, Citizens, previously a state-chartered bank, opened for business as a national banking institution called First National Bank of Stuart with a trust department to better serve the community.

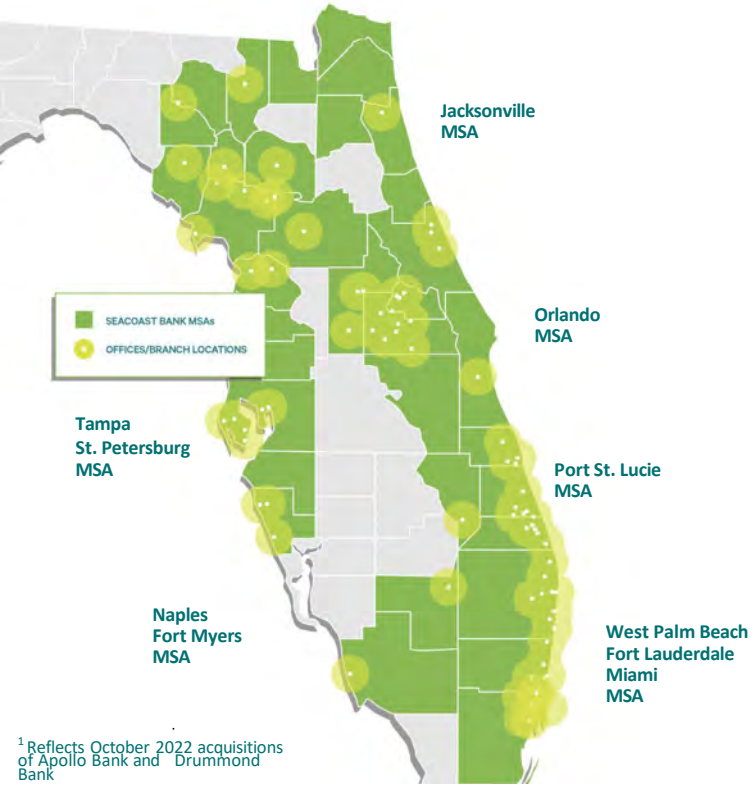
First National always strived to be innovative, offering its telephone Time of Day and Temperature service and by introducing the Master Charge credit card to its customers in July 1969, the first bank credit card in the area. The Personal Automatic Teller (PAT) system went into service in November 1973, permitting customers to get cash 24 hours a day; at the time, no other bank on the east coast of Florida and very few in the country offered such a service.

By 1976, assets totaled $100 million and in 1977 Florida's banking law changed to allow branching and the first branch office was opened in Jensen Beach. The “Sails in the Wind” logo was adopted in 1981 and electronic banking was initiated in the 1990s.

Today, Stuart-based Seacoast Banking Corporation of Florida (NASDAQ: SBCF), the largest and only publicly traded bank headquartered on the Treasure Coast, is one of the largest community banks headquartered in Florida.

Valuable Florida Franchise, Well-Positioned with Strong Capital and Liquidity

SEACOAST BANK FOOTPRINT[1]



[1] Reflects October 2022 acquisitions of Apollo Bank and Drummond Bank

- $10.3 billion in assets as of September 30, 2022, operating in the nation's third-most populous state
- Strong presence in Florida's most attractive markets
  - #1 Florida-based bank in Orlando MSA
  - #1 market share in Port St. Lucie MSA
  - #1 Florida-based bank in Palm Beach county
  - #2 Florida-based bank in St. Petersburg
- Among the largest publicly traded community banks headquartered in Florida

- Market Cap: $1.9 billion as of September 30, 2022
- Strong liquidity position
- Prudent capital position to support further organic growth and opportunistic acquisitions
- Unique customer analytics capabilities drive value creation with new, acquired, and existing customers

Seacoast Bank vs Southeast Region Peers
$2bn - $100bn in Total Assets

OUR SOLUTIONS

BUSINESS & COMMERCIAL BANKING

We offer solutions for all stages of your business to help you manage, grow, and transform, from checking, financing, liquidity management, Treasury Services, and more.

WEALTH[1]

We offer a diverse menu of strategies backed with local decision making, convenience, technology, and distinctive, personal service.

PERSONAL BANKING

We offer a variety of banking products and solutions, from checking and savings accounts to auto loans, lines of credit, home loans and more.

1. Not FDIC Insured | Not Bank Guaranteed | May Lose Value | Not Insured by any Federal Government Agency | Not a Bank Deposit

as of September 30, 2022

NEWS AND EVENTS

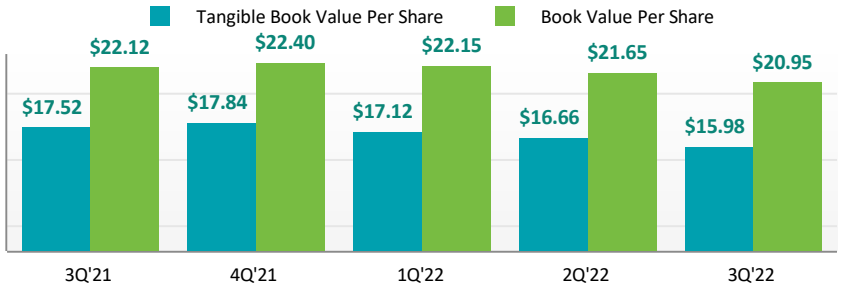
On March 29, 2022, Seacoast announces the acquisition of Apollo Bank. Apollo Bank operates five branches across Miami-Dade County with deposits of approximately $928 million and loans of $665 million as of December 31, 2021. Closing of the transaction is expected early in the fourth quarter of 2022.

On May 4, 2022, Seacoast announces the acquisition of Drummond Bank. Drummond operates 18 branches across North Florida with deposits of approximately $932 million and loans of $543 million as of March 31, 2022. Closing of the transaction is expected early in the fourth quarter of 2022.

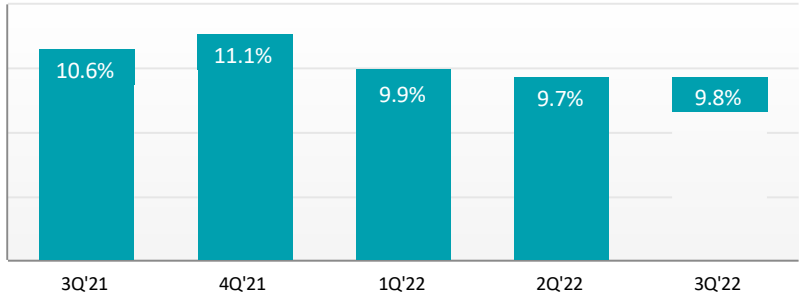
On August 8, 2022, Seacoast announces the acquisition of Professional Bank. Professional Bank, the sixth largest bank headquartered in South Florida, operates nine branches across Miami-Dade, Broward and Palm Beach counties, with deposits of approximately $2.4 billion and loans of $2.0 billion as of June 30, 2022. Closing of the transaction is expected in the first quarter of 2023.

Strong Capital Supporting a Fortress Balance Sheet

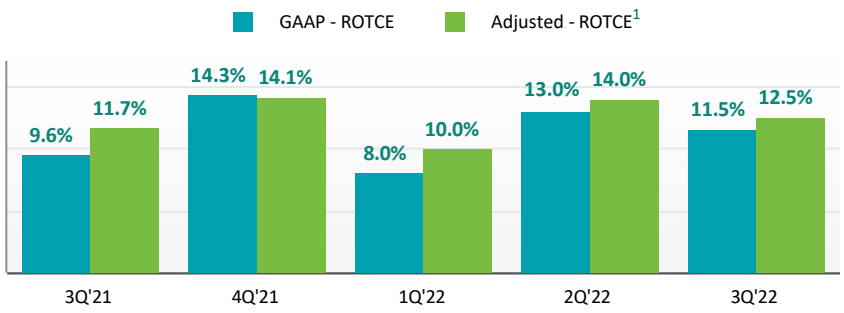
Tangible Book Value and Book Value Per Share



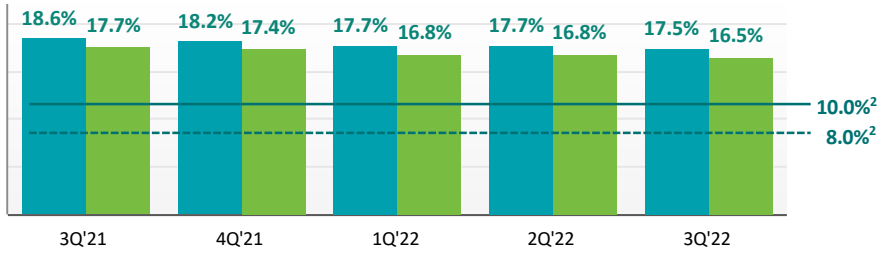
Tangible Common Equity / Tangible Assets



Return on Tangible Common Equity

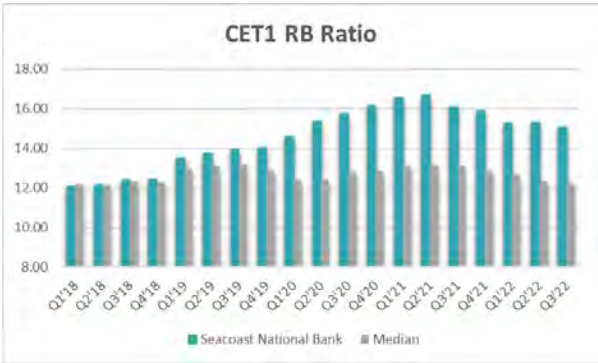


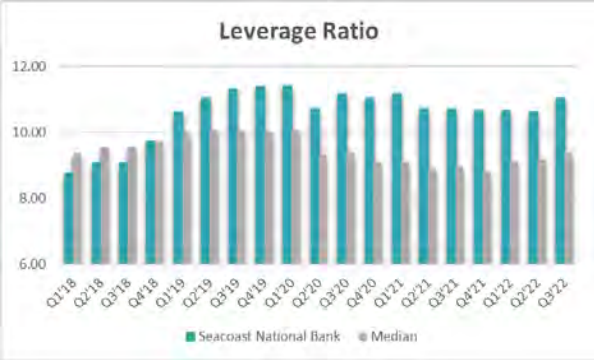
Total Risk Based and Tier 1 Capital

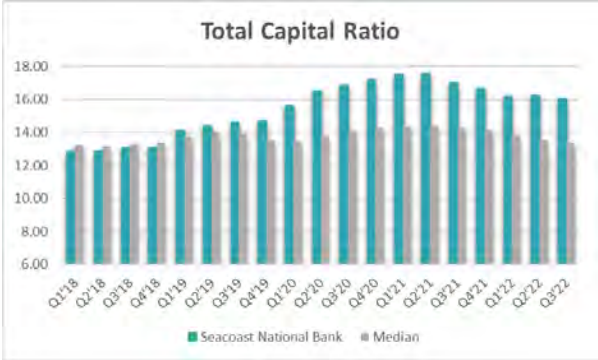


[1]Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and a reconciliation to GAAP.
[2]FDICIA defines well capitalized as 10.0% for total risk based capital and 8.0% for Tier 1 ratio at a total Bank level.

Seacoast's Fortress Balance Sheet Evidenced by Strong Capital Levels Relative to Peers







OUR UNIQUE VALUE PROPOSITION

Deep community roots combined with cutting edge technology and digital capabilities set Seacoast Bank apart from local peers and larger competitors.

EXPERTISE
We have the tools and expertise to help you grow your business.

TECHNOLOGY
Adopting new technology and offering digital capabilities to power your business.

LOCAL SERVICE
You always receive personalized attention from our Florida-based customer service center.

CONVENIENCE
We offer tailored solutions designed to meet your unique business needs.

COMMUNITY
We've been serving Florida businesses for nearly a century – We share your passion for growth and the commitment to your local communities.

THE SEACOAST ADVANTAGE

ACCESS TO CAPITAL
Get the capital you need to get your business going with quick, local decisions. Your dedicated team will help you find the right lending solutions to meet your specific business needs.

CASH MANAGEMENT
Power your business with technology to streamline your collection process and accelerate cash flow.

WEALTH MANAGEMENT
Bridge the gap between your business success and your individual and family goals. Promote long-term working relationships that provide employees with help in saving for retirement.

SEACOAST ON SITE FOR EMPLOYEES
Take advantage of key insight into personal finances and financial wellness education for your business and employees.

Your Seacoast Bank commercial banking expert will partner with you to review your business information and current market trends to find new opportunities to grow your business, manage risk and increase operational efficiency.

FIND THE RIGHT SOLUTIONS TO MAKE YOUR BUSINESS SUCCESSFUL

Business Checking

- Online and mobile banking
- Up to 150 free transactions per month

Owner Occupied Commercial Real Estate Loan

- Personal CRE expert advisor
- Flexible financing options
- Up to 85% LTV

Equipment Financing

- Get up to 100% financing upon approval
- Financing up to 6 years available

Business Line of Credit

- Line amounts from $10M
- No collateral required

Treasury Management Services

- Remote deposit capture
- ACH services
- Positive Pay
- Merchant processing
- Online payroll

Seacoast Liquidity Solutions

	Checking	ICS	CD	CDARS	Money Market
Description	Checking account with unlimited transactions	Checking account with FDIC coverage on the full balance via IntraFi platform	12 Month Term deposit	Term deposit with the full FDIC coverage on the full balance	Deposit account with limited transaction volume
Liquidity	Fully liquid	Fully liquid	12 Month Term	54 Weeks Term	6 transactions / per month
FDIC Coverage	Up to $250k/ per depositor	Full balance	Up to $250k/ per depositor	Full balance	Up to $250k/ per depositor
Safety	Seacoast Bank	FDIC coverage	Seacoast Bank	FDIC coverage	Seacoast Bank
Yield	0%	1.15%	3%	2.85%	3.50%
Bank Balance Sheet	Yes	Yes	Yes	Yes	Yes

Several solutions based on FPUA deposits & liquidity needs

Extended Full FDIC Insurance Sweep

Seacoast Bank provides Extended Full FDIC insurance coverage via IntraFi (ICS/ CDARS) or Reich & Tang (DDM) platforms. The solution enables customers to have access to multi-million-dollar FDIC insurance through a single relationship.

Benefits to customer:

- Customer receives FDIC insurance coverage on the full balance
- Maintain balances in a single checking account without any restrictions and with full liquidity
- Ease of accessing everything directly through Seacoast account
- Convenience of eliminating ongoing collateral-tracking requirements, having uninsured deposits to footnote in financial statements, and needing to maintain relationships at different institutions

How does an Extended Full FDIC Insurance Sweep Work?

Deposits are placed in demand deposit accounts when using the ICS demand option, money market deposit accounts when using the ICS savings option.

An overview:

QUESTIONS ?

BOARD SUBMISSION FORM

Fort Pierce Utilities Authority
"Committed to Quality"
206 South Sixth Street (34950)
PO Box 3191 | Fort Pierce, FL 34948-3191
Phone: 772.466.1600

Department: 74 - Gas Operations

Board Meeting Date: January 17, 2023

Item: X Regular Agenda ____ Consent Agenda

Subject: Natural Gas PSC Inspection for 2022

Recommendation:
Information only

Reviewed By Attorney: ____ Yes X No

Funds Available From: X No Funds Needed ____ Budgeted

Approvals:

System Director: Craig Crawford

Director of Financial Services: _____

Director of Utilities: Javier Cisneros

Fort Pierce Utilities Authority

Memorandum

To:	Javier Cisneros, P.E., Director of Utilities
Through:	Craig Crawford, Director of Electric & Gas Systems
From:	Fred Gaddis, Gas Ops Superintendent
Date:	January 17, 2023
Subject:	Natural Gas PSC Inspection for 2022

INFORMATION ONLY:

The Florida Public Service Commission (FPSC) engineering staff completes annual evaluations of the facilities of each regulated natural gas operator in Florida to determine compliance with state and federal safety rules and regulations applicable to pipeline facilities and the transportation of natural gas within the State of Florida.

On August 8, 2022 the Public Service Commission (PSC) came to FPUA Gas Operations to perform their annual inspection of our Gas system. The evaluation consisted of review and verification of related documents, field tests and interviews with employees.

This PSC inspection covered Cathodic Protection, Pressure Regulation, Odorization, Emergency Valves, Operator Qualification, Distribution Integrity Management Program (DIMP), Inactive Gas Service Lines, Leak Repairs, Leak Survey, Public Awareness, Drug & Alcohol testing, Operating & Maintenance (O&M) Plan, and Emergency Plan.

The gas system was found in satisfactory compliance with state and federal rules and regulations (Title 49 CFR part 192-Transportation of Natural and Other Gas by Pipeline and/or Rules of the Florida Public Service Commission, Chapter25-12) in the areas that were evaluated.

ALTERNATIVES:

Information only

ATTACHMENTS:

2022 Annual Gas Pipeline Safety Evaluation - FTPUA

COMMISSIONERS:
ANDREW GILES FAY, CHAIRMAN
ART GRAHAM
GARY F. CLARK
MIKE LA ROSA
GABRIELLA PASSIDOMO

STATE OF FLORIDA

DIVISION OF ENGINEERING
TOM BALLINGER
DIRECTOR
(850) 413-6910

Public Service Commission

August 30, 2022

Mr. John K. Tompeck, P.E.
Director of Utilities
Fort Pierce Utilities Authority
P.O. Box 3191
Ft. Pierce, FL 34948

RE: Annual Natural Gas Pipeline Safety Evaluation – 2022 FTPUA – Fort Pierce Utilities Authority

Dear Mr. Tompeck:

Mr. Rafael Bohorquez, Engineering Specialist, completed a pipeline safety evaluation on August 8, 2022, of the physical facilities and records of Fort Pierce Utilities Authority's natural gas system. The evaluation consisted of review and verification of related documents, field tests and interviews with employees. The gas system was found in satisfactory compliance with state and federal natural gas pipeline safety rules in the areas evaluated.

Enclosed is the evaluation report with additional information and attachments. Please review the report for possible improvements. Operational personnel have been advised of the safety evaluation but have not received this full report. Please forward to the necessary operational personnel within your organization. If you have any questions, please call Ms. Marcelina Alvarez, Utilities System/Engineering Specialist Supervisor, at 305.513.7817 or me at 850.413.7009.

Sincerely,

Robert Graves
Chief, Bureau of Safety

RG:wd
Enclosure

cc: Tom Ballinger, Director, Division of Engineering
Marcelina Alvarez, Utilities System/Engineering Specialist Supervisor

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER ● 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: August 8, 2022

TO: Robert Graves, Chief of Safety, Division of Engineering, Tallahassee

FROM: Rafael Bohorquez, Engineering Specialist, Division of Engineering, Miami

RE: Annual Pipeline Safety Evaluation – Fort Pierce Utilities Authority (FTPUA)

Issue

Is FTPUA operating its natural gas system in accordance with Title 49 Code of Federal Regulations (CFR), Parts 40, 191, 192, 199, and the Rules of the Florida Public Service Commission (FPSC), Chapter 25-12, Florida Administrative Code (F.A.C.)?

Discussion

The FPSC engineering staff completes annual evaluations of the facilities of each regulated natural gas operator in Florida to determine compliance with state and federal safety rules and regulations applicable to pipeline facilities and the transportation of natural gas within the state of Florida.

This evaluation was completed on August 8, 2022, and did not find significant deficiencies in the operation and maintenance of the FTPUA system that would be in violation of Title 49 CFR part 192- Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards and/or the Rules of the Florida Public Service Commission, Chapter 25-12, F.A.C. The findings of the evaluation are given below.

The following FPSC and Pipeline and Hazardous Materials Safety Administration (PHMSA) forms were used for this evaluation:

- GS-03 Operations and Maintenance
- GS-04 Corrosion Survey
- GS-05 Pressure Regulation
- GS-13 Summary
- GS-14 Valve Survey
- GS-15 Excess Flow Valves
- GS-16 Aboveground Pipe Survey
- Operator Qualification Headquarters Inspection, PHMSA Form-14
- Operator Qualification Field Inspection Protocol 9, PHMSA Form-15
- Public Awareness Program Effectiveness Inspection, PHMSA Form-21
- Distribution Integrity Management Program Implementation Inspection, PHMSA Form-24

Cathodic Protection

This system is approximately 175 miles long and constructed of 113.5 miles of coated steel pipe and 61.4 miles of PE pipe. The coated steel and the PE pipe size range from 2-inch or less up to 8-inch. A galvanic system cathodically protects the coated steel pipe. According to the operator's records, the cathodic protection was satisfactory. In the field inspection, staff inspected fourteen locations, and all reads were acceptable.

Pressure Regulation

There are two gate stations in the system. The regulators and relief valves were inspected in the field, and no over or under pressurization was observed. The records indicate that the operator complies with the 49 CFR 192 gas inspection intervals.

Odorization

The operator has established six test points to conduct monthly sniff tests not exceeding 45 days. According to the operator's records, the odorization of the gas in the system was satisfactory through 2021. Staff could not complete the sniff test because the operator did not have a calibrated odorometer at the time of the inspection. By written communication, the operator explained that the vendor that calibrates FTPUA's odorometer has had supply issues resulting in the delayed service. Staff requests that FTPUA notify staff when the odorometer has been calibrated.

Emergency Valves

The staff inspected fourteen emergency valves and fifteen service line valves in the field, and no deficiencies were found. According to the operator's records, the operator checked the valves within compliance.

Operator Qualification

All qualified employees appear to be up-to-date on their qualifications. Staff observed that employees recognize and react to abnormal operating conditions. The operator completed the revision of the qualification program in July 2021.

Distribution Integrity Management Program (DIMP) Implementation

Staff reviewed the DIMP plan using PHMSA Form-24, and the implementation appeared satisfactory. The operator completed the annual revision of the DIMP plan on January 21, 2022. The five-year review was conducted by the operator on November 28, 2018. Field personnel appear to understand their responsibilities and promptly report information for correcting deficiencies. Office and field personnel have the right attitude, values, norms, and beliefs regarding safety and seem to be committed to a culture of safe operation of the system.

Inactive Gas Service Lines

According to the operator's records, there are no inactive service lines over 10½ years. The 5½-year rule for inactive service lines does not apply to this system since there are no bare steel or cast iron lines.

Leak Repairs and Leak Surveys

The operator's records also indicated that the leak survey was completed in 2021. All leaks found appear to have been repaired or made safe as required by code.

Public Awareness

Beginning in 2020, Florida Gas Utility (FGU) started administering FTPUA's public awareness plan (PAP). FGU is responsible to ensure that:

- Target audiences are identified
- Message(s) appropriate to each audience are identified
- Appropriate media are selected to transmit each message to each audience
- Appropriate message delivery frequencies are identified for each message and audience
- Messages are delivered as specified in the plan
- The effectiveness of the program is periodically evaluated,
- The plan is modified to reflect the findings of the effectiveness evaluation
- Produce a damage prevention newspaper ad

Staff reviewed the implementation of the PAP using PHMSA Form-21 with Mr. Fred Gaddis, FTPUA Gas Operation Superintendent, and Ms. Taylor Morgan, FGU Member Services Specialist and Program Administrator. The implementation appeared satisfactory. The operator revised the plan on July 9, 2021.

Drug and Alcohol

The operator randomly tested employees as required by Code. Supervisors have received training to determine if there may be drug or alcohol use. The operator displayed information concerning the operator's policy regarding the use of prohibited drugs on a common area bulletin board. The staff did not review the drug and alcohol plan during this inspection because the evaluation is required every five years; FPSC completed the last review in 2019.

Operating and Maintenance (O&M) Plan and Emergency Plan (EP)

Implementation of the O&M plan and EP appeared satisfactory. The operator reviewed the O&M plan on July 22, 2021, and the EP revision on September 17, 2021.

Conclusion

The annual pipeline safety evaluation of FTPUA detected no significant violations of Title 49 CFR Part 192 – Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards and the Rules of the Florida Public Service Commission, Chapter 25-12, F.A.C. The findings were communicated to Mr. Fred Gaddis, FTPUA Gas Operation Superintendent, during the exit interview on August 8, 2022.

RB:wd
Attachments

FLORIDA PUBLIC SERVICE COMMISSION
PIPELINE SAFETY EVALUATION SUMMARY

☑ - Satisfactory ☒ - Requirement Unsatisfactory Compliance NA - Requirement does not apply NC - Not checked at this time

GAS SYSTEM: Fort Pierce Utilities Authority (FTPUA)	**EVALUATION COMPLETED DATE: 8/8/2022**
ADDRESS: 1701 S. 37th Street	**EVALUATED BY: Rafael Bohorquez**
CITY: Fort Pierce	**LIAISON CONTACTED: Fred Gaddis**

FORM	FUNCTION	ADEQUACY	COMMENTS
GS-03	Operations & Maintenance	✓	
GS-04	Corrosion Survey	✓	
GS-05	Pressure Regulation	✓	
GS-06	Odorization	NC	
GS-14	Valve Survey	✓	
GS-15	Excess Flow Valves	✓	
GS-16	Aboveground Pipe Survey	✓	
PHMSA Form 4.1	Anti-Drug & Alcohol Misuse Programs	NA	Not required: due in 2024
PHMSA Form 14	Operator Qualifications Headquarters	✓	
PHMSA Form 15	Operator Qualifications Field	✓	
PHMSA Form 21	Public Awareness	✓	
PHMSA Form 24	Distribution Integrity Management Plan Implementation	✓	
PHMSA Form 7100	Annual Report	✓	

RECORDS REVIEW	CHECK	DATE
Atmospheric Corrosion	✓	7/12/2022
Corrosion Surveys	✓	7/12/2022
Damage Prevention	✓	7/12/2022
Emergency Equipment Up To Date	✓	7/18-19/2022
Emergency Plan Up To Date	✓	7/20/2022
Emergency Contacts Current	✓	7/12/2022
Employee Training	✓	7/14/2022
Isolation Valves	✓	7/14/2022
Leak Repair	✓	7/14/2022
Member One-Call	✓	7/14/2022
Odorization	NC	-------
Operator Qualification Plan	✓	7/15/2022
Operator Qualification Records	✓	7/15/2022
Patrolling Of Pipelines	✓	7/14/2022
Plastic Procedures	✓	7/14/2022
Plastic Joiner Qualifications	✓	7/14/2022
Pressure Testing Of Facilities	✓	7/13/2022
Public Awareness	✓	6/28/2022
Regulator Capacity Checked	✓	7/18-19/2022
Standards, Rules, Regulations	✓	7/12/2022
NPMS Updated (transmission only)	Distribution System	-------
System Maps	✓	7/15/2022
Vault Inspections	Not present	-------
Welder Qualifications	✓	7/15/2022
Welding Procedures	✓	7/15/2022

NOTES

Total # Inactive service lines	# Inactive service lines over 5 ½ yrs. (bare steel or cast iron)	# Inactive service lines over 10 ½ years (any material)
237	No bare steel or cast iron present	0

Total corrosion leaks on steel mains without CP	System has CP
Total corrosion leaks on metallic services without CP	System has CP
Number of corrosion leaks on mains & services with CP	1
Leaks without CP have had remedial corrosion control?	System has CP
Leaks with CP have had remedial corrosion control?	Yes

Is there plastic pipeline without means of location?	No	Correction plan?	Not required
Are there leaks on plastic pipeline from brittle-like cracking? If yes, how many?			0

Miles bare steel pipe	0	Replacement plan	Not required	Finish date	Not required
Miles cast iron pipe	0	Replacement plan	Not required	Finish date	Not required

# Cast iron leak	0	Pipe:	Not present	Joints	Not present	Graphitization	Not present

LEAK SURVEYS

Business Districts	100%	Master Meters		FTPUA is not a master meter system	
Public Congregation	100%	Bare metallic	0	Residential	33%

EXCESS FLOW VALVES

Total # of EFVs	938	# New EFVs Installed	44	Number Checked	15

DRUG & ALCOHOL

Random/Reasonable Suspicion Drug test # employees	34	# of tests (R/RS)	26/0	# of failures (R/RS)	0
Reasonable Suspicion Alcohol test # employees	34	# of RS tests	0	# of failures	0

Drug and alcohol testing labs on the DHHS approved list	✓	Supervisors Trained	✓

SIGNATURE OF EVALUATING ENGINEER

NC: Odorization equipment not available.

FLORIDA PUBLIC SERVICE COMMISSION

OPERATIONS AND MAINTENANCE EVALUATION

GAS SYSTEM: Fort Pierce Utilities Authority	**EVALUATED BY:** Rafael Bohorquez
ADDRESS: 1701 S. 37th Street	**DATE:** 7/21/2022
CITY: Fort Pierce, FL	**LIAISON:** Fred Gaddis

CODE OF FEDERAL REGULATIONS, PART 192
COMMISSION RULES CHAPTER 25-12

☑ - Satisfactory ☒ - Requirement Unsatisfactory Compliance NA - Requirement does not apply NC - Not checked at this time

General		
192.605	1. Written operating and maintenance plans have been established.	✓
	2. Plan reviewed and updated (1 year/15 months).	✓
	3. Copies of federal and state regulations are available to appropriate personnel.	✓
	4. Operating and maintenance plans are readily available to appropriate personnel.	✓
	5. Periodically reviewing the work done by operator's personnel to determine the effectiveness and adequacy of the procedures used in normal or abnormal operation and maintenance and modifying the procedures and taking corrective action when deficiencies are found?	✓
	6. Copies of pertinent pipe, material and component specifications, as well as applicable construction standards, are available to appropriate personnel.	✓
	7. An adequate program has been developed and implemented to instruct appropriate personnel with respect to all procedures.	✓
	8. Taking adequate precautions in excavated trenches to protect personnel from the hazards of unsafe accumulations of vapor or gas, and making available when needed at the excavation, emergency rescue equipment, including a breathing apparatus and, a rescue harness and line.	✓
	9. Records sufficient to show compliance with the applicable operation and maintenance requirements of rules or adopted standards are established and maintained and allow easy identification of each device or facility and its location, show work performed and date work was performed.	✓
	10. Needed data is gathered and incidents under Part 191 are reported in a timely and effective manner.	✓
	11. Pipeline started up and shut down within MAOP limits, including build-up allowances.	✓
	12. Procedures for abnormal operation on transmission lines include responding to, investigating and correcting the cause of:	
	• Unintended valve closure or shutdown.	NA(1)
	• Abnormal change in pressure or flow rate.	NA(1)
	• Loss of communications.	NA(1)

192.605	• Operation of any safety device.	NA(1)
	• Any foreseeable component malfunction, deviation from normal operation, or personnel error which may result in a hazard to persons or property.	NA(1)
	13. Checking system at sufficient critical locations after abnormal operation has ended to determine continued integrity & safe operation.	✓
	14. Notifying responsible operator personnel when notice of abnormal operation is received.	✓
	15. Abnormal operation procedures are not applicable to natural gas distribution operators that are operating transmission lines in connection with their distribution system.	NA(1)
192.16	Customer notification - Each operator of a service line who does not maintain the customer's buried piping up to entry of the first building downstream, or, if the customer's buried piping does not enter a building, up to the principal gas utilization equipment or the first fence (or wall) that surrounds that equipment. For the purpose of this section, "customer's buried piping" does not include branch lines that serve yard lanterns, pool heaters, or other types of secondary equipment. *Also, "maintain" means monitor for corrosion according to §192.465 if the customer's buried piping is metallic, survey for leaks according to §192.723, and if an unsafe condition is found, shut off the flow of gas, advise the customer of the need to repair the unsafe condition, or repair the unsafe condition.*	
	Each operator shall notify each customer once in writing of the following information:	
	The operator does not maintain the customer's buried piping.	✓
	If the customer's buried piping is not maintained, it may be subject to the potential hazards of corrosion and leakage.	✓
	When excavating near buried gas piping, the piping should be located in advance, and the excavation done by hand.	✓
	The operator (if applicable), plumbing contractors, and heating contractors can assist in locating, inspecting, and repairing the customer's buried piping.	✓
	Buried gas piping should be:	
	Periodically inspected for leaks;	✓
	Periodically inspected for corrosion if the piping is metallic; and	✓
	Repaired if any unsafe condition is discovered.	✓
	Each operator shall notify each customer 90 days after the customer first receives gas at a particular location. (However, operators of master meters systems may continuously post a general notice in a prominent location frequented by customers.) Each operator must make the following records available for inspection by the Administrator or a State agency participating under 49 U.S.C. 60105 or 60106:	
	A copy of the notice currently in use; and	✓
	Evidence that notices have been sent to customers within the previous 3 years.	✓
Procedures Required		
25-12.008/ 25-12.083/ 192.553	1. Conversion and/or uprating to higher pressure, if contemplated.	✓

192.609	2. Class location study required where an increase in population density indicates hoop stress of existing pipeline is not commensurate with the present class location.	✓
192.611	3. Confirmation or revision of MAOP if there is a change in class location.	✓
Continuing Surveillance		
192.613(a)	1. Including: change in class location; failures; leakage history; corrosion; substantial changes in CP requirements; and unusual operating and maintenance conditions.	✓
192.613(b)	2. If a segment of pipeline is in unsatisfactory condition, MAOP is reduced or other action taken.	✓
192.613(b)	3. Reconditioning or phasing out segments of pipeline which are determined to be unsatisfactory, but no immediate hazard exists.	✓
192.605(d)	4. Instructions enabling recognition of conditions that potentially may be safety-related that are subject to reporting requirements of 191.23.	✓
192.617	5. Analyzing accidents & failures including laboratory analysis where appropriate to determine cause & prevention of recurrence?	✓
192.619	6. Determining maximum and minimum allowable operating pressure.	✓
192.625 25-12.055	7. Odorizing gas with appropriate material and provision for sampling at least twelve times per calendar year, not exceeding 45 days between samples, to assure adequate concentration. Odorant testing equipment must be used except by master meter operators.	✓
192.627	8. Tapping pipelines under pressure with qualified crew.	✓
192.629	9. Purging of pipelines must be done to prevent formation of an explosive mixture in the line.	✓
Damage Prevention Program **Operator may comply through participation in Sunshine State One Call but retains responsibility for compliance.**		
192.614	1. Identify current excavators in pipelines vicinity.	✓
	2. Notify excavators and public of damage prevention program and how to learn pipeline locations before excavation.	✓
	3. Provide a means of receiving and responding to line location requests.	✓
	4. Provide a means of marking the pipeline in the vicinity of excavation and how to identify the markings.	✓
	5. Provide marking before, as far as practical, the activity begins.	✓
	6. Provide protection of existing facilities during directional drilling or other trenchless technologies.	✓
	If there is reason to believe damage could occur:	
	• Provide for inspections of the pipeline as often as necessary during & after excavation to insure the integrity of the pipeline.	✓
	• Inspection must include leak survey in case of blasting.	✓
192.16	Procedures for notifying all customers or new customers within 90 days of their responsibility for those sections of service lines not maintained by the operator.	✓
	How many locate tickets where the pipeline was mismarked that resulted in a dig in.	1

Emergency Plans		
192.615	Each operator shall establish written procedures to minimize the hazard resulting from a gas pipeline emergency. At a minimum, the procedures must provide for the following:	
	1. Receive identify and classify notice of events which require immediate response by the operator.	✓
192.615	2. Establish and maintain adequate means of communication with appropriate fire, police, and other public officials.	✓
	3. Prompt and effective response to a notice of each type of emergency, including gas detected inside of, or near a building; fire located near, directly involving a pipeline facility; explosion occurring near or directly involving a pipeline facility; natural disasters.	✓
	4. The availability of personnel, equipment, tools, and materials, as needed at the scene of an emergency.	✓
	5. All actions directed towards protecting people first, then property.	✓
	6. Emergency shut-down and pressure reduction in any section of the pipeline system necessary to minimize hazards to life and property.	✓
	7. Make safe any actual or potential hazard to life or property.	✓
	8. Notify appropriate fire, police and other public officials of gas pipeline emergency. Maintain contact with such officials and coordinate a plan of action with them.	✓
	9. Safely restore service outages.	✓
	10. Beginning action under §192.617, if applicable, as soon after the end of the emergency as possible. Initiate actions to prevent recurrence of the emergency. Each operator shall establish procedures for analyzing accidents and failures, including the selection of samples of the failed facility or equipment for laboratory examination, where appropriate, for the purpose of determining the causes of the failure and minimizing the possibility of a recurrence.	✓
	12. Actions required to be taken by a controller during an emergency in accordance with §192.631.	✓
	13. Supply all supervisors responsible for emergency action with the latest edition of the emergency plan.	✓
	14. Train the appropriate operating personnel until they are thoroughly familiar with the emergency procedures.	✓
	15. Review employee activities to determine whether the procedures were effectively followed in each emergency.	✓
	16. Each operator shall establish and maintain liaison with appropriate fire, police, and other public officials to: Learn the responsibility and resources of each government organization that may respond to a gas pipeline emergency; Acquaint the officials with the operator's ability in responding to a gas pipeline emergency; Identify the types of gas pipeline emergencies of which the operator notifies the officials; and, plan how the operator and officials can engage in mutual assistance to minimize hazards to life or property.	✓
	17. Maintain an active training program for the purpose of educating each employee relative to procedures, plans and specifications required by these rules and adopted codes or standards as they affect the employee's specific duties and responsibilities.	✓
25-12.009	18. Establish a continual educational plan to enable customers, the general public, appropriate government organizations, and excavators to recognize a gas pipeline emergency for the purpose of reporting it to the pipeline operator, or the appropriate official, and at all times, use every reasonable effort to adequately warn and protect the public from danger, and exercise due care to reduce the hazards to which employees, customers, and the public may be subjected by reasons of equipment and facilities.	✓

	19. Review operator emergency response procedures for leaks caused by excavation damage near buildings and determine whether the procedures adequately address the possibility of multiple leaks and underground migration of gas into nearby buildings.	✓
Public Education		
192.616	Continuing educational program (in English & other pertinent languages) to better inform the public in how to recognize & report potential gas pipeline emergencies. Program must follow recommendations of API RP1162.	✓
Failure Investigation Procedures		
192.617	Analyzing accidents & failures including laboratory analysis where appropriate to determine cause & prevention of recurrence? This should include third party damage.	✓
Maintain System in Accordance with the Following Requirements		
192.755	If support for a segment of buried cast iron pipeline is disturbed by vehicular vibrations, earth movement, excavations, or any foreseeable outside forces, take steps to provide permanent protection against such damage.	NA(2)
192.707	Line markers must be placed and maintained as close as practical over each buried main:	
	• in class 1 and class 2 locations.	✓
	• at each crossing of road & railroad.	✓
	• where necessary to reduce possibility of damage.	✓
	Line markers must be placed along aboveground lines accessible to the public.	✓
	Marker warning must be legible and contain the information required by Section 192.707(d) (1) & (2).	✓
Distribution System Patrols		
192.721	1. Patrols of mains, wherein conditions could cause failure or leakage that would create a hazard to public safety, are made at intervals commensurate with the severity.	✓
	2. Mains on bridges, at river crossings and other locations where failure or leakage can be anticipated, are patrolled at intervals not exceeding 4 ½ months, but at least 4 times each calendar year in business districts and at 7 ½ months but at least 2 times each calendar year outside business districts.	✓
Perform periodic leakage surveys in accordance with the following schedule as a minimum: A gas detector survey conducted at intervals not exceeding 15 months, but at least once per calendar year, in those portions of an operator's service area including:		
192.723/ 25-12.040	1. Principal business districts, master meter systems and other places where the public frequently congregates, and where pipeline facilities, including service lines, are located under surfaces of such construction that little opportunity is afforded for a leak to vent safely.	✓
	2. In remaining areas at intervals not exceeding 3 years on bare metallic galvanized steel and coated steel tubing, but on remaining pipeline systems at 5 year intervals or more frequently if experience indicates.	✓
The following leak classification used on all leak records and reports:		
192.703(c) 25-12.040	1. "Grade 1 Leak" - a leak of gas that represents an existing or probable hazard to persons or buildings. Prompt action to protect life and property and continuous action until conditions are no longer hazardous is required.	✓
	2. "Grade 2 Leak" - a leak that is not a threat to persons or property at the time of detection, but justifies scheduled repair based on potential future hazard. The leak shall be repaired within 90 days from the date the leak was originally located unless, due to resurvey, the leak was determined to be Grade 3.	✓

192.703(c) 25-12.040	3. "Grade 3 Leak" - a leak that is not a threat to persons and property and can be expected to remain so. These leaks that are aboveground shall be repaired, within 90 days from the date the leak was originally located, unless the leak is upgraded or does not produce a positive leak indication when a soap and water solution, or its equivalent, is applied on suspected locations at operating pressure. Grade 3 leaks that are underground shall be reevaluated at least once every 6 months until repaired with the frequency of reevaluation determined by the location and magnitude of the leakage condition.	✓
	4. The adequacy of all the repairs of leaks checked by appropriate methods immediately after the repairs are completed. Where there is residual gas in the ground, a follow-up inspection using a gas detector instrument must be made as soon as the gas has had an opportunity to dissipate, but not later than one month for Grade 1 leaks and 6 months for Grade 2 leaks. The date and status shall be recorded on the leak repair records.	✓
Receiving of Gas Leak and Emergency Reports		
25-12.041	1. Each operator must provide a means of receiving and promptly responding to reported gas leaks and emergency calls on a 24-hour per day basis. The procedure for accomplishing this requirement must be included in the operating and maintenance.	✓
25-12.042	2. Gas leaks reported by customers or the general Public shall be considered emergencies requiring prompt response with the first priority of protecting life, then property. A device capable of detecting the presence of gas shall be used to test the area of the reported leak to determine if a leak actually exists.	✓
25-12.062	3. Gas leak and repair reports include the address of suspected leak, date and time leak reported, description of leak, date and time operator personnel dispatched, date and time operator personnel arrived, date and time condition made safe, location of leak found, and cause of leak.	✓
Notice of Accidents and Outages		
25-12.084	1. At the earliest practicable moment following discovery, telephonic notice shall be given the Commission of any leak related incident that cause a death or a personal injury, requiring hospitalization, resulted in gas igniting, caused estimated damage to the property of the operator, or others, or both, of a total of **$10,000**, or more; or In the judgment of the operator, was significant even though it did not meet the above criteria.	✓
	2. Notice need not be given if gas ignited only, if it occurred solely as a result of, or in conjunction with, planned or routine maintenance or construction.	✓
	3. Any distribution system-related accident or failure which interrupts service to either 10% or more of meters, or 500 or more meters, shall be immediately reported to the Commission.	✓
191.5	Telephonically reporting incidents to NRC? (800) 424-8802	✓
191.9 (a)	30-day follow-up written report? (Form 7100.1)	✓
191.9 (b)	Supplemental report (to 30-day follow up).	✓
191.23	Reporting safety-related condition.	✓
192.605(d)	Instructing personnel in operations and maintenance to recognize safety related conditions?	✓
Abandonment or Inactivation of Facilities		
192.727	1. Facilities being abandoned in place or lines not subjected to gas pressure (expected during maintenance operation) are disconnected from all gas sources, purged and the ends are sealed unless the volume of gas is such that no potential hazard exists.	✓
	2. When air is used to purge the facility, a check is made to ensure that a combustible mixture does not remain.	✓
	3. Vaults are filled with a suitable compacted material.	NA(3)

192.727	4. Other than services, inactive pipelines that are not being maintained in accordance with Part 192 are abandoned, as above.	✓
Inactive Service Lines		
25-12.045	1. If there is no prospect for reuse, retire and physically abandon within 3 months.	✓
	2. After inactive for 2 years and no prospect for reuse, either disconnect from gas sources, abandon and remove, close and lock the service valve and plug the line, or remove meter and plug the line within 6 months.	✓
25-12.045	3. After inactive for 5 years, physically abandon within 6 months by disconnecting at nearest point to the main not under a paved surface. Remove the remaining stub at the first feasible opportunity.	✓
	4. Maintain records of the remaining stubs so information is readily available for locating purposes.	✓
Allowable Operating Pressures		
192.619	1. For a distribution system intended to operate below 100 psig establish in accordance with Sections 192.619, 192.620, 192.621, or 192.623 as applicable.	✓
	2. For steel pipe operated at 100 psig or more, the test pressure determined according to Table in Section 192.619 (a)(2)(ii).	✓
Valves		
25-12.022 192.747	1. Designate valves which any be necessary for the safe operation of the system as sectionalizing valves. Criteria to be used in the selection of these valves will be the same as contained in Rule 25-12.022 below: (a) Volume and pressure of gas between valves. (b) Size of area and population density between valves required to isolate the area as well as the accessibility of the required valves. (c) The minimum number of personnel required to shut down and restore the area. (d) Other means and availability of required equipment to control the flow of gas in the event of an emergency. (e) The number and type of customers, such as hospitals, schools, commercial and industrial loads, etc., that will be affected.	✓
	2. Sectionalizing and other critical valves designated on appropriate records, drawings or maps available to operation or maintenance personnel and referenced to "permanent" aboveground structures or other field ties so the valve can be readily located.	✓
	• For aboveground valves located in vaults which have to be operated from within the vault, the marking appear on the valve body or wheel.	✓
	• For buried valve or valves operated by a key wrench, the markings appear in a visible location on the inside of the curb box or stand pipe where the cover will not abrade the markings.	✓
	3. All valves which may be necessary for the safe operation of the system, inspected and maintenance performed to assure location, access and operating ability at intervals not exceeding fifteen (15) months, but at least once each calendar year.	✓

Prevention of Accidental Ignition		
192.751	Prevention of accidental ignition exercised to minimize the danger when gas is being vented into the open air and may constitute a hazard. Potential sources of ignition are removed from the area and an adequately charged and recently inspected fire extinguisher is provided, when facilities contain a combustible mixture welding or cutting is not performed, and post warning signs where appropriate.	✓
Initiation of Gas Service		
25-12.043	1. Gas service may be denied until customer equipment complies with applicable local codes.	✓
	2. Meter delivering gas into customer piping may not be activated until ascertaining that a test was conducted assuring that a constant pressure had been contained by the piping.	✓
Interruption of Gas Service		
25-12.044 192.727	At the time gas service is turned off, or when the operator becomes aware that the supply of gas to the customer has been interrupted, whether intentionally, or unintentionally, a valve on the service line must be either locked in the closed position, or the service line plugged to prevent the flow of gas.	✓
Test Requirements For Reinstating Service Lines		
192.725(a)	Reinstated service lines must be tested in the same manner as new service lines.	✓
192.725(b)	A service line that is temporarily disconnected must be tested from the point of disconnection.	✓
Unauthorized Utilization of Facilities		
25-12.046 25-12.043	1. Upon determining unauthorized establishment of gas service, the service shall be turned off and such service shall not be reestablished until it has been ascertained that testing meeting the requirement of 25-12.043 has been made.	✓
	2. When unauthorized service is established and such service is on a common header with other services which may have been tampered with, then in the case of obvious tampering, check each such service to ascertain that only active customer services meet the applicable requirements of 25-12.044, and 25-12.045. This investigation shall be made immediately after cutting off the unauthorized service and a record is made of the results.	✓
	3. When aware of any equipment on facilities, immediately investigate to determine the effect upon the system and take all prudent measures to assure the safety of customers and the public in general.	✓
Facility Identification		
25-12.050	Gas pipeline facilities adjacent to the service line valve of multiple meter installations shall be plainly marked by permanent means designating the building, or part of the building, being served.	✓
	Each above-ground gas transporting facility shall be marked to identify the operator's name and phone number, including area code.	✓
System Maps		
25-12.061	System maps of each local operation area prepared and on file in the operating local office. Such maps and related records readily identify the location and size of all system facilities and other information pertinent to the safe design of the system. These records shall be kept up-to-date.	✓
Corrosion Control Procedural Requirements		
192.453	1. Written procedures have been established for the design and installation.	✓
	2. Design and installation of the cathodic protection system is carried out by or under the direction of a person qualified by experience or training in pipeline corrosion control methods.	✓

192.455	3. Buried or submerged metallic pipelines installed after July 31, 1971:	
	• must have an external protective coating meeting the requirements of 192.461.	✓
	• must have Cathodic protection within 12 months.	✓
25-12.008(g)	4. Steel tubing must have cathodic protection prior to placing in service for a conversion project.	✓
192.457	5. Except for buried piping at compressor, regulator, and measuring stations, each buried or submerged transmission line installed before August 1, 1971, that has an effective coating must be cathodically protected in its entirety.	✓
192.457	6. Except for cast iron or ductile iron, each of the following buried or submerged pipelines installed before August 1, 1971, must be cathodically protected in area of active corrosion.	
	• Bare or coated pipes at compressor, regulator and measuring stations.	✓
	• Bare or coated distribution lines.	✓
192.465(e)	7. Active corrosion on distribution pipelines shall be determined by electrical survey or where electrical survey is impractical, by the study of leak history records or other means.	✓
	8. Active corrosion means continuing corrosion which unless controlled could result in a condition that is detrimental to public safety.	✓
25-12.053	9. Operator shall have a comprehensive written procedure to evaluate electrical survey data in order to identify areas of active corrosion where cathodic protection must be installed. This procedure must provide for utilization of a combination of pipe/soil potential and soil resistivity measurements in the initial electrical survey.	✓
	10.. Reevaluation shall include pipe/soil potential and soil resistivity measurements with soil resistivity measurements being mandatory only at pipe/soil potential anodic indications and where known soil changes could cause corrosion.	✓
25-12.054	11. Placement of the reference half-cell in the immediate vicinity of galvanic anodes shall not be acceptable for electrical measurement used to determine the adequacy of cathodic protection.	✓
	12. Protective coating requirements and for preventing of damage to coating. Refer to Section 192.461.	✓
External Corrosion Control – Cathodic Protection		
192.463 25-12.052	1. Only acceptable criteria shall be I-A (1), I-A (3), and I-A (5) of Appendix D, PART 192 C.F.R.	✓
	2. I-A (1) is the only acceptable criterion for pipelines installed after June 1, 1975 if the insulating capabilities of the external coating are effective.	✓
	3. Application of 1-A (5) is restricted to bare pipelines installed before July 31, 1971.	
	• Prior to use the operator must submit a proposed, comprehensive procedure to the Bureau of Safety supporting the effectiveness of the procedure by test data obtained in actual field application to demonstrate that the procedure can attain net current flow from the surrounding electrolyte into the pipeline surface at all current discharge (anodic) points.	NA(4)
	• The procedure shall include a surface potential survey conducted longitudinally directly above the pipeline with maximum spacing of 10 feet utilizing 2 saturated copper - copper sulfate half-cells.	NA(4)
	• All procedure qualification records shall be retained as long as the procedure is used.	NA(4)
	• If application of the qualified procedure fails to provide required protective net current flow from the surrounding electrolyte into the pipeline surface the procedure will be modified & requalified for use in similar conditions.	NA(4)
	• The placement of the electrodes for resurvey of the application of 1-A (5) shall utilize the same electrode locations as the initial survey when practical.	NA(4)

192.463 25-12.052	• Each pipeline under protection utilizing I-A (5) shall be tested at least once a calendar year, with intervals not exceeding 15 months.	NA(4)
	4. Amphoteric metals used in buried pipelines of different anodic potential:	
	• must be electrically isolated and cathodically protected, or	✓
	• entire pipeline must be cathodically protected at the potential for amphoteric metals as required in Appendix D.	✓
	5. Amount of cathodic protection must be controlled so as not to damage the pipe coating.	✓
25-12.052 (4)	6. If gas leakage results from active corrosion, remedial action shall include cathodic protection unless replaced with plastic pipe. Those pipelines that have been protected as remedial action following a corrosion leak must be monitored annually.	✓
External Corrosion Control - Monitoring		
192.463/ 192.465	1. The only acceptable criteria I-A (1), I-A (3) and I (5) of Appendix D, Part 192 C.F.R.	✓
25-12.052 (1)	2. Short sections of mains or transmission lines, not in excess of 100 feet, or separately protected service lines may be surveyed on a sampling basis of 10% in each of 10 years, except	✓
	3. Impressed current power source must be inspected six times per year at intervals not to exceed 2 ½ months.	NA(5)
	4. Reverse current switches, diodes and interference bonds whose failure would jeopardize structure protection must be inspected six times per year at intervals not exceeding 2 1/2 months.	NA(5)
	5. All other interference bonds must be tested at least annually with intervals not exceeding 15 months.	NA(5)
25-12.052 (5)	6. Remedial action shall be taken within 3 months to correct or make substantial progress toward correction of any deficiencies indicated by monitoring.	✓
	7. For those portions of bare or poorly coated pipelines determined not to have active corrosion and cathodic protection was not applied, the condition must be reevaluated at least every three years.	NA(4)
Electrical Isolation must be provided:		
192.467	1. Between buried or submerged pipelines and other underground metallic structures or cathodically protect them as a single unit.	✓
	2. Between portions of the pipeline where such would facilitate the application of corrosion control.	✓
	3. Between pipelines and metallic casings of the pipeline or other measures taken to minimize corrosion of the pipeline inside the casing. (Does not pertain to unprotected copper inserted in ferrous pipe).	✓
	4. Inspection and electrical test must be made to insure electrical isolation is adequate.	✓
	5. In areas where a combustible atmosphere is anticipated precautions must be taken to prevent arcing.	✓
	6. When pipelines are located close to electrical facilities or other locations where fault currents or unusual risk of lightning may be anticipated, provisions must be taken for protection against damage due to fault currents or lightning, and protective measures also must be taken at insulating devices.	✓

Corrosion Control Monitoring		
192.469	All pipelines under cathodic protection must have sufficient test stations or other contact points for electrical measurement.	✓
192.471	1. Test lead wire must be connected in a manner to remain mechanically secure and electrically conductive.	✓
	2. Test lead wire must be attached so as to minimize stress concentration on the pipe.	✓
	3. Bared areas on the pipe and test lead must be coated with an electrical insulating material that is compatible with the pipe coating and the wire insulation at points of connection to the pipeline.	✓
Interference Currents		
192.473	1. When pipeline systems are subjected to stray currents, an effective program to minimize the detrimental effect of such current must be developed.	✓
	2. Each cathodic protection system (impressed current or galvanic anodes) must be designed and installed so as to minimize any adverse effects on existing adjacent underground structures.	✓
Internal Corrosion Control		
192.475	Whenever any pipe is removed from a pipeline the internal surface must be inspected for corrosion.	✓
192.477	If corrosive gas is being transported, coupons or other suitable means must be used to determine the effectiveness of the steps taken to minimize internal corrosion. Each coupon or other means of monitoring internal corrosion must be checked two times each calendar year, but with intervals not exceeding 7.5 months.	✓
Atmospheric Corrosion Control - General		
192.479	Aboveground pipelines, must be cleaned and either coated or jacketed with material capable of preventing atmospheric corrosion.	✓
Atmospheric Corrosion Control - Monitoring		
192.481	After making the initial inspection and protection action required, the portions of the system exposed to the atmosphere must be reevaluated at least each 3 calendar years with intervals not exceeding 39 months, and necessary remedial action taken to prevent further corrosion as required by Section 192.479.	✓
Remedial Measures - Buried or Submerged Pipe		
192.483	1. Metallic pipe that replaces pipe removed from a buried or submerged pipeline because of external corrosion must be provided with an external protective coating that meets the requirement of 192.461 and must be cathodically protected.	✓
192.483	2. Other than cast iron and ductile iron pipe, when buried or submerged pipe is repaired due to external corrosion each segment repaired must be cathodically protected in accordance with Subpart I, Part 192.	✓
Remedial Measures - Distribution Lines Other than Cast Iron or Ductile		
192.487	1. Segments of pipeline with general corrosion to the extent that the remaining wall thickness is less than that required for the MAOP or less than 30% of the nominal wall thickness must be replaced. If the area of corrosion is small, the corroded area may be repaired.	✓
	2. Segments of pipeline with localized corrosion pitting to a degree where leakage might result must be repaired or replaced.	✓
Remedial Measures - Cast Iron and Ductile Iron Pipelines		

192.489	1. Segments of pipeline with general graphitization to a degree where a fracture or leakage might result must be replaced; review the procedure.	NA(2)
192.489	2. Segments of pipeline with localized graphitization to a degree that leakage might result must be replaced, repaired or internally sealed.	NA(2)
Protecting Cast-Iron Pipeline Procedures		
192.755	When the operator has knowledge that the support for a segment of a buried cast-iron pipeline is disturbed, protection must be provided against damage by:	NA(2)
	• Vibrations from heavy construction equipment, trains, trucks, buses, or blasting.	NA(2)
	• Impact forces by vehicles.	NA(2)
	• Earth movement.	NA(2)
	• Other foreseeable outside forces which might subject that segment of pipeline to a bending stress.	NA(2)
	Provide permanent protection for the disturbed section as soon as feasible.	NA(2)
NTSB Recommendation	Review operator procedures for surveillance of cast iron pipelines including appropriate action resulting from tracking circumferential cracking failures, study of leakage history, or other unusual operating maintenance condition.	NA(2)
Corrosion Control Records		
192.491	1. Maps or records must show the location of:	
	• Cathodically protected piping.	✓
	• Cathodic protection facilities (other than galvanic anodes installed prior to August 1, 1972.	✓
	• Neighboring structures bonded to the cathodic protection system.	✓
192.491	2. Records of the following are retained for the life of the appropriate pipeline segment	
	• Each record or map required in "2" above.	✓
	• Records of each test, survey or inspection required by SUBPART I, CFR, in sufficient detail to demonstrate the adequacy of corrosion control measures or that a corrosive condition does not exist.	✓
192.459	Examination must be made of buried pipelines for external corrosion whenever exposed at any time. If external corrosion is found, remedial action must be taken.	✓

Inspector Notes and Comments

NA(1): FTPUA is a distribution system.
NA(2): No cast or ductile iron pipelines are present.
NA(3): No vaults are present.
NA(4): No bare pipelines are present.
NA(5): FTPUA uses anodes to protect the pipeline system.

CORROSION CONTROL SURVEY

System: Fort Pierce Utilities Authority
Date: 7/18-19/2022
Inspector: Rafael Bohorquez

	Test Station	Address/Location	Pipe-To-Soil Potential (mV)			Comments
			On	Off	Casing	
1.	✓	148 Mockingbird Ave., Fort Pierce	-1085	------	None	Anode System
2.	✓	161 Cardinal Ave., Fort Pierce	-1257	------	None	Anode System
3.	✓	201 Flamingo Ave., Fort Pierce	-1152	------	None	Anode System
4.	✓	218 Flamingo Ave., Fort Pierce	-1064	------	None	Anode System
5.	✓	2805 Avenue E, Fort Pierce	-1249	------	None	Anode System
6.	✓	314 N 13th St., Fort Pierce	-1084	------	None	Anode System
7.	✓	903 Citrus Ave., Fort Pierce	-1177	------	None	Anode System
8.	✓	1006 York Ave., Fort Pierce	-1119	------	None	Anode System
9.	✓	86 Sandhill Blvd., Fort Pierce	-1069	------	None	Anode System
10.	✓	124 Sandhill Blvd., Fort Pierce	-1153	------	None	Anode System
11.	✓	172 Cardinal Ave., Fort Pierce	-1065	------	None	Anode System
12.	✓	2801 Avenue I, Fort Pierce	-1086	------	None	Anode System
13.	✓	753 N US Highway 1, Fort Pierce	-1077	------	None	Anode System
14.	✓	South Gate Station	-1235	------	None	Anode System
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Section 192.463 and Chapter 25-12.052

FLORIDA PUBLIC SERVICE COMMISSION

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

CODE OF FEDERAL REGULATIONS, PART 192
COMMISSION RULES CHAPTER 25-12

GAS SYSTEM: Fort Pierce Utilities Authority (FTPUA)	**EVALUATED BY:** Rafael Bohorquez
ADDRESS: 1701 S. 37th Street	**DATE:** 7/18/2022
CITY: Fort Pierce	**LIAISON:** James Schmitt

This is a guide only. Any question should be checked against the rule or regulation cited.

☑ - Satisfactory ☒ - Requirement Unsatisfactory Compliance NA - Requirement does not apply NC - Not checked at this time

PRESSURE CONTROL LOCATION OR IDENTIFICATION: North Gate Station

192.199: REQUIREMENTS FOR DESIGN OF PRESSURE CONTROL		
Pressure controlling devices are designed and installed to:		
1.	Not be impaired by corrosion.	✓
2.	Not to make the device inoperative because of valves and valve seats design.	✓
3.	Be tested for leakage in the closed position.	✓
4.	Be tested for the pressure at which it will operate.	✓
5.	Be operated to determine if the valve is free.	✓
6.	Not have combustible supports.	✓
7.	Have discharge stacks, vents or outlet ports designed to prevent accumulation of water.	✓
8.	Discharge gas into the atmosphere without hazard.	✓
9.	Be adequate to prevent hammering of the valve or to impair relief capacity.	✓
10.	Prevent **any single incident** from affecting the operation of both the overpressure protective device and a district regulator when installed at a district regulator station to protect a pipeline system from over-pressuring.	✓
11.	Prevent **unauthorized operation** of any stop valve that will make the pressure relief valve or limiting device inoperative. (Except for a valve that will isolate the system under protection from its source of pressure.)	✓

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

192.201: REQUIRED CAPACITY OF PRESSURE RELIEVING AND LIMITING STATIONS		
Pressure relief and limiting stations have the capacity at required set pressure to prevent:		
1.	Low-pressure distribution systems prevented from receiving gas pressure that could cause the unsafe operation of any connected and adjusted utilization equipment.	NA(1)
2.	Pressure limiting devices must be installed near each regulator station in a low-pressure distribution system.	NA(1)
3.	Must have the capacity to limit the maximum pressure in the main so that it will not exceed the safe operating pressure for any utilization equipment.	NA(1)
4.	Systems operating at a MAOP of 60 psig or greater from exceeding the lower of either: the MAOP plus 10% or a pressure that produces a hoop stress of 75% SMYS.	✓
5.	Systems operating at a MAOP of 12 psig or greater and less than 60 psig from exceeding MAOP + 6 psig.	NA(1)
6.	Systems operating at a MAOP of less than 12 psig from exceeding MAOP plus 50%.	NA(1)

192.203 REQUIREMENTS: INSTRUMENT CONTROL, SAMPLING PIPE AND COMPONENTS		
The design and installation of instruments, controls, sampling pipes and components comply with the following:		
1.	Takeoff connections and fittings, or adapters are made of suitable materials, able to withstand the maximum service pressure and temperature of the pipe or equipment to which it is attached, to withstand all stress without failure by fatigue.	✓
2.	Shutoff valves installed in each takeoff line as near as practicable to the point of takeoff. (Control lines.) Except lines that can be isolated by other valving.	✓
3.	Blow-down valves installed where necessary.	✓
4.	Drains and drips in which liquids can accumulate are protected from damage by freezing.	✓
5.	Connections for cleaning if subject to clogging.	✓
6.	Pipes, components, and supports arranged to provide safety for anticipated operating stresses.	✓
7.	Joining method used must be suitable for anticipated pressures and temperatures with sufficient flexibility provided within the system for expansion. Slip type expansion joints are not used.	✓
8.	Control lines to regulator and over-pressure protective device installed to prevent damage to any one line from making both inoperative and must be protected from anticipated causes of damage.	✓

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

192.741: TELEMETERING AND RECORDING GAUGES		
1.	Each system supplied by more than one pressure control station is equipped with telemetering or recording pressure gages to indicate the gas pressure in the district.	✓
2.	Determine the necessity of installing telemetering or recording gauges on distribution systems supplied by a single district pressure regulating station.	NA(2)
3.	When there are indications of abnormal pressure conditions, the equipment is inspected and any unsatisfactory conditions are corrected promptly.	✓

192.53/192.103: MATERIALS FOR PIPE AND COMPONENTS		
1.	All pipes, valves, fittings, flanges and other components are of the appropriate pressure rating and standard.	✓
2.	When the manufacturer or appropriate standard requires special gaskets and alloy bolts or studs and nuts used.	✓

192.241/ 192.273: INSPECTION OF JOINTS	
All joints pass a visual inspection for compliance.	✓

192.605: OPERATION AND MAINTENANCE PLAN		
1.	Operation and maintenance plan comprehensively covers pressure control and over-pressure protection.	✓
2.	Operation and maintenance plan available to personnel responsible for pressure control and over-pressure protection.	✓

192.707(c): LINE MARKERS	
Line markers must be placed and maintained along each section of a main and transmission line that is located above ground in an area accessible to the public.	✓

25-12.050(2): FACILITY IDENTIFICATION	
Gas regulating station permanently marked by metal signs, line markers, plastic decals, or other appropriate means to identify the operator's name and phone number.	✓

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

192.481: ATMOSPHERIC CORROSION CONTROL: MONITORING	
Pipeline exposed to the atmosphere is free from evidence of atmospheric corrosion. Particular attention is placed on pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations and in spans over water.	✓

25-12.022(1): REQUIREMENT FOR DISTRIBUTION SYSTEM VALVES	
Valve is installed upstream of each regulator station for use in an emergency to stop the flow of gas. These valves are to be installed at a safe distance from the station, but no more than 500 feet from the regulator station.	✓

192.183: VAULTS – STRUCTURAL DESIGN		
1.	Vaults housing pipeline facilities must be designed to withstand loads that can be imposed, and to protect installed equipment.	NA(3)
2.	Sufficient space must be provided around facilities to allow necessary operation and maintenance of equipment.	NA(3)
3.	Pipelines entering or in vault must be steel for sizes 10 inches or less, except for any copper control and gauge piping.	NA(3)
4.	Piping extending through the vault must be arranged to prevent gases or liquids from passing through the vault opening around the pipe, and to avert strains in the pipe.	NA(3)

192.749: VAULTS		
1.	Vaults greater than 200 cu. ft. and housing pressure regulating and/or limiting devices are inspected to assure good physical condition and adequate ventilation every fifteen (15) months or at least once every calendar year. Where gas is found, the source is determined and repaired; ventilation equipment is inspected to assure proper function.	NA(3)
2.	Vault structure is examined to assure that it is sound and does not bear on the pipeline facilities and cover is in place and is not a public hazard.	NA(3)
3.	Pipeline facilities in the vault are adequately protected from external corrosion.	NA(3)

192.185: VAULTS - ACCESSIBILITY	
Vault locations, in as far as practical, will be away from street intersections, points of heavy traffic, surface watercourses, points of minimum elevation, underground utilities and other facilities.	NA(3)

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

192.187: VAULTS - SEALING, VENTING AND VENTILATION		
Vaults and pits with an internal volume exceeding 200 sq. ft. and containing pressure limiting, regulating or relieving equipment must have:		
1.	Ventilation with two ducts, each with the ventilating effect of 4-inch diameter pipe.	NA(3)
2.	Enough ventilation capacity to minimize formation of combustible atmosphere.	NA(3)
3.	Ducts of sufficient height to disperse gases safely (Above pedestrian height if practicable - 7 feet).	NA(3)
Vaults and pits with internal volume greater than 75 cu. ft. but less than 200 cu. feet must have:		
1.	If sealed, tight fitting covers without opening and provision for testing atmosphere in vault or pit without removing cover.	NA(3)
2.	If vented, means to prevent sources of external ignition from reaching vault atmosphere, or	NA(3)
	• If ventilated, design according to requirements for vaults of 200 cu. ft. or more internal volume or ratio of internal volume to effective ventilating area provided in cover of at least 20 to 1.	NA(3)

192.189: VAULTS - DRAINAGE AND WATERPROOFING		
1.	Vaults must be designed so to minimize entrance of water.	NA(3)
2.	Vaults with gas carrying facilities designed to ensure that they are not interconnected to other underground structures by drains.	NA(3)
3.	All electrical equipment in gas vaults must conform to the applicable National Electrical Code with Group D requirements of ANSI/NFPA 70 (Must have standard available if referenced).	NA(3)

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

GENERAL PRESSURE CONTROL STATION DATA	
MAOP of Upstream Piping:	285 psig
MAOP of Downstream Piping:	60 psig
Maximum Inlet Pressure (Identified on Regulator):	100 psig

WORKER REGULATOR						
RUN	SIZE (in.)	MAKE & MODEL	SIZE ORIFICE	OUTLET PRESSURE (psig)	INLET PRESSURE (psig)	OUTLET CAPACITY (MCFH)
1. W.	4	Mooney	75%	47	100	512
2. E.	4	Mooney	75%	45	100	512

MONITOR (M) / WORKING MONITOR (WM) / RELIEF (R)							
RUN	SIZE (in.)	MAKE & MODEL	M WM R	SIZE ORIFICE	OUTLET PRESSURE (psig)	INLET PRESSURE (psig)	OUTLET CAPACITY (MCFH)
1.	4	Mooney	R	100%	55	48	628

192.201: REQUIRED CAPACITY	
Distribution systems supplied from more than one gas source (compressor station, gate station, etc.) must have pressure relief or limiting devices installed at each station with sufficient capacity to insure that failure of the largest capacity regulator, compressor or any single run of lesser capacity units will not impose pressures more than those for which it was designed or protected against.	
3. MAOP of system downstream cannot be exceeded.	✓
4. Protective device set to operate at:	56 psig
5. Protective device operates at:	55 psig
6. Upon largest possible failure, protective device provides protection at: (use largest observed pressure of protection device)	55 psig

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

192.739/192.743: PRESSURE CONTROL INSPECTION AND TESTING		
1.	Pressure limiting or control station inspected and tested at intervals not exceeding 15 months, and not over one calendar year.	Dates of last two tests 3/15/2021 & 4/21/2022
2.	If relief test is not feasible, required capacity review is done at intervals not exceeding 15 months, and not over one calendar year. Calculated to be 628 MCFH at 56 psig.	
3.	Set to function at the correct pressure so as not to exceed the MAOP, plus allowances.	✓
4.	Properly installed and protected from dirt, liquids or other conditions that might prevent proper operation.	✓

25-12.060: REQUIRED RECORDS		
Records of the pressure regulating station equipment and test performed are adequately maintained and cover as a minimum:		
1.	Identification of each device	✓
2.	The device location	✓
3.	Work performed and date	✓
4.	Mechanical condition	✓
5.	Adequate capacity	✓

NTSB RECOMMENDATION	
Are there any regulators located inside buildings?	No
If so, are they properly vented to the outside? 192.357(d)	NA(4)

INSPECTION NOTES OR SCHEMATIC OF STATION IF NEEDED

NA(1): FTPUA operates at a MAOP of 60 psig.
NA(2): The gate station is equipped with telemetering system.
NA(3): Vaults are not part of the distribution system.
NA(4): There are no regulators inside buildings.

FLORIDA PUBLIC SERVICE COMMISSION

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

CODE OF FEDERAL REGULATIONS, PART 192
COMMISSION RULES CHAPTER 25-12

GAS SYSTEM: Fort Pierce Utilities Authority (FTPUA)	**EVALUATED BY:** Rafael Bohorquez
ADDRESS: 1701 S. 37th Street	**DATE:** 7/18/2022
CITY: Fort Pierce	**LIAISON:** James Schmitt

This is a guide only. Any question should be checked against the rule or regulation cited.

☑ - Satisfactory ☒ - Requirement Unsatisfactory Compliance NA - Requirement does not apply NC - Not checked at this time

PRESSURE CONTROL LOCATION OR IDENTIFICATION:	**South Gate Station**

192.199: REQUIREMENTS FOR DESIGN OF PRESSURE CONTROL		
Pressure controlling devices are designed and installed to:		
1.	Not be impaired by corrosion.	✓
2.	Not to make the device inoperative because of valves and valve seats design.	✓
3.	Be tested for leakage in the closed position.	✓
4.	Be tested for the pressure at which it will operate.	✓
5.	Be operated to determine if the valve is free.	✓
6.	Not have combustible supports.	✓
7.	Have discharge stacks, vents or outlet ports designed to prevent accumulation of water.	✓
8.	Discharge gas into the atmosphere without hazard.	✓
9.	Be adequate to prevent hammering of the valve or to impair relief capacity.	✓
10.	Prevent **any single incident** from affecting the operation of both the overpressure protective device and a district regulator when installed at a district regulator station to protect a pipeline system from over-pressuring.	✓
11.	Prevent **unauthorized operation** of any stop valve that will make the pressure relief valve or limiting device inoperative. (Except for a valve that will isolate the system under protection from its source of pressure.)	✓

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

192.201: REQUIRED CAPACITY OF PRESSURE RELIEVING AND LIMITING STATIONS		
Pressure relief and limiting stations have the capacity at required set pressure to prevent:		
1.	Low-pressure distribution systems prevented from receiving gas pressure that could cause the unsafe operation of any connected and adjusted utilization equipment.	NA(1)
2.	Pressure limiting devices must be installed near each regulator station in a low-pressure distribution system.	NA(1)
3.	Must have the capacity to limit the maximum pressure in the main so that it will not exceed the safe operating pressure for any utilization equipment.	NA(1)
4.	Systems operating at a MAOP of 60 psig or greater from exceeding the lower of either: the MAOP plus 10% or a pressure that produces a hoop stress of 75% SMYS.	✓
5.	Systems operating at a MAOP of 12 psig or greater and less than 60 psig from exceeding MAOP + 6 psig.	NA(1)
6.	Systems operating at a MAOP of less than 12 psig from exceeding MAOP plus 50%.	NA(1)

192.203 REQUIREMENTS: INSTRUMENT CONTROL, SAMPLING PIPE AND COMPONENTS		
The design and installation of instruments, controls, sampling pipes and components comply with the following:		
1.	Takeoff connections and fittings, or adapters are made of suitable materials, able to withstand the maximum service pressure and temperature of the pipe or equipment to which it is attached, to withstand all stress without failure by fatigue.	✓
2.	Shutoff valves installed in each takeoff line as near as practicable to the point of takeoff. (Control lines.) Except lines that can be isolated by other valving.	✓
3.	Blow-down valves installed where necessary.	✓
4.	Drains and drips in which liquids can accumulate are protected from damage by freezing.	✓
5.	Connections for cleaning if subject to clogging.	✓
6.	Pipes, components, and supports arranged to provide safety for anticipated operating stresses.	✓
7.	Joining method used must be suitable for anticipated pressures and temperatures with sufficient flexibility provided within the system for expansion. Slip type expansion joints are not used.	✓
8.	Control lines to regulator and over-pressure protective device installed to prevent damage to any one line from making both inoperative and must be protected from anticipated causes of damage.	✓

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

192.741: TELEMETERING AND RECORDING GAUGES		
1.	Each system supplied by more than one pressure control station is equipped with telemetering or recording pressure gages to indicate the gas pressure in the district.	✓
2.	Determine the necessity of installing telemetering or recording gauges on distribution systems supplied by a single district pressure regulating station.	NA(2)
3.	When there are indications of abnormal pressure conditions, the equipment is inspected and any unsatisfactory conditions are corrected promptly.	✓

192.53/192.103: MATERIALS FOR PIPE AND COMPONENTS		
1.	All pipes, valves, fittings, flanges and other components are of the appropriate pressure rating and standard.	✓
2.	When the manufacturer or appropriate standard requires special gaskets and alloy bolts or studs and nuts used.	✓

192.241/ 192.273: INSPECTION OF JOINTS	
All joints pass a visual inspection for compliance.	✓

192.605: OPERATION AND MAINTENANCE PLAN		
1.	Operation and maintenance plan comprehensively covers pressure control and over-pressure protection.	✓
2.	Operation and maintenance plan available to personnel responsible for pressure control and over-pressure protection.	✓

192.707(c): LINE MARKERS	
Line markers must be placed and maintained along each section of a main and transmission line that is located above ground in an area accessible to the public.	✓

25-12.050(2): FACILITY IDENTIFICATION	
Gas regulating station permanently marked by metal signs, line markers, plastic decals, or other appropriate means to identify the operator's name and phone number.	✓

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

192.481: ATMOSPHERIC CORROSION CONTROL: MONITORING	
Pipeline exposed to the atmosphere is free from evidence of atmospheric corrosion. Particular attention is placed on pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations and in spans over water.	✓

25-12.022(1): REQUIREMENT FOR DISTRIBUTION SYSTEM VALVES	
Valve is installed upstream of each regulator station for use in an emergency to stop the flow of gas. These valves are to be installed at a safe distance from the station, but no more than 500 feet from the regulator station.	✓

192.183: VAULTS – STRUCTURAL DESIGN		
1.	Vaults housing pipeline facilities must be designed to withstand loads that can be imposed, and to protect installed equipment.	NA(3)
2.	Sufficient space must be provided around facilities to allow necessary operation and maintenance of equipment.	NA(3)
3.	Pipelines entering or in vault must be steel for sizes 10 inches or less, except for any copper control and gauge piping.	NA(3)
4.	Piping extending through the vault must be arranged to prevent gases or liquids from passing through the vault opening around the pipe, and to avert strains in the pipe.	NA(3)

192.749: VAULTS		
1.	Vaults greater than 200 cu. ft. and housing pressure regulating and/or limiting devices are inspected to assure good physical condition and adequate ventilation every fifteen (15) months or at least once every calendar year. Where gas is found, the source is determined and repaired; ventilation equipment is inspected to assure proper function.	NA(3)
2.	Vault structure is examined to assure that it is sound and does not bear on the pipeline facilities and cover is in place and is not a public hazard.	NA(3)
3.	Pipeline facilities in the vault are adequately protected from external corrosion.	NA(3)

192.185: VAULTS - ACCESSIBILITY	
Vault locations, in as far as practical, will be away from street intersections, points of heavy traffic, surface watercourses, points of minimum elevation, underground utilities and other facilities.	NA(3)

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

192.187: VAULTS - SEALING, VENTING AND VENTILATION		
Vaults and pits with an internal volume exceeding 200 sq. ft. and containing pressure limiting, regulating or relieving equipment must have:		
1.	Ventilation with two ducts, each with the ventilating effect of 4-inch diameter pipe.	NA(3)
2.	Enough ventilation capacity to minimize formation of combustible atmosphere.	NA(3)
3.	Ducts of sufficient height to disperse gases safely (Above pedestrian height if practicable - 7 feet).	NA(3)
Vaults and pits with internal volume greater than 75 cu. ft. but less than 200 cu. feet must have:		
1.	If sealed, tight fitting covers without opening and provision for testing atmosphere in vault or pit without removing cover.	NA(3)
2.	If vented, means to prevent sources of external ignition from reaching vault atmosphere, or	NA(3)
	• If ventilated, design according to requirements for vaults of 200 cu. ft. or more internal volume or ratio of internal volume to effective ventilating area provided in cover of at least 20 to 1.	NA(3)

192.189: VAULTS - DRAINAGE AND WATERPROOFING		
1.	Vaults must be designed so to minimize entrance of water.	NA(3)
2.	Vaults with gas carrying facilities designed to ensure that they are not interconnected to other underground structures by drains.	NA(3)
3.	All electrical equipment in gas vaults must conform to the applicable National Electrical Code with Group D requirements of ANSI/NFPA 70 (Must have standard available if referenced).	NA(3)

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

GENERAL PRESSURE CONTROL STATION DATA	
MAOP of Upstream Piping:	285 psig
MAOP of Downstream Piping:	60 psig
Maximum Inlet Pressure (Identified on Regulator):	100 psig

WORKER REGULATOR						
RUN	SIZE (in.)	MAKE & MODEL	SIZE ORIFICE	OUTLET PRESSURE (psig)	INLET PRESSURE (psig)	OUTLET CAPACITY (MCFH)
1.North	4	Mooney	75%	48	99	512
2.South	4	Mooney	75%	48	99	512
3.East	4	Mooney (Amazon)	75%	45	99	512
4.West	4	Mooney (Amazon)	75%	45	99	512

MONITOR (M) / WORKING MONITOR (WM) / RELIEF (R)							
RUN	SIZE (in.)	MAKE & MODEL	M WM R	SIZE ORIFICE	OUTLET PRESSURE (psig)	INLET PRESSURE (psig)	OUTLET CAPACITY (MCFH)
1 South	4	Mooney	R	100%	52	48	628
2.West	4	Mooney (Amazon)	R	100%	48	45	628

192.201: REQUIRED CAPACITY	
Distribution systems supplied from more than one gas source (compressor station, gate station, etc.) must have pressure relief or limiting devices installed at each station with sufficient capacity to insure that failure of the largest capacity regulator, compressor or any single run of lesser capacity units will not impose pressures more than those for which it was designed or protected against.	
3. MAOP of system downstream cannot be exceeded.	✓
4. Protective device set to operate at:	52 psig West / 54 psig South
5. Protective device operates at:	48 psig West / 52 psig South
6. Upon largest possible failure, protective device provides protection at: (use largest observed pressure of protection device)	48 psig West / 52 psig South

GAS PRESSURE CONTROL AND OVER-PRESSURE PROTECTION EVALUATION

192.739/192.743: PRESSURE CONTROL INSPECTION AND TESTING		
1.	Pressure limiting or control station inspected and tested at intervals not exceeding 15 months, and not over one calendar year.	Dates of last two tests 3/15/2021 & 4/21/2022
2.	If relief test is not feasible, required capacity review is done at intervals not exceeding 15 months, and not over one calendar year. Calculated to be 628 MCFH at 52 psig.	
3.	Set to function at the correct pressure so as not to exceed the MAOP, plus allowances.	✓
4.	Properly installed and protected from dirt, liquids or other conditions that might prevent proper operation.	✓

25-12.060: REQUIRED RECORDS		
Records of the pressure regulating station equipment and test performed are adequately maintained and cover as a minimum:		
1.	Identification of each device	✓
2.	The device location	✓
3.	Work performed and date	✓
4.	Mechanical condition	✓
5.	Adequate capacity	✓

NTSB RECOMMENDATION	
Are there any regulators located inside buildings?	No
If so, are they properly vented to the outside? 192.357(d)	NA(4)

INSPECTION NOTES OR SCHEMATIC OF STATION IF NEEDED

NA(1): FTPUA operates at a MAOP of 60 psig.
NA(2): The gate station is equipped with telemetering system.
NA(3): Vaults are not part of the distribution system.
NA(4): There are no regulators inside buildings.

VALVE SURVEY

Distribution & Transmission System Valves

System: Fort Pierce Utilities Authority – FTPUA
Date: 7/18-19/2022
Inspector: Rafael Bohorquez

	Valve ID	Address/Location	Able to Locate (b)	Access (a) & (b)	Operates (a) & (b)	Protected (a) – tampering/damage	Tag (b)
1.	996	3891 St. Lucie Blvd., SW corner of driveway, Fort Pierce	✓	✓	✓	NA(1)	✓
2.	335	Ave Q & N 22nd Street, Fort Pierce	✓	✓	✓	NA(1)	✓
3.	243	Bedford Dr. & Juanita Ave., Fort Pierce	✓	✓	✓	NA(1)	✓
4.	328	Crossroads Pkwy. & Peters Rd., Fort Pierce	✓	✓	✓	NA(1)	✓
5.	239	Plana Blvd. & N 25th St., Fort Pierce	✓	✓	✓	NA(1)	✓
6.	288	Alley & S Mayflower Rd., Fort Pierce	✓	✓	✓	NA(1)	✓
7.	60	Canal & Gardenia Ave., Fort Pierce	✓	✓	✓	NA(1)	✓
8.	143	Georgia Ave. & Kaufman Ave., Fort Pierce	✓	✓	✓	NA(1)	✓
9.	173	Indiana Ct. & S 33rd St., Fort Pierce	✓	✓	✓	NA(1)	✓
10.	151	Kaufman Ave. & Apple St., Fort Pierce	✓	✓	✓	NA(1)	✓
11.	352	Kitterman Rd. & Oleander Ave., Fort Pierce	✓	✓	✓	NA(1)	✓
12.	180	Nebraska Ave. & Birch St., Fort Pierce	✓	✓	✓	NA(1)	✓
13.	208	Edward Rd. & S US Hwy 1, Fort Pierce	✓	✓	✓	NA(1)	✓
14.	187	Trinidad Ave. & Sunrise Blvd., Fort Pierce	✓	✓	✓	NA(1)	✓
15.							
16.							
17.							
18.							
19.							
20							
21.							
22.							
23.							
24.							
25.							

(a) - For transmission valves - Sections 192.179 and 192.745
(Blowdown valves must discharge gas away from electrical conductors)
(Not required for distribution)

(b) – For distribution valves - Sections 192.181, 192.747 and Chapter 25-12.022
(Not required for transmission)

NA(1): FTPUA is a distribution system.

VALVE SURVEY

Service Line Valves

System: Fort Pierce Utilities Authority – FTPUA
Date: 7/18-19/2022
Inspector: Rafael Bohorquez

	Valve Location/Information	Able to Locate	Access	Operates
1.	1122 Sunrise Blvd., Fort Pierce	✓	✓	✓
2.	104 Maple Ave., Fort Pierce	✓	✓	✓
3.	2712 S 10th St., Fort Pierce	✓	✓	✓
4.	905 Florida Ave., Fort Pierce	✓	✓	✓
5.	1010 S 9th St., Fort Pierce	✓	✓	✓
6.	500 Boston Ave., Fort Pierce	✓	✓	✓
7.	4360 Gator Trace Cir., Fort Pierce	✓	✓	✓
8.	2607 Mississippi Ave., Fort Pierce	✓	✓	✓
9.	4345 Winding Pl., Fort Pierce	✓	✓	✓
10.	1845 Jenkins Rd., Fort Pierce	✓	✓	✓
11.	111 Hialeah Ave., Fort Pierce	✓	✓	✓
12.	1950 Bell Ave., Fort Pierce	✓	✓	✓
13.	3712 Tanager Pl., Fort Pierce	✓	✓	✓
14.	1101 Saeger Ave., Fort Pierce	✓	✓	✓
15.	906 Coral St., Fort Pierce	✓	✓	✓
16.				
17.				
18.				
19.				
20.				
21.				
22.				
23.				
24.				
25.				

Sections 192.365 & 192.363

Excess Flow Valves

SYSTEM SURVEYED : Fort Pierce Utilities Authority - FTPUA
DATE SURVEYED : 7/18-19/2022
INSPECTOR'S NAME: Rafael Bohorquez

	ADDRESS	PRESENCE OF EFV VERIFIED VIA	
		ID TAG ON RISER	RECORDS
1	1122 Sunrise Blvd., Fort Pierce	✓	✓
2	104 Maple Ave., Fort Pierce	✓	✓
3	2712 S.10th St., Fort Pierce	✓	✓
4	905 Florida Ave., Fort Pierce	✓	✓
5	1010 S. 9th St., Fort Pierce	✓	✓
6	500 Boston Ave., Fort Pierce	✓	✓
7	4360 Gator Trace Cir., Fort Pierce	✓	✓
8	2607 Mississippi Ave., Fort Pierce	✓	✓
9	4345 Winding Pl., Fort Pierce	✓	✓
10	1845 Jenkins Rd., Fort Pierce	✓	✓
11	111 Hialeah Ave., Fort Pierce	✓	✓
12	1950 Bell Ave., Fort Pierce	✓	✓
13	3712 Tanager Pl., Fort Pierce	✓	✓
14	1101 Saeger Ave., Fort Pierce	✓	✓
15	906 Coral St., Fort Pierce	✓	✓
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

192.381(c) An operator must mark or otherwise identify the presence of an excess flow valve on the service line.

ABOVEGROUND PIPE SURVEY

SYSTEM PATROLS

SYSTEM SURVEYED: Fort Pierce Utilities Authority (FTPUA)
DATE SURVEYED: 7/18/2022
SURVEYED BY: Rafael Bohorquez

☑ - Satisfactory ☒ - Requirement Unsatisfactory Compliance NA - Requirement does not apply NC - Not checked at this time

	LOCATION	COATING	CORROSION	SUPPORT	SIGN
1.	North Gate Station	✓	✓	✓	✓
2.	South Gate Station	✓	✓	✓	✓
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					
19.					
20.					
21.					
22.					
23.					
24.					
25.					

OPERATOR INSPECTION-SPECIFIC INFORMATION

Inspection Date(s):	6/28/2022 - 7/19/2022		
Name of Operator:	Fort Pierce Utilities Authority		
OPS Operator ID:	05460		
State/Other ID:	FTPUA		
H.Q. Address: 1701 S. 37th Street Fort Pierce, FL 34947		**Company Officer:**	Fred Gaddis
		Title:	Gas Operations Superintendent
		Phone Number:	772-519-3710
		Fax Number:	772-468-2412
Web Site:	fpua.com	**Email Address:**	fgaddis@fpua.com
Employees Covered by OQ Plan:	36		
Contractors Covered by OQ Plan:	1		
Total Mileage Represented:	174.93		

Persons Interviewed	Title	Phone Number	Email Address
Fred Gaddis	Gas Operation Superintendent	772-519-3710	fgaddis@fpua.com
Chris Johnson	Distribution Foreman	772-216-2769	chrisjohnson@fpua.com

To add rows, press TAB with cursor in last cell.

OPS/State Representatives	Region/State
Rafael Bohorquez	Southern/Florida

To add rows, press TAB with cursor in last cell.

Remarks:

Mileage Covered by OQ Plan (by Company and State)

List each company and subsidiary separately, broken down by state (using 2-letter designation). If a company has intrastate and/or interstate mileage in several states, use <u>one row per state</u>. If there are both gas and liquid lines, use both the first and second table. For small gas operators (e.g. master meter, LP), use the third table.

Jurisdictional to Part 192 (Gas) Mileage

Company (Gas Operator)	*Operator ID*	*State*	*Interstate Gathering*	*Intrastate Gathering*	*Interstate Transmission*	*Intrastate Transmission*	*Interstate Distribution**	*Intrastate Distribution**	*Remarks*
Fort Pierce Utility Authority - FTPUA	05460	FL						174.93	

(To add rows, press TAB with cursor in last cell.)

Jurisdictional to Part 195 (Hazardous Liquid) Mileage

Company (Liquid Operator)	*Operator ID*	*State*	Interstate Transmission	Intrastate Transmission	Remarks

(To add rows, press TAB with cursor in last cell.)

Jurisdictional to Part 192 (Gas) Mileage – Small Operators

Company (Small Gas Operator)	*Operator ID*	*State*	Small Gas (e.g., master meter)*	LP*	Remarks

(To add rows, press TAB with cursor in last cell.)

1. Supply company name and Operator ID, if not the master operator from the first page (i.e., for subsidiary companies).
2. Use OPS-assigned Operator ID. Where not applicable, leave blank or enter n/a.
3. Use only 2-letter state codes in column #3, e.g., TX for Texas.
4. Enter number of applicable miles in all other columns. (Only positive values. No need to enter 0 or n/a.)
5. * Please do not include Service Line footage. This should only be MAINS.

1 - Document Program Plan, Implementing Procedures and Qualification Criteria

1.01 Application and Customization of "Off-the-Shelf" Programs

Does the operator's plan identify covered tasks and does it specify task-specific reevaluation intervals for individuals performing covered tasks? **(Associated Protocols: 1.05, 2.01, 5.02)**

☒ No Issues Identified	Inspection Notes: Exhibit 1 of the plan.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

1.02 Contractor Qualification

Does the operator employ contractor organizations to provide individuals to perform covered tasks? If so, what are the methods used to qualify these individuals and how does the operator ensure that contractor individuals are qualified in accordance with the operator's OQ program plan?

* Verify that the operator's written program includes provisions that require all contractor and subcontractor individuals be evaluated and qualified prior to performing covered tasks, unless the covered task is performed by a non-qualified individual under the direction and observation of a qualified individual. **(Associated Protocols: 1.05, 2.02, 3.02)**

☒ No Issues Identified	Inspection Notes: Section II. Scope Coverage: pg. 2 of the plan.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

1.03 Management of Other Entities Performing Covered Tasks

Has the operator's OQ program included provisions that require individuals from any other entity performing covered task(s) on behalf of the operator (e.g., through mutual assistance agreements) be evaluated and qualified prior to task performance?

* Verify that other entities that perform covered task(s) on behalf of the operator are addressed under the operator's OQ program and that individuals from such other entities performing covered tasks on behalf of the operator are evaluated and qualified consistent with the operator's program requirements. **(Associated Protocols: 1.05, 2.02)**

☒ No Issues Identified	Inspection Notes: Section II. Scope Coverage: pg. 2 of the plan.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

1.04 Training Requirements (Initial Qualification, Remedial if Initial Failure, and Reevaluation)
Does the operator's OQ program plan contain policy and criteria for the use of training in initial qualification of individuals performing covered tasks, and are criteria in existence for re-training and reevaluation of individuals if qualifications are questioned? **(Associated Protocols: 5.02)**

☒ No Issues Identified	Inspection Notes: Section IV. Qualification Program Elements of the program: No. 9 (page 10).
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

1.05 Written Qualification Program
Did the operator meet the OQ Rule requirements for establishing a written operator qualification program and completing qualification of individuals performing covered tasks?
* Verify that the operator's written qualification program was established by April 27, 2001.
* Verify that the written qualification program identified all covered tasks for the operator's operations and maintenance functions being conducted as of October 28, 2002.
* Verify that the written qualification program established an evaluation method(s) to be used in the initial qualification of individuals performing covered tasks as of October 28, 2002.
* Verify that all individuals performing covered tasks as of October 28, 2002, and not otherwise directed or observed by a qualified individual were qualified in accordance with the operator's written qualification program. **(Associated Protocols: 3.01, 7.01)**

☒ No Issues Identified	Inspection Notes: Section IV. Qualification Program Table 1 (page 9). Schedule: The operator program has an original issue date of August 27, 1999. pg. 3 of the plan.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

2 - Identify Covered Tasks and Related Evaluation Methods

2.01 Development of Covered Task List

How did the operator develop its covered task list?

* Verify that the operator applied the four-part test to determine whether 49 CFR Part 192 or 49 CFR Part 195 O&M activities applicable to the operator are covered tasks.
* Verify that the operator has identified and documented all applicable covered tasks. **(Associated Protocols: 8.01)**

☒ No Issues Identified	Inspection Notes: Section II. Scope Four Part Test: pg. 3 of the plan. Exhibit 1 - Covered Tasks. MEA: Midwest Energy Association.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

2.02 Evaluation Method(s) (Demonstration of Knowledge, Skill and Ability) and Relationship to Covered Tasks

Has the operator established and documented the evaluation method(s) appropriate to each covered task?

* Verify what evaluation method(s) has been established and documented for each covered task.
* Verify that the operator's evaluation program ensures that individuals can perform assigned covered tasks.
* Verify that the evaluation method is not limited to observation of on-the-job performance, except with respect to tasks for which OPS has determined that such observation is the best method of examining or testing qualifications. The results of any such observations shall be documented in writing. **(Associated Protocols: 3.01, 3.02)**

☒ No Issues Identified	Inspection Notes: Section IV. Qualification Program. Records reviewed.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

2.03 Planning for Mergers and Acquisitions (Due Diligence re: Acquiring Qualified Individuals)
Does the operator have a process for managing qualifications of individuals performing covered tasks during program integration following a merger or acquisition (applicable only to operators engaged in merger and acquisition activities)?
* Verify that the OQ program describes the process for ensuring OQ qualifications, evaluations, and performance of covered tasks during the merger with or acquisition of other entities. **(Associated Protocols 3.01 3.02)**

☐ No Issues Identified	Inspection Notes: No known mergers or acquisitions planned.
☐ Potential Issues Identified (explain)	
☒ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

3 - Identify Individuals Performing Covered Tasks

3.01 Development/Documentation of Areas of Qualification for Individuals Performing Covered Tasks

Does the operator's program document the evaluation and qualifications of individuals performing covered tasks, and can the qualification of individuals performing covered tasks be verified?
* Verify that the operator's qualification program has documented the evaluation of individuals performing covered tasks.
* Verify that the operator's qualification program has documented the qualifications of individuals performing covered tasks. **(Associated Protocols: 4.02, 7.01)**

☒ No Issues Identified	Inspection Notes: Section V. Record Keeping: pg. 11. Records reviewed.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

3.02 Covered Task Performed by Non-Qualified Individual

Has the operator established provisions to allow non-qualified individuals to perform covered tasks while being directed and observed by a qualified individual, and are there restrictions and limitations placed on such activities?
* Verify that the operator's program includes provisions for the performance of a covered task by a non-qualified individual under the direction and observation by a qualified individual. **(Associated Protocols: 2.01, 2.02)**

☒ No Issues Identified	Inspection Notes: Section IV: Qualification Program. Elements of the program: 9a.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

4 - Evaluate and Qualify Individuals Performing Covered Tasks

4.01 Role of and Approach to "Work Performance History Review"

Does the operator use work performance history review as the sole method of qualification for individuals performing covered tasks prior to October 26, 1999, and does the operator's program specify that work performance history review will not be used as the sole method of evaluation for qualification after October 28, 2002?

* Verify that after October 28, 2002, work performance history is not used as a sole evaluation method.

* Verify that individuals beginning work on covered tasks after October 26, 1999 have not been qualified using work performance history review as the sole method of evaluation. **(Associated Protocols: 2.02)**

☒ No Issues Identified	Inspection Notes: Section IV: Qualification Program. Elements of the program: 7 pg. 6 of the plan. Records reviewed.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

4.02 Evaluation of Individual's Capability to recognize and React to AOCs

Are all qualified individuals able to recognize and react to AOCs? Has the operator evaluated and qualified individuals for their capability to recognize and react to AOCs? Are the AOCs identified as those that the individual may reasonably anticipate and appropriately react to during the performance of the covered task? Has the operator established provisions for communicating AOCs for the purpose of qualifying individuals?

* Verify that individuals performing covered tasks have been qualified in recognizing and reacting to AOCs they may encounter in performing such tasks. **(Associated Protocols 3.01)**

☒ No Issues Identified	Inspection Notes: Section IV: Qualification Program. Elements of the program: 9 pg. 10 of the plan. Records reviewed. Field observation.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

5 - Continued/Periodic Evaluation of Individuals Performing Covered Tasks

5.01 Personnel Performance Monitoring

Does the operator's program include provisions to evaluate an individual if the operator has reason to believe the individual is no longer qualified to perform a covered task based on: covered task performance by an individual contributed to an incident or accident; other factors affecting the performance of covered tasks?

* Verify that the operator's program ensures re-evaluation of individuals whose performance of a covered task may have contributed to an incident or accident.
* Verify that the operator has established provisions for determining whether an individual is no longer qualified to perform a covered task, and requires reevaluation.

(Specific Protocols: 2.02)

☒ No Issues Identified	Inspection Notes: Section IV: Qualification Program. Elements of the program: 9b, 9c, pgs. 10-11 of the plan.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

5.02 Reevaluation Interval and Methodology for Determining the Interval

Has the operator established and justified requirements for reevaluation of individuals performing covered tasks?

* Verify that the operator has established intervals for reevaluating individuals performing covered tasks. **(Associated Protocols: None)**

☒ No Issues Identified	Inspection Notes: Section IV: Qualification Program. Elements of the program: 9e pg. 11 of the plan.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

6 - Monitor Program Performance; Seek Improvement Opportunities

6.01 Program Performance and Improvement

Does the operator have provisions to evaluate performance of its OQ program and implement improvements to enhance the effectiveness of its program?

(Associated Protocols: None)

☒ No Issues Identified	Inspection Notes: Section IV: Qualification Program. Elements of the program: 9d pg. 11 of the plan. Elements of the program: 2 pg. 5.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

7 - Maintain Program Records

7.01 Qualification "Trail" (i.e., covered task; individual performing; evaluation method(s); continuing performance evaluation; reevaluation interval; reevaluation records)

Does the operator maintain records in accordance with the requirements of 49 CFR 192, subpart N, and 49 CFR 195, subpart G, for all individuals performing covered tasks, including contractor individuals?

* Verify that qualification records for all individuals performing covered tasks include the information identified in the regulations.
* Verify that the operator's program ensures the retention of records of prior qualification and records of individuals no longer performing covered tasks for at least five years.
* Verify that the operator's program ensures the availability of qualification records of individuals (employees, contractors and third party entities) currently performing covered tasks, or who have previously performed covered tasks. **(Associated Protocols: 1.05, 3.01)**

☒ No Issues Identified	Inspection Notes: Section V. Record Keeping: pg. 11 of the plan. Records reviewed.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

8 - Manage Change

8.01 Management of Changes (to Procedures, Tools, Standards, etc.)

Does the operator's OQ program identify how changes to procedures, tools standards and other elements used by individuals in performing covered tasks are communicated to the individuals, including contractor individuals, and how these changes are implemented in the evaluation method(s)?

* Verify that the operator's program identifies changes that affect covered tasks and how those changes are communicated, when appropriate, to affected individuals.
* Verify that the operator's program identifies and incorporates changes that affect covered tasks.
* Verify that the operator's program includes provisions for the communication of changes (e.g., who, what, when, where, why) in the qualification program to the affected individuals.
* Verify that the operator incorporates changes into initial and subsequent evaluations.
* Verify that contractors supplying individuals to perform covered tasks for the operator are notified of changes that affect task performance and thereby the qualification of these individuals.

(Associated Protocols 1.04)

☒ No Issues Identified	Inspection Notes: Section IV. Qualification Program. 9d. pg 11 of the plan.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

8.02 Notification of Significant Program Changes

Does the operator have a process for identifying significant OQ written program changes and notifying the appropriate regulatory agency of these changes once the program has been reviewed?

* Verify that the operator's written program contains provisions to notify OPS or the appropriate regulatory agency of significant modifications to a program that has been reviewed for compliance.

(Associated Protocols: None)

☒ No Issues Identified	Inspection Notes: Section IV. Qualification Program. Elements of the program: 2 Pg 5 of the plan.
☐ Potential Issues Identified (explain)	
☐ N/A (explain)	
☐ Not Inspected	
Check exactly one box above.	

1. Wholesale changes made to an OQ Plan or Program, whether due to an overall effort to improve program performance, or due to a merger or acquisition that results in incorporating the best features of the competing plans and programs.
2. Recommend the operator send a letter to accompany the program that addresses the changes made to the program. The official notification should be addressed to headquarters.

9 – Field Inspection Findings

Additional Inspection Notes

OPERATOR QUALIFICATION
FIELD INSPECTION PROTOCOL FORM

Inspection Date(s):	7/18-19/2022
Name of Operator:	Fort Pierce Utilities Authority - FTPUA
Operator ID (OPID):	05460
Inspection Location(s):	Fort Pierce, FL
Supervisor(s) Contacted:	Fred Gaddis
# Qualified Employees Observed:	3
# Qualified Contractors Observed:	0

Individual Observed	Title/Organization	Phone Number	Email Address
Chris Johnson	Foreman	772-466-1600 x4712	chrisjohnson@fpua.com
Luis Castillo	Gas Distribution Mechanic I	772-466-1600 x 4700	lcastillo@fpua.com
James Schmitt	Meter Tech	772-466-1600x 4706	jschmitt@fpua.com

To add rows, press TAB with cursor in last cell.

PHMSA/State Representative	Region/State	Email Address
Rafael Bohorquez	Southern/Florida	rbohorqu@psc.state.fl.us

To add rows, press TAB with cursor in last cell.

Remarks:
A table for recording specific tasks performed and the individuals who performed the tasks is on the last page of this form. This form is to be uploaded on to the OQDB for the appropriate operator, then imported into the file.

1.01 Covered Task Performance

Verify the qualified individuals performed the observed covered tasks in accordance with the operator's procedures or operator approved contractor procedures.

9.01 Inspection Results (type an X in exactly one cell below)		**Inspection Notes**
X	**No Issue Identified**	
	Potential Issue Identified (explain)	
	N/A (explain)	
	Not Inspected	

1.02 Qualification Status

Verify the individuals performing the observed covered tasks are currently qualified to perform the covered tasks.

9.02 Inspection Results (type an X in exactly one cell below)		**Inspection Notes**
X	**No Issue Identified**	
	Potential Issue Identified (explain)	
	N/A (explain)	
	Not Inspected	

1.03 Abnormal Operating Condition Recognition and Reaction

Verify the individuals performing covered tasks are cognizant of the AOCs that are applicable to the tasks observed.

9.03 Inspection Results (type an X in exactly one cell below)		**Inspection Notes**
X	**No Issue Identified**	
	Potential Issue Identified (explain)	
	N/A (explain)	
	Not Inspected	

1.04 Verification of Qualification

Verify the qualification records are current, and ensure the personal identification of all individuals performing covered tasks are checked, prior to task performance.

9.04 Inspection Results (type an X in exactly one cell below)		**Inspection Notes**
X	**No Issue Identified**	
	Potential Issue Identified (explain)	
	N/A (explain)	
	Not Inspected	

1.05 Program Inspection Deficiencies

Have potential issues identified by the headquarters inspection process been corrected at the operational level?

9.05 Inspection Results (type an X in exactly one cell below)		**Inspection Notes**
X	**No Issue Identified**	
	Potential Issue Identified (explain)	
	N/A (explain)	
	Not Inspected	

Field Inspection Notes

The following table is provided for recording the covered tasks observed and the individuals performing those tasks.

No	Task Name	Name/ID of Individual Observed			Comments
		Chris Johnson	Luis Castillo	James Schmitt	
		Correct Performance (Y/N)	Correct Performance (Y/N)	Correct Performance (Y/N)	
1	Gate Station Inspection			Y	OK
2	Valve Inspections	Y	Y		OK
3	Cathodic Protection	Y	Y		OK
4					
5					

Operations and Maintenance Records Review

If performing an operations and maintenance records review in the course of your inspection, please review a sample of the qualifications of the individuals performing those O&M tasks that are covered under Operator Qualification and check the records for compliance to 192.807 or 195.507.

192.807 or 195.507	Records supporting an individual's current qualifications shall be maintained while the individual is performing the covered task. Records of prior qualification and records of individuals no longer performing covered tasks shall be retained for a period of five years.	Sat. ✓	Unsat.	Not Checked
	Comments:			

PUBLIC AWARENESS PROGRAM EFFECTIVENESS INSPECTION SPECIFIC INFORMATION

Control Information

Inspection Start Date*:	6/28/2022	
Inspection End Date*:	7/19/2022	
OpID:	05460	
Parent Operator Name:	Fort Pierce Utilities Authority	
Unit ID (s):	None	
State/Other ID:	FTPUA	
Activity Record ID No.	None	
Address of Company Official*: 1701 S. 37th Street Fort Pierce, FL 34947	**Company Official*:**	Fred Gaddis
	Title*:	Gas Operations Superintendent
	Phone Number*:	772-519-3710
	Fax Number:	772-468-2412
	Email Address*:	fgaddis@fpua.com
Web Site:	http://www.fpua.com	
Total Mileage (from page 3)*:	174.93	
Total Mileage in HCA:	No	
Number of Services (For Distribution):	4192	
Alternate MAOP (80% Rule):	Not used	
No. of Special Permits:	None	

Initial Date of Public Awareness Program*:	5/2006
Title of Current PAP*:	Gas Operations Public Awareness Program
Current PAP Version*:	12
Current PAP Date*:	7/9/2021

Post Inspection Information	
Date Submitted for Approval:	None
Director Approval:	None
Approval Date:	None

**** Required field***

Persons Interviewed*	Title/Organization*	Phone Number	Email Address
Fred Gaddis	Superintendent of Gas Operations	772-519-3710	fgaddis@fpua.com
Taylor Morgan	Program administrator	352-233-9565	tmorgan@flgas.com

To add rows, press TAB with cursor in last cell.

External Support Entity Name*	Part of Plan and/or Evaluation*	Phone Number	Email Address
Florida Gas Utility (FGU)	Responsible for the overall conduct of the PAP. Started 4/2021 (Taylor Morgan, Program administrator)	352-233-9565	tmorgan@flgas.com
MTN Advertising	Radio spots and printing material, online survey and distribution.		

To add rows, press TAB with cursor in last cell.

Inspector Representative(s)*	PHMSA/State*	Region/State*	Email Address	Lead*
Rafael Bohorquez		Southern/Florida	rbohorqu@psc.state.fl.us	☒ Y ☐ N
				☐ Y ☐ N
				☐ Y ☐ N
				☐ Y ☐ N
				☐ Y ☐ N

To add rows, press TAB with cursor in last cell.

**** Required field***

Mileage Covered by Public Awareness Program (by Company and State)

*Based on the **most recently submitted annual report**, list each company and subsidiary separately, broken down by state (using 2-letter designation). Also list any new lines in operation that are not included on the most recent annual report. If a company has intrastate and/or interstate mileage in several states, use one row per state. If there are both gas and liquid lines, use the appropriate table for intrastate and/or interstate.*

Jurisdictional to Part 192 (Gas) Mileage (Interstate)

Company Name (Gas Operator)	*Operator ID*	*Product Type**	*State**	*Interstate Gathering Mileage**	*Interstate Transmission Mileage*	*Interstate Distribution Mileage^**	*Remarks (new or in HCA)*

(To add rows, press TAB with cursor in last cell.)

Jurisdictional to Part 192 (Gas) Mileage (Intrastate)

Company Name (Gas Operator)	*Operator ID*	*Product Type**	*State**	*Intrastate Gathering Mileage**	*Intrastate Transmission Mileage**	*Intrastate Distribution Mileage^**	*Remarks (new or in HCA)*
Fort Pierce Utility Authority - FTPUA	05460	Natural Gas	FL			174.93	

(To add rows, press TAB with cursor in last cell.)

Jurisdictional to Part 195 (Hazardous Liquid) Mileage (Interstate)

Company Name (Liquid Operator)	*Operator ID*	*Product Type**	*State**	*Interstate Transmission Mileage**	*Remarks (new or in HCA~)*

(To add rows, press TAB with cursor in last cell.)

Jurisdictional to Part 195 (Hazardous Liquid) Mileage (Intrastate)

Company Name (Liquid Operator)	*Operator ID*	*Product Type**	*State**	*Intrastate Transmission Mileage**	*Remarks (new or in HCA~)*

(To add rows, press TAB with cursor in last cell.)

Total Mileage:	174.93

1. Supply company name and Operator ID, if not the master operator from the first page (i.e., for subsidiary companies).
2. Use OPS-assigned Operator ID. Where not applicable, leave blank or enter N/A
3. Use only 2-letter State codes, e.g., TX for Texas.
4. Enter number of applicable miles in applicable columns. (Only positive values. No need to enter 0 or N/A.)

^ Please do not include Service Line footage. This should only be MAINS.

* Required Field

~ Use Total HCA as reported on annual reports.

Please provide a comment or explanation for each inspection question.

1. Administration and Development of Public Awareness Program

1.01 Written Public Education Program

Does the operator have a written continuing public education program or public awareness program (PAP) in accordance with the general program recommendations in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference), by the required date, except for master meter or petroleum gas system operators?

(Reference: § 192.616 (h); § 195.440 (h))

- Verify the operator has a written public awareness program (PAP).
- Review any Clearinghouse deficiencies and verify the operator addressed previous Clearinghouse deficiencies, if any, addressed in the operator's PAP.
- Identify the location where the operator's PAP is administered and which company personnel is designated to administer and manage the written program.
- Verify the date the public awareness program was initially developed and published.

☒ S – Satisfactory (explain)*	Comments: Florida Gas Utility is located in Gainesville, Florida. Ms. Taylor Morgan is the program administrator. Latest revision and implementation 6-21-2022.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

1.02 Management Support

Does the operator's program include a statement of management support (i.e., is there evidence of a commitment of participation, resources, and allocation of funding)?

(Reference: § 192.616 (a); § 195.440 (a); API RP 1162 Section 2.5 and 7.1)

- Verify the PAP includes a written statement of management support.
- Determine how management participates in the PAP.
- Verify that an individual is named and identified to administer the program with roles and responsibilities.
- Verify resources provided to implement public awareness are in the PAP. Determine how many employees involved with the PAP and what their roles are.
- Determine if the operator uses external support resources for any implementation or evaluation efforts.

☒ S – Satisfactory (explain)*	Comments: Management Statement of Support Pg. 1 See pages 4 and 5 of PAP. Taylor Morgan - PAP (FGU Program Administrator)
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

1.03 Unique Attributes and Characteristics

Does the operator's program clearly define the specific pipeline assets or systems covered in the program and assess the unique attributes and characteristics of the pipeline and facilities?

(Reference: § 192.616 (b); § 195.440 (b); API RP 1162 Section 2.7 and Section 4)

- Verify the PAP includes all of the operator's system types/assets covered by PAP (gas, liquid, HVL, storage fields, gathering lines etc).

- Identify where in the PAP the unique attributes and characteristics of the pipeline and facilities are included (i.e. gas, liquids, compressor station, valves, breakout tanks, odorizer).

☒ S – Satisfactory (explain)*	Comments: Affected Facilities pg. 2 of the PAP. Map is included.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

1.04 Stakeholder Audience Identification

Does the operator's program establish methods to identify the individual stakeholders in the four affected stakeholder audience groups: (1) affected public, (2) emergency officials, (3) local public officials, and (4) excavators, as well as affected municipalities, school districts, businesses, and residents?

(Reference: § 192.616 (d), (e), (f); § 195.440 (d), (e), (f); API RP 1162 Section 2.2 and Section 3)

- Identify how the operator determines stakeholder notification areas and distance on either side of the pipeline.
- Determine the process and/or data source used to identify each stakeholder audience.
- Select a location along the operator's system and verify the operator has a documented list of stakeholders consistent with the requirements and references noted above.

☒ Affected public
☒ Emergency officials
☒ Public officials
☒ Excavators

☒ S – Satisfactory (explain)*	Comments: Stakeholder Audiences pg. 4 of the plan. Records reviewed.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

1.05 Message Frequency and Message Delivery

Does the operator's program define the combination of messages, delivery methods, and delivery frequencies to comprehensively reach all affected stakeholder audiences in all areas in which the operator transports gas, hazardous liquid, or carbon dioxide?

(Reference: § 192.616 (c); § 195.440 (c); API RP 1162 Sections 3-5)

- Identify where in the operator's PAP the combination of messages, delivery methods, and delivery frequencies are included for the following stakeholders:

☒ Affected public
☒ Emergency officials
☒ Public officials
☒ Excavators

☒ S – Satisfactory (explain)*	Comments: Section 4. Message Type, content and frequency. pg. 4 of the plan.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

1.06 Written Evaluation Plan

Does the operator's program include a written evaluation process that specifies how the operator will periodically evaluate program implementation and effectiveness? If not, did the operator provide justification in its program or procedural manual?

(Reference: § 192.616 (c), (i); § 195.440 (c), (i))

- Verify the operator has a written evaluation plan that specifies how the operator will conduct and evaluate self-assessments (annual audits) and effectiveness evaluations.
- Verify the operator's evaluation process specifies the correct frequency for annual audits (1 year) and effectiveness evaluations (no more than 4 years apart).
- Identify how the operator determined a statistical sample size and margin-of-error for stakeholder audiences' surveys and feedback.

☒ S – Satisfactory (explain)*	Comments: Measuring Effectiveness, pg. 10 of the plan. Records reviewed. The operator compared statistical samples with the previous year to obtain the margin of error.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

2. Program Implementation

2.01 English and other Languages

Did the operator develop and deliver materials and messages in English and in other languages commonly understood by a significant number and concentration of non-English speaking populations in the operator's areas?

(Reference: § 192.616 (g); § 195.440 (g); API RP 1162 Section 2.3.1)

- Determine if the operator delivers material in languages other than English and if so, what languages.
- Identify the process the operator used to determine the need for additional languages for each stakeholder audience.
- Identify the source of information the operator used to determine the need for additional languages and the date the information was collected.

☒ S – Satisfactory (explain)*	Comments: Operator's records indicated that in 2021 customers received Spanish and English notifications.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

2.02 Message Type and Content

Did the messages the operator delivered specifically include provisions to educate the public, emergency officials, local public officials, and excavators on the:

- Use of a one-call notification system prior to excavation and other damage prevention activities;
- Possible hazards associated with unintended releases from a gas, hazardous liquid, or carbon dioxide pipeline facility;
- Physical indications of a possible release;
- Steps to be taken for public safety in the event of a gas, hazardous liquid, or carbon dioxide pipeline release; and
- Procedures to report such an event (to the operator)?

(Reference: § 192.616 (d); (f); § 195.440 (d), (f))

- Verify all required information was delivered to each of the primary stakeholder audiences.
- Verify the phone number listed on message content is functional and clearly identifies the operator to the caller.

☒ Affected public
☒ Emergency officials
☒ Public officials
☒ Excavators

☒ S – Satisfactory (explain)*	Comments: Stakeholder Audience/pgs. 2, 3 of the plan. Records reviewed Page 22 Pamphlet.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

2.03 Messages on Pipeline Facility Locations

Did the operator develop and deliver messages to advise affected municipalities, school districts, businesses, and residents of pipeline facility location?

(Reference: § 192.616 (e), (f); § 195.440 (e), (f))

- Verify that the operator developed and delivered messages advising municipalities, school districts, businesses, residents of pipeline facility locations.

☒ S – Satisfactory (explain)*	Comments: Records reviewed. See the Binder starting Pages 119 to 131.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

2.04 Baseline Message Delivery Frequency

Did the operator's delivery for materials and messages meet or exceed the baseline frequencies specified in API RP 1162, Table 2-1 through Table 2.3? If not, did the operator provide justification in its program or procedural manual?

(Reference: § 192.616 (c); § 195.440 (c))

- Identify message delivery (using the operator's last five years of records) for the following stakeholder audiences:

☒ Affected public
☒ Emergency officials
☒ Public officials
☒ Excavators

☒ S – Satisfactory (explain)*	Comments: Stakeholder Audiences/pgs. 3, 4. Records reviewed.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

2.05 Considerations for Supplemental Program Enhancements

Did the operator consider, along all of its pipeline systems, relevant factors to determine the need for supplemental program enhancements as described in API RP 1162 for each stakeholder audience?

(Reference: § 192.616 (c); § 195.440 (c); API RP 1162 Section 6.2)

- Determine if the operator has considered and/or included other relevant factors for supplemental enhancements.

☒ Affected public
☒ Emergency officials
☒ Public officials
☒ Excavators

☒ S – Satisfactory (explain)*	Comments: Section 5 of the program, pg 4. In 2021, Radio ads and additional local newspapers.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

2.06 Maintaining Liaison with Emergency Response Officials

Did the operator establish and maintain liaison with appropriate fire, police, and other public officials to: learn the responsibility and resources of each government organization that may respond, acquaint the officials with the operator's ability in responding to a pipeline emergency, identify the types of pipeline emergencies of which the operator notifies the officials, and plan how the operator and other officials can engage in mutual assistance to minimize hazards to life or property?

(Reference: § 192.616 (c); § 195.440 (c); API RP 1162 Section 4.4)

- Examine the documentation to determine how the operator maintains a relationship with appropriate emergency officials.
- Verify the operator has made its emergency response plan available, as appropriate and necessary, to emergency response officials.
- Identify the operator's expectations for emergency responders and identify whether the expectations are the same for all locations or does it vary depending on locations.
- Identify how the operator determined the affected emergency response organizations have adequate and proper resources to respond.
- Identify how the operator ensures that information was communicated to emergency responders that did not attend training/information sessions by the operator.

☒ S – Satisfactory (explain)*	Comments: The operator indicated that they work directly with the fire department through training and simulations—safety information letters sent to public officials, emergency responders, builders, and excavators.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

3. Program Evaluation & Continuous Improvement (Annual Audits)

3.01 Measuring Program Implementation

Has the operator performed an audit or review of its program implementation annually since it was developed? If not, did the operator provide justification in its program or procedural manual?

(Reference: § 192.616 (c), (i); § 195.440 (c), (i); API RP 1162 Section 8.3)

- Verify the operator performed an annual audit or review of the PAP for each implementation year.

☒ S – Satisfactory (explain)*	Comments: Section 9, Measuring the Effectiveness of the Program: pg. 5. Last annual audit on 6/21/2022 covers (Jan 1 - Dec 31, 2021). Records reviewed.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

3.02 Acceptable Methods for Program Implementation Audits

Did the operator use one or more of the three acceptable methods (i.e., internal assessment, 3rd-party contractor review, or regulatory inspections) to complete the annual audit or review of its program implementation? If not, did the operator provide valid justification for not using one of these methods?

(Reference: § 192.616 (c); § 195.440 (c), API RP 1162 Section 8.3)

- Determine how the operator conducts annual audits/reviews of its PAP.

☒ S – Satisfactory (explain)*	Comments: Section 9, Measuring the Effectiveness of the Program: pg. 5. FGU is responsible for assessing and documenting the effectiveness of evaluation results. The operator conducted regulatory inspections to complete the annual audit.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

3.03 Program Changes and Improvements

Did the operator make changes to improve the program and/or the implementation process based on the results and findings of the annual audit? If not, did the operator provide justification in its program or procedural manual?

(Reference: § 192.616 (c); § 195.440 (c); API RP 1162 Section 8.3)

- Determine if the operator assessed the results of its annual PAP audit/review then developed and implemented changes in its program, as a result.

- If not, determine if the operator documented the results of its assessment and provided justification as to why no changes were needed.

☒ S – Satisfactory (explain)*	Comments: Section 9, Measuring the Effectiveness of the Program: pg.5. New radio ads and local newspapers were added.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

4. Program Evaluation & Continuous Improvement (Effectiveness)

4.01 Evaluating Program Effectiveness

Did the operator perform an effectiveness evaluation of its program (or no more than 4 years following the effective date of program implementation) to assess its program effectiveness in all areas along all systems covered by its program? If not, did the operator provide justification in its program or procedural manual?

(Reference: § 192.616 (c); § 195.440 (c); API RP 1162 Section 8.4)

- Verify the operator conducted an effectiveness evaluation of its program (or no more than 4 years following the effective date of program implementation).
- Document when the effectiveness evaluation was completed.
- Determine what method was used to perform the effectiveness evaluation (in-house, by 3rd party contractor, participation in and use the results of an industry group or trade association).
- Identify how the operator determined the sample sizes for audiences in performing its effectiveness evaluation.

☒ S – Satisfactory (explain)*	Comments: Section 9, Measuring the Effectiveness of the Program: pg. 5. Four-year effectiveness completed on 12/2021. Records reviewed. The operator sends surveys to the customers via mail and web to collect the sample size of audiences.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

4.02 Measure Program Outreach

In evaluating effectiveness, did the operator track actual program outreach for each stakeholder audience within all areas along all assets and systems covered by its program? If not, did the operator provide justification in its program or procedural manual?

(Reference: § 192.616 (c); § 195.440 (c); API RP 1162 Section 8.4.1)

- Examine the process the operator used to track the number of individuals or entities reached within each intended stakeholder audience group.
- Determine the outreach method the operator used to perform the effectiveness evaluation (e.g., questionnaires, telephone surveys, etc.).
- Determine how the operator determined the statistical sample size and margin-of-error for each of the four intended stakeholder audiences.

☒ Affected public
☒ Emergency officials
☒ Public officials
☒ Excavators

☒ S – Satisfactory (explain)*	Comments: Section 9, Measuring the Effectiveness of the Program: pg. 5. The operator sends surveys to customers via email and regular mail. The operator uses the survey responses to track the number of individuals reached and determines the statistical sample and margin of error.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

4.03 Measure Percentage Stakeholders Reached

Did the operator determine the percentage of the individual or entities actually reached within the target audience within all areas along all systems covered by its program? If not, did the operator provide justification in its program or procedural manual?

(Reference: § 192.616) (c); § 195.440 (c); API RP 1162 Section 8.4.1)

- Document how the operator determined the statistical sample size and margin-of-error for each of the four intended stakeholder audiences.
- Document how the operator estimated the percentage of individuals or entities actually reached within each intended stakeholder audience group.

☒ Affected public
☒ Emergency officials
☒ Public officials
☒ Excavators

☒ S – Satisfactory (explain)*	Comments: Section 9, Measuring the Effectiveness of the Program: pg. 5. The operator sends surveys to customers via email and regular mail. The operator uses the survey responses to track the number of individuals reached and determines the statistical sample and margin of error.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

4.04 Measure Understandability of Message Content

In evaluating effectiveness, did the operator assess the percentage of the intended stakeholder audiences that understood and retained the key information in the messages received, within all areas along all assets and systems covered by its program? If not, did the operator provide justification in its program or procedural manual?

(Reference: § 192.616 (c); § 195.440 (c); API RP 1162 Section 8.4.2)

- Examine the operator's evaluation results and data to assess the percentage of the intended stakeholder audience that understood and retained the key information in each PAP message.
- Verify the operator assessed the percentage of the intended stakeholder audience that (1) understood and (2) retained the key information in each PAP message.
- Determine if the operator pre-tests materials.

☒ Affected public
☒ Emergency officials
☒ Public officials
☒ Excavators

☒ S – Satisfactory (explain)*	Comments: Section 9, Measuring the Effectiveness of the Program: pg. 5. The operator uses the survey responses to track the number of individuals reached and verify the percentage of the stakeholders that understood and retained the critical information from the PAP message.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

4.05 Measure Desired Stakeholder Behavior

In evaluating its public awareness program effectiveness, did the operator attempt to determine whether appropriate preventive behaviors have been understood and are taking place when needed, and whether appropriate response and mitigative behaviors would occur and/or have occurred? If not, did the operator provide justification in its program or procedural manual?

(Reference: § 192.616 (c); § 195.440 (c); API RP 1162 Section 8.4.3)

- Examine the operator's evaluation results and data to determine if the stakeholders have demonstrated the intended learned behaviors.
- Verify the operator determined whether appropriate prevention behaviors have been understood by the stakeholder audiences and if those behaviors are taking place or will take place when needed.

☒ Affected public
☒ Emergency officials
☒ Public officials
☒ Excavators

☒ S – Satisfactory (explain)*	Comments: Section 9, Measuring the Effectiveness of the Program: pg. 5. The operator uses their internal monthly safety report to evaluate results and data to determine if the stakeholders have demonstrated the intended learned behavior.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

4.06 Measure Bottom-Line Results

In evaluating its public awareness program effectiveness, did the operator attempt to measure bottom-line results of its program by tracking third-party incidents and consequences including: (1) near misses, (2) excavation damages resulting in pipeline failures, (3) excavation damages that do not result in pipeline failures? Did the operator consider other bottom-line measures, such as the affected public's perception of the safety of the operator's pipelines? If not, did the operator provide justification in its program or procedural manual?

(Reference: § 192.616 (c); § 195.440 (c); API RP 1162 Section 8.4.4)

- Examine the operator's process for measuring bottom-line results of its program.
- Verify the operator measured bottom-line results by tracking third-party incidents and consequences.
- Determine if the operator considered and attempted to measure other bottom-line measures, such as the affected public's perception of the safety of the operator's pipelines. If not, determine if the operator has provided justification in its program or procedural manual for not doing so.

☒ S – Satisfactory (explain)*	Comments: Section 9, Measuring the Effectiveness of the Program: pg. 5. The operator uses their internal monthly safety report to evaluate results and data to measure the bottom-line results.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

4.07 Program Changes

Did the operator identify and document needed changes and/or modifications to its public awareness program(s) based on the results and findings of its program effectiveness evaluation? If not, did the operator provide justification in its program or procedural manual?

(Reference: § 192.616 (c); § 195.440 (c); API RP 1162 Section 2.7 Step 12 and 8.5)

- Examine the operator's program effectiveness evaluation findings.
- Identify if the operator has a plan or procedure that outlines what changes were made.
- Verify the operator identified and/or implemented improvements based on assessments and findings.

☒ S – Satisfactory (explain)*	Comments: Section 9, Measuring the Effectiveness of the Program: pg. 5.
☐ U - Unsatisfactory (explain)*	
☐ N/A - Not Applicable (explain)*	
☐ N/C – Not Checked (explain)*	
Check exactly one box above. * Required field	

5. Inspection Summary & Findings

5.01 Summary

5.02 Findings

Notice: Question Considerations are included in this report. Considerations, and other forms of guidance, are not to be distributed outside state or federal pipeline regulatory organizations. See the report footnote (at bottom) for specific legal guidance.

Operator and General Audit Information

<table>
<tr><td rowspan="3">Company:</td><td colspan="3">Name:
Fort Pierce Utilities Authority</td></tr>
<tr><td colspan="3">Mailing and Official Address (If different):
1701 S. 37th Street
Ft. Pierce, FL, 34948-3191</td></tr>
<tr><td colspan="3">Doing Business as or Affiliation:</td></tr>
<tr><td colspan="2">PHMSA Operator Identification (OPID) No.</td><td colspan="2">05460</td></tr>
<tr><td colspan="2">Unit ID Number/ Unit Name inspected</td><td colspan="2">None</td></tr>
<tr><td rowspan="3">Address:</td><td rowspan="3">2540 Shumard Oak Blvd
Tallahassee, FL 32399-7019</td><td rowspan="2">Lead Auditor or Inspector</td><td>Name:
Rafael Bohorquez</td></tr>
<tr><td>Agency:
FPSC</td></tr>
<tr><td>Date of Audit or Inspection:</td><td>6/27/2022</td></tr>
</table>

Company Representatives Participating

Key Persons	Name/Title/Mailing Address	Phone/Email Address
Primary Operator or Representative Interviewed or Providing Information	Fred Gaddis Gas Operation Superintendent 1701 S. 37 Street Ft. Pierce, FL 34948-3191	772-519-3710 fgaddis@fpua.com
Others Interviewed, Providing Information or Present at Audit or Inspection:	Chris Johnson Distribution Foreman 1701 S. 37 Street Ft. Pierce, FL 34948-3191	772-216-2769 chrisjohnson@fpua.com

1. Issues Identified in Previous Integrity Management Inspections

Have all issues raised in previous DIMP inspections been satisfactorily addressed? (GDIM.QA.ISSUESIMPL.R)

192.1005

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. Review records to determine if:
    a. Changes or modifications to the DIMP plan have been adequately implemented, as required by the regulatory agency.
    b. Previous violations have been adequately addressed, as required by the regulatory agency.

Notes

The last DIMP inspection indicated that it satisfactorily addressed all issues.

2. Identify Threats - Outside Sources

Has the operator identified information or data from external sources (e.g. trade associations, operator's consultants, government agencies, other operators, manufacturers, etc.) that may require re-evaluation of threats and risks? (GDIM.RA.OUTSIDESOURCESIMPL.R)

192.1007(b)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. Potential threats are threats where the operator may not have experienced a failure resulting in the release of gas, but they have conditions conducive to the potential threat. Examples of potential threats include:
    a. Trenchless technology used in the area - unknowingly bored thru sewer lines
    b. Future utility/road improvement projects
    c. Discovery of a pipe material or equipment not previously known to be in the system
    d. Structures built over existing pipelines
    e. Over pressurization events
    f. Instances of pipe damage (including damage to tracer wire) that did not result in a release
2. Possible sources include past O&M procedures, purchase orders, material lists from old field orders or standards, and information from industry sources (e.g., plastic pipe data committee) or PHMSA Advisory Bulletins. Information shall include for example, past continuing surveillance records (192.613).
3. When threats are identified that result in a risk that exceeds an operator's criteria for an acceptable risk, measures to reduce risks must be implemented.
4. In addition to an operator's own records and personnel, knowledge needed for threat identification, risk evaluation and mitigation for potential threats can be gained from participation in industry trade, training, research and technical organizations. Operators need to review advisory bulletins and reports issued by PHMSA, NTSB, and State pipeline regulatory agencies. Operators may find comparing leak rates on its system to national statistics useful.
    a. Issues with installation of PermaLock mechanical tapping tee assemblies, including using the specified tools and methods, is one specific area of industry concern.
5. The DIMP Phase I Report included information from the Risk Control Practices (RCP) Work Group. They discussed and reviewed the following data sources for applicability to the identification and prioritization of threats to gas distribution piping. Operators may be able to find useful information in any one of them. Operators are encouraged to consult other sources of which they may have knowledge including, but not limited to, the following:
    a. American Gas Association (AGA) - Benchmarking/Innovative Practices
    b. AGA Gas Engineering and Operating Practices (GEOP) Series
    c. Pipeline Risk Management Manual by W. Kent Muhlbauer
    d. Gas Piping Technology Committee (GPTC) - American National Standards Institute (ANSI) Z380.1 Guide for Gas Transmission and Distribution Piping Systems
    e. Gas Technology Institute (GTI) Publications - including predecessor organizations Gas Research Institute and Institute of Gas Technology

   f. American Gas Foundation (AGF) Study - Safety Performance and Integrity of the Natural Gas Distribution Infrastructure January 2005
   g. GPTC Technical Report - ANSI GPTC Z380 TR-1 Review of Integrity Management of Natural Gas Transmission Pipelines
   h. American Society of Mechanical Engineers (ASME) Standard B31.8S - Managing System Integrity of Gas Pipelines
   i. Transportation Safety Institute (TSI) website (www.tsi.dot.gov)
   j. Regional Industry Organizations
      i. Midwest Energy Association (MEA)
      ii. Southern Gas Association (SGA)
      iii. Northeast Gas Association (NGA)
      iv. Western Energy Institute (WEI)
   k. National Fire Protection Association (NFPA) - NFPA 54 National Fuel Gas Code
   l. Canadian National Standard - CNS Z662-1999
   m. Pipeline and Hazardous Materials Administration (PHMSA) Data Analysis
   n. National Transportation Safety Board (NTSB) - pipeline accident reports
   o. PHMSA Advisory Bulletins
   p. Guidance Manual for Operators of Small Natural Gas Systems - PHMSA publication
   q. Training Guide for Operators of Small LP Gas Systems - TSI publication
   r. NAPSR Plastic Pipe Ad Hoc Committee
   s. Plastic Pipe Data Committee
6. GPTC: Guide Material Appendix G-192-8: Section 5.1 Evaluate and rank risk, General.
7. MEA: Section 4.3.3 Developing Additional Information; Section 5.0 Threats (5. Material, Weld or Joint Failure, and 7. Incorrect Operation).

Notes
The operator indicated that information obtained from external sources had not required a re-evaluation of threats and risks.

3. System Knowledge - Gaps

Is missing or incomplete system information and data needed to fill knowledge gaps to assess existing and potential threats being collected? (GDIM.RA.GAPSIMPL.R)

192.1007(a)(3)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. The inspector shall review the list of missing information that is identified in the operator's DIMP plan as needed to fill knowledge gaps. The inspector shall verify that the operator is collecting or taking adequate steps to collect the missing information.
2. Where the records were not provided during an acquisition, they are not reasonably available, and therefore, the records do not need to be recreated. However, this missing data shall be identified as such within the operator's DIMP, and a plan shall be established for collection of relevant information.
3. If the operator has determined there are no information gaps and the inspector agrees, this question shall be marked "N/A".
4. GPTC: Guide Material Appendix G-192-8: *3.4 Knowledge of what is physically happening in the system*.
5. SHRIMP: From the SHRIMP websites at http://www.apgasif.org/i4a/pages/index.cfm?pageid=3290, a document may be downloaded titled, "data requirements for using SHRIMP", and this document is a list of the records arranged by each threat category which an operator needs to assemble and the characteristics from the records which will need to be reviewed and possibly sorted.
6. MEA: Section 4.0 Knowledge of Distribution System.

Notes
The operator's DIMP plan did not reveal missing information needed to fill gaps.

4. System Knowledge - Information Needed (Systems)

Is missing or incomplete system information and data using the procedures prescribed in the DIMP plan being collected? (GDIM.RA.SYSINFONEEDSIMPL.R)

192.1007(a)(3)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. An operator must follow the procedures outlined in its DIMP plan for the collection of missing information and for updating information. The inspector shall verify that the operator has followed its DIMP procedures for the collection of missing information and for updating information in the field.
2. If the operator has determined there are no information gaps and the inspector agrees, this question shall be marked "N/A".

Notes
The operator's DIMP plan did not reveal missing information needed to fill gaps.

5. System Knowledge - Information Needed (O&M)

Has any new or missing information identified or acquired during normal operations, maintenance, and inspection activities been incorporated into the DIMP plan? (GDIM.RA.OMINFONEEDSIMPL.R)

192.1007(a)(3)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. Following collection of any missing or inadequate information by the Operator, it is required that the operator integrate this information into its DIMP. The inspector shall review the information that has been collected to fill knowledge gaps and verify that the operator is taking adequate steps to integrate this information into its DIMP.
2. Some information collected on threats and risks may be significant enough to warrant that the operator re-rank its risks or perform a periodic evaluation of its DIMP plan at the time the new information is identified.
3. If the operator has determined there are no information gaps and the inspector agrees, this question shall be marked N/A.

Notes
The operator's DIMP plan did not reveal missing information needed to fill gaps.

6. System Knowledge - New Pipe Data

Have required data on any new pipeline installations since August 2, 2011 been captured (e.g., location, wall thickness/SDR, manufacturer, lot/production number)? (GDIM.RA.NEWPIPEIMPL.R)

192.1007(a)(5)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. The inspector shall review the records on construction projects conducted since August 2, 2011 and verify that the operator is capturing the required information on any new pipeline installation including, at a minimum, location and material of construction.
2. Examples of data and records collected by operator since 2011 required to assess current and potential threats include, but is not limited to, the following (for pipe, fittings, valves, EFVs, risers, regulators, shut-offs, etc.):
    a. Location
    b. Material type and size
    c. Wall thickness or SDR
    d. Manufacturer
    e. Lot or production number
3. If there have been no new construction or replacement projects since August 2, 2011, this question shall be marked N/A.
4. GPTC: Guide Material Appendix G-192-8: 3.1 (d) - (g) General; 3.5 Documentation.
5. MEA: Section 4.3.3 Developing Additional Information.

Notes

Records indicated that the operator captures the required information on new pipeline installation.

7. System Knowledge - Data Collection Forms

Are data collection forms used in conjunction with the operator's DIMP plan being fully and accurately completed? (GDIM.RA.DATAFORMIMPL.R)

192.1007(a)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. This could be a check of records to ensure the conditions in the field are being portrayed correctly, AND/OR it could be a check of field conditions that the inspector takes back to the office to see if the DIMP plan has the right data in it.
2. Have the operator describe where the information is being collected from (e.g.; service inspection records, main installation records, repair/replacement records, etc.).
3. GPTC: Guide Material Appendix G-192-8: 3.1 (d) - (g) General; 3.5 Documentation.
4. MEA: Section 4.3.3 Developing Additional Information.

Notes

A review of records indicated that the operator's data collection forms are entirely accurate in conjunction with the operator's DIMP plan.

8. System Knowledge - SME Input

If new Subject Matter Experts (SMEs) input is incorporated into the DIMP plan, do SMEs have the necessary knowledge and/or experience (skills sets) regarding the areas of expertise for which the SME provided knowledge or supplemental information for input into the DIMP plan? (GDIM.RA.SMEIMPL.R)

192.1007(a)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. Many operators have made extensive use of SME's to develop its DIMP plan due to poor records and other issues. SME's therefore must be qualified for all the areas in which they provide input to the implementation of the DIMP plan. An operator's DIMP plan shall include SME qualifications.
2. The inspector shall spot check SME qualifications for the areas in which they provided input to the ongoing DIMP plan and confirm that they meet the qualifications outlined in the DIMP plan. The qualifications of individuals who participated in developing the original DIMP plan should have been checked during the plan inspection.
3. Since the last DIMP inspection, an operator may have sought input from SMEs that were not part of the original development of the DIMP plan. An inspector shall review the operator's use of new SMEs to ensure they have the skill sets necessary to provide input.

Notes

The Subject Matter Experts (SMEs) have the necessary knowledge and experience.

9. System Knowledge - Understanding

Do operator personnel in the field understand their responsibilities under the DIMP plan? (GDIM.RA.DEMOUNDERSTANDINGIMPL.O)

192.1007(a)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. Operator employees must be completing their duties as outlined in the DIMP plan for the plan to be effective. The inspector shall spot check field personnel to determine if they are doing what the DIMP plan requires of their particular role in the company. Questions that the inspector could ask to determine if field personnel are doing what the DIMP plan requires of them include:
    a. Would you explain what DIMP training you have received?
    b. What instructions have you received to address the discovery of pipe or components not documented in the company records?
    c. What instructions have you received if you find a possible issue? (ex: corrosion, dented pipe, poor fusion joints, missing coating, excavation damage, mechanical fitting failures)
    d. If you find situations where the facilities examined (e.g., size of the pipe, coating) are different than records indicate, what documentation do you prepare?
    e. If you are repairing a leak and find that a fitting was improperly installed, what documentation do you prepare?
2. GPTC: Guide Material Appendix G-192-8, Section 8 Periodic Evaluation and Improvement.
3. MEA: Section 9.0 Periodic Evaluation and Improvement; Section 9.1 Review and Evaluation of Written Plan; Section 9.2 Program Improvement.

Notes

Operator personnel appear to understand responsibilities.

10. Identify Threats - Threats Considered (New Information)

Has the operator acquired any new information relevant to system knowledge that may affect its threat identification? (GDIM.RA.THREATCATEGORIESIMPL.R)

192.1007(b)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. After defining the known characteristics of its system, the operator needs to continue to identify new information relevant to system knowledge for its different distribution segments. New systems knowledge is important for identification of existing and potential threats.
2. Operators may encounter potential threats in the field. Even if an operator concludes that a particular threat is not applicable to sections of its pipeline, the basis for drawing such conclusions shall be documented. Operators may not eliminate any threat for a subsystem without an adequate basis for doing so. This basis must consider pipeline failure history, design, manufacturing, construction, operation, and maintenance. The reasons for excluding pipe shall be documented in the operator's DIMP plan.
3. GPTC: Guide Material Appendix G-192-8: Section 4 Identify Threats.
4. MEA: Section 5.0 Threat Identification contains threat specific information to assist with determining which groups of facilities are subject to each primary threat.

Notes

Since the previous DIMP inspection, the operator has not identified new information relevant to system knowledge.

11. Identify Threats - Information Considered (Changes)

Have any changes occurred that require re-evaluation of threats and risks? (GDIM.RA.INFOCONSIDEREDIMPL.R)

192.1007(b)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. Operator shall re-evaluate its DIMP plan if major changes (internal or external) occur. The inspector shall evaluate the operator's DIMP to identify any changes that could affect the threat and risk rankings and determine if the operator re-evaluated its DIMP plan according to its procedures. Examples include, but are not limited to, the following:
    a. Acquisition of new systems
    b. Completion of pipe replacement program
    c. New threats (e.g., first time natural forces damage, etc.)
    d. Increase in existing threats (e.g., washouts, land subsidence, etc.)
    e. Increase in consequences (e.g., new wall-to-wall pavement, etc.)
    f. Organization changes (e.g., downsizing of staff, company restructuring, etc.)
    g. Applicable code revisions

Notes

The operator indicated that no significant changes require a re-evaluation of threats/risks. Staff reviewed the operator's documentation.

12. Identify Threats - Implementation (Update)

Since the last DIMP plan review by the regulatory agency, has the threat identification and risk assessment been updated based on newly acquired information or data relevant to system knowledge? (GDIM.RA.IMPLEMENTTHUPDATEIMPL.R)

192.1007(c)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. When threats are identified that result in a risk that exceeds an operator's criteria for an acceptable risk, measures to reduce risks must be implemented.
2. GPTC: Guide Material Appendix G-192-8: Table 4.1 Sample Threat Identification Method & Section 5.1 Evaluate and rank risk, General.
3. MEA: Section 4.3.3 Developing Additional Information Section 5.0 Threats (5. Material, Weld or Joint Failure, and 7. Incorrect Operation).

Notes

The operator indicated that the risk assessment had not exceeded the criteria for acceptable risk. Staff reviewed the operator's documentation.

13. Identify Threats - Implementation (DIMP Process)

If the threat identification and risk evaluation and ranking have been modified, were the revisions made in accordance with the procedure in the DIMP plan? (GDIM.RA.IMPLEMENTTHUPDATEPLANIMPL.R)

192.1007(c)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. If an operator modifies its threat identification and risk assessment, the inspector shall review the DIMP plan to ensure that the changes were made following the procedure described in the DIMP plan.
2. GPTC: Guide Material Appendix G-192-8: Section 4 Identify Threats.
3. MEA: Section 4.2 Historical Information.

Notes

The operator indicated that it has not modified its threat identification and risk assessment. Staff reviewed the operator's documentation.

14. Rank Risk - System Subdivision (Adequacy)

Does the current subdivision process (grouping of materials, geographic areas, etc.) adequately meet the need to properly evaluate and rank the existing and potential threats to the integrity of the system? (GDIM.RA.SUBDIVIDEADEQIMPL.R)

192.1007(c)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. Proper subdivision of the system to identify threats is a basis for identifying threats within its risk assessment, and operators may have to modify the DIMP plan as more information is gathered and new threats identified. Some operators are utilizing Geographic Information Systems (GIS) for DIMP plan recordkeeping and risk evaluations, and a common problem is too much subdivision which can disguise threats or risks. The problem, when systems are divided into too many small segments, is that threats or risks appear too small to be of concern. However, the opposite is also a problem if the subdivisions of the systems are too large and specific problems may not be identified. In either case, the threat identification and risk evaluation will not identify problem regions and focus resources in the right areas.
2. It is important that the operator thoughtfully group his assets into segments or regions with similar characteristics. This grouping can be done geographically for assets with similar construction or operating conditions. Or the grouping could be based on materials used in construction.
3. For threats of greater concern, there needs to be sufficient breakdown of the data to fully identify its nature. If the operator does not currently have that breakdown of data, they need to begin collecting it. The threat needs to be clearly defined so the appropriate risk control practices can be selected and measured for its effectiveness.
4. GPTC: Guide Material Appendix G-192-8: Section 4.2 Identify Threats.
5. MEA: Section 4.3.1 System Segmentation/grouping.

Notes

The operator has not added a subdivision of the system.

15. Rank Risk - System Subdivision (Update)

Have the system subdivisions within the risk evaluation and ranking been added to or modified since the last plan review by the regulatory agency? (GDIM.RA.SUBDIVIDEUPDATEIMPL.R)

192.1007(c)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. The inspector shall review the grouping of assets (subdivision) to ensure it sufficiently breaks down the data to identify potential and existing threats. Any and all applicable threats need to be clearly defined so the appropriate risk reduction measures can be selected.
2. GPTC: Guide Material Appendix G-192-8: Section 4.2 Identify Threats.
3. MEA: Section 4.3.1 System Segmentation/grouping.

Notes

The operator has not added a subdivision of the system.

16. Rank Risk - System Subdivision (DIMP)

If system subdivisions have been added or modified, was it done in accordance with the procedures described in the DIMP plan? (GDIM.RA.SUBDIVIDEDIMPIMPL.R)

192.1007(c)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. A DIMP plan must contain adequate procedures for evaluating and ranking risk including procedures to subdivide its system. The inspector shall examine the subdivision method to see if it follows the procedure outlined in the DIMP plan.
2. 192.1007 requires procedures for the elements of a DIMP. Procedure means a fixed, step-by-step sequence of activities or course of action (with definite start and end points) that must be followed in the same order to correctly perform a task.
3. GPTC: Guide Material Appendix G-192-8: Section 4.2 Identify Threats.
4. MEA: Section 4.3.1 System Segmentation/grouping.

Notes
The operator has not added subdivision of system.

17. Rank Risk - System Subdivision (Result)

If system subdivisions have been added or modified, did the new system subdivision result in modifications to the risk evaluation and ranking? (GDIM.RA.SUBDIVIDERESULTIMPL.R)

192.1007(c)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. Proper subdivision of the system to identify threats is a basis for identifying threats within its risk assessment, and operators may have to modify the DIMP plan as more information is gathered and new threats identified. Some operators are utilizing Geographic Information Systems (GIS) for DIMP plan recordkeeping and risk evaluations, and a common problem is too much subdivision which can disguise threats or risks. The problem, when systems are divided into too many small segments, is that threats or risks appear too small to be of concern. However, the opposite is also a problem if the subdivisions of the systems are too large and specific problems may not be identified. In either case, the threat identification and risk evaluation will not identify problem regions and focus resources in the right areas.
2. It is important that the operator thoughtfully group his assets into segments or regions with similar characteristics. This grouping can be done geographically for assets with similar construction or operating conditions. Or the grouping could be based on materials used in construction.
3. For threats of greater concern, there needs to be sufficient breakdown of the data to fully identify its nature. If the operator does not currently have that breakdown of data, they need to begin collecting it. The threat needs to be clearly defined so the appropriate risk control practices can be selected and measured for its effectiveness.
4. The inspector shall assess whether the level of detail in the subdivision process accurately reflects the risks in the system.

Notes
The operator has not added a subdivision of the system.

18. Measures to Reduce Risk - Implementation (Update)

Does documentation reviewed demonstrate that measures to reduce risks per the DIMP plan are being implemented? (GDIM.PM.IMPLEMENTPMIMPL.R)

192.1007(d)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. Records shall be reviewed to verify that the operator has identified specific measures to reduce risks and completed activities identified as being implemented in its DIMP plan.
2. From this question, the inspector is looking for the list of measures to reduce risks that the operator has or is planning on implementing. The operator should be able to produce records demonstrating that a risk measure has been implemented or is scheduled to be implemented. Scheduled measures should be justified based on complexity of the implementation (considerations: procurement, need for additional resources, coordination with local jurisdictions, training of qualified personnel, etc.).
3. If the operator did not identify any measures to reduce risks to implement that are necessary to ensure the safe operation of its system, then the question shall be marked as "N/A". However, the inspector needs to consider if the operator's conclusion that no risk reduction measures are needed can be deemed adequate and appropriate. The operator's criteria for implementing risk reduction measures and basis (documentation) for its decision shall be reviewed. The inspector may conclude that the operator erroneously determined that no actions were necessary, when risk reduction measures should have been taken.
4. GPTC: Guide Material Appendix G-192-8: Section 6 IDENTIFY AND IMPLEMENT MEASURES TO ADDRESS RISKS; *6.1 General; 6.3 A/A actions*.
5. MEA: Section 7.0 Select and Implement Risk Management Actions; Section 7.1 General; Section 7.2 Current Risk Reduction Practices.

Notes
Documentation indicated that the operator has implemented measures to reduce risks.

19. Measures to Reduce Risk - Implementation (Completion)

Have any measures to reduce risks resulting in the elimination/mitigation of the associated identified threat been completed (e.g., pipe replacement program completed, etc.)? (GDIM.PM.IMPLEMENTPMCOMPLETEIMPL.R)

192.1007(d)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. Records shall be reviewed to verify that the operator has identified specific measures to reduce risks and completed activities identified as being implemented.
2. For this question, the inspector is looking for the list of measures to reduce risks that the operator has implemented or is planning on implementing. The operator should be able to produce records demonstrating that a risk measure has been implemented or is scheduled to be implemented. The scheduling of risk reduction measures shall be based on the risks ranking and not budgeting. Inspectors may consider these factors in the operator's scheduling of risk reduction measures (e.g., procurement of materials, coordination of work crews, coordination with local jurisdictions, training of qualified personnel, etc.).
3. If the operator did not identify any measures to reduce risks to implement that are necessary to ensure the safe operation of its system and the inspector agrees, then the question shall be marked as "N/A".
4. GPTC: Guide Material Appendix G-192-8: Section 6 IDENTIFY AND IMPLEMENT MEASURES TO ADDRESS RISKS; *6.1 General; 6.3 A/A actions*.
5. MEA: Section 7.0 Select and Implement Risk Management Actions; Section 7.1 General; Section 7.2 Current Risk Reduction Practices.

Notes
Documentation indicated that the operator has implemented measures to reduce risks.

20. Measures to Reduce Risk - Implementation (Re-Evaluate)

If answering "Satisfactory/Yes" to previous question implementation question GDIM.PM.IMPLEMENTPMCOMPLETEIMPL.R, have risks (192.1007(c)) been re-evaluated and ranked because of the elimination/mitigation of an identified threat to ensure that risk reduction measures in place are appropriate? (GDIM.PM.IMPLEMENTPMREEVALIMPL.R)

192.1007(d)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. For this question, the inspector is looking for documentation that a threat or risk has been eliminated or mitigated, and the operator has re-evaluated and ranked its risks and ensured that risk reduction measures in place are appropriate.
2. An inspector shall review the operator's list of measures to reduce risks that the operator has implemented or is planning on implementing and compare it to the current threats and risks an operator has identified.
3. If the operator did not identify any new threats or risks that require re-evaluation and re-ranking and the inspector agrees, then the question shall be marked as "N/A".
4. GPTC: Guide Material Appendix G-192-8: Section 6 IDENTIFY AND IMPLEMENT MEASURES TO ADDRESS RISKS; *6.1 General; 6.3 A/A actions*.
5. MEA: Section 7.0 Select and Implement Risk Management Actions; Section 7.1 General; Section 7.2 Current Risk Reduction Practices.

Notes

The operator's documentation indicated that the mitigation of the identified risks has been implemented.

21. Measures to Reduce Risk - Implementation (Specific Risk)

Does each implemented risk reduction measure identified in the DIMP plan address a specific risk? (GDIM.PM.IMPLEMENTPMSPECIFRISKIMPL.R)

192.1007(d)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. Risk reduction measures must address specific risks (threats and/or consequences), and their implementation shall be prioritized based on the risk ranking.
2. This does not necessarily have to be a one-on-one relationship as each risk reduction measure can address multiple threats or risks. In other words, a singular action an operator is taking can address multiple threats or risks. An example of a single action addressing multiple threats would be a bare steel pipeline replacement program to address the threats of external corrosion and age of material. Another example of a single action addressing threats and risks would be a cast iron pipeline replacement program in a downtown area to address the age of material threat and the consequence of a failure in a densely populated area.
3. GPTC: Guide Material Appendix G-192-8: Section 6 IDENTIFY AND IMPLEMENT MEASURES TO ADDRESS RISKS; *6.1 General; 6.3 A/A actions*.
4. MEA: Section 7.0 Select and Implement Risk Management Actions; Section 7.1 General; Section 7.2 Current Risk Reduction Practices.

Notes

The operator has implemented methods to address and reduce the risks.

22. Measures to Reduce Risk - Leak Management

Can the operator provide documentation to demonstrate that an effective leak management program is being implemented (answer "N/A" if all leaks are repaired when found)? (GDIM.PM.LEAKMANAGEMENTIMPL.R)

192.1007(d)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. Answer "N/A" if operator repairs all leaks when found.
2. Important components in an effective leak management program (unless all leaks are repaired when found) include, but are not limited to, the following:
    a. Locate the leaks in the distribution system
    b. Evaluate the actual or potential hazards associated with these leaks
    c. Act appropriately to mitigate these hazards
    d. Keep records
    e. Self-assess to determine if additional actions are necessary to keep people and property safe
3. Leak data needs to be evaluated to identify trends in leaks for pipe of different attributes. A program is effective if hazardous leaks are repaired promptly and all other leaks are graded, scheduled for repair or monitored. "Repaired when found" means that all leaks are treated as hazardous leaks, and either repaired promptly or continuous actions are taken until the conditions are no longer hazardous. Note: Repair within a period after discovery (e.g., 3-6 months) is not "repaired when found." Operators who do not repair all leaks immediately must have a leak management program.
4. The leak management system needs to provide for a re-check of leak repairs after it is repaired before the leak is cleared. To evaluate the effectiveness of the leak program, the operator may consider the percent of leaks reported by customers vs. those found as a result of leak surveys.
5. An effective leak program includes an audit/field verification to ensure that individuals assigned to evaluate leaks are classifying or grading leaks consistently across the system. The procedures shall include requirements for periodic field evaluation of pending leaks to ensure that the leak has not become more severe requiring a classification or grading change. Routine self-assessment of the overall leak management plan shall be performed by the operator. The operator shall take actions if inconsistencies are identified.
6. GPTC: Guide Material Appendix G-192-8: *6.2 Leak Management Program*; Guide Material Appendix G-192-11: Gas Leakage Control Guidelines for Natural Gas Systems (Methane); Guide Material Appendix G-192-11A: Gas Leakage Control Guidelines for Petroleum Gas Systems.
7. MEA: Section 7.5 Leak Management.

Notes

Records indicated that an effective leak management program is being implemented.

23. Measure Performance - Implementation (Data)

Is data being collected for the required performance measures in 192.1007(e)? (GDIM.QA.IMPLEMENTEVDATAIMPL.R)
192.1007(e)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. Review records and documentation from the operator's program to verify that the operator is collecting the required data to track these performance measures in accordance with procedures in its DIMP plan:
    a. Number of hazardous leaks either eliminated or repaired, categorized by cause?
    b. Number of excavation damages?
    c. Number of excavation tickets?
    d. Total number of leaks either eliminated or repaired, categorized by cause?
    e. Number of hazardous leaks either eliminated or repaired, categorized by material? (Note: Not required in PHMSA Distribution Annual Report Form 7100.1-1)
    f. Any additional measures the operator determines are needed to evaluate the effectiveness of the DIMP plan in controlling each identified threat? (Note: Not required in PHMSA Distribution Annual Report Form 7100.1-1)
2. While the first 4 performance measures (192.1007(e)(i) - (iv)) are required for the annual report and operators typically collect and monitor this information, inspections have found that some operators are failing to collect and/or monitor the data for the last 2 performance measures (192.1007(e)(v) - (vi)). Inspectors shall ensure that all required performance measures are being collected and monitored and used in the DIMP plan to evaluate the effectiveness of the DIMP. Each risk mitigation measure implemented by the operator must be monitored by the use of performance measures (192.1007(e)(vi)). Unique performance measures may not need to be developed for each risk mitigation measure. A performance measure could be used to monitor the performance of multiple implemented risk reduction measures.
3. GPTC: Guide Material Appendix G-192-8, Section 7 Measure Performance, Monitor Results, And Evaluate Effectiveness.
4. MEA: Section 8.0 Measure Performance, Monitor Results, And Evaluate Effectiveness; Section 8.1 Required Performance Measures; Section 8.2 Additional Measures; Section 8.3 Monitoring Results to Evaluate Effectiveness.

Notes
Records and documentation from the operator's program indicated that the operator is collecting the required data to track the performance measures by procedures of its DIMP plan.

24. Measure Performance - Implementation (DIMP)

Based on field observations and/or record reviews, is the data used to measure performance being accurately collected in accordance with the procedures in its DIMP plan? (GDIM.QA.IMPLEMENTEVDATADIMPIMPL.R)
192.1007(e)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. Verify through field observations that the operator is accurately collecting data used to measure the performance of its DIMP plan. Forms used to collect data shall be reviewed, and the method for transmitting the field data into the organization shall be evaluated to ensure field data is not being corrupted or misinterpreted when it is used to measure the performance of the DIMP plan.
2. GPTC: Guide Material Appendix G-192-8, Section 7 Measure Performance, Monitor Results, And Evaluate Effectiveness
3. MEA: Section 8.0 Measure Performance, Monitor Results, And Evaluate Effectiveness; Section 8.1 Required Performance Measures; Section 8.2 Additional Measures; Section 8.3 Monitoring Results to Evaluate Effectiveness.

Notes
Field observation demonstrates that the operator is accurately collecting data used to measure the performance of its DIMP plan.

25. Measure Performance - Implementation (Baseline)

Is each performance measure being monitored from an established baseline? (GDIM.QA.IMPLEMENTEVBASELINEIMPL.R)
192.1007(e)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. Review records and documentation to determine if the operator performed the procedure to analyze performance measures from an established baseline as described in the operator's DIMP plan.
2. Records demonstrating compliance must be available for review during an inspection. These records shall include baseline determinations and results for performance measures. Operators should be able to demonstrate that data was collected and results were reviewed against an established baseline to evaluate effectiveness of performance measures to support any actions taken or not taken.
3. It is acceptable to have baselines that begin in different years. Baselines should be established on the data sets available. Collection of information may have begun after a certain year, or data may only be usable after a certain date.
4. GPTC: Guide Material Appendix G-192-8, Section 7 Measure Performance, Monitor Results, And Evaluate Effectiveness.
5. MEA: Section 8.0 Measure Performance, Monitor Results, And Evaluate Effectiveness.

Notes
The operator performed the procedure to analyze performance measures from an established baseline described in the operator's DIMP plan.

26. Measure Performance - Implementation (Specific Risk)

Is each performance measure added since the DIMP plan was last updated tied to a specific risk reduction measure or group of measures? (GDIM.QA.IMPLEMENTEVRISKIMPL.R)
192.1007(e)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. Review new performance measures to see if it addresses a specific risk or set of risks. Performance measures shall reflect the purpose of the distribution integrity program or specific risk control practice. Performance measures should be something that can be counted, graphed and validated. An operator need not adopt all possible performance measures. It would be acceptable for the operator to select "a critical few" measurements.
2. An operator may need to add new performance measures when new threats are identified and new or additional measures to reduce risks must be implemented. The performance measures selected by the operator shall also support identification of instances where a risk reduction measure is not effective and corrective actions are needed.
3. Performance measures shall be "SMART"-specific, measurable, acceptable, realistic to achieve and time-bound with a deadline.
4. GPTC: Guide Material Appendix G-192-8, Section 7 Measure Performance, Monitor Results, And Evaluate Effectiveness.
5. MEA: Section 8.0 Measure Performance, Monitor Results, And Evaluate Effectiveness.

Notes
No additional performance measures added since previous DIMP inspection.

27. Periodic Evaluation - Implementation (Frequency)

Have periodic evaluations of the DIMP plan been performed on the frequency specified in the plan? [If a periodic evaluation has not been required since plan implementation or the last inspection, mark questions 27-32 as "N/A".] (GDIM.CA.PERIODICEVALFREQIMPL.R)

192.1007(f)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. If a periodic evaluation has not been required since plan implementation or the last inspection and the inspector agrees, mark questions 27-32 as "N/A".
2. Review records and documentation to determine if the operator completed an evaluation of its DIMP plan as required in its procedures. The period for the evaluation of program effectiveness shall be as frequent as needed to ensure distribution system integrity, but cannot exceed five years (rule requirement). This evaluation period shall be determined by the operator and included in its written integrity management program. The time frame for evaluation of individual internal performance measures may be different. The periodic review of the written integrity management program will include an evaluation of the appropriateness of these operator established intervals.
3. Periodic evaluation of a program is an integral part of any continuous improvement process, including the distribution integrity management program of an operator. Program evaluation is performed to confirm that the essential elements of the process are identified, implemented and effective. In addition, threats and its priorities may change over time as conditions change or as mitigation projects are completed.
4. GPTC: Guide Material Appendix G-192-8, Section 8 Periodic Evaluation and Improvement.
5. MEA: Section 9.0 Periodic Evaluation and Improvement; Section 9.1 Review and Evaluation of Written Plan; Section 9.2 Program Improvement.

Notes

The operator conducted periodic evaluation of the DIMP plan as specified.

28. Periodic Evaluation - Implementation (Requirements)

Did the periodic evaluation include all required elements? (GDIM.CA.PERIODICEVALREQTSIMPL.R)

192.1007(f)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. If a periodic evaluation has not been required since plan implementation or the last inspection and the inspector agrees, mark this question as "N/A".
2. Review records and documentation to determine if the operator performed the periodic evaluation per its procedures, which may include performing/reviewing the following:
    a. Verification of general information (e.g., contact information; form names; action schedules, etc.)?
    b. New information acquired since the previous evaluation?
    c. Review of threats and risks? (includes potential and emerging threats)
    d. Was the risk model re-run?
    e. Review of performance measures? (are the measures still adequate?)
    f. Reviews of measures to reduce risks?
    g. Evaluation of the effectiveness of measures to reduce risks?
    h. Modification of measures to reduce risks, if necessary?
3. GPTC: Guide Material Appendix G-192-8, Section 8 Periodic Evaluation and Improvement.

Notes

Although the review of records indicated that the periodic evaluation includes all required elements, the modification of measures deemed unnecessary.

29. Periodic Evaluation - Implementation (High Risk)

If any established performance measures indicated an increase in risk beyond an acceptable level (as established in the DIMP plan), were new risk reduction measures implemented along with their associated performance measures? (GDIM.CA.PERIODICEVALHIRISKIMPL.R)

192.1007(f) (192.1007(e))

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. If a periodic evaluation has not been required since plan implementation or the last inspection and the inspector agrees, mark this question as "N/A".
2. Review records and documentation to ensure the operator's periodic evaluation provided for the evaluation of implemented measures to reduce risks to ensure that they are producing the desired effect.
3. If any established performance measures indicated an increase in risk beyond an acceptable level (as established in the DIMP plan), the operator must implement new risk reduction measures along with their associated performance measures.
4. GPTC: Guide Material Appendix G-192-8, Section 8 Periodic Evaluation and Improvement.

Notes
Records and documentation demonstrate that the operator’s periodic evaluation produces the desired effect to reduce risks.

30. Periodic Evaluation - Implementation (Risk Reduction Measures)

If the periodic evaluation indicates that implemented measures to reduce risks are NOT effective, were risk reduction measures modified, deleted or added? (GDIM.CA.PERIODICEVALRISKREDIMPL.R)

192.1007(f)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. If a periodic evaluation has not been required since plan implementation or the last inspection and the inspector agrees, mark this question as "N/A".
2. Review records and documentation to ensure the operator's periodic evaluation provided for the evaluation of implemented measures to reduce risks to ensure that they are producing the desired effect.
3. If the periodic evaluation indicates that implemented measures to reduce risks are NOT effective, an operator must modify, delete or add risk reduction measures to address the risks.
4. A DIMP plan should change over time as risks are mitigated and new risks are identified. One indication of a dynamic DIMP plan is the addition of new measures. The addition of a new risk reduction measure could indicate that a previous measure didn't work or that a new risk was identified. An inspector shall research the reason for the new measure to understand the dynamics of the operator's DIMP plan.
5. GPTC: Guide Material Appendix G-192-8, Section 8 Periodic Evaluation and Improvement.

Notes
Records and documentation demonstrate that the operator’s periodic evaluation produces the desired effect to reduce risks.

31. Periodic Evaluation - Implementation (Performance Measures)

Did the periodic evaluation indicate that the selected performance measures are assessing the effectiveness of risk reduction measures, and, if not, were performance measures modified, deleted or added? (GDIM.CA.PERIODICEVALPRFMESIMPL.R) 192.1007(f)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. If a periodic evaluation has not been required since plan implementation or the last inspection and the inspector agrees, mark this question as "N/A".
2. Performance measures must reflect the risk they intend to measure. There must also be a performance measure for each specific measure or group of measures to reduce risk. Inspectors must evaluate whether each performance measure accurately reflects the risk it is intended to measure. If a performance measure is ineffective, the inspector shall check if the operator modified, deleted or added a different performance measure for the measure to reduce risk. Examples of performance measures that are NOT appropriate to measure specific risk reduction actions include:
    a. Reduction in leak rate from leak surveys to measure effectiveness of regulator station equipment modifications.
    b. Using the number of excavation tickets as a performance measure for effectiveness of the damage prevention program without including the number of damages.
3. GPTC: Guide Material Appendix G-192-8, Section 8 Periodic Evaluation and Improvement.
4. MEA: Section 9.0 Periodic Evaluation and Improvement; Section 9.1 Review and Evaluation of Written Plan; Section 9.2 Program Improvement.

Notes
Records and documentation demonstrate that the operator's periodic evaluation produces the desired effect to reduce risks.

32. Periodic Evaluation - Implementation (DIMP Plan)

Were procedures followed in conducting periodic evaluations and program improvements? (GDIM.CA.PERIODICEVALDIMPIMPL.R) 192.1007(f)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. If a periodic evaluation has not been required since plan implementation or the last inspection and the inspector agrees, mark this question as "N/A".
2. Review records and documentation to determine if the operator followed its procedures for periodic evaluation and improvement of the DIMP plan.
3. Periodic evaluation of a DIMP plan is an integral part of any continuous improvement process. Program evaluation is performed to confirm that the essential elements are identified, implemented and effective. In addition, threats and their priorities may change over time as conditions change or as mitigation projects are completed.
4. GPTC: Guide Material Appendix G-192-8, Section 8 Periodic Evaluation and Improvement.
5. MEA: Section 9.0 Periodic Evaluation and Improvement; Section 9.1 Review and Evaluation of Written Plan; Section 9.2 Program Improvement.

Notes
Records and documentation indicated that the operator follows its procedures for periodic evaluation and improvement of the DIMP plan.

33. Report Results - Submittal

Were Parts C and D of the PHMSA Distribution Annual Report (Form 7100.1-1) completed in the submission to PHMSA and the state regulatory authority having jurisdiction, if required, for each year since the last inspection? (GDIM.RR.SUBMITREPORTSIMPL.R)
192.1007(g)

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. The operator must report the following measures:
    a. Number of hazardous leaks either eliminated or repaired as required by 192.703(c) of this subchapter (or total number of leaks if all leaks are repaired when found), categorized by cause.
    b. Number of excavation damages.
    c. Number of excavation tickets (receipt of information by the underground facility operator from the notification center).
    d. Total number of leaks either eliminated or repaired, categorized by cause.
2. The federal rule does not include a requirement for operators to report performance measures to states, but individual states may have such a requirement. The inspector shall consider whether his/her state requires such notification.
3. Evidence that the appropriate regulatory authority has been notified in accordance with the various requirements of the Rule must be retained by the operator, and the date of notification and the method of notification shall be apparent. The use of electronic notification is preferred; therefore such records are acceptable evidence.
4. GPTC: Guide Material Appendix G-192-8, Section 9 Report Results.
5. MEA: Section 10.0 Periodic Reports to Government Agencies; Section 10.1 Federal; Section 10.2 State Agency(s).

Notes
PHMSA Distribution Annual Report (Form 7100.1-1) was completed and filed.

34. Mechanical Fitting Failures - Information Collection (Data)

Have accurate records been maintained documenting mechanical fitting failures that resulted in hazardous leaks? (GDIM.RR.MECHANICALFITTINGDATAIMPL.R)
192.1009 (191.12)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. If a review of mechanical fitting failure reports is conducted as part of other regulatory agency processes, the next question may be marked "N/C" (not checked) and explained in the Comments section of the inspection form.
2. Review the operator's records and documentation to ensure that the operator maintained records documenting mechanical fitting failures resulting in hazardous leaks. Mechanical fitting failures which result in a hazardous leak may be submitted throughout the year or at one time by March 15th for the previous calendar year. An operator's procedure shall describe or reference the methodology or process used to collect the mechanical coupling failure data for submission, and this procedure can be used as guidance for the records review.
3. MEA: Section 13.0 Compression Coupling Failure Reporting.

Notes
No mechanical fitting failures in 2021.

35. Mechanical Fitting Failures - Information Collection (Reporting)

Did the operator report all mechanical fitting failures that resulted in a hazardous leak for the previous calendar year to PHMSA and State authorities, as appropriate, by March 15th of the next calendar year, and did the reports contain the information required by Department of Transportation Form PHMSA F-7100.1-2? (GDIM.RR.MECHANICALFITTINGRPTIMPL.R)

192.1009 (191.12)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. Mechanical fitting failures which result in a hazardous leak may be submitted throughout the year or at one time by March 15th for the previous calendar year. An operator's procedure shall describe or reference the methodology or process used to collect the mechanical coupling failure data for submission. An operator's records and documentation should support compliance.
2. MEA: Section 13.0 Compression Coupling Failure Reporting.

Notes
No mechanical fitting failures in 2021.

36. Mechanical Fitting Failures - Information Collection (DIMP)

Were procedure(s) followed for collecting the appropriate information and submitting PHMSA Form F-7100.1-2? (GDIM.RR.MECHANICALFITTINGDIMPIMPL.O)

192.1009 (191.12)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. Verify through field observation of the remediation of a failed mechanical fitting and/or interview of field personnel that the operator is collecting the appropriate information to submit in Form PHMSA F-7100.1-2. An operator's procedure shall describe or reference the methodology or process used to collect the mechanical coupling failure data for submission.
2. Methods to verify include, but are not limited to, the following:
    a. Field observation of the excavation of a failed mechanical fitting.
    b. Examination of failed fittings or photographs that have been retained by the operator.
    c. Interview with field personnel responsible for collecting information.
3. MEA: Section 13.0 Compression Coupling Failure Reporting.

Notes
No mechanical fitting failures in 2021.

37. Records - Implementation

Are records retained demonstrating compliance with Subpart P, as specified in its DIMP plan, for 10 years (or since 08/02/2011)? (GDIM.QA.RECORDREQUIREMENTSIMPL.R)

192.1011

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. Operators are required to maintain records that demonstrate compliance with the DIMP Rule for a minimum of 10 years, including superseded copies of the DIMP Plan. An inspector shall verify that the operator's procedure requires the following records, as a minimum, are being maintained for at least 10 years.
2. The records kept to comply with DIMP plan should have been reviewed during the Plan Inspection; however, changes since that time shall be examined for compliance. Numerous records are generated as a result of Distribution Integrity Management Program. To the extent that these records demonstrate compliance with Rule requirements, they are to be maintained by the operator such that they are readily retrievable, protected from damage, and secured sufficiently to prevent unauthorized use.
3. The rule does not list specific records that must be maintained, but examples of records demonstrating compliance may include:
    a. A written integrity management program (next question asks about superseded versions).
    b. System schematics and system knowledge overview documents.
    c. Threat identification and risk assessment documentation.
    d. Measures to address risk documentation.
    e. Performance measures used to evaluate the effectiveness of risk mitigation measures.
    f. Records documenting performance of periodic evaluations of the DIMP plan.
    g. Documentation of Notifications to PHMSA or State/Local Regulatory Agencies.
4. For records such as worksheets, memoranda or notes, these documents should be retrievable from a central location to the extent practicable, as opposed to being retained exclusively by individuals without record storage responsibilities. Since many records must be retained for the life of the pipeline, this suggests that records be kept in some sort of formalized or structured record-keeping system, as opposed to individual working files. The procedure shall include the document location within the operator's facilities.
    a. As an alternative to each procedure specifying recordkeeping requirements, a single procedure that specifies all recordkeeping requirements would be considered sufficient programmatic control.
    b. Records retained shall be in good condition, legible, readily retrievable, properly secured, and properly completed.
    c. Any procedures or guidance for threat identification and risk assessment must be retained, as well as the results of the process.
    d. Periodic updates to risk assessment documentation would also be expected in program files include supporting records such as meeting minutes of subject matter expert reviews where conclusions are drawn.
    e. The Rule does not require that documents to support any decision, analysis, and process developed and used to implement and evaluate each element of the integrity management program be maintained but they are useful.
    f. This set of documents includes those developed and used in support of any identification, calculation, amendment, modification, justification, deviation and determination made and any action taken to implement and evaluate any of the program elements.
    g. This set of documents is potentially very broad, but is intended to focus on those documents that provide a technical justification for decisions made concerning or affecting the integrity of the pipeline.
5. MEA: Section 11.0 Recordkeeping.

Notes

The operator maintains records demostrating compliance with subpart P.

38. Records - Implementation (Plan Retention)

Were copies of superseded DIMP plans retained for 10 years (or since 08/02/2011)? (GDIM.QA.RECORDREQTSRETAINIMPL.R)
192.1011

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. Verify that the operator has maintained superseded copies for 10 years. Earlier revisions to the program shall be included in document files as archived information. Evidence shall be included as to the effective date of the revisions.
2. A log sheet showing all changes to the current DIMP shall be available, and shall be compared to the copies of superseded plan content that has been retained.
3. MEA: Section 11.0 Recordkeeping.

Notes
Copies of superseded DIMP plans retained for 10 years.

39. Records - Implementation (DIMP)

Were DIMP procedures followed as applicable to records retention? (GDIM.QA.RECORDREQTSDIMPIMPL.R)
192.1011

Sat +	Sat	Concern	Unsat	NA	NC
	X				

Considerations

1. If answered "Unsatisfactory", then provide a list of procedures not followed.
2. An inspector must check to see if the operator is keeping the required records. Pursuant to 192.1011, an operator must maintain records to demonstrate compliance with the requirements of subpart P for at least ten years, and this includes documentation related to the development and implementation of the operator's DIMP. The records that an operator needs can be an extensive list including, but not limited to, the following:
    a. Corrosion records
    b. Continuing surveillance records
    c. Leak surveys
    d. Patrol records
    e. Maintenance records
    f. Other operations and inspection records
3. It is impossible to provide a comprehensive listing of all records an operator must retain for 10 years as the records a specific operator will need to retain depends on its unique operating environment and those specific records that they needed and used to use to develop and implement its DIMP.
4. If the operator is retaining these records, the inspector must check if the operator is following its recordkeeping procedure in its DIMP plan for the retention of the required records.

Notes
The operator’s records indicated that operator followed DIMP procedures.

40. Deviation from Periodic Inspections - Approval

Has approval been received from PHMSA or the appropriate State Regulatory Authority for alternate (less strict than code) periodic inspection intervals? [If no, mark questions 40-44 "N/A".] (GDIM.PI.PERIODICINSPDEVAPPRVIMPL.R)
192.1013(c)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. If the operator has NOT requested approval from PHMSA or the appropriate State Regulatory Authority for an alternate periodic inspection interval, mark this question "N/A".
2. Determine if the operator has received approval for proposals of alternate periodic inspection intervals. PHMSA has an internal procedure for processing alternate periodic inspection interval requests from operators, and this procedure is available to NAPSR upon request.

Notes
The operator has not requested approval to deviate from the required periodic inspections.

41. Deviation from Periodic Inspections - Implementation

Have the periodic inspections been conducted at the specified alternate intervals? (GDIM.PI.PERIODICINSPDEVPERFRMIMPL.R)
192.1013(c)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. If the operator has NOT requested approval from PHMSA or the appropriate State Regulatory Authority for an alternate periodic inspection interval, mark this question "N/A".
2. Review records and documentation to ensure that the operator has conducted the periodic inspections at the specified alternate intervals. The approval for alternate periodic inspection intervals that the operator has received shall be reviewed, and the operator must be able to provide documentation demonstrating compliance.

Notes
The operator has not requested approval to deviate from the required periodic inspections.

42. Deviation from Periodic Inspections - Requirements

Have all conditions been complied with that were required as part of the alternate inspection interval approval? (GDIM.PI.PERIODICINSPDEVREQTIMPL.R)

192.1013(c)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. If the operator has NOT requested approval from PHMSA or the appropriate State Regulatory Authority for an alternate periodic inspection interval, mark this question "N/A".
2. Review records and documentation to ensure that the operator complied with all conditions. The approval for alternate periodic inspection intervals that the operator has received shall be reviewed, and the operator must be able to provide documentation demonstrating compliance.
3. If applicable, verify through field observation that the operator is complying with all conditions that were required as part of the alternate inspection interval approval.

Notes
The operator has not requested approval to deviate from the required periodic inspections.

43. Deviation from Periodic Inspections - Performance Measures

Do performance measure records indicate that an equal or greater overall level of safety has been achieved since the alternate inspection frequency was implemented? (GDIM.PI.PERIODICINSPDEVPRFMESIMPL.R)

192.1013(c)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. If the operator has NOT requested approval from PHMSA or the appropriate State Regulatory Authority for an alternate periodic inspection interval, mark this question "N/A".
2. Alternate inspection intervals are allowed when an equal or greater overall level of safety is provided. The inspector shall evaluate whether risk did increase substantially resulting in a lesser overall level of safety, and if so, perhaps the alternate interval needs to be re-evaluated or additional conditions considered.

Notes
The operator has not requested approval to deviate from the required periodic inspections.

44. Deviation from Periodic Inspections - Corrective Action

If that an equal or greater overall level of safety has not been achieved, has corrective action been taken?
(GDIM.PI.PERIODICINSPDEVACTIONIMPL.R)
192.1013(c)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. If the operator has NOT requested approval from PHMSA or the appropriate State Regulatory Authority for an alternate periodic inspection interval, mark this question "N/A".
2. If the operator achieved an equal or greater overall level of safety, mark this question "N/A".
3. Alternate inspection intervals are allowed when an equal or greater overall level of safety is provided. The inspector shall evaluate whether risk did increase substantially. If so, perhaps the alternate interval needs to be re-evaluated or additional conditions considered.
4. Provide comments regarding corrective actions taken or lack thereof.

Notes
The operator has not requested approval to deviate from the required periodic inspections.

Reporting - Regulatory Reporting (Traditional)

5. Mechanical Fitting Failures - Information Collection (Data)

Have accurate records been maintained documenting mechanical fitting failures that resulted in hazardous leaks?
(GDIM.RR.MECHANICALFITTINGDATAIMPL.R)
192.1009 (191.12)

Sat +	Sat	Concern	Unsat	NA	NC
				X	

Considerations

1. If a review of mechanical fitting failure reports is conducted as part of other regulatory agency processes, the next question may be marked "N/C" (not checked) and explained in the Comments section of the inspection form.
2. Review the operator's records and documentation to ensure that the operator maintained records documenting mechanical fitting failures resulting in hazardous leaks. Mechanical fitting failures which result in a hazardous leak may be submitted throughout the year or at one time by March 15th for the previous calendar year. An operator's procedure shall describe or reference the methodology or process used to collect the mechanical coupling failure data for submission, and this procedure can be used as guidance for the records review.
3. MEA: Section 13.0 Compression Coupling Failure Reporting.

Notes
No mechanical fitting failures in 2021

Except as required to be disclosed by law, any inspection documentation, including completed protocol forms, summary reports, executive summary reports, and enforcement documentation are for internal use only by federal or state pipeline safety regulators. Some inspection documentation may contain information which the operator considers to be confidential. In addition, supplemental inspection guidance and related documents in the file library are also for internal use only by federal or state pipeline safety regulators (with the exception of documents published in the federal register, such as advisory bulletins). Do not distribute or otherwise disclose such material outside of the state or federal pipeline regulatory organizations. Requests for such information from other government organizations (including, but not limited to, N

NOTICE: This report is required by 49 CFR Part 191. Failure to report may result in a civil penalty OMB No. 2137-0629 as provided in 49 USC 60122.

OMB NO: 2137-0629
EXPIRATION DATE: 5/31/2024

		Initial Date Submitted:	02/25/2022
U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration	**ANNUAL REPORT FOR CALENDAR YEAR 2021 GAS DISTRIBUTION SYSTEM**	**Report Submission Type**	INITIAL
		Date Submitted:	

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2137-0629. Public reporting for this collection of information is estimated to be approximately 16 hours per response, including the time for reviewing instructions, gathering the data needed, and completing and reviewing the collection of information. All responses to this collection of information are mandatory. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, PHMSA, Office of Pipeline Safety (PHP-30) 1200 New Jersey Avenue, SE, Washington, D.C. 20590.

Important: *Please read the separate instructions for completing this form before you begin. They clarify the information requested and provide specific examples. If you do not have a copy of the instructions, you can obtain one from the PHMSA Pipeline Safety Community Web Page at http://www.phmsa.dot.gov/pipeline/library/forms.*

PART A - OPERATOR INFORMATION	**(DOT use only)**		**20220446-45402**

1. Name of Operator	FORT PIERCE UTILITIES AUTH - GAS DEPT
2. LOCATION OF OFFICE (WHERE ADDITIONAL INFORMATION MAY BE OBTAINED)	
2a. Street Address	1701 S 37th St
2b. City and County	Fort Pierce St Lucie
2c. State	FL
2d. Zip Code	34947
3. OPERATOR'S 5 DIGIT IDENTIFICATION NUMBER	5460
4. HEADQUARTERS NAME & ADDRESS	
4a. Street Address	1701 S. 37TH STREET
4b. City and County	FORT PIERCE
4c. State	FL
4d. Zip Code	34947
5. STATE IN WHICH SYSTEM OPERATES	FL
6. **THIS REPORT PERTAINS TO THE FOLLOWING COMMODITY GROUP** *(Select Commodity Group based on the predominant gas carried and complete the report for that Commodity Group. File a separate report for each Commodity Group included in this OPID.)*	
Natural Gas	
7. **THIS REPORT PERTAINS TO THE FOLLOWING TYPE OF OPERATOR** *(Select Type of Operator based on the structure of the company included in this OPID for which this report is being submitted.)***:**	
Municipal Owned	

PART B - SYSTEM DESCRIPTION

1.GENERAL

	STEEL				PLASTIC	CAST/ WROUGHT IRON	DUCTILE IRON	COPPER	OTHER	RECONDITIONED CAST IRON	SYSTEM TOTAL
	UNPROTECTED		CATHODICALLY PROTECTED								
	BARE	COATED	BARE	COATED							
MILES OF MAIN	0	0	0	113.533	61.397	0	0	0	0	0	174.93
NO. OF SERVICES	0	0	0	1489	2716	0	0	0	0	0	4205

2.MILES OF MAINS IN SYSTEM AT END OF YEAR

MATERIAL	UNKNOWN	2" OR LESS	OVER 2" THRU 4"	OVER 4" THRU 8"	OVER 8" THRU 12"	OVER 12"	SYSTEM TOTALS
STEEL	0	90.176	14.059	9.297	0	0	113.532
DUCTILE IRON	0	0	0	0	0	0	0
COPPER	0	0	0	0	0	0	0
CAST/WROUGHT IRON	0	0	0	0	0	0	0
PLASTIC PVC	0	0	0	0	0	0	0
PLASTIC PE	0	28.589	32.437	.371	0	0	61.397
PLASTIC ABS	0	0	0	0	0	0	0
PLASTIC OTHER	0	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	0
RECONDITIONED CAST IRON	0	0	0	0	0	0	0
TOTAL	0	118.765	46.496	9.668	0	0	174.929

Describe Other Material:

3.NUMBER OF SERVICES IN SYSTEM AT END OF YEAR — **AVERAGE SERVICE LENGTH: 102.14**

MATERIAL	UNKNOWN	1" OR LESS	OVER 1" THRU 2"	OVER 2" THRU 4"	OVER 4" THRU 8"	OVER 8"	SYSTEM TOTALS
STEEL	0	1457	32	0	0	0	1489
DUCTILE IRON	0	0	0	0	0	0	0
COPPER	0	0	0	0	0	0	0
CAST/WROUGHT IRON	0	0	0	0	0	0	0
PLASTIC PVC	0	0	0	0	0	0	0
PLASTIC PE	0	2654	57	5	0	0	2716
PLASTIC ABS	0	0	0	0	0	0	0
PLASTIC OTHER	0	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	0
RECONDITIONED CAST IRON	0	0	0	0	0	0	0
TOTAL	0	4111	89	5	0	0	4205

Describe Other Material:

4.MILES OF MAIN AND NUMBER OF SERVICES BY DECADE OF INSTALLATION

	UNKNOWN	PRE-1940	1940-1949	1950-1959	1960-1969	1970-1979	1980-1989	1990-1999	2000-2009	2010-2019	2020-2029	TOTAL
MILES OF MAIN	0	0	0	0	98.78	7.51	8.34	33.731	14.3	7.288	4.98	174.929
NUMBER OF SERVICES	0	0	0	0	749	752	918	1291	48	353	94	4205

PART C - TOTAL LEAKS AND HAZARDOUS LEAKS ELIMINATED/REPAIRED DURING THE YEAR

CAUSE OF LEAK	MAINS		SERVICES	
	TOTAL	HAZARDOUS	TOTAL	HAZARDOUS
CORROSION FAILURE			1	
NATURAL FORCE DAMAGE			1	
EXCAVATION DAMAGE	1		11	
OTHER OUTSIDE FORCE DAMAGE			1	
PIPE, WELD OR JOINT FAILURE	1		6	
EQUIPMENT FAILURE			6	
INCORRECT OPERATIONS				
OTHER CAUSE			1	

NUMBER OF KNOWN SYSTEM LEAKS AT END OF YEAR SCHEDULED FOR REPAIR : **0**
NUMBER OF HAZARDOUS LEAKS INVOLVING A MECHANICAL JOINT FAILURE : 0

PART D - EXCAVATION DAMAGE

1. TOTAL NUMBER OF EXCAVATION DAMAGES BY APPARENT ROOT CAUSE: 12

a. One-Call Notification Practices Not Sufficient: 9

b. Locating Practices Not Sufficient: 1

c. Excavation Practices Not Sufficient: 2

d. Other:

2. NUMBER OF EXCAVATION TICKETS : 7109

PART E - EXCESS FLOW VALUE (EFV) AND SERVICE VALVE DATA

Total Number Of Services with EFV Installed During Year: 44

Estimated Number Of Services with EFV In the System At End Of Year: 938

* Total Number of Manual Service Line Shut-off Valves Installed During Year: 2

* Estimated Number of Services with Manual Service Line Shut-off Valves Installed in the System at End of Year: 82

**These questions were added to the report in 2017.*

PART F - LEAKS ON FEDERAL LAND

TOTAL NUMBER OF LEAKS ON FEDERAL LAND REPAIRED OR SCHEDULED TO REPAIR: 0

PART G-PERCENT OF UNACCOUNTED FOR GAS

UNACCOUNTED FOR GAS AS A PERCENT OF TOTAL CONSUMPTION FOR THE 12 MONTHS ENDING JUNE 30 OF THE REPORTING YEAR.

[(PURCHASED GAS + PRODUCED GAS) MINUS (CUSTOMER USE + COMPANY USE + APPROPRIATE ADJUSTMENTS)] DIVIDED BY (CUSTOMER USE + COMPANY USE + APPROPRIATE ADJUSTMENTS) TIMES 100 EQUALS PERCENT UNACCOUNTED FOR.

FOR YEAR ENDING 6/30: 1.99%

PART H - ADDITIONAL INFORMATION

PART I - PREPARER

Craig Crawford,Superintendent (Preparer's Name and Title)	(772)466-1600 (Area Code and Telephone Number)
ccrawford@fpua.com (Preparer's email address)	(772)468-2413 (Area Code and Facsimile Number)

Fort Pierce Utilities Authority
"Committed to Quality"
206 South Sixth Street (34950)
PO Box 3191 | Fort Pierce, FL 34948-3191
Phone: 772.466.1600

BOARD SUBMISSION FORM

Department: 21-Department of Finance

Board Meeting Date: 1/17/2023

Item: X Regular Agenda ____ Consent Agenda

Subject: Bill Comparisons for the Month of November 2022

Recommendation:

For information only

Reviewed By Attorney: ____ Yes X No

Funds Available From: X No Funds Needed ____ Budgeted

Approvals:

System Director: Barbara A. Mika

Director of Financial Services: N/A

Director of Utilities: Javier Cisneros

Fort Pierce Utilities Authority

Memorandum

To:	Javier Cisneros, P.E., Director of Utilities
Through:	Barbara A. Mika, CGFO, Director of Financial Administration
From:	Michele Harris, CGFO, Finance Manager
Date:	January 11, 2023
Subject:	**Bill Comparisons for the Month of November 2022**

RECOMMENDATION:

For information only.

SUMMARY/SUPPORTING INFORMATION:

Please find the following included in this package:

- Tabular comparison of Florida residential electric rates – current month
- Tabular comparison of Florida residential electric bills – prior vs. current month
- Graphical comparison of Florida residential electric bills for 1,000 kWh – current month
- Graphical comparison of Florida residential electric bills for 2,500 kWh – current month
- Tabular comparison of Treasure Coast electric, water and wastewater bill data combined and current month details
- Utility Bill Tax explanation

Sources:

- Florida residential electric bill data was compiled by the Florida Municipal Electric Association (FMEA).
- Rates, Customer charges, Franchise charges, Gross receipts and Utility taxes for each entity are based on historical and actual bills.

ALTERNATIVES:

None – for information only.

Comparison of Electric Rates

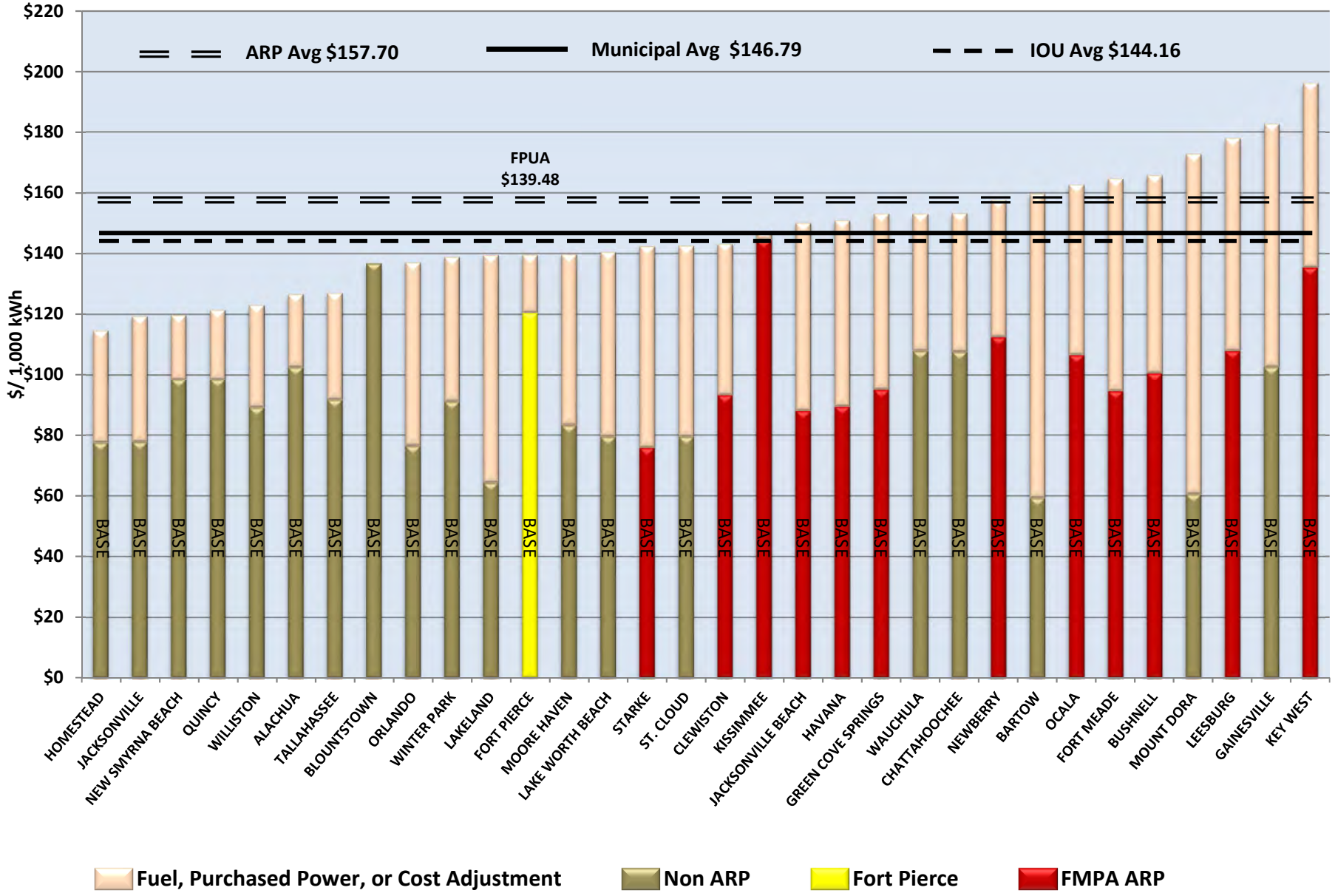
November 2022		1,000 kWh - Residential				1,200 kWh - Residential				2,500 kWh - Residential			
Utility	Customer charge	Base rate (includes customer charge)	Fuel or cost adjustment	Total	Total with all environmental, storm, and other fees, including transfer, as applicable**	Base rate (includes customer charge)	Fuel or cost adjustment	Total	Total with all environmental, storm, and other fees, including transfer, as applicable**	Base rate (includes customer charge)	Fuel or cost adjustment	Total	Total with all environmental, storm, and other fees, including transfer, as applicable**
Alachua	9.14	102.54	24.00	126.54		123.12	28.80	151.92		257.80	60.00	317.80	
Bartow	8.70	59.40	100.18	159.58		69.54	120.22	189.76		135.45	250.45	385.90	
Blountstown	5.01	136.68	0.00	136.68		164.02	0.00	164.02		341.70	0.00	341.70	
Bushnell	10.00	100.65	65.00	165.65		118.78	78.00	196.78		236.63	162.50	399.13	
Chattahoochee	10.15	107.65	45.55	153.20		127.15	54.66	181.81		253.90	113.88	367.78	
Clewiston	6.50	93.20	50.00	143.20		110.54	60.00	170.54		223.50	125.00	348.50	
Fort Meade	12.96	94.56	70.00	164.56		112.88	84.00	196.88		231.96	175.00	406.96	
Fort Pierce	6.60	120.48	19.00	139.48		144.97	22.80	167.77		304.17	47.50	351.67	
Gainesville	16.50	102.63	80.00	182.63		124.39	96.00	220.39		265.83	200.00	465.83	
Green Cove Springs	12.00	95.00	58.00	153.00		112.40	69.60	182.00		225.50	145.00	370.50	
Havana	6.00	89.50	61.33	150.83		106.20	73.60	179.80		214.75	153.33	368.08	
Homestead	5.60	77.60	37.00	114.60		92.00	44.40	136.40		185.60	92.50	278.10	
Jacksonville	5.50	77.83	41.48	119.31		92.30	49.78	142.08		186.33	103.70	290.03	
Jacksonville Beach	4.50	88.07	61.88	149.95		104.78	74.26	179.04		213.43	154.70	368.13	
Key West	24.00	135.35	60.65	196.00		157.62	72.78	230.40		302.38	151.63	454.01	
Kissimmee	10.17	133.27	2.78	136.05	147.11	173.07	3.33	176.40	189.67	349.55	6.95	356.50	384.15
Lake Worth Beach	10.55	79.55	60.92	140.47		97.35	75.18	172.53		213.05	106.38	319.43	
Lakeland	11.00	64.40	75.00	139.40		76.52	90.00	166.52		161.40	187.50	348.90	
Leesburg	15.00	107.94	70.00	177.94		131.04	84.00	215.04		281.18	175.00	456.18	
Moore Haven	8.50	83.30	56.40	139.70		98.26	67.68	165.94		195.50	141.00	336.50	
Mount Dora	11.02	60.66	112.00	172.66		70.59	134.40	204.99		135.12	280.00	415.12	
New Smyrna Beach	8.25	98.41	21.30	119.71		119.55	25.56	145.11		256.96	53.25	310.21	
Newberry	9.50	112.50	45.00	157.50		133.10	54.00	187.10		267.00	112.50	379.50	
Ocala	17.00	106.64	56.00	162.64		124.57	67.20	191.77		241.10	140.00	381.10	
Orlando	15.00	76.48	60.52	137.00		93.78	72.62	166.40		206.20	151.30	357.50	
Quincy	6.00	98.41	23.00	121.41		116.89	27.60	144.49		237.03	57.50	294.53	
St. Cloud	15.60	79.54	62.94	142.48		97.53	75.53	173.06		214.45	157.35	371.80	
Starke	N/A	75.95	66.35	142.30		96.00	79.62	175.62		230.02	165.88	395.90	
Tallahassee	8.95	91.75	35.19	126.94		108.31	42.23	150.54		215.95	87.98	303.93	
Wauchula	15.00	108.00	45.00	153.00		128.60	54.00	182.60		262.50	112.50	375.00	
Williston	8.71	89.12	33.80	122.92		106.94	40.56	147.50		222.80	84.50	307.30	
Winter Park	16.98	83.22	47.74	130.96	138.82	100.90	59.29	160.19	169.80	215.82	134.35	350.17	371.18
FL Power & Light	8.99	80.56	34.87	117.57	124.62	96.88	43.84	143.29	151.89	202.93	102.18	310.46	329.09
FL Power & Light NW	8.99	114.60	34.87	151.61	160.71	137.73	43.84	184.14	195.19	288.03	102.18	395.56	419.29
Duke Energy	12.45	98.89	44.69	143.58	152.19	117.95	55.77	173.72	184.14	241.86	127.78	369.63	391.81
Tampa Electric	21.30	79.46	37.91	129.34	137.10	93.11	47.49	154.97	164.27	181.82	109.78	321.54	340.83
FL Public Utilities	16.95	40.68	84.41	137.89	146.16	48.45	103.79	167.60	177.66	98.99	229.78	360.77	382.42

Rates for municipal utilities include payments in lieu of taxes, or transfer to the city's general fund, and any applicable storm, conservation, environmental, and other charges generally applicable to customers. Rates for investor-owned utilities include any applicable conservation, capacity, environmental, storm recovery, and other charges or fees generally applicable to customers. Final total columns include average 6% franchise fees for investor-owned utilities.

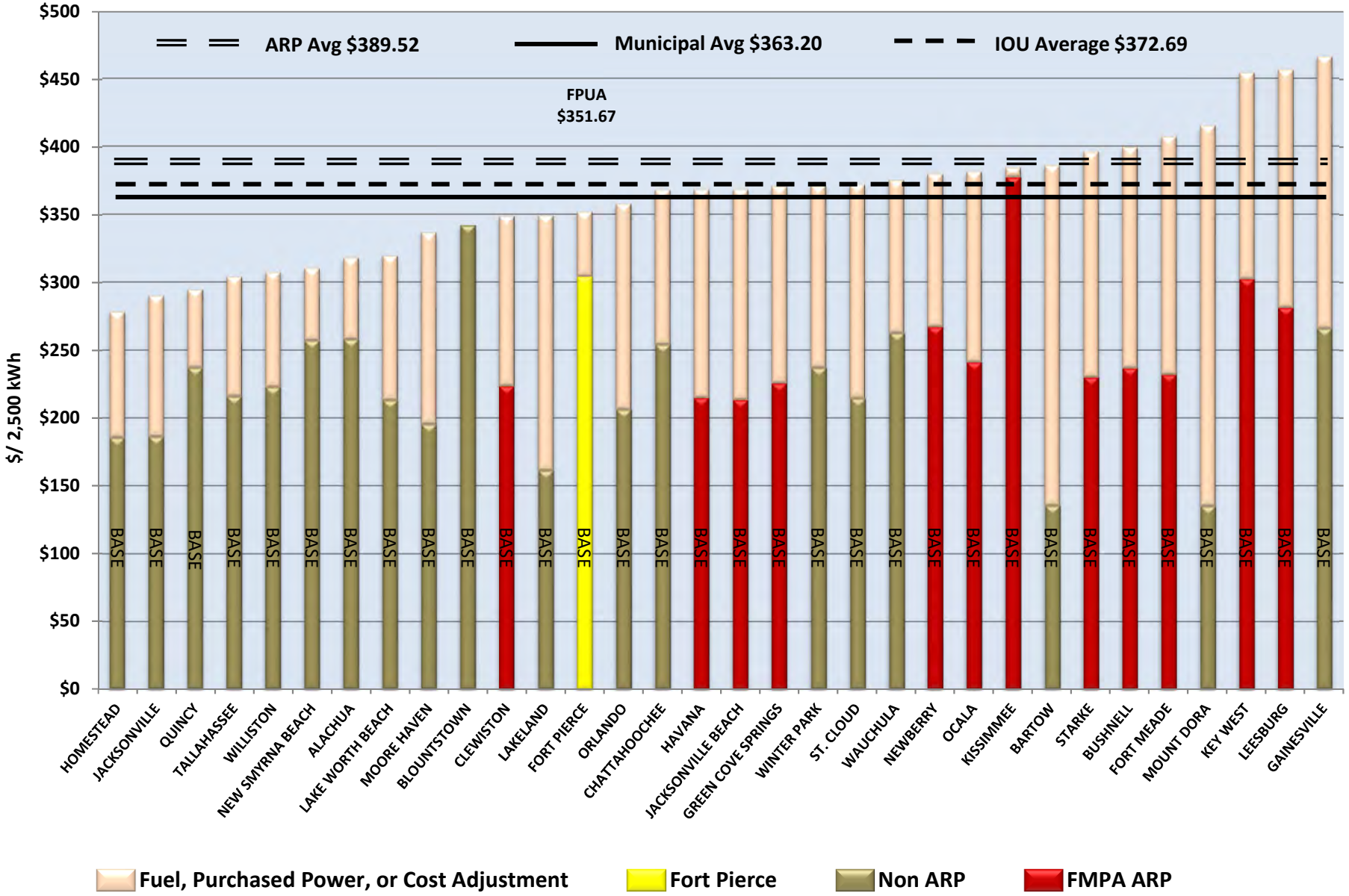
FMEA Residential Electric Rate Report
1,000 kWh
October 2022 vs November 2022

CITY		October	November	INCREASE (DECREASE)
FMPA ARP CITIES:				
BUSHNELL	City	165.65	165.65	-
CLEWISTON	City	143.20	143.20	-
FORT MEADE	City	167.56	164.56	(3.00)
FORT PIERCE	Utility	139.48	139.48	-
GREEN COVE SPRINGS	City	153.00	153.00	-
HAVANA	City	150.67	150.83	0.16
JACKSONVILLE BEACH	City	129.32	149.95	20.63
KEY WEST	Utility	196.00	196.00	-
KISSIMMEE	Utility	138.15	147.11	8.96
LEESBURG	City	177.94	177.94	-
NEWBERRY	City	157.50	157.50	-
OCALA	City	162.64	162.64	-
STARKE	City	152.02	142.30	(9.72)
NON-ARP CITIES:				
ALACHUA	City	121.04	126.54	5.50
BARTOW	City	154.89	159.58	4.69
BLOUNTSTOWN	City	118.85	136.68	17.83
CHATTAHOOCHEE	City	132.91	153.20	20.29
GAINESVILLE	City	182.63	182.63	-
HOMESTEAD	City	114.60	114.60	-
JACKSONVILLE	Utility	156.86	119.31	(37.55)
LAKE WORTH BEACH	City	140.47	140.47	-
LAKELAND	City	139.40	139.40	-
MOORE HAVEN	City	139.70	139.70	-
MOUNT DORA	City	173.05	172.66	(0.39)
NEW SMYRNA BEACH	Utility	119.71	119.71	-
ORLANDO	Utility	137.00	137.00	-
QUINCY	City	139.81	121.41	(18.40)
ST. CLOUD	City	142.48	142.48	-
TALLAHASSEE	City	126.94	126.94	-
WAUCHULA	City	152.00	153.00	1.00
WILLISTON	City	146.14	122.92	(23.22)
WINTER PARK	City	160.16	138.82	(21.34)
INVESTOR-OWNED:				
FL POWER & LIGHT		117.57	117.57	-
FL POWER & LIGHT NW		151.61	151.61	-
DUKE ENERGY		143.58	143.58	-
TAMPA ELECTRIC		129.34	129.34	-
FL PUBLIC UTILITIES		137.89	137.89	-

Residential Electric Bill Comparison (1,000 kWh) - November 2022



Residential Electric Bill Comparison (2,500 kWh) - November 2022



Treasure Coast Utility Bill Comparison
November 2022

Utility	Consumption	Total Utility Bill *					
		Fort Pierce	Fort Pierce**	Port St. Lucie***	St. Lucie County***	Vero Beach***	Martin County***
Electric	1,000 kWh	$148.28	$129.91	$137.97	$126.95	$138.01	$128.09
Water	6,000 gallons	$50.95	$50.95	$39.23	$62.21	$22.58	$32.84
Wastewater	6,000 gallons	$61.88	$61.88	$65.31	$74.51	$41.43	$47.45
Totals		**$261.11**	**$242.74**	**$242.51**	**$263.67**	**$202.02**	**$208.38**

Utility	Current Month Avg.	Current Month Avg.
Electric	814 kWh	$120.29
Water	4,810 gallons	$44.83
Wastewater	4,810 gallons	$53.50
Totals		**$218.62**

* Total utility bill amounts include all taxes, fees and charges for homes with average electric, water and sewer usage.

** Utility Bill for approximately 1,200 customers who reside inside city limits and have electric service provided by FPL.

*** Electric service in this comparison is provided by FPL.

SLC Utilities and Martin County Utility customers pay no utility tax or fees.

Fort Pierce / Port St. Lucie / St. Lucie County / Vero Beach / Martin County
Utility Services, Taxes and Fees Comparison

November 2022	FORT PIERCE		FORT PIERCE FPL		PORT ST. LUCIE		ST. LUCIE COUNTY		VERO BEACH		MARTIN COUNTY	
Customer charge		$ 6.60		$ 8.99		$ 8.99		$ 8.99		$ 8.99		$ 8.99
Fuel: First 1,000kWh	$ 0.01900	19.00	$0.03487	$ 34.87	$0.03487	$ 34.87	$0.03487	$ 34.87	$0.03487	34.87	$0.03487	$ 34.87
Over 1000 kWh at			$0.04487	$ -	$0.04487	$ -	$0.04487	$ -	$0.04487		$0.04487	$ -
Non-fuel: Tier 1	$ 0.11102	$ 83.27	$0.07371	73.71	$0.07371	73.71	$0.07371	73.71	$0.07371	73.71	$0.07371	73.71
Tier 2	$ 0.12246	30.62	$0.08371	-	$0.08371	-	$0.08371	-	$0.08371	-	$0.08371	-
Electric service amount		139.49		117.57		117.57		117.57		117.57		117.57
Storm charge		-	-	-	-	-	-	-		-	-	-
Gross receipts tax		3.57		3.10		3.10		3.11		3.10		3.10
Franchise charge		-	-	-	0.0608	7.33	0.0520	6.27	0.0610	7.36	0.0615	7.42
Utility tax		5.22		9.24		9.97		-		9.98		-
ELECTRIC TOTAL		**$ 148.28**		**$ 129.91**		**$ 137.97**		**$ 126.95**		**$ 138.01**		**$ 128.09**
Customer charge		$ 18.24		$ 18.24		$ 9.92		$ 22.30		$ 13.60		$ 18.56
Water usage:												
Tier 1	$ 4.68	$ 14.04	$ 4.68	$ 14.04	$ 4.65	$ 23.25	$ 6.02	$ 30.10	$ 0.83	$ 4.15	$ 2.38	$ 14.28
Tier 2	$ 4.68	$ 14.04	$ 4.68	14.04	$ 6.06	6.06	$ 7.05	7.05	$ 2.78	$ 2.78		
Surcharge/Billing charge		-		-	-	-		2.76		$ -		-
Utility tax	10.0%	4.63	10.0%	4.63	-			-	10.0%	2.05		-
WATER TOTAL		**$ 50.95**		**$ 50.95**		**$ 39.23**		**$ 62.21**		**$ 22.58**		**$ 32.84**
Customer charge		$ 19.64		$ 19.64		$ 17.13		$ 26.57		$ 19.89		$ 19.25
Wastewater gallons billed:	$ 7.04	42.24	$ 7.04	42.24	$ 8.03	48.18	$ 7.99	47.94	$ 7.99	21.54	$ 4.70	28.20
Surcharge/Billing Charge		-		-		-		-		-		-
Franchise charge		-		-		-		-		-		-
WASTEWATER TOTAL		**$ 61.88**		**$ 61.88**		**$ 65.31**		**$ 74.51**		**$ 41.43**		**$ 47.45**
		$ 261.11		**$ 242.74**		**$ 242.51**		**$ 263.67**		**$ 202.02**		**$ 208.38**

Non-Fuel Tiers (Electric):						
Tier 1	0 - 750kWh	0 - 1,000kWh	0 - 1,000kWh	0 - 1,000kWh	0 - 1,000kWh	0 - 1,000kWh
Tier 2	> 750kWh	> 1,000kWh	> 1,000kWh	> 1,000kWh	> 1,000kWh	> 1,000kWh
Water Usage Tiers:						
Tier 1 (Gallons)	1,000-3,000	1,000-3,000	0-5,000	0-5,000	0-5,000	0-10,000
Teir 2 (Gallons)	4,000-10000	4,000-10000	5,001-12,000	5,001-10,000	5,001-15,000	

UTILITY BILL TAX EXPLANATION

Fort Pierce Utilities Authority does not charge a separate franchise fee to customers inside city limits, however a distribution of 6% on the revenues billed are paid to the city each year. The 6% distribution is built into the base rate for all services billed.

Gross Receipts Tax is a tax imposed on gross receipts from the sale, delivery, or transportation of natural gas, manufactured gas, or electricity to a retail consumer in Florida. Gross receipts tax is customarily recovered from the consumer and is paid to the Florida Department of Revenue by all utilities distributing natural gas or electric services as payments are applied to customers' accounts.

Gross receipts is calculated on the Total Electric Service amount which includes Customer Charge, Fuel Charge (Power Cost Adjustment or PCA), Non-fuel charges (Consumption) and the Storm Charge. Fort Pierce Utilities Authority and Vero Beach Utilities do not have a Storm Charge.

Municipal Public Service Tax is locally imposed and administered by municipalities and charter counties under Chapter 166, Florida Statutes. This tax is charged on the customers' bill on the sale of electricity and water. The base for the **10%** tax varies by utility as follows:

- **FPUA** – bills this tax as "City Utility Tax Electric" to customers inside city limits; base consists of the Customer Charge + Non-Fuel (inclusive of the related Gross Receipts Tax), less the Utility Tax Exemption ($71.35).
- **FPL** – bills this tax as "Utility Tax" to customers inside city limits; base consists of the Customer Charge + Non-Fuel + Storm Charge + .00739/ kWh, the related Gross Receipts Tax, plus the Franchise fee.
- **Vero Beach Utilities** – bills this tax as "Utility Tax" on water usage to customers inside city limits at a rate of 10%.

Franchise Charge is a contractual charge with municipalities and county governments for the right to service electric customers in that territory. It is calculated differently depending upon the agreement between the service provider and the governing agency.

- **FPUA** – charges Franchise Fees outside of the city limits to customers in St Lucie Village and St. Lucie County. The base for calculating franchise fees consists of Total Electric Service, 10% Surcharge and Gross Receipts recovery.
    - St Lucie County franchise fees are 5%.
    - St. Lucie Village franchise fees are 8%.
- **FPL** – bills **Port St. Lucie** customers a "Franchise Charge"– calculated at 6.0% of Total Electric Service, Storm Charges and Gross Receipts Tax. Fees collected are paid to the city of Port St Lucie.
- **FPL** bills **Vero Beach Utilities** customers a "Franchise Charge" – 6.0% of Total Electric Service, Storm Charges and Gross Receipts Tax. Fees collected are paid to the city of Vero Beach.
- **FPL** bills **St. Lucie County** customers a "Franchise Charge" – 5.0% of Total Electric Service, Storm Charges and Gross Receipts Tax. Fees collected are paid to St. Lucie County.
- **FPL** bills **Martin County** customers a "Franchise Charge" – 6.1% of Total Electric Service, Storm Charges and Gross Receipts Tax. Fees collected are paid to Martin County.

Fort Pierce Utilities Authority

206 South Sixth Street (34950)|PO Box 3191, Fort Pierce, FL 34948-3191|Phone: 772-466-1600

FPUA COMMUNITY PROUD

BOARD SUBMISSION FORM

Department: 11 – Director of Utilities

Board Meeting Date: **1-17-2023**

Presenter(s): Javier Cisneros

Item: X **Regular Agenda** _____ **Consent Agenda**

Subject FPUA Attorney/General Counsel Search Process

Recommendation:

For Information Only.

Reviewed By Attorney: X Yes ____ No

Funds Available From: X No Funds Needed ____ Budgeted

Approvals:

System Director: _____

Director of Financial Services: _____

Director of Utilities: Javier Cisneros

Fort Pierce Utilities Authority

206 South Sixth Street (34950)|PO Box 3191, Fort Pierce, FL 34948-3191|Phone: 772-466-1600

FPUA COMMUNITY PROUD

BOARD SUBMISSION FORM

Department: 11 – Director of Utilities

Board Meeting Date: **1/17/2023**

Item: X **Regular Agenda** _____ **Consent Agenda**

Subject FPUA Director of Utilities 2022 Performance Evaluation and Compensation Adjustment

Recommendation:

This is a discussion item for possible action by the FPUA Board and there is no staff recommendation.

Reviewed By Attorney: ____ Yes X No

Funds Available From: ____ No Funds Needed X Budgeted

Approvals:

System Director: _____

Director of Financial Services: _____

Director of Utilities: Javier Cisneros

Fort Pierce Utilities Authority

MEMORANDUM

To: FPUA Board

From: Javier Cisneros, P.E., Director of Utilities

Date: January 17, 2023

Subject: 2022 Performance Evaluation and Compensation Adjustment

RECOMMENDATION:

This is a discussion item for possible action by the FPUA Board and there is no staff recommendation.

SUMMARY/SUPPORTING INFORMATION:

The compensation and benefits for the Director of Utilities are set at the discretion of the Board. This is a discussion item and possible action as determined to be appropriate by the FPUA Board.

The FPUA employees received a Cost Of Living Adjustment (COLA) On October 31, 2022. The COLA was approved as part of the FY2023 budget and ranged from 4.00% to 4.75%.

ALTERNATIVES:

N/A

ATTACHMENTS:

N/A

Fort Pierce Utilities Authority

206 South Sixth Street (34950) | PO Box 3191, Fort Pierce, FL 34948-3191 | Phone: 772.466.1600

Board Submission Form

1/12/2023

Department: 21 - Finance

Board Meeting Date: 01/17/2023

Item Type: Regular, Contract Agreement

Subject: Resolution No. UA 2023-02 Contract Agreement Line of Credit

Recommendation:

Approve Resolution No. UA 2023-02 a contract agreement for a Line of Credit with Seacoast Bank

Reviewed By Attorney:

Funds Available From: X No Funds Needed ___ Budgeted ___ Contingency

Approvals:

System Director: MIKA, BARBARA A. Jan 9 2023 10:08AM

Director of Finance: MIKA, BARBARA A. Jan 10 2023 4:32PM

Director of Utilities:

Fort Pierce Utilities Authority

Memorandum

TO: Javier Cisneros, P.E., Director of Utilities

THROUGH: Barbara A. Mika, Director of Financial Administration

FROM: Michele S. Harris, Finance Manager

DATE: January 11, 2023

SUBJECT: **Resolution No. UA 2023-02 Contract Agreement Line of Credit**

PRESENTER(S): Barbara Mika

RECOMMENDATION:

Approve Resolution No. UA 2023-02 a contract agreement for a Line of Credit with Seacoast Bank

SUMMARY/SUPPORTING INFORMATION

Staff recommends opening a line of credit as part of the debt policy for use in operational cost with the electric purchase for resale. In light of the current scenario of rising costs for natural gas and the impact on the cost for purchased power. This line of credit would provide staff additional resources to manage the days of cash on hand as set forth in Master Bond Resolution covenants (Resolution No. UA 2022-10).

This will in no way replace the need to maintain proper Power Cost Adjustment reserves, but to merely bridge the unrestricted cash in the event of another high purchased power bill.

Seacoast Bank is FPUA's operating bank, chosen through the RFP process in March of 2022. This agreement is a taxable revolving line of credit with a term of just 12 months. If the line of credit is not needed it will not be used and FPUA would incur an unused fee of .1% or $4,000 for the year.

ALTERNATIVES (IF ANY):

The alternative would be to not take on this line of credit and rely on FMPA and FGU to hedge the cost of gas keeping our costs in control.

ATTACHMENTS:

Line of Credit Terms Sheet
Revolving Loan Agreement (Substantially Final)
Promissory Note (Substantially Final)
Resolution No. UA 2023-02 (Attorney Review)

Seacoast Bank

December 15, 2022

Barbara Mika, Director of Financial Administration
Fort Pierce Utilities Authority
206 S 6th Street
Fort Pierce, FL 34950

Re: Term Sheet-Commercial Revolving Line Of Credit

Dear Ms. Mika,

Seacoast Bank is excited and greatly appreciates the opportunity you have provided, based on your request for commercial financing. Seacoast Bank ("Bank") is pleased to provide an expression of interest to offer financing subject to; the satisfactory completion of the Bank's underwriting procedures, compliance with all applicable Bank policies, and in accordance with the following proposed terms and conditions:

Borrower:	**Fort Pierce Utilities Authority**
Amount of Loan:	**Up to $4,000,000**
Type of Loan:	**Commercial Revolving Line of Credit**
Floating Rate:	**1 Month Term SOFR + 50bps, with a 2.25% floor**
Term of Loan:	**12 months from date of closing**
Purpose:	**To provide short-term working capital.**
Collateral:	**Junior lien on assignment of unrestricted revenues from the Electric and Natural Gas Systems power cost adjustment for purchased power and/or purchased gas. Bank will subordinate to registered owners of outstanding bonds.**
Repayment:	**Monthly Interest Only payments with balance of principal & interest due in full at maturity.**
Loan Fee:	**No commitment fee.** ***If average utilization is < 25% of availability during term a 10bps fee will be assessed as an unused fee.**
Pre-payment Penalty:	**None**

Expiration: **This term sheet outlined conditions will expire on December 24th 2022 unless accepted by borrower by signing and returning. Closing of subject loan needs to take place on or before January 31th 2023.**

In order to proceed with your loan request, please review the proposed terms and conditions and if acceptable, sign, date and return the original of this letter to the undersigned prior to expiration as stated above. We will need the following information to finalize the underwriting and process your request:

Underwriting Items:

- **FPUA board meeting minutes outlining the approval for the loan as well as the authorized parties that may sign the loan documents on behalf of the borrower.**

Closing Items:

- **TBD Bank Counsel will be engaged to represent the Bank in connection with the loan.**
- **All other items deemed necessary by Seacoast Bank to conduct a commercial transaction.**
- **The borrowers will be responsible for all reasonable closing costs associated with the commercial transaction described above.**

Conditions:

- **Annual Financial Report (ACFR) to be provided upon completion.**
- **Annual Budget to be provided upon completion.**

Confidentiality: This proposal and any/all information relating to the proposal and/or closing of the transaction contemplated therein are strictly confidential and the Borrower may not disclose any information in any way relating to the same without the prior written consent of the Bank however; subject to the public records laws.

Seacoast Bank is excited about this opportunity to be of service to you and your organization. Please call me at 772-221-2717 if you have any questions regarding our proposal.

Sincerely,

Steven Rivera

Steven Rivera
SVP, Market President
Seacoast Bank

I/We have reviewed and would request Seacoast National Bank proceed with gaining formal approval based on the terms and conditions outlined herein:

BORROWER:

Fort Pierce Utilities Authority

12/29/22
Date

REVOLVING LOAN AGREEMENT

THIS AGREEMENT, made and entered into as of the ____ day of January, 2023, by and between the **FORT PIERCE UTILITIES AUTHORITY OF THE CITY OF FORT PIERCE, FLORIDA**, a utilities authority created and made a part of the government of the City of Fort Pierce, Florida, hereinafter referred to as the "Borrower"; and **SEACOAST NATIONAL BANK**, a national banking association, hereinafter referred to as the "Bank";

W I T N E S S E T H, T H A T:

WHEREAS, the Borrower has requested the Bank to establish and extend to the Borrower a taxable revolving line of credit in the maximum principal sum of Four Million and No/100ths Dollars ($4,000,000.00), the proceeds of which shall be utilized by the Borrower from time to time in the course of its business as hereinafter described, and

WHEREAS, the Bank has agreed to establish and extend to the Borrower a taxable revolving line of credit in the maximum principal sum of Four Million and No/100ths Dollars ($4,000,000.00) to be evidenced by the Borrower's Promissory Note of even date herewith, and

WHEREAS, the parties have agreed that the revolving line of credit shall be subject to and governed by the provisions of this Agreement, as the same are more fully set forth hereinafter,

NOW, THEREFORE, for valuable considerations, the receipt and sufficiency of which are hereby acknowledge, and as a condition precedent to the extension of the taxable revolving line of credit to the Borrower, it is agreed by and between the parties as follows:

ARTICLE I5
DEFINITION OF TERMS

Section 1.01. **Defined Terms**: As utilized in this Agreement, the following terms shall be defined, construed, and interpreted as follows (terms defined in the singular shall have the same meaning when used in the plural and vice versa):

A. "Agreement" shall mean this Revolving Loan Agreement, as amended, supplemented or modified in writing by the parties from time to time.

B. "Bank" shall mean Seacoast National Bank, and its successors in interest and assigns.

C. "Borrower" shall mean Fort Pierce Utilities Authority of the City, a utilities authority created and made a part of the government of the City, and its successors in interest and assigns.

D. “City” shall mean the City of Fort Pierce, a Florida municipal corporation.

E. "Commitment" shall mean the Bank's obligation to make advances on the Loan to the Borrower pursuant to this Agreement.

F. "Default" shall mean any of the events specified in Article 8, whether or not any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

G. "Electric and Natural Gas Power Cost Adjustments" shall mean the excess of the collections from the Borrower's electric and gas power adjustments over the Borrower's costs associated with purchases of wholesale power and natural gas.

H. "Event of Default" shall mean any one or more of the events specified in Article 8, provided that any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

I. "GAAP" shall mean generally accepted accounting principles for entities such as the Borrower generally accepted in the United States.

J. "Loan" shall mean the Taxable Revolving Line of Credit subject to this Agreement and as evidenced and set forth in the Loan Documents.

K. "Loan Documents" shall mean this Agreement, the Promissory Note and any other documents, instruments or agreements required by the Bank to be executed and delivered by the Borrower.

L. "Person" shall mean an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority, or any other form of entity, as the context may require.

M. "Senior Bonds" shall mean any bonds or other evidences of indebtedness issued by the Borrower pursuant to the Senior Bond Resolution.

N. "Senior Bond Resolution" shall mean Resolution No. U.A. 2022-10, adopted by the Borrower on May 7, 2022, as amended and supplemented.

O. "Taxable Revolving Line of Credit" shall mean the taxable revolving line of credit and the Loan established hereby.

Section 1.02. **Accounting Terms**: All accounting terms not specifically defined herein shall be construed in accordance with GAAP, and all financial and operational data submitted by the Borrower to the Bank pursuant to this Agreement shall be prepared in accordance with such principals.

ARTICLE II
REVOLVING LINE OF CREDIT

Section 2.01. **The Loan**: The Bank's obligation to extend the Loan under the Promissory Note shall be subject to the terms and conditions of this Agreement. Interest and principal

payments shall be made pursuant to the terms and conditions of the Promissory Note, as may be extended, amended or renewed from time to time. The Bank hereby agrees to establish and extend the Taxable Revolving Line of Credit to the Borrower in the maximum principal sum of Four Million and No/100ths Dollars ($4,000,000.00). The Taxable Revolving Line of Credit shall be subject to the following additional terms:

A. **Promissory Note**: The indebtedness of the Borrower to the Bank shall be evidenced by a Promissory Note (hereinafter referred to as the "Promissory Note"), of even date herewith executed by the Borrower, in the stated maximum principal sum of Four Million and No/100ths Dollars ($4,000,000.00).

B. **Principal Payments**: The entire principal sum then outstanding, together with all accrued interest then unpaid, shall be due and payable in full at maturity on January __, 2024, with privilege of prepayment in whole or in part at any time prior to maturity without penalty.

C. **Interest Payments**: Accrued interest shall be due and payable monthly, with the first payment being due and payable on February __, 2023, and with payments being due and payable on the same day of each succeeding month thereafter. Accrued interest shall be calculated on the principal sum outstanding from time to time on a 360-day per annum basis, at a rate equal to Adjusted One Month Term SOFR. The "Adjusted One Month Term SOFR" and related definitions are set forth in the Promissory Note and by this express reference incorporated herein.

D. **Term of Commitment**: The Bank's Commitment under this Agreement shall expire one year from the date of this Agreement.

E. **Attorney's Fees and Costs**: The Promissory Note shall provide that the Borrower shall be liable to the Bank for the payment of all reasonable costs and attorney's fees incurred by the Bank in the Event of Default by the Borrower.

F. N**on-Use Fee**: The Taxable Revolving Line of Credit is subject to a non-use fee equal to 10 basis points if the average utilization for the Loan is less than $1,000,000.00. The non-use fee will be calculated by the Bank and provided to the Borrower in writing after the final maturity of the Promissory Note and shall be paid by the Borrower within thirty (30) days thereafter.

G. **Term of Line**: The Taxable Revolving Line of Credit shall be represented and evidenced by the Promissory Note and the other Loan Documents. The Bank’s obligation to make advances under the Taxable Revolving Line of Credit shall expire one (1) year from the date of this Agreement. The Bank’s obligation to make advances under the Taxable Revolving Line of Credit shall be subject to the Borrower’s continued banking relationship with the Bank and the continued satisfactory financial condition of the Borrower, in the sole and reasonable judgment of the Bank. Funding under the Taxable Revolving Line of Credit and this Agreement may be extended by the Bank for an additional one (1) year term, at the sole discretion of the Bank, by written notice thereof to the Borrower.

H. **Loan Expiration:** The Borrower acknowledges and agrees that, upon the expiration of the term of this Loan, the Bank is under no obligation to refinance this Loan.

Section 2.02. **Security for the Taxable Revolving Line of Credit**: The obligations under the Taxable Revolving Line of Credit extended by the Bank to the Borrower shall be secured and collateralized solely by a subordinate lien on and pledge of the Electric and Natural Gas Power Cost Adjustments, as provided herein.

Section 2.03. **Utilization of Taxable Revolving Line of Credit Proceeds**: The proceeds of the Taxable Revolving Line of Credit shall be utilized by the Borrower for short- term working capital, and shall not be used for any other purpose without the prior written consent of Bank following underwriting and approval.

ARTICLE III
CONDITIONS PRECEDENT

Section 3.01. **Conditions Precedent Initial Advance**: The obligation of the Bank to make the initial advance to the Borrower under this Agreement is subject to the Borrower's full and complete satisfaction of the following conditions precedent:

A. **Execution and Delivery of Loan Documents**: The Borrower shall execute and deliver, or cause to be executed and delivered, the following loan documents in a form and substance satisfactory to the Bank, and the Bank's counsel:

1. **Promissory Note -** The Promissory Note executed by the Borrower; and

2. **Evidence of All Necessary Borrower Actions -** Certified copies (dated as of the date of this Agreement) of all actions taken by the Borrower and the City with respect to the transactions contemplated by this Agreement, including, but not limited to, resolutions adopted by the members of the Borrower's and the City's governing bodies, respectively, collectively authorizing the execution, delivery, and performance of the Loan Documents to which the Borrower is a party, and each of the Loan Documents to be delivered pursuant to this Agreement; and;

3. **Certification of Officers and Incumbency Certificate -** A certificate (dated as of the date of this Agreement) executed by the secretary of the Borrower certifying the names and true signatures of the members of the Borrower's governing body, the officers of the Borrower who have been duly authorized to execute the Loan Documents on behalf of the Borrower and the officers of the Borrower who are authorized to request advances of the Loan.

4. **Opinion of Counsel**– An opinion of counsel to the Borrower in form and substance acceptable to the Bank; and

5. **Miscellaneous** - such other documents as the Bank may require the Borrower to execute in connection with the Loan.

B. **Insurance**: Borrower shall procure and maintain insurance as required by the Senior Bond Resolution. The Borrower shall provide Bank proof of insurance, as requested by Bank.

Section 3.02. **Conditions Precedent to Subsequent Advances**: The Bank's obligation under this Agreement to extend additional advances of principal to the Borrower during the term of its Commitment shall be subject to the Borrower's full and complete satisfaction of the following conditions precedent with respect to each requested advance:

A. The representations and warranties contained in Article IV of this Agreement, and the representations and warranties set forth in the Loan Documents are true and correct as of the date of the requested advance; and

B. No Default or Event of Default has occurred and is continuing, or would result from the requested advance; and

C. The Bank shall have received such other approvals, opinions or documents as the Bank may reasonably request.

ARTICLE IV
WARRANTIES AND REPRESENTATIONS OF THE BORROWER

The Borrower, with the intent to induce the Bank to enter into this Agreement, and with the intent to induce the Bank to establish and extend to the Borrower the Taxable Revolving Line of Credit in the maximum principal sum of Four Million and No/100ths Dollars ($4,000,000.00), does hereby represent, covenant and warrant to the Bank as follows:

Section 4.01. **Power and Authority**: The Borrower's execution of this Agreement and the Borrower's performance hereunder have been duly authorized by all necessary action, and shall not violate any provision of law or of the charter of the City, and shall not result in the breach of, or constitute a default under, or, except as provided hereby, result in the creation of any security interest, lien, charge, or other encumbrance upon any property or assets owned by the Borrower, pursuant to any agreement, indenture or other instrument to which the Borrower may be a party.

Section 4.02. **Good Standing and Good Qualification**: The Borrower is a public body corporate and politic in the State of Florida (the "State") duly organized, validly existing and in good standing under the laws of the State, and has the full corporate power and authority to own its assets and to transact the business in which it is now engaged.

Section 4.03. **Financial Condition**: The Borrower is in good and sound financial condition; each and every financial statement given by the Borrower to the Bank in connection with this loan is true and accurate as of the respective date of such statement; and, the Borrower is not in default in the performance of any contractual agreement or any undertaking with any other Person, and are not delinquent in the payment of any financial obligation owing to any Person, and there is no event or condition now existing which may materially adversely affect the Borrower's financial condition, or their business or property.

Section 4.04. **Litigation**: No litigation or other proceedings are pending or, to the Borrower's knowledge, threatened in any court or tribunal, state or federal, which would have a material adverse effect upon (i) the operations or financial condition of the Borrower, or (ii) the transaction contemplated hereby.

Section 4.05. **No Transfer of Ownership, Control or Assets**: The Borrower shall not consent to, permit, or cause to occur, the transfer of ownership or control of the Borrower, or any material assets owned by the Borrower, other than in the ordinary course of business, without the prior written consent of the Bank.

Section 4.06. **Priority of Bank's Security Interest**: The principal of, premium, if any, and interest on the Taxable Revolving Line of Credit shall be payable from and secured solely by a valid and enforceable junior and subordinate (in all respects**)** lien on and pledge of the Electric and Natural Gas Power Cost Adjustments, in the manner and to the extent described herein.

Section 4.07. **No Judgments or Other Liens**: Except for Bonds issued by the Borrower pursuant to the Senior Bond Resolution and Additional Parity Obligations permitted by the Senior Bond Resolution, the lien and pledge of which on the Electric and Natural Gas Power Cost Adjustments the Bank acknowledges is senior to that of the Bank hereunder, there are no other pledges or liens on the Electric and Natural Gas Power Cost Adjustments.

Section 4.08. **Legally Enforceable Agreement**: This Agreement is, and any other Loan Documents which constitute an agreement or a contract when delivered pursuant to this Agreement, shall constitute the legal, valid and binding obligations of the Borrower, and shall be enforceable against the Borrower, in accordance with their respective terms, except to the extent that enforceability of the rights and remedies set forth therein may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and judicial discretion and the valid exercise of sovereign police power of the State of Florida and of the constitutional power of the United States of America, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) .

Section 4.09. **Incorporation of Other Covenants, Warranties and Representations**: Each warranty, covenant, and representation made by the Borrower in any other Loan Document is hereby incorporated into this Agreement by this express reference.

ARTICLE V
AFFIRMATIVE COVENANTS

Until such time as the Borrower's indebtedness to the Bank has been repaid in full, and at any time during which the Bank's Commitment under this Agreement shall be in effect, the Borrower shall:

Section 5.01. **Maintenance of Existence**: Preserve and maintain its existence and good standing as a utility authority created by the City, and not seek to dissolve.

Section 5.02. **Maintenance of Records**: Keep and maintain adequate records and books of account in which complete entries are made in accordance with GAAP consistently applied, reflecting all material financial transactions of the Borrower.

Section 5.03. **Maintenance of Properties**: Maintain, keep and, subject to Section 5.01(E) of the Senior Bond Resolution, preserve all of its properties (tangible and intangible) necessary or useful in the proper conduct of its business, in all material respects, in good working order and condition, ordinary wear and tear accepted.

Section 5.04. **Conduct of Business**: Continue to engage in business in an efficient and economical manner of the same general type as conducted by the Borrower as of the date of this Agreement.

Section 5.05. **Maintenance of Insurance**: Procure and maintain insurance as required by the Senior Bond Resolution.

Section 5.06. **Compliance with Laws**: Comply in all respects with all applicable laws, rules, regulations and orders materially affecting the Borrower or its business operations, including, without limitation, the payment before delinquency of all taxes, assessments and governmental charges imposed upon the Borrower or its property.

Section 5.07. **Bank's Right of Inspection**: At any reasonable time and based on reasonable notice, and from time to time, the Borrower shall permit the Bank, or any agent or representative of the Bank, to examine and make copies of, and abstract from, the records and books of account of the Borrower, and to visit the properties of, the Borrower, and to discuss the affairs, finances and accounts of the Borrower with any of the Borrower's officers and directors, and the Borrower's independent accountants.

Section 5.08. **Deposit Relationship.** Borrower shall maintain its primary depository account relationship with Bank throughout the life of the Loan.

Section 5.09. **Reporting Requirements**: During the term of this Agreement, the Borrower shall furnish or caused to be furnished to the Bank:

A. **Annual Financial Statements.** Borrower shall deliver to Bank, by April 30th following the end of the prior fiscal year beginning with its fiscal year ended September 30, 2022, audited financial statements, prepared in conformity with GAAP, applied on a basis consistent with that of the preceding year.

B. RESERVED.

C. **Annual Budget.** Borrower shall deliver to Bank, within 120 days of the commencement of each fiscal year beginning with its fiscal year beginning October 1, 2023, a copy of the Borrower's adopted budget for such fiscal year. Bank hereby acknowledges receipt of the Borrower's budget for its fiscal year beginning October 1, 2022.

D. **Management Letters**: Promptly upon the Borrower's receipt thereof, the Borrower shall deliver to the Bank copies of any management letters submitted to the Borrower by independent certified public accountants in connection with the accountants' review of the Borrower's financial statements; provided, however, the Bank hereby acknowledges and agrees that the Borrower's response to any such management letter is a matter entirely within the discretion of the Borrower.

E. **Notice of Litigation or Claims**: The Borrower shall promptly advise the Bank in writing of any litigation, arbitration, quasi-judicial proceeding, governmental proceeding, or other form of action initiated against the Borrower, and which, if decided adversely to the Borrower in any one case or in the aggregate, may adversely and materially affect the Borrower's financial condition.

F. **Notice of Default or Events of Default**: As soon as possible and in any event within fifteen (15) days after Borrower's awareness of the occurrence of each Default or Event of Default, Borrower shall deliver a written notice to the Bank setting forth the details of each such Default or Event of Default and the action which is proposed to be undertaken by the Borrower with respect thereto.

G. **General Information**: Upon request by the Bank, the Borrower shall provide such other information concerning the Borrower's business or operations, financial or otherwise, which the Bank may reasonably request from time to time. The Borrower shall provide the Bank with a copy of any report of significant event the Borrower is required to file on the MSRB's EMMA web portal pursuant to any "undertaking" of the Borrower with respect to its publicly offered bonds, or any voluntary filing by the Borrower on EMMA.

ARTICLE VI
NEGATIVE COVENANTS

Until such time as the Borrower's indebtedness to the Bank has been repaid in full, and at any time during which the Bank's Commitment under this Agreement shall be in effect, the Borrower shall not:

Section 6.01. **Liens**: Create, incur, assume or suffer to exist any liens upon or with respect to the Electric and Natural Gas Power Cost Adjustments without the prior written consent of the Bank; provided, however, the Borrower may issue Additional Parity Obligations pursuant to the Senior Bond Resolution without consent of or notice to the Bank.

Section 6.02. **Mergers, Etc**.: Merge or consolidate with, or sell, assign, lease or otherwise dispose of (whether in one transaction or any series of transactions) all or substantially all of the Borrower's assets (whether now owned or hereafter acquired) to any person, corporation, firm or other entity, or acquire all or substantially all of the assets of the business of any person, firm, corporation, or other entity, without the prior written approval of the Bank.

Section 6.03. **Sale of Assets**: Sell, lease, or assign, transfer, or otherwise dispose of, any of its now owned or hereafter acquired material assets, except in accordance with Section 5.01(E) of the Senior Bond Resolution.

Section 6.04. **Limitation on Debt/Extension of Credit.** Borrower shall not, directly or indirectly, create, assume or become liable for any debt, contingent or direct, other than in the ordinary course of business, Additional Parity Obligations incurred pursuant to or in compliance with the Senior Bond Resolution or as otherwise permitted in this Section 6.04. Borrower shall not incur additional debt if the incurrence of such debt would cause the Borrower to fail to meet the requirements of Section 5.01(B) of the Senior Bond Resolution. Additionally, Borrower shall not extend any loans to third parties, other than in the ordinary course of business.

ARTICLE VII
FINANCIAL COVENANTS

Until such time as the Borrower's indebtedness to the Bank has been repaid in full, and at any time during which the Bank's Commitment under this Agreement shall be in effect:

Section 7.01 **Covenants under Senior Bond Resolution.** Borrower shall comply with the covenants contained in Article V of the Senior Bond Resolution, as the Senior Bond Resolution may be amended or supplemented from time to time hereafter. For purposes of such covenants, the Loan shall be treated as a "junior and subordinate debt service obligation." However, the Bank acknowledges that this Agreement and the Loan Documents are not subject to the Senior Bond Resolution, nor does the Bank have any right or remedy provided to any holder of Bonds under the Senior Bond Resolution.

ARTICLE VIII
EVENTS OF DEFAULT

Section 8.01. **Events of Default**: Any one or more of the following acts, events, or omissions after expiration of all applicable notice and cure provisions shall constitute an Event of Default by the Borrower under this Agreement:

A. The Borrower's failure to make within ten (10) days of when due any payment of principal and/or interest under the Promissory Note, or any renewal, extension or modification thereof.

B. The Borrower's breach of any covenant, warranty, representation or undertaking set forth in this Agreement, or the occurrence of any Event of Default as specified herein. Any Default, other than those described in Sections 8.01(A), (C), (D) or (G), may be cured within thirty (30) days after written notice thereof is mailed to Borrower by Bank. Borrower's right to cure as set forth herein shall be applicable only to curable Defaults.

C. The Borrower (a) shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as such debts become due; or (b) shall make an assignment for the benefit of creditors, petition or apply to any tribunal for the appointment of a custodian, receiver, or trustee for it, or a substantial part of its assets; or (c) shall commence any proceedings

under any bankruptcy, reorganization, arrangements, readjustment of debt, dissolution, or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; or (d) shall have any such petition or application filed or any such proceedings commenced against it in which an order for relief is entered, or an adjudication or appointment is made, and which remains undismissed for a period of sixty (60) days or more; or, (e) by any act or omission shall indicate its consent to, approval of, or acquiescence in any such petition, application, or proceeding, or order for relief, or to the appointment of a custodian, receiver, trustee, or all or any substantial part of its properties; or, (f) shall suffer any such custodianship, receivership, or trusteeship, to continue undischarged for a period of sixty (60) days or more.

D. The Bank's determination that any material statement, certificate, representation or warranty made or given by the Borrower in connection with the extension of the Taxable Revolving Line of Credit was false, including any warranty or representation contained in this Agreement, or contained in any other agreement or instrument executed by the Borrower in connection with the Taxable Revolving Line of Credit.

E. A default by the Borrower under any other loan, obligation or indebtedness owed to the Bank, whether such loan or obligation or indebtedness, secured or unsecured, now existing or hereafter created, and the same is not cured within five (5) days in the case of a payment default, or ten (10) days, in the case of a non-payment default.

F. The entry of a judgment, decree or order for payment of money against the Borrower which remains unsatisfied and in effect for a period of thirty (30) consecutive days without being vacated, discharged, satisfied, or stayed, or bonded pending appeal, which judgment, decree or order would have a material adverse effect on the financial condition or operations of the Borrower.

G. If this Agreement shall at any time after its execution and delivery, and for any reason, cease (a) to create a valid and enforceable pledge and lien hereunder in the manner and to the extend described herein, or (b) to be in full force and effect, or shall be declared null and void, or the validity and enforceability thereof shall be contested by the Borrower, or the Borrower shall deny it has any further liability or obligation hereunder.

Section 8.02. **Bank's Remedies upon the Occurrence of any Event of Default**: Upon the occurrence of any Event of Default as defined herein, or as defined in any other Loan Document executed by the Borrower in connection with the Taxable Revolving Line of Credit, the Bank may, should it elect to do so, (i) cancel its Commitment and this Agreement and (ii) in the case of an Event of Default specified in Section 8.01(A) only, declare the entire principal balance then outstanding under the Promissory Note, together with all accrued interest then unpaid, to be immediately due and payable, without notice or demand. In such event, except as provided below, the Bank shall have the right to proceed with any and all remedies available to it under the Promissory Note, this Agreement, or any other remedy otherwise available to the Bank. It is expressly agreed and understood that the rights and remedies of the Bank hereunder, or under any other agreement, note or instrument, are cumulative, and are in addition to, and not in lieu of, one another. The Bank may, should it elect to do so, proceed to enforce any one or more of such rights or remedies, and such election on the part of the Bank shall not be deemed an election of remedies, nor a bar to, or a waiver of, the Bank's right to pursue any other right or remedy otherwise available

to it. If an Event of Default occurs prior to the Bank's initial funding under the Promissory Note, the Bank may, should it elect to do so, cancel this transaction.

Notwithstanding any provision of this Agreement, the Promissory Note or applicable law to the contrary, in no event shall the Bank, whether with or without demand or notice to the Borrower, exercise any right to set-off and apply deposits (whether certificates of deposit, demand, general, savings, special, time, or other, and whether provisional or final) held by Bank for the Borrower or any other liabilities or other obligations of the Bank to the Borrower against or to the Promissory Note. By its signature below, the Bank hereby waives any right it may have to set-off and apply such deposits or other liabilities against or to the Promissory Note.

Section 8.03. **Default Rate Of Interest**: Any payment of principal and interest due under the Promissory Note evidencing the Taxable Revolving Line of Credit which is not promptly paid upon the date upon which such payment becomes due shall bear interest at the Past Due Rate referenced in the Promissory Note commencing on the date immediately following the day upon which the payment was due. In the event the Bank elects to cancel this Agreement upon the occurrence of any Event of Default, all sums outstanding under the Promissory Note evidencing the Taxable Revolving Line of Credit shall thereupon immediately bear interest at the Past Due Rate, without notice to the Borrower or any affirmative action or declaration on the part of the Bank.

ARTICLE IX
MISCELLANEOUS PROVISIONS

Section 9.01. **Promissory Note not Debt of City or Borrower**: The Borrower has no taxing power. Neither the Promissory Note nor the interest thereon shall be or constitute general obligations or indebtedness of the Borrower or the City as "bonds" within the meaning of the Constitution of Florida, but shall be payable from and secured solely by a junior and subordinate (in all respects) lien upon and pledge of the Electric and Natural Gas Power Cost Adjustments as herein provided. The Bank shall never have the right to compel the exercise of the ad valorem taxing power of the City or taxation in any form of any property therein to pay such Promissory Note or the interest thereon or be entitled to payment of such principal and interest from any other funds of the Borrower or the City except from the Electric and Natural Gas Power Cost Adjustments pledged in the manner provided herein. Neither the Promissory Note nor the interest thereon shall have or be a lien upon any property of the Borrower, other than the Electric and Natural Gas Power Cost Adjustments in the manner provided herein, or any property of or located within the boundaries of the City.

Section 9.02. **Incorporation Of Other Agreements**: Each and every of the terms, conditions, warranties, and covenants contained in the Promissory Note and the other Loan Documents executed by the Borrower which secures or otherwise pertains to the Loan, are hereby incorporated into this Agreement by this express reference. In the event any term, covenant, or condition set forth in any other agreement expressly conflicts with a term, covenant, or condition set forth in this Agreement, the terms of this Agreement shall supersede any such expressly conflicting provision set forth in the other Loan Documents.

Section 9.03. **No Waiver**: No delay on the part of the Bank in the exercise of any power or right shall operate as a waiver thereof, nor as an acquiescence to any default, nor shall any single or partial exercise of any power or right preclude any other or further exercise thereof, or the exercise of any other power or right, and rights and remedies of the Bank hereunder are cumulative to, and not exclusive of, any rights or remedies which the Bank would otherwise have.

Section 9.04. **Governing Law**: This Agreement and the rights and obligations of the parties hereunder shall be construed, interpreted and enforced pursuant to the laws of the State of Florida.

Section 9.05. **Borrower to Pay Loan Costs and Expenses**: The Borrower agrees to pay all reasonable costs and expenses incurred by the Bank in connection with the Loan, including, but not limited to, reasonable attorneys' and other charges documented to Borrower.

Section 9.06. **Notices**: Any notice required to be sent by the Bank pursuant to this Agreement or any other Loan Document shall be deemed conclusively delivered and received if hand-delivered or sent certified mail, return receipt requested to the Borrower at the following addresses:

To Borrower:
Fort Pierce Utilities Authority
206 S. 6th Street
Fort Pierce, FL 34950
Attention: Barbara Mika
Director of Financial Administration

Any notice required to be given by the Borrower pursuant to this Agreement or any other Loan Document, shall be deemed conclusively delivered and received if hand-delivered and receipted for or sent by certified mail, return receipt requested to the following addresses:

To Bank:
Seacoast National Bank
Attn: Commercial Loan Department
P.O. Box 9012
Stuart, Florida 34995

Section 9.07. **Gender and Number**: As utilized in this Agreement, any words, including pronouns, which indicate the masculine gender shall be construed to include the feminine or neuter, whenever such construction would be appropriate or applicable to any person or thing. Any words, including pronouns, which indicate the singular or plural, shall be construed to include the plural or singular, respectively, whenever such construction would be appropriate.

Section 9.08. **Headings and Captions**: The headings or captions for the articles, sections, paragraphs or subdivisions of this Agreement are utilized for convenience and reference only, and shall not be considered a part hereof, and shall not limit or otherwise affect any of the terms or provisions hereof.

Section 9.09. **Counterparts**: This Agreement may be executed in any number or counterparts and each counterpart shall be deemed to be an original document for all purposes.

Section 9.10. **Attorney's Fees and Costs**: Upon the occurrence of an Event of Default, should the Bank commence legal proceedings to collect the Loan or enforce its rights and remedies under this Agreement, the Borrower shall pay all reasonable costs incurred by the Bank in such proceedings, including, but not limited to, reasonable trial and appellate attorney's fees. Provided, that the Borrower shall not be obligated to pay the Bank's attorney's fees if the Borrower prevails in such legal proceedings or if the Borrower commences and prevails in legal proceedings to enforce the Borrower's rights under this Agreement or the Promissory Note.

Section 9.11. **Severability of Invalid Provisions**: In the event any one or more of the covenants, agreements, terms or provisions set forth in this Agreement shall be found by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms, and provisions set forth herein shall in no way be affected, prejudiced or disturbed by such determination, nor shall such provision be invalid as to persons as to whom, or under such circumstances as to which, the application of such provision would not be deemed invalid.

Section 9.12. **Time is of the Essence**: Time shall be of the essence with respect to the performance of any act required to be performed by the Borrower under this Agreement.

Section 9.13. **Further Assurances**: The Borrower agrees to execute such further instruments and documents, consistent with this Agreement, as may be reasonably required by the Bank so as to implement, effectuate or complete the intentions of the parties as expressed in this Agreement.

Section 9.14. **Loan Documents And Funding**: All documentation pertaining to the Loan shall be in a form acceptable to Bank and Bank's counsel who shall prepare the loan documentation. It is expressly agreed and understood that the Bank shall not be obligated to fund the Loan until such time as Bank's counsel determines that all necessary documentation has been properly executed, delivered and filed, and that any and all other matters pertaining to the Loan are satisfactory to Bank.

Section 9.15. **Binding Effect; No Oral Modifications**: This Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns, and is not subject to modification other than by a writing duly executed by the party or parties to be charged with such modification

Section 9.16**. No Advisory or Fiduciary Relationship:** In connection with the Borrower's delivery of the Promissory Note, and all aspects of each transaction contemplated hereunder (including in connection with any amendment, waiver or other modification hereof), the Borrower acknowledges and agrees, that: (a) (i) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, (ii) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby, (iii) the Bank is not acting as a municipal advisor or financial advisor to the Borrower, and (iv) the Bank has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act to the Borrower with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Bank has

provided other services or is currently providing other services to the Borrower on other matters); (b) (i) the Bank is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the Borrower or any other person and (ii) the Bank has no obligation to the Borrower with respect to the transactions contemplated hereby except those obligations expressly set forth herein; and (c) the Bank may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower, and the Bank has no obligation to disclose any of such interests to the Borrower. The Borrower acknowledges that the Bank is accepting the Promissory Note pursuant to and in reliance upon the bank exemption and/or the institutional buyer exemption provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 *et seq*, to the extent that such rules apply to the transactions contemplated hereunder.

(SIGNATURES APPEAR ON FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have hereunto set their hands and seal the date first set forth above.

Borrower:

FORT PIERCE UTILITIES AUTHORITY OF THE CITY OF FORT PIERCE, FLORIDA

(SEAL)

_____
Chairman

_____
Director of Utilities

ATTESTED:

_____
Secretary

Bank:

SEACOAST NATIONAL BANK

By:_____

Name: _____

Title: _____

REVOLVING PROMISSORY NOTE

Not to Exceed $4,000,000.00 **January __, 2023**

FOR VALUE RECEIVED, FORT PIERCE UTILITIES AUTHORITY OF THE CITY OF FORT PIERCE, FLORIDA, a utilities authority created and made a part of the government of the City of Fort Pierce, Florida ("**Borrower**"), hereby promises to pay to the order of **SEACOAST NATIONAL BANK**, a national banking association (together with any and all of its successors and assigns and/or any other or future holder of this Note, "**Lender**"), in immediately available funds in lawful money of the United States of America, at P.O. Box 9012, Stuart, FL 34995, Attn: Commercial Loan Department**, the principal sum of FOUR MILLION and No/100 Dollars ($4,000,000.00)** (or the unpaid balance of all principal advanced against this Note, if that amount is less), together with interest on the unpaid principal balance of this Revolving Promissory Note (this "**Note**") from day to day outstanding as hereinafter provided.

THIS NOTE EVIDENCES A TAXABLE REVOLVING LOAN. SUBJECT TO THE TERMS AND CONDITIONS OF THIS NOTE AND THE LOAN AGREEMENT (AS HEREINAFTER DEFINED), BORROWER MAY BORROW, REPAY AND REBORROW THE PRINCIPAL SUMS DUE UNDER THIS NOTE FROM TIME TO TIME, AND THIS NOTE SHALL REMAIN IN EFFECT AND EVIDENCE SUCH ADVANCES AND RE-ADVANCES HEREUNDER; PROVIDED, HOWEVER, THAT THE AGGREGATE PRINCIPAL AMOUNT OUTSTANDING HEREUNDER AT ANY ONE TIME SHALL NOT EXCEED $4,000,000.00.

Section 1. Payment Schedule and Maturity Date.

Prior to maturity, accrued and unpaid interest shall be due and payable in arrears on the _____ (___) day of each month commencing on February __, 2023. The entire principal balance of this Note then unpaid, together with all accrued and unpaid interest and all other amounts payable hereunder and under the other "Loan Documents" (as hereinafter defined), shall be due and payable in full on January __, 2024 (the "**Maturity Date**"), the final maturity of this Note.

Section 2. Security; Loan Documents. The security for this Note includes a Taxable Revolving Loan Agreement between Borrower and Lender of even date herewith (as the same may from time to time be amended, restated, modified or supplemented, the "**Loan Agreement**"), pledging and granting a lien in favor of the Lender in the Electric and Natural Gas Power Cost Adjustments (as defined in the Loan Agreement), in the manner and to the extent provided in the Loan Agreement (the "**Pledged Revenues**"). This Note, the Loan Agreement and all other documents now or hereafter securing, guaranteeing or executed in connection with the loan evidenced by this Note (the "**Loan**"), as the same may from time to time be amended, restated, modified or supplemented, are herein sometimes called individually a "**Loan Document**" and together the "**Loan Documents**."

Section 3. Interest Rate.

INTEREST ON THIS NOTE IS NOT EXCLUDABLE FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES.

(a) **Adjusted One Month Term SOFR Rate**. Interest on the outstanding principal balance of, and all other sums owing under this Note, which are not past due shall accrue and be payable at a rate which is equal to the Adjusted One Month Term SOFR Rate as determined by Lender prior to the commencement of each Interest Period. Interest shall be computed for the actual number of days which have elapsed, on the basis of a 360-day year.

(b) **Alternative Rate**. If Lender determines that no adequate basis exists for determining the One Month Term SOFR Rate, the One Month Term SOFR Rate is no longer available or reliable (whether by the issuance of a public statement by the Term SOFR Administrator or any relevant governmental body or otherwise), or that applicable Law or regulation or compliance therewith by Lender prohibits or restricts or makes impossible the charging of interest based on the One Month Term SOFR Rate, whether temporary, permanently, or indefinitely (a "**Replacement Event**"), then Lender may, in its sole discretion, establish a new index to replace the One Month Term SOFR Rate. Upon a Replacement Event, this Note shall be amended such that the One Month Term SOFR Rate shall be replaced with a replacement benchmark rate or index as determined by Lender, in Lender's sole discretion, which may be adjusted by Lender to include an additional spread or margin (which may be a positive or negative value, or zero) (as so adjusted, the "**Replacement Index**"), such that when the original spread or margin (over the One Month Term SOFR Rate) used in determining the original rate of interest under this Note is added to the Replacement Index, the new rate of interest pursuant to this Note will be substantially equivalent to the original rate of interest pursuant to this Note in effect for periods prior to the Replacement Event, all as determined by Lender. In determining the Replacement Index, Lender may take into consideration any then-prevailing market convention for selecting a replacement benchmark rate and accompanying spread or margin for the Replacement Index. The replacement of the One Month Term SOFR Rate with the Replacement Index shall be operative immediately upon the Replacement Event without any action or consent of Borrower. Lender will notify Borrower in writing (a "**Transition Notice**") setting forth the Replacement Index, the new applicable rate, the date of the Replacement Event, and the manner in which the applicable rate will be periodically reset (based on such time periods as Lender determines in Lender's discretion) based upon changes in the Replacement Index.

In addition, if the Lender determines that the One Month Term SOFR Rate is no longer representative (whether by the issuance of a public statement by the Term SOFR Administrator or any relevant governmental body or otherwise) or the One Month Term SOFR Rate does not adequately and fairly reflect the cost to Lender of funding the loan to Borrower as evidenced by this Note, the Lender must give not less than thirty (30) days' notice with sufficient detail to reasonably explain its determination to the Borrower, including an exact calculation with full supporting information of the Replacement Index and the spread or margin proposed to be added thereto or subtracted therefrom. Borrower shall have fifteen (15) days to respond or comment on Lender's notice of the same and Lender shall use reasonable efforts to address or incorporate the comments or response of Borrower in its ultimate action, including, without limitation, recalculating the spread or margin to be added to or subtracted from the Replacement Index.

(c) **Past Due Rate**. If any amount payable by Borrower under any Loan Document is not paid when due (without regard to any applicable grace periods), such amount shall thereafter bear interest at the Past Due Rate (as defined below) to the fullest extent permitted by applicable Law. Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable on demand, at a fluctuating rate per annum (the "**Past Due Rate**") equal to the lesser of: (i) fifteen (15%) percent per annum; or (ii) the highest non-usurious rate permitted under applicable law.

(d) **Additional Defined Terms**. In addition to other terms defined herein, as used herein the following terms shall have the meanings indicated, unless the context otherwise requires:

"**Adjusted One Month Term SOFR Rate**" for each Interest Period, a simple rate per annum equal to the sum of the Term SOFR Margin plus the One Month Term SOFR Rate; provided that, if such Adjusted One Month Term SOFR Rate would be less than the Floor Rate, such Adjusted One Month Term SOFR Rate will be deemed to be the Floor Rate for the purposes of this Note and the other Loan Documents

"Floor Rate" means the interest rate of 2.25% per annum.

"**Interest Period**" means the period commencing on the date the initial funds are disbursed under this Note and ending on the date one (1) month thereafter and thereafter commencing on the last day of the preceding Interest Period and ending on the date one month thereafter, provided each Interest Period must commence on a Business Day.

"**Laws**" means all constitutions, treaties, statutes, laws, ordinances, regulations, rules, orders, writs, injunctions, or decrees of the United States of America, any state or commonwealth, any municipality, any foreign country, any territory or possession, or any Tribunal.

"**One Month Term SOFR Rate**" means, with respect to each Interest Period, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the "**Term SOFR Determination Day**") that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and an alternative rate to has not been implemented by Lender pursuant to subparagraph (b) above with respect to the One Month Term SOFR Rate, then the One Month Term SOFR Rate will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding Business Day is not more than three (3) Business Days prior to such Term SOFR Determination Day. Notwithstanding the foregoing, if at any time the One Month Term SOFR Rate or the Replacement Index (as defined in Section 3(b) above, whichever is then applicable, is less than zero, then during such time the One Month Term SOFR Rate or the Replacement Index, as applicable, shall be deemed to be zero for purposes of the applicable rate. The foregoing provision shall not in any way alter, modify, replace or otherwise

affect any minimum interest rate (howsoever described) otherwise applicable to or provided for in this Note or any related Loan Document.

"**SOFR**" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"**Term SOFR Administrator**" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Lender in its sole discretion

"**Term SOFR Margin**" means fifty (50) basis points.

"**Term SOFR Reference Rate**" shall mean the forward-looking term rate based on SOFR.

"**Tribunal**" means any state, commonwealth, federal, foreign, territorial or other court or governmental department, commission, board, bureau, district, authority, agency, central bank, or instrumentality, or any arbitration authority.

"**U.S. Government Securities Business Day**" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

Section 4. Prepayment. Borrower may prepay the principal balance of this Note, in full or in part at any time from time to time, without fee, premium or penalty, provided that: (a) Lender shall have actually received from Borrower prior written notice of (i) Borrower's intent to prepay, (ii) the amount of principal which will be prepaid (the "**Prepaid Principal**"), and (iii) the date on which the prepayment will be made; (b) each prepayment shall be in the amount of $1,000 or a larger integral multiple of $1,000 (unless the prepayment retires the outstanding balance of this Note in full); and (c) each prepayment shall be in the amount of 100% of the Prepaid Principal, plus accrued unpaid interest thereon to the date of prepayment, plus any other sums which have become due to Lender under the Loan Documents on or before the date of prepayment but have not been paid.

Section 5. Late Charges. If Borrower shall fail to make any payment under the terms of this Note (other than the payment due at maturity) within ten (10) days after the date such payment is due, Borrower shall pay to Lender on demand a late charge equal to five percent (5%) of the amount of such payment. Such ten (10) day period shall not be construed as in any way extending the due date of any payment. The late charge is imposed for the purpose of defraying the expenses of Lender incident to handling such delinquent payment. This charge shall be in addition to, and not in lieu of, any other amount that Lender may be entitled to receive or action that Lender may be authorized to take as a result of such late payment.

Section 6. Certain Provisions Regarding Payments. All payments made under this Note shall be applied, to the extent thereof, to late charges, to accrued but unpaid interest, to unpaid

principal, and to any other sums due and unpaid to Lender under the Loan Documents, in such manner and order as Lender may elect in its sole discretion, any instructions from Borrower or anyone else to the contrary notwithstanding. Remittances shall be made without offset, demand, counterclaim, deduction, or recoupment (each of which is hereby waived) and shall be accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Lender of any payment in an amount less than the amount then due on any indebtedness shall be deemed an acceptance on account only, notwithstanding any notation on or accompanying such partial payment to the contrary, and shall not in any way: (a) waive or excuse the existence of an "Event of Default" (as defined below); (b) waive, impair or extinguish any right or remedy available to Lender hereunder or under the other Loan Documents; or (c) waive the requirement of punctual payment and performance or constitute a novation in any respect. Payments received after 4:00 p.m. shall be deemed to be received on, and shall be posted as of, the following Business Day. Whenever any payment under this Note or any other Loan Document falls due on a day which is not a Business Day, such payment may be made on the next succeeding Business Day.

Section 7. **Events of Default**. Reference is hereby made to the Loan Agreement for the rights and remedies of the Lender upon the occurrence of an Event of Default, as defined therein.

Section 8. **Costs and Expenses of Enforcement**. Borrower agrees to pay to Lender on demand all reasonable costs and expenses incurred by Lender in seeking to collect this Note or to enforce any of Lender's rights and remedies under the Loan Documents, including court costs and reasonable attorneys' fees and expenses, whether or not suit is filed hereon, or whether in connection with bankruptcy, insolvency or appeal.

Section 9. **Service of Process**. Borrower hereby consents to process being served in any suit, action, or proceeding instituted in connection with this Note by (a) the mailing of a copy thereof by certified mail, postage prepaid, return receipt requested, to Borrower and (b) serving a copy thereof upon the Chairman or his or her designee, the agent hereby designated and appointed by Borrower as Borrower's agent for service of process. Borrower irrevocably agrees that such service shall be deemed to be service of process upon Borrower in any such suit, action, or proceeding. Nothing in this Note shall affect the right of Lender to serve process in any manner otherwise permitted by law and nothing in this Note will limit the right of Lender otherwise to bring proceedings against Borrower in the courts of any jurisdiction or jurisdictions, subject to any provision or agreement for arbitration or dispute resolution set forth in the Loan Agreement.

Section 10. **Successors and Assigns**. The terms of this Note and of the other Loan Documents shall bind and inure to the benefit of the successors and assigns of the parties. The foregoing sentence shall not be construed to permit Borrower to assign the Loan except as otherwise permitted under the Loan Documents. By acceptance of this Note, Lender agrees not to assign the Loan except in whole and only to a Permitted Lender. "Permitted Lender" means any affiliate of the Lender, any bank, trust company, savings institution, insurance company or "qualified institutional buyer" under Rule 144A promulgated under the Securities Act of 1933, or any "accredited investor" (as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended. Any assignee of the Lender or the Borrower (if permitted by the Loan Documents) shall be bound by all of the terms of the Loan Documents.

Section 11. General Provisions. Time is of the essence with respect to Borrower's obligations under this Note, subject to any cure periods provided. Borrower hereby: (a) waives demand, presentment for payment, notice of dishonor and of nonpayment, protest, notice of protest, notice of intent to accelerate, notice of acceleration and all other notices (except any notices which are specifically required by this Note or any other Loan Document), in collecting this Note or enforcing any of the security herefor; (b) agrees that, except as required in the Loan Documents, Lender shall not be required first to institute suit or exhaust its remedies hereon against Borrower or others liable or to become liable hereon or to perfect or enforce its rights against them or any security herefor; (c) consents to any extensions or postponements of time of payment of this Note for any period or periods of time and to any partial payments, before or after maturity, and to any other indulgences with respect hereto, without notice thereof; (d) submits (and waives all rights to object) to non-exclusive jurisdiction of any state or federal court sitting in the state and county in which payment of this Note is to be made for the enforcement of any and all obligations under this Note and the other Loan Documents; (e) agrees that their liability under this Note shall not be affected or impaired by any determination that the pledging of the Pledged Revenues is invalid; and (f) subordinates to the Loan and the Loan Documents any and all rights against Borrower and any security for the payment of this Note, whether by subrogation, agreement or otherwise, until this Note is paid in full. A determination that any provision of this Note is unenforceable or invalid shall not affect the enforceability or validity of any other provision. This Note may not be amended except in a writing specifically intended for such purpose and executed by the party against whom enforcement of the amendment is sought. Captions and headings in this Note are for convenience only and shall be disregarded in construing it. This Note and its validity, enforcement and interpretation shall be governed by the laws of the State of Florida (without regard to any principles of conflicts of laws) and applicable United States federal law. Whenever a time of day is referred to herein, unless otherwise specified such time shall be the local time of the place where payment of this Note is to be made. Except as otherwise provided herein, the term "**Business Day**" shall mean a day on which Lender is open for the conduct of substantially all of its banking business at its office in the city in which this Note is payable (excluding Saturdays and Sundays). Capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Loan Agreement. The words "include" and "including" shall be interpreted as if followed by the words "without limitation."

Section 12. Notices. Any notice, request, or demand to or upon Borrower or Lender shall be deemed to have been properly given or made when delivered in accordance with the terms of the Loan Agreement regarding notices.

Section 13. No Usury. It is expressly stipulated and agreed to be the intent of Borrower and Lender at all times to comply with applicable state law or applicable United States federal law (to the extent that it permits Lender to contract for, charge, take, reserve, or receive a greater amount of interest than under state law) and that this Section shall control every other covenant and agreement in this Note and the other Loan Documents. If applicable state or federal law should at any time be judicially interpreted so as to render usurious any amount called for under this Note or under any of the other Loan Documents, or contracted for, charged, taken, reserved, or received with respect to the Loan, or if Lender's exercise of the option to accelerate the Maturity Date, or if any prepayment by Borrower results in Borrower having paid any interest in excess of that permitted by applicable law, then it is Lender's express intent that all excess amounts theretofore collected by Lender shall be credited on the principal balance of this Note and all other

indebtedness secured by the Loan Agreement, and the provisions of this Note and the other Loan Documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new documents, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder or thereunder. All sums paid or agreed to be paid to Lender for the use or forbearance of the Loan shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full stated term of the Loan until payment in full so that the rate or amount of interest on account of the Loan does not exceed the maximum lawful rate from time to time in effect and applicable to the Loan (the "**Maximum Rate**") for so long as the Loan is outstanding.

Section 14. **Note Not Debt of City of Fort Pierce or Borrower**: The Borrower has no taxing power. Neither this Note nor the interest thereon shall be or constitute general obligations or indebtedness of the Borrower or the City as "bonds" within the meaning of the Constitution of Florida, but shall be payable from and secured solely by a junior and subordinate (in all respects) lien upon and pledge of the Electric and Natural Gas Power Cost Adjustments. The Lender shall never have the right to compel the exercise of the ad valorem taxing power of the City or taxation in any form of any property therein to pay this Note or the interest thereon or be entitled to payment of such principal and interest from any other funds of the Borrower or the City except from the Electric and Natural Gas Power Cost Adjustments pledged in the manner provided in the Loan Agreement. Neither this Note nor the interest thereon shall have or be a lien upon any property of the Borrower, other than the Electric and Natural Gas Power Cost Adjustments in the manner provided in the Loan Agreement, or any property of or located within the boundaries of the City.

Section 15. Additional Provisions.

(a) THE LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

(b) THERE ARE NO ORAL AGREEMENTS BETWEEN THE PARTIES.

(c) BORROWER AND LENDER, BY ACCEPTANCE OF THIS NOTE, WAIVE TRIAL BY JURY IN RESPECT OF ANY DISPUTE AND ANY ACTION ON DISPUTE RELATING HERETO. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY BORROWER AND LENDER, AND BORROWER AND LENDER HEREBY REPRESENT THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY PERSON OR ENTITY TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THE LOAN DOCUMENTS. BORROWER AND LENDER ARE EACH HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER OF JURY TRIAL. BORROWER FURTHER REPRESENTS AND WARRANTS THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS NOTE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, OR HAS HAD THE OPPORTUNITY TO BE

REPRESENTED BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

(END OF PAGE/SIGNATURE PAGE TO FOLLOW)

IN WITNESS WHEREOF, Borrower has duly executed this Note under seal as of the date first above written.

BORROWER:

FORT PIERCE UTILITIES AUTHORITY OF THE CITY OF FORT PIERCE, FLORIDA

(SEAL)

_____
Chairman

_____
Director of Utilities

ATTESTED:

_____
Secretary

RESOLUTION NO. U.A. 2023-02

A RESOLUTION OF THE FORT PIERCE UTILITIES AUTHORITY OF THE CITY OF FORT PIERCE, FLORIDA, AUTHORIZING THE AUTHORITY TO BORROW UP TO $4,000,000.00 IN THE FORM OF A TAXABLE REVOLVING LINE OF CREDIT FROM SEACOAST NATIONAL BANK IN SUBSTANTIAL ACCORDANCE WITH THE BANK'S PROPOSAL DATED DECEMBER 15, 2022; APPROVING THE FORMS AND AUTHORIZING THE EXECUTION OF VARIOUS DOCUMENTS AND THE TAKING OF ALL NECESSARY ACTION IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF SUCH LINE OF CREDIT; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE FORT PIERCE UTILITIES AUTHORITY OF THE CITY OF FORT PIERCE, FLORIDA:

Section 1. Authority for this Resolution. This resolution is adopted pursuant to the Constitution and laws of the State of Florida, including Chapter 166, Florida Statutes, Article XII of the Charter of the City of Fort Pierce, Florida (the "City"), and other applicable provisions of law (collectively, the "Act").

Section 2. Findings. It is hereby ascertained, determined and declared that:

(A) Fort Pierce Utilities Authority of the City of Fort Pierce, Florida ("FPUA") owns a combined and consolidated electric system, water system, wastewater system, natural gas distribution system, and broadband and other communications services system (the "System"). Pursuant to the provisions of Ordinance No. F-399 of the City, as amended, the System is operated and maintained under the control and management of FPUA, which was created pursuant to Section 14(33) of Chapter 57-1331, Laws of Florida, as amended, and Ordinance No. F-399 of the City and approved by the qualified electors of the City by public ballot on May 30, 1972, with amendments thereto adopted and confirmed by elections held on November 2, 1976 and October 10, 1994.

(B) FPUA derives Pledged Revenues of the System. Capitalized undefined terms used herein shall have the meanings ascribed thereto in Resolution No. U.A. 2022-10, adopted on May 17, 2022 (the "Senior Bond Resolution"). The Pledged Revenues are pledged to the payment of the outstanding Bonds of FPUA issued pursuant to the Senior Bond Resolution.

(C) FPUA has determined it is necessary and desirable and in the best interest of FPUA's customers and ratepayers to take out a $4,000,000.00 taxable line of credit to provide short-term working capital (the "Line of Credit"), and to secure the Line of Credit with a junior and subordinate (in all respects) pledge of and lien on the excess of the collections from FPUA's electric and gas power adjustments over FPUA's wholesale purchased power (electric and gas) costs (the "Electric and Natural Gas Power Cost Adjustments").

(D) Seacoast National Bank (the "Bank") submitted a proposal dated December 15, 2022 (the "Proposal"), to provide the Line of Credit to FPUA, and FPUA has determined that acceptance of the Proposal is in the best interests of FPUA's customers and rate payers. A copy of the Proposal is attached hereto as Exhibit "A."

(E) The principal of, premium, if any, and interest on the Line of Credit shall be payable from and secured solely by a junior and subordinate (in all respects) lien on and pledge of the Electric and Natural Gas Power Cost Adjustments. FPUA has no taxing power. Neither the Line of Credit nor the interest thereon shall be or constitute general obligations or indebtedness of FPUA or the City as "bonds" within the meaning of the Constitution of Florida, but shall be payable from and secured solely by a junior and subordinate (in all respects) lien upon and pledge of the Electric and Natural Gas Power Cost Adjustments as herein provided. The Bank shall never have the right to compel the exercise of the ad valorem taxing power of the City or taxation in any form of any property therein to pay such Line of Credit or the interest thereon or be entitled to payment of such principal and interest from any other funds of FPUA or the City except from the Electric and Natural Gas Power Cost Adjustments pledged in the manner provided herein. Neither the Line of Credit nor the interest thereon shall have or be a lien upon any property of FPUA, other than the Electric and Natural Gas Power Cost Adjustments in the manner provided in this Resolution, or any property of or located within the boundaries of the City.

Section 3. **Authorization of Note**. Subject and pursuant to the provisions of this Resolution, a taxable Promissory Note of FPUA is hereby authorized to be issued in the principal amount not to exceed $4,000,000.00 (the "Note") for the purpose of providing funds, together with other available funds of FPUA, to provide short-term working capital and pay closing costs for the Line of Credit. Because of the characteristics of the Note, prevailing market conditions, and savings to be realized from an award of the Note by negotiated sale, it is in the best interest of FPUA to award the Note to the Bank by negotiated sale in substantial accordance with the Proposal, which Proposal is attached hereto as Exhibit "A" (the "Proposal"); provided, however, that the provisions of this Resolution and the Loan Agreement and Note shall control to the extent of any conflict with the Proposal. The interest rate formula is set forth in the Note.

Prior to the issuance of the Note FPUA shall receive from the Bank a disclosure statement containing the information required by Section 218.385, Florida Statutes. The Note shall be dated the date of its execution and delivery, which shall be a date agreed upon by FPUA and the Bank, and shall have such other terms and provisions, including the interest rate and maturity date, as stated in the form of Note attached hereto as Exhibit "B." The Note is to be in substantially the form set forth on Exhibit "B" hereto, together with such changes as shall be approved by the Chairman of FPUA or, in the event of the unavailability of the Chairman, the Vice Chairman (collectively, the "Chairman"), and the Director of Utilities of FPUA (the "Director of Utilities"), such approval to be conclusively evidenced by the execution thereof by the Chairman.

The Note shall be executed in the name of FPUA by the signature of the Chairman, and its official seal shall be affixed thereto or imprinted or reproduced thereon and attested by the Secretary or, in the event of the unavailability of the Secretary, any Assistant Secretary

(collectively, the "Secretary"). The signatures of said Chairman and Secretary on the Note shall be manual signatures. In case any one or more of the officers who shall have signed or sealed the Note shall cease to be such officer of FPUA before the Note so signed and sealed shall have been actually delivered, such Note may nevertheless be delivered as herein provided and may be issued as if the person who signed or sealed such Note had not ceased to hold such office.

Section 4. Loan Agreement. Notwithstanding any other provision hereof, the Note shall not be issued nor shall FPUA be obligated to issue the same nor shall the Bank be obligated to purchase the same, unless and until FPUA and the Bank shall execute a Revolving Loan Agreement in substantially the form attached hereto as Exhibit "C" (the "Loan Agreement"). The forms of the Loan Agreement and the Loan Documents (as defined in the Loan Agreement) are hereby approved by FPUA and the Chairman is authorized to execute the same, with such changes as may be approved by the Chairman and the Director of Utilities, such approval to be conclusively evidenced by the execution thereof by the Chairman. The Loan Agreement shall be executed in the name of FPUA by the signature of the Chairman and its official seal shall be affixed thereto or imprinted or reproduced thereon and attested by the Secretary.

Section 5. Delegation of FPUA to Take Other Action. The Director of Utilities, upon the advice of FPUA's Bond Counsel and FPUA Attorney, is authorized to take such further action as may be necessary or desirable to allow the Bank to purchase Note from FPUA at the earliest possible date consistent with the timetable and market conditions, including execution and delivery of the Loan Documents.

Section 6. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Note or Loan Agreement.

Section 7. Repeal of Inconsistent Instruments. All resolutions of FPUA or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 8. Effective Date. This resolution shall become effective immediately upon its adoption.

[Remainder of page intentionally left blank]

PASSED AND DULY ADOPTED at a regular meeting duly called and held this 17th day of January, 2023.

(SEAL)

FORT PIERCE UTILITIES AUTHORITY OF THE CITY OF FORT PIERCE, FLORIDA

_____
Chairman

ATTEST:

_____
Secretary

APPROVED AS TO FORM AND CORRECTNESS

_____
FPUA Attorney

Exhibit A: Proposal from Seacoast National Bank
Exhibit B: Form of Promissory Note
Exhibit C: Form of Revolving Loan Agreement

FYI - Today the Chairman and Secretary will be signing this Agreement under $50,000

Fort Pierce Utilities Authority

206 South Sixth Street (34950) | PO Box 3191, Fort Pierce, FL 34948-3191 | Phone: 772.466.1600

Board Submission Form

1/6/2023

Department: 41 - Public Affairs and Sustainability

Board Meeting Date: 01/17/2023

Item Type: Contract Agreement

Subject: Strategic Communication Support Services (Vendor 12/27)

Recommendation:

POA No. 23-41-023: Approve the contract for Strategic Communication Support Services with VancoreJones Communications, LLC, of Tallahassee, Florida, in an amount not to exceed $48,000, annually. The initial term of this contract will be January 1, 2023 through December 31, 2023, with four one-year renewal options, contingent on receiving the required Certificate(s) of Insurance.

Reviewed By Attorney: NA (FPUA Standard Contract)

Funds Available From: ___ No Funds Needed X Budgeted ___ Contingency

Approvals:

System Director:	RETHERFORD, DANIEL PAUL	Dec 19 2022 8:14AM
Director of Finance:	MIKA, BARBARA A.	Jan 5 2023 5:50PM
Director of Utilities:	CISNEROS, JAVIER	Jan 6 2023 8:50AM

Fort Pierce Utilities Authority

Memorandum

TO:	Javier Cisneros, P.E., Director of Utilities
THROUGH:	Daniel Paul Retherford, Director of Utility Support Services
FROM:	Rachel Rebecca Tennant, Public Affairs & Sustainability Manager
DATE:	January 06, 2023
SUBJECT:	**Strategic Communication Support Services (Vendor 12/27)**
PRESENTER(S):	Rachel Tennant

RECOMMENDATION:

POA No. 23-41-023: Approve the contract for Strategic Communication Support Services with VancoreJones Communications, LLC, of Tallahassee, Florida, in an amount not to exceed $48,000, annually. The initial term of this contract will be January 1, 2023 through December 31, 2023, with four one-year renewal options, contingent on receiving the required Certificate(s) of Insurance.

SUMMARY/SUPPORTING INFORMATION

Strategic communications and public education are an essential part of maintaining positive community relations and successfully relocating the Island Water Reclamation Facility (IWRF) from South Hutchinson Island to the mainland location. VancoreJones has supported FPUA with strategic communications for the last year under a one-time contract. This new contract will allow them to continue providing services on a monthly basis, with one-year terms and renewals.

ALTERNATIVES (IF ANY):

Do not approve and forego strategic communications support. This is not recommended because VancoreJones serves a critical role in helping FPUA develop and disseminate positive communications and community relations.

ATTACHMENTS:

FPUA Contract
FPUA contract Attachment B
FPUA Contract

FORT PIERCE UTILITIES AUTHORITY
CONTRACT FOR
STRATEGIC CONNUMICATIONS SUPPORT SERVICES
POA NO. 23-41-023

Contract is made between **Fort Pierce Utilities Authority (FPUA)** and VancoreJones Communications, LLC, of the City of Tallahassee, State of Florida, hereinafter referred to as Contractor.

The parties to this Contract in consideration of the mutual covenants and stipulations set out herein agree as follows:

Section 1

Contractor shall be defined as an individual, firm, or corporation having a direct contract with FPUA or with any other subcontractor in the performance of a part of the work contracted for under the terms of Contractor's direct contract with FPUA.

Section 2

Contractor is hereby contracted with to perform the following services: Strategic Communication Annual Support Services for Water Reclamation Facility and additional support services in accordance with Firm's email proposal dated December 20, 2022 (Attachment B) appended hereto, hereinafter referred to as Specifications, and made a part thereof of this Contract. In the event of a conflict between the terms of this Contract and the terms and conditions of any proposal, quote, statement of work, or purchase order provided by Contractor the terms of this Contract shall take precedence and control.

Section 3

The services to be performed by Contractor shall be on the following site(s), hereinafter referred to as Project Site: Various locations throughout FPUA's Service Territory

Section 4

The job upon which Contractor is to perform the services shall be referred to as the Strategic Communication Support Services, POA 23-41-023 job.

Section 5

Contractor shall be paid by FPUA in the following manner: monthly and in accordance with the Local Government Prompt Payment Act, sections 218.70-79, Florida Statutes. The calculations shall begin using the date the invoice was received. Invoices should be sent to AP@FPUA.com or may be mailed to FPUA Attn: Accounts Payable, PO Box 3191, Fort Pierce, Florida 34948-3191.

Total job price: not to exceed $48,000.00 (forty-eight thousand dollars and zero cents) annually on the terms contained in the Contractor's proposal for the doing of said work and the said award therefore, and the Specifications herein specifically referred to and made a part of this Contract.

Section 6

Contractor shall, under no circumstances, look to FPUA to provide any labor or equipment for Contractor. Contractor shall provide all of the labor and equipment necessary to perform the job or services contracted for at the expense of Contractor. Property of any kind that may be on the premises, which are the site of the performance of this Contract, during the performance of this Contract, shall be at the sole risk of Contractor.

Section 7

Contractor shall provide certificate of insurance to FPUA setting forth the type and amount of insurance carried by Contractor and conforming to the minimum requirements set forth in Attachment A. All requirements of this section shall be approved by FPUA.

Section 8

This instrument contains the entire agreement between the parties and no statement, promises or inducements made by either party or agent of either party that is not contained in this written Contract shall be valid or binding and this Contract may not be enlarged, modified, or altered except in writing signed by the parties and endorsed hereon.

Section 9

This Contract shall commence on January 1, 2023 and end on December 31, 2023. There shall be four (4) one (1) year renewal options on terms and conditions that are mutually acceptable to the parties in writing. This Contract will remain in effect in the event of a natural disaster, pandemic or other emergency event(s).

Section 10

Contractor acknowledges and understands that he is an independent contractor in his relationship to FPUA.

Section 11

This Contract shall inure to the benefit of and be binding upon the heirs, executors, administrator, assignees and successors of the respective parties.

Section 12

FPUA shall have the right to terminate said Contract by giving Contractor thirty (30) days written notice if the service that is being provided is not maintained at levels necessary to provide the required service. FPUA will determine in its sole judgment what constitutes a satisfactory level of service.

FPUA may terminate this Contract in accordance with the following terms and conditions:

A. **Termination for Convenience.** FPUA may, when in the interests of FPUA, terminate performance under this Contract by Contractor, in whole or in part, for the convenience of FPUA. FPUA shall give written notice of such termination to Contractor specifying when termination becomes effective. Contractor shall incur no further obligation in connection with the work so terminated, other than warranties and guarantees for completed work, and Contractor shall stop work when such termination becomes effective. Contractor shall also terminate outstanding orders and subcontracts for the affected work. Contractor shall settle

the liabilities and claims arising out of the termination of subcontracts and orders. FPUA may direct Contractor to assign Contractor's rights, title and interest under termination orders or subcontracts to FPUA or its designee. Contractor shall transfer title and deliver to FPUA such completed or partially completed work and materials, equipment, parts, fixtures, information and contract rights as Contractor has in their possession or control. When terminated for convenience, Contractor shall be compensated as follows:

i. Contractor shall submit a termination claim to FPUA specifying the amounts due because of the termination for convenience together with costs, pricing or other data required by FPUA. If Contractor fails to file a termination claim within one (1) year from the effective date of termination, FPUA shall pay Contractor an amount derived in accordance with subsection (iii) below:
ii. FPUA and Contractor may agree to the compensation, if any, due to Contractor hereunder;
iii. Absent agreement to the amount due to Contractor, FPUA shall pay Contractor the following amounts:
    a) Contract costs for labor, materials, equipment and other services accepted to FPUA's satisfaction under this Contract;
    b) Reasonable costs incurred in preparing to perform and in performing the terminated portion of the work, and in terminating Contractor's performance, plus a fair and reasonable allowance for direct job site overhead and earned profit thereon (such profit shall not include anticipated profit or consequential damages); provided however, that if it reasonably appears that Contractor would have not profited or would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss, if any; and
    c) Reasonable costs of settling and paying claims arising out of the termination of subcontractors or order pursuant to subsection A of this section (if contingent assignment of such contracts has not been elected as provided herein). These costs shall not include amounts paid in accordance with other provisions hereof. This clause is subject to and Contractor shall be limited by FPUA's right to direct the replacement of subcontractors under section 12.A.

    The total sum to be paid Contractor under this subsection A shall not exceed the total contract amount, as properly adjusted, reduced by the amount of payments otherwise made, and shall in no event include duplication of payment.

B. **Termination for Cause.** If Contractor does not perform the work, or any part thereof, in a timely manner, supply adequate labor, supervisory personnel or proper equipment or materials, or if it fails to timely discharge its obligation for labor, equipment and materials, or proceeds to disobey applicable law, or otherwise commits a violation of a material provision of this Contract, then FPUA, in addition to any other rights it may have against Contractor or others, may immediately terminate the performance of Contractor, in whole or in part at FPUA's sole option, and assume possession of the Project Site and all materials and equipment at the site and may complete the work.

In such case, Contractor shall not be paid further until the work is complete. After completion has been achieved, if any portion of the contract price, as it may be modified hereunder, remains after the cost to FPUA of completing the work, including all costs and expenses of every nature incurred, has been deducted by FPUA, such remainder shall belong to Contractor. Otherwise, Contractor shall pay and make whole FPUA for such cost. This obligation for payment shall survive the termination of the Contract.

In the event the employment of Contractor is terminated by FPUA for cause pursuant to this subsection B and it is subsequently determined by a Court of competent jurisdiction that such termination was without cause, such termination shall thereupon be deemed a Termination for Convenience under subsection A and the provisions of subsection A shall apply.

C. **Termination for Non-Appropriation.** FPUA may also terminate this Contract in whole or in part, for non-appropriation of sufficient funds to complete or partially complete the project, regardless of the source of such funds, and such termination shall be on the terms of subsection A.

D. FPUA's rights under this section shall be in addition to those contained elsewhere herein or provided by law.

Section 13

A. **Indemnification.** Contractor shall indemnify and hold harmless FPUA and its officers, agents and employees, from any liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of Contractor and persons employed or used by Contractor in the performance of this Contract.
B. **Audit Rights.** In accordance with section 2-439 of the City of Fort Pierce Code of Ordinances, FPUA has the right to audit the books and records of Contractor under any Contract other than a firm fixed-price contract to the extent that such books and records are pertinent to the performance of such Contract. Such books and records shall be maintained by Contractor for a period of three (3) years from the date of final payment under the Contract.
C. **No Assignment or Third-Party Rights.** Contractor shall not assign any interest in this Contract, and shall not transfer any interest in the same without the prior written approval of FPUA. Nothing in this Contract shall be construed to give any rights or benefits to anyone other than FPUA and Contractor.
D. **Consequential Damages.** Neither party shall be liable to the other for any incidental, consequential, exemplary, special, or punitive damages, including lost profits, that may arise in connection with this Contract, regardless of the cause of action (whether in contract, tort, negligence, strict liability, or otherwise) and regardless of how characterized, even if such party was advised of the possibility of such damages in advance.
E. **Choice of Law and Venue.** This Contract shall be construed in accordance with the laws of the State of Florida, without consideration of any conflict of law principles. Venue shall be in the federal or state courts in St. Lucie County.

F. **E-Verify Required.** Pursuant to 448.095, Florida Statutes, FPUA and every Contractor and subcontractor entering into an agreement to provide labor, supplies or services to FPUA must

use the E-Verify system (www.e-verify.gov) to verify the work authorization status of any newly hired employees. If a Contractor subcontracts any of the labor or services for FPUA, the subcontractor must provide the Contractor with an affidavit stating that it does not employ, contract or subcontract with any person not authorized to work in the United States. The contractor must keep a copy of the affidavit on file for the duration of the contract. If FPUA or any Contractor or subcontractor has a good faith belief that a person or entity with which it is contracting has knowingly employed, hired, or recruited an unauthorized alien for public or private employment, it must terminate the contract with that person or entity. Pursuant to 448.095 a contract terminated under this provision is not a breach of contract.

G. **Scrutinized Companies List.** Pursuant to Section 287.135, Florida Statutes, a company is ineligible and may not bid on, submit a proposal, or enter into or renew a contract with an agency or local governmental entity, and FPUA is prohibited from contracting or renewing contracts for goods or services: (1) for any amount with a company that is on the Scrutinized Companies that Boycott Israel List, created pursuant to Section 215.4725, or is engaged in a boycott of Israel; (2) for $1,000,000 or more with a company that is on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Section List, created pursuant to Section 215.473; or (3) is engaged in business operations in Cuba or Syria. By signing below Contractor certifies that it is not on any of the above referenced lists, is not engaged in a boycott of Israel, and is not engaged in business operations in Cuba or Syria. The company further acknowledges that FPUA may immediately terminate any contract if the company is found to have falsely certified that it is not on any of the forgoing lists, been placed on any of the foregoing lists, been engaged in a boycott of Israel, or engaged in business operations in Cuba or Syria.

H. Public Records.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT PUBLICRECORDS@FPUA.COM, (772) 466-1600, OR PO BOX 3191, FORT PIERCE, FL 34948-3191.

To the extent the Contract includes providing services and acting on behalf of a FPUA as provided under section 119.011(2), Florida Statutes, the Contractor agrees to comply with Florida Public Records Law, Chapter 119, Florida Statutes, and shall:

1) Keep and maintain public records required by FPUA to perform the service;

2) Upon request from FPUA's custodian of public records, provide FPUA with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119 or as otherwise provided by law;

3) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to FPUA;

4) Upon completion of the Contract, transfer, at no cost to FPUA, all public records in possession of the company or keep and maintain public records required by FPUA to perform

the service. If all public records are transferred to FPUA upon completion of the contract Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor maintains public records upon completion of the contract, it shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to FPUA upon request in a format compatible with FPUA's information technology systems.

I. **Trade Secret or Confidential Material.** In accordance with Florida Statutes, including 119.01 (Public Records) and 815.045 (Trade Secret Information), if Contractor considers any information related to this Contract or the services to be provided to FPUA thereunder to be a trade secret or confidential material under Florida or federal law(s), Contractor shall designate such portions of the material by clearly marking it CONFIDENTIAL or TRADE SECRET when it is submitted to FPUA (hereinafter the Confidential Material). If FPUA receives a public records request for the Confidential Material FPUA will provide only the materials not designated confidential or trade secret. If the requester of the information asserts a right to examine the Confidential Material FPUA will notify Contractor, and Contractor shall be responsible for responding to and resolving any claims for access to the Confidential Material. If FPUA is served with a request for discovery or order related to the Confidential Material, FPUA will promptly notify Contractor, and Contractor shall be responsible for filing the appropriate motion, objection, or seek an injunction to prevent disclosure of its Confidential Material. FPUA will provide the Confidential Material only if the Contractor fails to take appropriate action to protect the Confidential Material from disclosure within the timeframe(s) established by the applicable statute, rule or order. The Contractor agrees to protect, defend, and indemnify FPUA and its members and employees from all claims, fines or costs, including attorney's fees, arising from or relating to the designation of Confidential Material.

[signatures are on the following page]

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals to this Contract the day and year set forth below.

Signed, sealed and delivered in the presence of:

VANCOREJONES COMMUNICATIONS, LLC

BY: _____
Signature/Officer of Firm (Manual)

_____
Name (Typed or Printed)

TITLE: _____

DATE: _____

ATTEST:

FORT PIERCE UTILITIES AUTHORITY

_____
Secretary

BY: _____
Chairman

(FPUA Seal)

DATE: _____

APPROVED AS TO FORM & CORRECTNESS:

BY: _____
Fort Pierce Utilities Authority Attorney

ATTACHMENT A

REQUIRED LIMITS OF INSURANCE
FOR
FORT PIERCE UTILITIES AUTHORITY
TYPE III

Contractor shall, at its own expense, procure and maintain throughout the term of this Agreement, with insurers acceptable to the Fort Pierce Utilities Authority (FPUA), the types and amounts of insurance conforming to the minimum requirements set forth herein.

Workers' Compensation/Employers' Liability - Such insurance shall be no more restrictive than that provided by the Florida Workers Compensation Act. In addition to coverage for the Florida Workers' Compensation Act, where appropriate, coverage is to be included for the Federal Employer's Liability Act and any other applicable Federal or State law. The Workers' Compensation policy must be endorsed to waive the insurer's right to subrogate against FPUA, and its members, officials, officers and employees.

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Part One:	"Statutory"	
Part Two:	$ 500,000	(Each Accident)
	$ 500,000	(Disease-Each Employee)
	$1,000,000	(Disease-Policy Limit)

Commercial General Liability - The limits are to be applicable only to work performed under the Contract and shall be those that would be provided with the attachment of the Amendment of Limits of Insurance (Designated Project or Premises) endorsement (ISO Form CG 25 03) to a Commercial General Liability policy. FPUA (and if required the project engineer) and its board members, officials, officers and employees shall be included as "Additional Insureds" on a form no more restrictive than ISO Form CG 20 10 (Additional Insured - Owners, Lessees, or Contractors).

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Each Occurrence	$1,000,000
Personal and Advertising Injury	$1,000,000
General Aggregate	$2,000,000
Products/Completed Operations Aggregate	$2,000,000

Contractor shall continue to maintain products/completed operations coverage in the amounts stated above for a period of three (3) years after the final completion of the Work. The insurance shall be on a form no more restrictive than, and shall cover those sources of liability which would be covered by Coverage A of, the latest occurrence form edition of the Commercial General Liability Coverage Form (ISO Form CG 00 01), or of the occurrence Products/Completed Operations Liability Coverage Form (ISO Form CG 00 37), as filed for use in the State of Florida by ISO, without restrictive endorsements other than mandatory endorsements under an ISO filing.

Automobile Liability - Such insurance shall cover all owned, non-owned, and hired autos used in connection with the performance of the work, and shall not be subject to any aggregate limit.

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Each Occurrence Bodily Injury and Property Damage Liability Combined	$500,000

Property Insurance - If the Contract includes construction of or additions to above-ground buildings or structures, or installation of machinery or equipment, the Contractor shall provide Builder's Risk insurance or an Installation Floater. Such insurance shall be provided on an all risk basis. The minimum amount of insurance shall be 100% of the installed replacement value of the installation.

Professional Liability - If the Contract includes a requirement for professional liability insurance, such insurance shall be on a form acceptable to FPUA and shall cover the Contractor for those sources of liability arising out of the rendering or failure to render professional services in the performance of the services required in the agreement. Coverage must either be on an occurrence basis; or, if on a claims made basis, the coverage must respond to all claims reported within three (3) years following the period for which coverage is required and which would have been covered had the coverage been on an occurrence basis.

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Each Occurrence/Annual Aggregate	$1,000,000 Project Specific

Miscellaneous Provisions - The insurance provided by Contractor shall apply on a primary and non-contributory basis to any insurance or self-insurance maintained by FPUA. Any insurance, or self-insurance, maintained by FPUA shall be excess of the insurance provided by Contractor.

The insurance maintained by Contractor shall apply on a first dollar basis without application of a deductible or self-insured retention. Under limited circumstances, FPUA may permit the application of a deductible or permit Contractor to self-insure, in whole or in part, one or more of the insurance coverages required by this Agreement. In such instances, Contractor shall pay on behalf of FPUA or FPUA's board members, officials, officers and employees any deductible or self-insured retention applicable to a claim.

Compliance with these insurance requirements shall not limit the liability of Contractor or the remedies available to FPUA under this Agreement or otherwise. If Contractor obtains insurance with higher limits than the requirements herein, those higher limits shall apply.

Evidence of Insurance - Contractor shall not commence work until the required insurance is in force and evidence of insurance acceptable to FPUA has been provided and approved by FPUA. **An appropriate Certificate of Insurance (identifying the project) signed by an authorized representative of the insurer(s), with copies of the actual additional insured endorsement and notice of cancellation endorsement as issued on the policies, shall be satisfactory evidence of insurance.** With respect to Property Insurance, Contractor shall provide a Certificate of Property Insurance form or other evidence satisfactory to FPUA.

Until such insurance is no longer required by this Agreement, Contractor shall provide FPUA with renewal or replacement evidence of insurance at least thirty (30) days prior to the expiration or termination of such insurance. Contractor shall, within thirty (30) days of a written request from FPUA, provide FPUA with a certified copy of the policy or policies providing the coverage required herein. Contractor or its agent may redact or omit provisions of the policy that are not relevant to the insurance required herein.

Policies shall be endorsed to provide FPUA with 30 days' notice of cancellation.

Certificates of Insurance must be completed as follows:

Additional Insured:
Fort Pierce Utilities Authority (and if required the project engineer) and its board members, officials, officers and employees

Certificate Holder
Fort Pierce Utilities Authority
Attn: Risk Management
PO Box 3191
Fort Pierce FL 34948-3191

Certificates may be emailed to: risk@fpua.com

(Rev. 02/2019)

Nancy Palka POA 23-41-023

From: Steve Vancore <svancore@vancorejones.com>
Sent: Tuesday, December 20, 2022 1:53 PM
To: Elba Cendejas
Cc: Rachel Tennant; Teresa Coulter; Drew Jones
Subject: Re: FPUA Contract Amendment No. 3

FOR NEW CONTACT

CAUTION: This email originated from outside of FPUA. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Also, the pricing that we currently have ($3K per month for wrf and $1K per month for additional support until a position is filled) is also fine.

From: Steve Vancore <svancore@vancorejones.com>
Date: Tuesday, December 20, 2022 at 1:43 PM
To: Elba Cendejas <cendejas@fpua.com>
Cc: Rachel Tennant <rtennant@fpua.com>, Teresa Coulter <tcoulter@vancorejones.com>, Drew Jones <djones@vancorejones.com>
Subject: Re: FPUA Contract Amendment No. 3

Thanks Elba. Have a great holiday!

From: Elba Cendejas <cendejas@fpua.com>
Date: Tuesday, December 20, 2022 at 1:00 PM
To: Steve Vancore <svancore@vancorejones.com>
Cc: Rachel Tennant <rtennant@fpua.com>, Teresa Coulter <tcoulter@vancorejones.com>, Drew Jones <djones@vancorejones.com>
Subject: RE: FPUA Contract Amendment No. 3

Good Afternoon,

Received, thank you. This will be presented at our next board meeting. A fully executed copy will be emailed to you after the board meeting.

Thanks again,

Elba Cendejas
Risk Program Manager
Regulatory Affairs
Fort Pierce Utilities Authority
cendejas@fpua.com
772.466.1600 ext. 3227

From: Steve Vancore <svancore@vancorejones.com>
Sent: Tuesday, December 20, 2022 12:30 PM
To: Elba Cendejas <cendejas@fpua.com>
Cc: Rachel Tennant <rtennant@fpua.com>; Teresa Coulter <tcoulter@vancorejones.com>; Drew Jones <djones@vancorejones.com>
Subject: FPUA Contract Amendment No. 3

CAUTION: This email originated from outside of FPUA. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Steven J. Vancore
850.528.4109 cell
850.681.8530 ofc

From: Elba Cendejas <cendejas@fpua.com>

Date: Monday, December 19, 2022 at 1:39 PM
To: Steve Vancore <svancore@vancorejones.com>
Cc: Ashley Levin <levin@fpua.com>, Rachel Tennant <rtennant@fpua.com>, Daniel Retherford <retherford@fpua.com>
Subject: FPUA Contract Amendment No. 3

Good Afternoon,

Attached is the FPUA Contract Amendment No. 3 for Strategic Communication Services for your review and signature.

This document must be signed by a person listed as a company officer/director on the company registration with the Florida Division of Corporations (FLDC), or by someone who is authorized to sign contracts on behalf of the company. If signed by someone other than a person listed as a company officer/director on the FLDC website (sunbiz.org), please include a copy of the affidavit or board resolution giving that person signatory/contracting authority.

Please also include the required Certificate of Insurance (COI) and a copy of the Additional Insured Endorsement pages from the Commercial General Liability policy.

If you have any questions, please feel free to contact me.

Thank you,

Please note: Florida has a very broad public records law. Most written communications to or from Fort Pierce Utilities Authority employees regarding government business are public records, available to the public and media upon request. Your e-mail communications may be subject to public disclosure.

Proposal

Strategic Communication Services

Prepared for: Fort Pierce Utilities Authority

Prepared by: Steven J. Vancore
Vanessa Butwell

November 22, 2021

VANCORE JONES COMMUNICATIONS

Executive Summary

This represents a proposal for ongoing strategic communication services and paid educational outreach between VancoreJones Communications, LLC (VJC) and the Fort Pierce Utility Authority (FPUA).

Objective

The FPUA is a municipal utility providing electric, water, wastewater, natural gas, and internet services to residents in the city of Fort Pierce and a portion of unincorporated St. Lucie County. The FPUA is seeking ongoing strategic communications counsel and support with paid community outreach related to a proposed project to relocate the FPUA's wastewater treatment facility in Fort Pierce located off Seaway Drive.

Solution

VancoreJones will work with the FPUA to determine an effective communications strategy to educate water and/or wastewater customers on the proposed facility relocation. We will provide ongoing guidance, strategic support, media guidance and training for all officials who will be speaking on behalf of the project, community outreach strategy, and other related services also as needed.

The goal for this effort is to engage the public and develop community support for a new vision for the community with the relocation of the wastewater treatment facility and the possibilities for new uses for the land it currently sits on.

Budget

Below is a proposed budget that includes paid community outreach to engage the community in the proposed plan to relocate the wastewater treatment facility. All below budget items will be employed on an as-needed basis; if we do not need all budget items to achieve the FPUA's strategic objective, we will not utilize them. Please see Attachment A to this document for more details on each item.

906 Thomasville Road
Tallahassee, Florida 32303
www.vancorejones.com

Our monthly retainer will include strategic communications consulting, messaging development, and support coordinating town halls as needed. VancoreJones will conduct a survey of up to 300 FPUA customers using live operator phone callers and MMS text-to-web invitations to complete the survey.

For video production, we recommend producing a 15-second and 30-second video for paid advertising (the 15-second to direct people to the website and the 30-second to include more messaging) and longer-form 2-3 minute videos for testimonials. VancoreJones will work in conjunction with Redtail Design Group (currently under contract with FPUA) to produce this video content.

Our direct mail plan includes sending two mail pieces to all water and/or wastewater utility customers. We recommend sending oversized mailers to educate customers about the proposed relocation project. The format and content of the mailers will be determined by the results of the FPUA customer survey.

Our digital advertising will utilize videos and banner ads that reinforce our message. The timing of our digital advertising remains to be determined, but will likely be coordinated to surround relevant Council, Board, community meetings, or as directed by FPUA.

Description	Unit Price	Units	Total
Monthly billables to include duties as outlined in this document including strategic counsel, media training, public relations interfacing, and other similar services as needed, typically 10-20 hours per month	$3,000	9	$27,000
FPUA Customer Survey (300 completions)	$22,500	1	$22,500
Optional Services – To be Determined once survey has been completed			
TOTAL			$49,500

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The website we develop will include all available information on the wastewater treatment plant relocation project as well as the long-form testimonial videos we recommend producing.

Reimbursement

Any significant expenses incurred during the execution of this contract will be pre-approved and reimbursed by FPUA. VJC will not be reimbursed for incidental expenses such as paper and phone costs, travel within Leon County, or any other incidental costs associated with the execution of this contract.

Termination

FPUA may cancel this agreement with a 30-day notice, but agrees to pay all outstanding invoices, expenses or fees.

Execution

Accepted by the following for agreement to begin on January 1, 2022:

Fort Pierce Utility Authority	VancoreJones Communications, LLC
By: [signatures are on the signature page]	By: [signatures are on the signature page]
Date:	Date:
Print Name	Print Name

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Attachment A

Below is a comprehensive breakdown of what each budget item included in this proposal entails. Again, all items other than our monthly general consulting retainer are effectively à la carte and will only be deployed as needed based on the ever-evolving nature of the project.

Monthly Billable - $3,000/month

Our monthly retainer includes strategic communications consulting, messaging development, and support coordinating town halls as needed. We will work with the client to determine an effective strategy to educate residents on the proposed wastewater treatment facility relocation. Additionally, we will provide media and public speaking guidance and training for all officials and staff who will be speaking on the project. We will also provide guidance and assistance on hosting public charrettes as needed, including the development of educational talking points and presentation materials suited to the general public. Finally, we will assist in responding to press inquiries as needed and can assist in drafting a guest column for the local newspaper if that is deemed necessary and beneficial for the education of utility customers.

FPUA Customer Survey - $22,500

We may recommend conducting a phone survey of up to 300 FPUA water and/or wastewater customers using live operator phone callers and MMS text-to-web invitations to complete the survey if necessary. This can be used to determine how much customers know about the proposed relocation at the point in time at which the survey is conducted, opinions of the FPUA itself and/or of the proposed relocation, and test what issues relative to the FPUA or their utility services are most important to them. More details on this will be determined with the client and then a questionnaire will be developed to accomplish the client's objectives for the survey.

This cost includes questionnaire development, conducting the survey using a nationally-recognized survey call center, results analysis, final report creation (including analysis and recommendations), and presentation of survey results to relevant stakeholders.

In order to complete the customer survey, the client will need to provide Clearview Research with a list of phone numbers for all present FPUA water and/or wastewater customers.

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OPTIONAL SERVICES – To be determined once survey has been completed (Additional Board Action Required)

Retainer renewal option

We may recommend Retainer be renewed on a monthly basis at a unit cost of $3,000 a month.

Direct Mail - TBD

We may recommend utilizing direct mail for all water and/or wastewater utility customers to inform them of the proposed relocation and educate them on the matter. If we do, we will determine the size of each piece and quantity of unique mailers based on the client's needs. The cost includes graphic design, printing, addressing, sorting, postage, and drop shipping to the local post office sorting facility.

The content of the pieces will be determined based on strategic communications guidance, messaging developed for the project, and input from the client. As with all external communications related to this project, the pieces will be intended to inform and educate FPUA wastewater customers on the proposed wastewater treatment facility relocation.

Digital Advertising - TBD

We may recommend digital advertising to help educate FPUA water and/or wastewater customers on the proposed wastewater treatment facility relocation. The timing of our digital advertising remains to be determined, but will likely be coordinated to surround relevant Council, Board, or community meetings.

Our most common digital advertising platforms include Google Ads (which includes the Google Display Network, Google Search Ads, and YouTube), El Toro (an alternative demand-side platform to Google that increases our reach and placement opportunities across the internet), and Facebook (potentially including Instagram and Messenger).

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While we will use Google Search Ads to direct interested users to our website, all other digital advertising methods target users before they are seeking out related information—which is key to educating an audience who is not informed on the issue. We will employ geographic targets to ensure that FPUA wastewater customers are seeing our video (more details below) and display ads. Display ads will be developed with messaging coordinated to reinforce the video messaging. We will develop display ads in any combination of the following sizes based on the ad placements determined to be most effective: 240x400, 250x250, 300x50, 300x250, 300x600, 320x50, 970x250, and 888x600 pixels.

It is hard to estimate digital ad impressions until the ads have been developed and the strategic placements determined, but we estimate that this project will receive approximately 1.25 million video impressions and 750,000 banner ad impressions.

Website Development & Maintenance - TBD

We may recommend developing a website specific to the potential FPUA wastewater treatment facility relocation project. This will include all available details on the project and our external messaging, which is yet to be developed.

We will begin by defining a site map with the client, which will include the pages the website will contain and their primary topics. Then we will outline the content for each page, which will allow us begin to identify what the layout of each page will ultimately be. Finally, we will develop the site with the site map and content decided upon on a to-be-determined content management system (CMS). We will select a CMS best suited to the scope of the project, while ensuring that it has wide-ranging functionality, customization, and is continually updated so that site features do not become obsolete.

Included in this item as well is the maintenance and hosting of the website for the duration of the project. Further, included is all necessary graphic design and coding.

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Video Production - TBD

In order to utilize digital advertising to educate FPUA water and/or wastewater customers on the proposed wastewater treatment facility relocation, we will need to develop video and static display ads.

For video production, we recommend producing a 15-second and 30-second video. The 15-second video will be primarily intended to direct people to the aforementioned website and the 30-second video will include more messaging. Additionally, we will likely recommend producing a longer-form 2-3 minute videos for testimonials. This video will allow us to communicate more detailed information on the proposed site relocation in a video format for use on the website and in public presentations. We will work in conjunction with Redtail Design Group, which is currently under contract with FPUA, in the production of these videos.

Cost would include the purchase of stock photo and video footage, hiring and directing voiceover talent, video production and editing, video archiving, and revisions as needed.

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FORT PIERCE UTILITIES AUTHORITY
CONTRACT FOR
STRATEGIC COMMUNICATIONS SUPPORT SERVICES
POA NO. 23-41-023

Contract is made between **Fort Pierce Utilities Authority (FPUA)** and VancoreJones Communications, LLC, of the City of Tallahassee, State of Florida, hereinafter referred to as Contractor.

The parties to this Contract in consideration of the mutual covenants and stipulations set out herein agree as follows:

Section 1
Contractor shall be defined as an individual, firm, or corporation having a direct contract with FPUA or with any other subcontractor in the performance of a part of the work contracted for under the terms of Contractor's direct contract with FPUA.

Section 2
Contractor is hereby contracted with to perform the following services: Strategic Communication Annual Support Services for Water Reclamation Facility and additional support services in accordance with Firm's email proposal dated December 20, 2022 (Attachment B) appended hereto, hereinafter referred to as Specifications, and made a part thereof of this Contract. In the event of a conflict between the terms of this Contract and the terms and conditions of any proposal, quote, statement of work, or purchase order provided by Contractor the terms of this Contract shall take precedence and control.

Section 3
The services to be performed by Contractor shall be on the following site(s), hereinafter referred to as Project Site: Various locations throughout FPUA's Service Territory

Section 4
The job upon which Contractor is to perform the services shall be referred to as the Strategic Communication Support Services, POA 23-41-023 job.

Section 5
Contractor shall be paid by FPUA in the following manner: monthly and in accordance with the Local Government Prompt Payment Act, sections 218.70-79, Florida Statutes. The calculations shall begin using the date the invoice was received. Invoices should be sent to AP@FPUA.com or may be mailed to FPUA Attn: Accounts Payable, PO Box 3191, Fort Pierce, Florida 34948-3191.

Total job price: not to exceed $48,000.00 (forty-eight thousand dollars and zero cents) annually on the terms contained in the Contractor's proposal for the doing of said work and the said award therefore, and the Specifications herein specifically referred to and made a part of this Contract.

Section 6

Contractor shall, under no circumstances, look to FPUA to provide any labor or equipment for Contractor. Contractor shall provide all of the labor and equipment necessary to perform the job or services contracted for at the expense of Contractor. Property of any kind that may be on the premises, which are the site of the performance of this Contract, during the performance of this Contract, shall be at the sole risk of Contractor.

Section 7

Contractor shall provide certificate of insurance to FPUA setting forth the type and amount of insurance carried by Contractor and conforming to the minimum requirements set forth in Attachment A. All requirements of this section shall be approved by FPUA.

Section 8

This instrument contains the entire agreement between the parties and no statement, promises or inducements made by either party or agent of either party that is not contained in this written Contract shall be valid or binding and this Contract may not be enlarged, modified, or altered except in writing signed by the parties and endorsed hereon.

Section 9

This Contract shall commence on January 1, 2023 and end on December 31, 2023. There shall be four (4) one (1) year renewal options on terms and conditions that are mutually acceptable to the parties in writing. This Contract will remain in effect in the event of a natural disaster, pandemic or other emergency event(s).

Section 10

Contractor acknowledges and understands that he is an independent contractor in his relationship to FPUA.

Section 11

This Contract shall inure to the benefit of and be binding upon the heirs, executors, administrator, assignees and successors of the respective parties.

Section 12

FPUA shall have the right to terminate said Contract by giving Contractor thirty (30) days written notice if the service that is being provided is not maintained at levels necessary to provide the required service. FPUA will determine in its sole judgment what constitutes a satisfactory level of service.

FPUA may terminate this Contract in accordance with the following terms and conditions:

A. **Termination for Convenience.** FPUA may, when in the interests of FPUA, terminate performance under this Contract by Contractor, in whole or in part, for the convenience of FPUA. FPUA shall give written notice of such termination to Contractor specifying when termination becomes effective. Contractor shall incur no further obligation in connection with the work so terminated, other than warranties and guarantees for completed work, and Contractor shall stop work when such termination becomes effective. Contractor shall also terminate outstanding orders and subcontracts for the affected work. Contractor shall settle

the liabilities and claims arising out of the termination of subcontracts and orders. FPUA may direct Contractor to assign Contractor's rights, title and interest under termination orders or subcontracts to FPUA or its designee. Contractor shall transfer title and deliver to FPUA such completed or partially completed work and materials, equipment, parts, fixtures, information and contract rights as Contractor has in their possession or control. When terminated for convenience, Contractor shall be compensated as follows:

i. Contractor shall submit a termination claim to FPUA specifying the amounts due because of the termination for convenience together with costs, pricing or other data required by FPUA. If Contractor fails to file a termination claim within one (1) year from the effective date of termination, FPUA shall pay Contractor an amount derived in accordance with subsection (iii) below:
ii. FPUA and Contractor may agree to the compensation, if any, due to Contractor hereunder;
iii. Absent agreement to the amount due to Contractor, FPUA shall pay Contractor the following amounts:
    a) Contract costs for labor, materials, equipment and other services accepted to FPUA's satisfaction under this Contract;
    b) Reasonable costs incurred in preparing to perform and in performing the terminated portion of the work, and in terminating Contractor's performance, plus a fair and reasonable allowance for direct job site overhead and earned profit thereon (such profit shall not include anticipated profit or consequential damages); provided however, that if it reasonably appears that Contractor would have not profited or would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss, if any; and
    c) Reasonable costs of settling and paying claims arising out of the termination of subcontractors or order pursuant to subsection A of this section (if contingent assignment of such contracts has not been elected as provided herein). These costs shall not include amounts paid in accordance with other provisions hereof. This clause is subject to and Contractor shall be limited by FPUA's right to direct the replacement of subcontractors under section 12.A.

    The total sum to be paid Contractor under this subsection A shall not exceed the total contract amount, as properly adjusted, reduced by the amount of payments otherwise made, and shall in no event include duplication of payment.

B. **Termination for Cause.** If Contractor does not perform the work, or any part thereof, in a timely manner, supply adequate labor, supervisory personnel or proper equipment or materials, or if it fails to timely discharge its obligation for labor, equipment and materials, or proceeds to disobey applicable law, or otherwise commits a violation of a material provision of this Contract, then FPUA, in addition to any other rights it may have against Contractor or others, may immediately terminate the performance of Contractor, in whole or in part at FPUA's sole option, and assume possession of the Project Site and all materials and equipment at the site and may complete the work.

In such case, Contractor shall not be paid further until the work is complete. After completion has been achieved, if any portion of the contract price, as it may be modified hereunder, remains after the cost to FPUA of completing the work, including all costs and expenses of every nature incurred, has been deducted by FPUA, such remainder shall belong to Contractor. Otherwise, Contractor shall pay and make whole FPUA for such cost. This obligation for payment shall survive the termination of the Contract.

In the event the employment of Contractor is terminated by FPUA for cause pursuant to this subsection B and it is subsequently determined by a Court of competent jurisdiction that such termination was without cause, such termination shall thereupon be deemed a Termination for Convenience under subsection A and the provisions of subsection A shall apply.

C. **Termination for Non-Appropriation.** FPUA may also terminate this Contract in whole or in part, for non-appropriation of sufficient funds to complete or partially complete the project, regardless of the source of such funds, and such termination shall be on the terms of subsection A.

D. FPUA's rights under this section shall be in addition to those contained elsewhere herein or provided by law.

Section 13

A. **Indemnification.** Contractor shall indemnify and hold harmless FPUA and its officers, agents and employees, from any liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of Contractor and persons employed or used by Contractor in the performance of this Contract.
B. **Audit Rights.** In accordance with section 2-439 of the City of Fort Pierce Code of Ordinances, FPUA has the right to audit the books and records of Contractor under any Contract other than a firm fixed-price contract to the extent that such books and records are pertinent to the performance of such Contract. Such books and records shall be maintained by Contractor for a period of three (3) years from the date of final payment under the Contract.
C. **No Assignment or Third-Party Rights.** Contractor shall not assign any interest in this Contract, and shall not transfer any interest in the same without the prior written approval of FPUA. Nothing in this Contract shall be construed to give any rights or benefits to anyone other than FPUA and Contractor.
D. **Consequential Damages.** Neither party shall be liable to the other for any incidental, consequential, exemplary, special, or punitive damages, including lost profits, that may arise in connection with this Contract, regardless of the cause of action (whether in contract, tort, negligence, strict liability, or otherwise) and regardless of how characterized, even if such party was advised of the possibility of such damages in advance.
E. **Choice of Law and Venue.** This Contract shall be construed in accordance with the laws of the State of Florida, without consideration of any conflict of law principles. Venue shall be in the federal or state courts in St. Lucie County.

F. **E-Verify Required.** Pursuant to 448.095, Florida Statutes, FPUA and every Contractor and subcontractor entering into an agreement to provide labor, supplies or services to FPUA must

use the E-Verify system (www.e-verify.gov) to verify the work authorization status of any newly hired employees. If a Contractor subcontracts any of the labor or services for FPUA, the subcontractor must provide the Contractor with an affidavit stating that it does not employ, contract or subcontract with any person not authorized to work in the United States. The contractor must keep a copy of the affidavit on file for the duration of the contract. If FPUA or any Contractor or subcontractor has a good faith belief that a person or entity with which it is contracting has knowingly employed, hired, or recruited an unauthorized alien for public or private employment, it must terminate the contract with that person or entity. Pursuant to 448.095 a contract terminated under this provision is not a breach of contract.

G. **Scrutinized Companies List.** Pursuant to Section 287.135, Florida Statutes, a company is ineligible and may not bid on, submit a proposal, or enter into or renew a contract with an agency or local governmental entity, and FPUA is prohibited from contracting or renewing contracts for goods or services: (1) for any amount with a company that is on the Scrutinized Companies that Boycott Israel List, created pursuant to Section 215.4725, or is engaged in a boycott of Israel; (2) for $1,000,000 or more with a company that is on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Section List, created pursuant to Section 215.473; or (3) is engaged in business operations in Cuba or Syria. By signing below Contractor certifies that it is not on any of the above referenced lists, is not engaged in a boycott of Israel, and is not engaged in business operations in Cuba or Syria. The company further acknowledges that FPUA may immediately terminate any contract if the company is found to have falsely certified that it is not on any of the forgoing lists, been placed on any of the foregoing lists, been engaged in a boycott of Israel, or engaged in business operations in Cuba or Syria.

H. Public Records.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT PUBLICRECORDS@FPUA.COM, (772) 466-1600, OR PO BOX 3191, FORT PIERCE, FL 34948-3191.

To the extent the Contract includes providing services and acting on behalf of a FPUA as provided under section 119.011(2), Florida Statutes, the Contractor agrees to comply with Florida Public Records Law, Chapter 119, Florida Statutes, and shall:

1) Keep and maintain public records required by FPUA to perform the service;

2) Upon request from FPUA's custodian of public records, provide FPUA with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119 or as otherwise provided by law;

3) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to FPUA;

4) Upon completion of the Contract, transfer, at no cost to FPUA, all public records in possession of the company or keep and maintain public records required by FPUA to perform

the service. If all public records are transferred to FPUA upon completion of the contract Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor maintains public records upon completion of the contract, it shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to FPUA upon request in a format compatible with FPUA's information technology systems.

I. **Trade Secret or Confidential Material.** In accordance with Florida Statutes, including 119.01 (Public Records) and 815.045 (Trade Secret Information), if Contractor considers any information related to this Contract or the services to be provided to FPUA thereunder to be a trade secret or confidential material under Florida or federal law(s), Contractor shall designate such portions of the material by clearly marking it CONFIDENTIAL or TRADE SECRET when it is submitted to FPUA (hereinafter the Confidential Material). If FPUA receives a public records request for the Confidential Material FPUA will provide only the materials not designated confidential or trade secret. If the requester of the information asserts a right to examine the Confidential Material FPUA will notify Contractor, and Contractor shall be responsible for responding to and resolving any claims for access to the Confidential Material. If FPUA is served with a request for discovery or order related to the Confidential Material, FPUA will promptly notify Contractor, and Contractor shall be responsible for filing the appropriate motion, objection, or seek an injunction to prevent disclosure of its Confidential Material. FPUA will provide the Confidential Material only if the Contractor fails to take appropriate action to protect the Confidential Material from disclosure within the timeframe(s) established by the applicable statute, rule or order. The Contractor agrees to protect, defend, and indemnify FPUA and its members and employees from all claims, fines or costs, including attorney's fees, arising from or relating to the designation of Confidential Material.

[signatures are on the following page]

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals to this Contract the day and year set forth below.

Signed, sealed and delivered in the presence of:

VANCOREJONES COMMUNICATIONS, LLC

BY: _____
Signature/Officer of Firm (Manual)

Steven J VanCore
Name (Typed or Printed)

TITLE: President

DATE: 12-27-22

ATTEST:

_____
Secretary

(FPUA Seal)

FORT PIERCE UTILITIES AUTHORITY

BY: _____
Chairman

DATE: _____

APPROVED AS TO FORM & CORRECTNESS:

BY: _____
Fort Pierce Utilities Authority Attorney

SV

ATTACHMENT A

REQUIRED LIMITS OF INSURANCE
FOR
FORT PIERCE UTILITIES AUTHORITY
TYPE III

Contractor shall, at its own expense, procure and maintain throughout the term of this Agreement, with insurers acceptable to the Fort Pierce Utilities Authority (FPUA), the types and amounts of insurance conforming to the minimum requirements set forth herein.

Workers' Compensation/Employers' Liability - Such insurance shall be no more restrictive than that provided by the Florida Workers Compensation Act. In addition to coverage for the Florida Workers' Compensation Act, where appropriate, coverage is to be included for the Federal Employer's Liability Act and any other applicable Federal or State law. The Workers' Compensation policy must be endorsed to waive the insurer's right to subrogate against FPUA, and its members, officials, officers and employees.

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Part One:	"Statutory"	
Part Two:	$ 500,000	(Each Accident)
	$ 500,000	(Disease-Each Employee)
	$1,000,000	(Disease-Policy Limit)

Commercial General Liability - The limits are to be applicable only to work performed under the Contract and shall be those that would be provided with the attachment of the Amendment of Limits of Insurance (Designated Project or Premises) endorsement (ISO Form CG 25 03) to a Commercial General Liability policy. FPUA (and if required the project engineer) and its board members, officials, officers and employees shall be included as "Additional Insureds" on a form no more restrictive than ISO Form CG 20 10 (Additional Insured - Owners, Lessees, or Contractors).

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Each Occurrence	$1,000,000
Personal and Advertising Injury	$1,000,000
General Aggregate	$2,000,000
Products/Completed Operations Aggregate	$2,000,000

Contractor shall continue to maintain products/completed operations coverage in the amounts stated above for a period of three (3) years after the final completion of the Work. The insurance shall be on a form no more restrictive than, and shall cover those sources of liability which would be covered by Coverage A of, the latest occurrence form edition of the Commercial General Liability Coverage Form (ISO Form CG 00 01), or of the occurrence Products/Completed Operations Liability Coverage Form (ISO Form CG 00 37), as filed for use in the State of Florida by ISO, without restrictive endorsements other than mandatory endorsements under an ISO filing.

Automobile Liability - Such insurance shall cover all owned, non-owned, and hired autos used in connection with the performance of the work, and shall not be subject to any aggregate limit.

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Each Occurrence Bodily Injury and Property Damage Liability Combined	$500,000

Property Insurance - If the Contract includes construction of or additions to above-ground buildings or structures, or installation of machinery or equipment, the Contractor shall provide Builder's Risk insurance or an Installation Floater. Such insurance shall be provided on an all risk basis. The minimum amount of insurance shall be 100% of the installed replacement value of the installation.

Professional Liability - If the Contract includes a requirement for professional liability insurance, such insurance shall be on a form acceptable to FPUA and shall cover the Contractor for those sources of liability arising out of the rendering or failure to render professional services in the performance of the services required in the agreement. Coverage must either be on an occurrence basis; or, if on a claims made basis, the coverage must respond to all claims reported within three (3) years following the period for which coverage is required and which would have been covered had the coverage been on an occurrence basis.

The minimum limits (inclusive of any amount provided by an umbrella or excess policy) shall be:

Each Occurrence/Annual Aggregate	$1,000,000 Project Specific

Miscellaneous Provisions - The insurance provided by Contractor shall apply on a primary and non-contributory basis to any insurance or self-insurance maintained by FPUA. Any insurance, or self-insurance, maintained by FPUA shall be excess of the insurance provided by Contractor.

The insurance maintained by Contractor shall apply on a first dollar basis without application of a deductible or self-insured retention. Under limited circumstances, FPUA may permit the application of a deductible or permit Contractor to self-insure, in whole or in part, one or more of the insurance coverages required by this Agreement. In such instances, Contractor shall pay on behalf of FPUA or FPUA's board members, officials, officers and employees any deductible or self-insured retention applicable to a claim.

Compliance with these insurance requirements shall not limit the liability of Contractor or the remedies available to FPUA under this Agreement or otherwise. If Contractor obtains insurance with higher limits than the requirements herein, those higher limits shall apply.

Evidence of Insurance - Contractor shall not commence work until the required insurance is in force and evidence of insurance acceptable to FPUA has been provided and approved by FPUA. **An appropriate Certificate of Insurance (identifying the project) signed by an authorized representative of the insurer(s), with copies of the actual additional insured endorsement and notice of cancellation endorsement as issued on the policies, shall be satisfactory evidence of insurance.** With respect to Property Insurance, Contractor shall provide a Certificate of Property Insurance form or other evidence satisfactory to FPUA.

Until such insurance is no longer required by this Agreement, Contractor shall provide FPUA with renewal or replacement evidence of insurance at least thirty (30) days prior to the expiration or termination of such insurance. Contractor shall, within thirty (30) days of a written request from FPUA, provide FPUA with a certified copy of the policy or policies providing the coverage required herein. Contractor or its agent may redact or omit provisions of the policy that are not relevant to the insurance required herein.

Policies shall be endorsed to provide FPUA with 30 days' notice of cancellation.

Certificates of Insurance must be completed as follows:

Additional Insured:
Fort Pierce Utilities Authority (and if required the project engineer) and its board members, officials, officers and employees

Certificate Holder
Fort Pierce Utilities Authority
Attn: Risk Management
PO Box 3191
Fort Pierce FL 34948-3191

Certificates may be emailed to: risk@fpua.com

(Rev. 02/2019)

ATTACHMENT B (See Proposal Below)

POA 23-41-023

Nancy Palka

From: Steve Vancore <svancore@vancorejones.com>
Sent: Tuesday, December 20, 2022 1:53 PM
To: Elba Cendejas
Cc: Rachel Tennant; Teresa Coulter; Drew Jones
Subject: Re: FPUA Contract Amendment No. 3

FOR NEW CONTACT

CAUTION: This email originated from outside of FPUA. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Also, the pricing that we currently have ($3K per month for wrf and $1K per month for additional support until a position is filled) is also fine.

From: Steve Vancore <svancore@vancorejones.com>
Date: Tuesday, December 20, 2022 at 1:43 PM
To: Elba Cendejas <cendejas@fpua.com>
Cc: Rachel Tennant <rtennant@fpua.com>, Teresa Coulter <tcoulter@vancorejones.com>, Drew Jones <djones@vancorejones.com>
Subject: Re: FPUA Contract Amendment No. 3

Thanks Elba. Have a great holiday!

From: Elba Cendejas <cendejas@fpua.com>
Date: Tuesday, December 20, 2022 at 1:00 PM
To: Steve Vancore <svancore@vancorejones.com>
Cc: Rachel Tennant <rtennant@fpua.com>, Teresa Coulter <tcoulter@vancorejones.com>, Drew Jones <djones@vancorejones.com>
Subject: RE: FPUA Contract Amendment No. 3

Good Afternoon,

Received, thank you. This will be presented at our next board meeting. A fully executed copy will be emailed to you after the board meeting.

Thanks again,

Elba Cendejas
Risk Program Manager
Regulatory Affairs
Fort Pierce Utilities Authority
cendejas@fpua.com
772.466.1600 ext. 3227

From: Steve Vancore <svancore@vancorejones.com>
Sent: Tuesday, December 20, 2022 12:30 PM
To: Elba Cendejas <cendejas@fpua.com>
Cc: Rachel Tennant <rtennant@fpua.com>; Teresa Coulter <tcoulter@vancorejones.com>; Drew Jones <djones@vancorejones.com>
Subject: FPUA Contract Amendment No. 3

CAUTION: This email originated from outside of FPUA. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Steven J. Vancore
850.528.4109 cell
850.681.8530 ofc

From: Elba Cendejas <cendejas@fpua.com>

Date: Monday, December 19, 2022 at 1:39 PM
To: Steve Vancore <svancore@vancorejones.com>
Cc: Ashley Levin <levin@fpua.com>, Rachel Tennant <rtennant@fpua.com>, Daniel Retherford <retherford@fpua.com>
Subject: FPUA Contract Amendment No. 3

Good Afternoon,

Attached is the FPUA Contract Amendment No. 3 for Strategic Communication Services for your review and signature.

This document must be signed by a person listed as a company officer/director on the company registration with the Florida Division of Corporations (FLDC), or by someone who is authorized to sign contracts on behalf of the company. If signed by someone other than a person listed as a company officer/director on the FLDC website (sunbiz.org), please include a copy of the affidavit or board resolution giving that person signatory/contracting authority.

Please also include the required Certificate of Insurance (COI) and a copy of the Additional Insured Endorsement pages from the Commercial General Liability policy.

If you have any questions, please feel free to contact me.

Thank you,

Please note: Florida has a very broad public records law. Most written communications to or from Fort Pierce Utilities Authority employees regarding government business are public records, available to the public and media upon request. Your e-mail communications may be subject to public disclosure.

Proposal

Strategic Communication Services

Prepared for: Fort Pierce Utilities Authority

Prepared by: Steven J. Vancore
Vanessa Butwell

November 22, 2021

VANCORE JONES COMMUNICATIONS

Executive Summary

This represents a proposal for ongoing strategic communication services and paid educational outreach between VancoreJones Communications, LLC (VJC) and the Fort Pierce Utility Authority (FPUA).

Objective

The FPUA is a municipal utility providing electric, water, wastewater, natural gas, and internet services to residents in the city of Fort Pierce and a portion of unincorporated St. Lucie County. The FPUA is seeking ongoing strategic communications counsel and support with paid community outreach related to a proposed project to relocate the FPUA's wastewater treatment facility in Fort Pierce located off Seaway Drive.

Solution

VancoreJones will work with the FPUA to determine an effective communications strategy to educate water and/or wastewater customers on the proposed facility relocation. We will provide ongoing guidance, strategic support, media guidance and training for all officials who will be speaking on behalf of the project, community outreach strategy, and other related services also as needed.

The goal for this effort is to engage the public and develop community support for a new vision for the community with the relocation of the wastewater treatment facility and the possibilities for new uses for the land it currently sits on.

Budget

Below is a proposed budget that includes paid community outreach to engage the community in the proposed plan to relocate the wastewater treatment facility. All below budget items will be employed on an as-needed basis; if we do not need all budget items to achieve the FPUA's strategic objective, we will not utilize them. Please see Attachment A to this document for more details on each item.

906 Thomasville Road
Tallahassee, Florida 32303
www.vancorejones.com

Our monthly retainer will include strategic communications consulting, messaging development, and support coordinating town halls as needed. VancoreJones will conduct a survey of up to 300 FPUA customers using live operator phone callers and MMS text-to-web invitations to complete the survey.

For video production, we recommend producing a 15-second and 30-second video for paid advertising (the 15-second to direct people to the website and the 30-second to include more messaging) and longer-form 2-3 minute videos for testimonials. VancoreJones will work in conjunction with Redtail Design Group (currently under contract with FPUA) to produce this video content.

Our direct mail plan includes sending two mail pieces to all water and/or wastewater utility customers. We recommend sending oversized mailers to educate customers about the proposed relocation project. The format and content of the mailers will be determined by the results of the FPUA customer survey.

Our digital advertising will utilize videos and banner ads that reinforce our message. The timing of our digital advertising remains to be determined, but will likely be coordinated to surround relevant Council, Board, community meetings, or as directed by FPUA.

Description	Unit Price	Units	Total
Monthly billables to include duties as outlined in this document including strategic counsel, media training, public relations interfacing, and other similar services as needed, typically 10-20 hours per month	$3,000	9	$27,000
FPUA Customer Survey (300 completions)	$22,500	1	$22,500
Optional Services – To be Determined once survey has been completed			
TOTAL			$49,500

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The website we develop will include all available information on the wastewater treatment plant relocation project as well as the long-form testimonial videos we recommend producing.

Reimbursement

Any significant expenses incurred during the execution of this contract will be pre-approved and reimbursed by FPUA. VJC will not be reimbursed for incidental expenses such as paper and phone costs, travel within Leon County, or any other incidental costs associated with the execution of this contract.

Termination

FPUA may cancel this agreement with a 30-day notice, but agrees to pay all outstanding invoices, expenses or fees.

Execution

Accepted by the following for agreement to begin on January 1, 2022:

Fort Pierce Utility Authority	VancoreJones Communications, LLC
By: [signatures are on the signature page]	By: [signatures are on the signature page]
Date:	Date:
Print Name	Print Name

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Attachment A

Below is a comprehensive breakdown of what each budget item included in this proposal entails. Again, all items other than our monthly general consulting retainer are effectively à la carte and will only be deployed as needed based on the ever-evolving nature of the project.

Monthly Billable - $3,000/month

Our monthly retainer includes strategic communications consulting, messaging development, and support coordinating town halls as needed. We will work with the client to determine an effective strategy to educate residents on the proposed wastewater treatment facility relocation. Additionally, we will provide media and public speaking guidance and training for all officials and staff who will be speaking on the project. We will also provide guidance and assistance on hosting public charrettes as needed, including the development of educational talking points and presentation materials suited to the general public. Finally, we will assist in responding to press inquiries as needed and can assist in drafting a guest column for the local newspaper if that is deemed necessary and beneficial for the education of utility customers.

FPUA Customer Survey - $22,500

We may recommend conducting a phone survey of up to 300 FPUA water and/or wastewater customers using live operator phone callers and MMS text-to-web invitations to complete the survey if necessary. This can be used to determine how much customers know about the proposed relocation at the point in time at which the survey is conducted, opinions of the FPUA itself and/or of the proposed relocation, and test what issues relative to the FPUA or their utility services are most important to them. More details on this will be determined with the client and then a questionnaire will be developed to accomplish the client's objectives for the survey.

This cost includes questionnaire development, conducting the survey using a nationally-recognized survey call center, results analysis, final report creation (including analysis and recommendations), and presentation of survey results to relevant stakeholders.

In order to complete the customer survey, the client will need to provide Clearview Research with a list of phone numbers for all present FPUA water and/or wastewater customers.

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OPTIONAL SERVICES – To be determined once survey has been completed (Additional Board Action Required)

Retainer renewal option

We may recommend Retainer be renewed on a monthly basis at a unit cost of $3,000 a month.

Direct Mail - TBD

We may recommend utilizing direct mail for all water and/or wastewater utility customers to inform them of the proposed relocation and educate them on the matter. If we do, we will determine the size of each piece and quantity of unique mailers based on the client's needs. The cost includes graphic design, printing, addressing, sorting, postage, and drop shipping to the local post office sorting facility.

The content of the pieces will be determined based on strategic communications guidance, messaging developed for the project, and input from the client. As with all external communications related to this project, the pieces will be intended to inform and educate FPUA wastewater customers on the proposed wastewater treatment facility relocation.

Digital Advertising - TBD

We may recommend digital advertising to help educate FPUA water and/or wastewater customers on the proposed wastewater treatment facility relocation. The timing of our digital advertising remains to be determined, but will likely be coordinated to surround relevant Council, Board, or community meetings.

Our most common digital advertising platforms include Google Ads (which includes the Google Display Network, Google Search Ads, and YouTube), El Toro (an alternative demand-side platform to Google that increases our reach and placement opportunities across the internet), and Facebook (potentially including Instagram and Messenger).

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While we will use Google Search Ads to direct interested users to our website, all other digital advertising methods target users before they are seeking out related information—which is key to educating an audience who is not informed on the issue. We will employ geographic targets to ensure that FPUA wastewater customers are seeing our video (more details below) and display ads. Display ads will be developed with messaging coordinated to reinforce the video messaging. We will develop display ads in any combination of the following sizes based on the ad placements determined to be most effective: 240x400, 250x250, 300x50, 300x250, 300x600, 320x50, 970x250, and 888x600 pixels.

It is hard to estimate digital ad impressions until the ads have been developed and the strategic placements determined, but we estimate that this project will receive approximately 1.25 million video impressions and 750,000 banner ad impressions.

Website Development & Maintenance - TBD

We may recommend developing a website specific to the potential FPUA wastewater treatment facility relocation project. This will include all available details on the project and our external messaging, which is yet to be developed.

We will begin by defining a site map with the client, which will include the pages the website will contain and their primary topics. Then we will outline the content for each page, which will allow us begin to identify what the layout of each page will ultimately be. Finally, we will develop the site with the site map and content decided upon on a to-be-determined content management system (CMS). We will select a CMS best suited to the scope of the project, while ensuring that it has wide-ranging functionality, customization, and is continually updated so that site features do not become obsolete.

Included in this item as well is the maintenance and hosting of the website for the duration of the project. Further, included is all necessary graphic design and coding.

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Video Production - TBD

In order to utilize digital advertising to educate FPUA water and/or wastewater customers on the proposed wastewater treatment facility relocation, we will need to develop video and static display ads.

For video production, we recommend producing a 15-second and 30-second video. The 15-second video will be primarily intended to direct people to the aforementioned website and the 30-second video will include more messaging. Additionally, we will likely recommend producing a longer-form 2-3 minute videos for testimonials. This video will allow us to communicate more detailed information on the proposed site relocation in a video format for use on the website and in public presentations. We will work in conjunction with Redtail Design Group, which is currently under contract with FPUA, in the production of these videos.

Cost would include the purchase of stock photo and video footage, hiring and directing voiceover talent, video production and editing, video archiving, and revisions as needed.

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