AGENDA
Special, Workshop, and Town Hall City Council Meeting
Monday, April 21, 2025, 6:00 P.M.
Council Chambers, 116 First Street, Neptune Beach, Florida

1. CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE

2. AWARDS / PRESENTATIONS/ RECOGNITION OF GUESTS

   A. Eagle Scout Presentation – Boy Scout Troop 282

   B. Water Conservation Month Proclamation – Douglas Conkey, St. Johns River Water Management District p. 3

3. PUBLIC COMMENTS

4. ORDINANCES

   PH A. ORDINANCE NO. 2025-04, SECOND READ AND PUBLIC HEARING. An Ordinance of the City of Neptune Beach, Florida, Amending Chapter 2. Administration, Article VII. Boards and Commissions by Creating Division 4. Finance and Auditor Selection Committee; Providing Codification, Conflicts, Severability, and Providing An Effective Date p. 4

   PH B. ORDINANCE NO. 2025-06, SECOND READ AND PUBLIC HEARING, An Ordinance of the City of Neptune Beach, Florida, Amending Chapter 7. Beaches and Waterways, Article II, Beach Regulations, By Amending Section 7-29, Beach Personal Vehicle Regulations By Repealing the Ban of Electric Bicycles on the Beach; Providing Codification, Conflicts, Severability, and Providing an Effective Date p. 42

   PH C. ORDINANCE NO. 2025-07, SECOND READ AND PUBLIC HEARING, An Ordinance of the City of Neptune Beach, Florida, Amending the Operating Budget for the City of Neptune Beach, Florida, for Fiscal Year 2025, Beginning October 1, 2024, and Ending September 30, 2025 p. 49

5. RESOLUTIONS

   A. RESOLUTION NO. 2025-08, A Resolution of the City of Neptune Beach, Florida, Appointing Members to the Finance and Auditor Selection Committee p. 54

6. DEPARTMENTAL ITEMS:

   A. Consideration to Rescind Public Works Roof and Related Replacement Project Award p. 59

   B. Consideration to Approve Florida Boulevard Pump Station Automatic Transfer Switch p. 62

7. ADJOURN

WORKSHOP CITY COUNCIL MEETING IMMEDIATELY FOLLOWING THE ABOVE SPECIAL MEETING

1. CALL TO ORDER / ROLL CALL

2. AWARDS / PRESENTATIONS / RECOGNITION OF GUEST / NONE

3. PUBLIC COMMENTS

4. PROPOSED ORDINANCES

   A. ORDINANCE NO. 2025-05, An Ordinance of the City of Neptune Beach, Florida, Amending Chapter 2, Administration, Article VII, Boards and Commissions, By Creating Division 5, Historical Review Board, Providing Codification, Conflicts, Severability, and Providing an Effective Date (For Discussion) p. 103

5. CONTRACTS / AGREEMENTS / NONE

6. ISSUE DEVELOPMENT

   A. Neptune Beach Police Officers' Retirement Fund Board City Council-Appointed Positions Discussion p. 149

7. PUBLIC COMMENTS

8. COUNCIL COMMENTS

9. ADJOURN

TOWN HALL MEETING
IMMEDIATELY FOLLOWING THE ABOVE WORKSHOP

1. CALL TO ORDER / ROLL CALL

2. PUBLIC COMMENTS – SENIOR CENTER

3. PUBLIC COMMENTS – OPEN TOPICS

4. ADJOURN

In accordance with Section 286.0105, Florida Statutes, any person desirous of appealing any decision reached at this meeting may need a record of the proceedings. Such person may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statute, persons with disabilities needing special accommodation to participate in this meeting should contact the City Clerk's Office at least 48 hours prior to the meeting.

Residents attending public meetings can use the code **DD14** to validate their parking session at no cost. After 5:30 on the date of the meeting, follow these steps:

Make sure you are parked in a North Beaches public parking space – we can't validate valet parking or parking in private lots.

- **To use a kiosk:** Using a nearby kiosk, press the Start button and then select 2 to enter your plate and the validation code.
- **To use the Flowbird app:** Tap the nearest yellow balloon and tap "Park here." From the payment screen, select "Redeem a code" at the top. Confirm your information and tap "Purchase" – the price will show "Free."

PROCLAMATION

City of Neptune Beach

WHEREAS, water is a basic and essential need of every living creature; and

WHEREAS, the State of Florida, Water Management Districts and the City of Neptune Beach are working together to increase awareness about the importance of water conservation; and

WHEREAS, the City of Neptune Beach and the State of Florida has designated April, typically a dry month when water demands are most acute, Florida's Water Conservation Month, to educate citizens about how they can help save Florida's precious water resources; and

WHEREAS, the City of Neptune Beach has always encouraged and supported water conservation, through various educational programs and special events; and

WHEREAS, every business, industry, school and citizen can make a difference when it comes to conserving water; and

WHEREAS, every business, industry, school and citizen can help by saving water and thus promote a healthy economy and community; and

WHEREAS, efficient irrigation design, programming, and maintenance can conserve water, the City of Neptune Beach will encourage citizens and businesses to evaluate their irrigation systems for potential efficiency enhancements

NOW, THEREFORE, be it resolved that by virtue of the authority vested in me as Mayor of the City of Neptune Beach and the City Council, this 21st day of April, 2025, do hereby proclaim the month of April as

Water Conservation Month

Neptune Beach, Florida is calling upon each citizen and business to help protect our precious resource by practicing water saving measures and becoming more aware of the need to save water. For this, the 27th year of Water Conservation Month, there will be a special focus on improving outdoor irrigation efficiency.

____

Corrine A. Bylund
Mayor

Special Meeting
Agenda Item #4A
Ord. No. 2025-04
Finance & Auditor Selection Committee

CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT

AGENDA ITEM:	**Ordinance 2025-04 (Second Reading)** AN ORDINANCE OF THE CITY OF NEPTUNE BEACH, FLORIDA, AMENDING CHAPTER 2. ADMINISTRATION, ARTICLE VII. BOARDS AND COMMISSIONS BY CREATING DIVISION 4. FINANCE AND AUDITOR SELECTION COMMITTEE; PROVIDING CODIFICATION, CONFLICTS, SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.
SUBMITTED BY:	Paul Waters, City Attorney
DATE:	April 16, 2025
BACKGROUND:	Ordinance 2025-04 creates a Finance and Auditor Selection Committee to perform statutory duties as required by Section 218.391, Florida Statutes to establish specific auditor firm selection processes and procedures. The Finance and Auditor Selection Committee will also review and make recommendations regarding non-pension investment, debt or asset management strategies; recommend guidelines regarding the City's debt, investment and other financial management policies; and, consider financial matters, including appropriations; budgets; budgetary transfers; financial reporting, bonds; fiscal and investment policies. Attached is the guidance from the Auditor General that provides information for the requirements established by section 218.39, F.S. and references to nonmandatory guidance for committees with oversight responsibilities. Basically, the manual goes in detail on the items on the proposed Ordinance 2025-04. Section 2-489 (2) covers the nonmandatory portion of the recommendations. Also, Attached is Executive Order 25-44 dated February 24, 2025. The EO creates Florida's Department of Government Efficiency, which is modeled after President Trump's DOGE. One of the primary purposes of EO-25-44 is to eliminate financial waste and promote fiscal responsibility among municipalities. Failing to be fiscally responsible places the City in jeopardy of receiving State and Federal grant monies. Therefore, it is recommended that the language of Ordinance 2025-04 remain as-is, or as broad as possible to demonstrate that the City is attempting to comply with EO 25-44. Ordinance No. 2025-04 passed at First Read at the Regular City Council Meeting on March 3, 2025
RECOMMENDATION:	The Council should approve and conduct the Second Reading of Ordinance 2025-04
ATTACHMENT(S):	Ordinance 2025-04 Executive Order 25-44 Guidance Manual from Florida Auditor General

SPONSORED BY: **ORDINANCE NO. 2025-04**

MAYOR CORRINE BYLUND

A BILL TO BE ENTITLED

AN ORDINANCE OF THE CITY OF NEPTUNE BEACH, FLORIDA, AMENDING CHAPTER 2. ADMINISTRATION, ARTICLE VII. BOARDS AND COMMISSIONS BY CREATING DIVISION 4. FINANCE AND AUDITOR SELECTION COMMITTEE; PROVIDING CODIFICATION, CONFLICTS, SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 2, Article VII of the City of Neptune Beach's Code of Ordinances establishes Boards and Commissions**;** and

WHEREAS, it is the Intent of this Ordinance to create a Finance and Auditor Selection Committee to perform statutory duties as required by Section 218.391, Florida Statutes to establish specific auditor firm selection processes and procedures; and

WHEREAS, it is also the Intent of this Ordinance to create a Finance and Auditor Selection Committee to review and make recommendations regarding non-pension investment, debt or asset management strategies; recommend guidelines regarding the City's debt, investment and other financial management policies; and, consider financial matters, including appropriations; budgets; budgetary transfers; financial reporting, bonds; fiscal and investment policies; and,

WHEREAS, the Finance and Audit Committee shall be a special committee formed by members appointed by the Mayor and approved by the City Council and shall be advisory in nature; and

WHEREAS, Effective February 24, 2025, Governor Ron DeSantis enacted Executive Order Number 25-44 (Ensuring Government Efficiency); and

WHEREAS, Executive Order 25-44 established within the Office of Policy and Budget in the Executive Office of the Governor (EOG) an EOG DOGE Team. The EOG DOGE Team shall be responsible for among other duties using publicly available information to identify and report unnecessary spending within county and municipal governments; and recommending legislative reforms to promote efficiency, maximize productivity, and eliminate waste in state and local government; and

WHEREAS, The Florida State DOGE team will create a Task Force and will implement a multi-pronged approach to eliminating bureaucratic bloat and modernizing our state government to best serve the people of Florida including looking into local government expenditures by utilizing publicly available county and municipal spending records to expose bloat within local governance; and

WHEREAS, state and local governments should be efficient, effective, transparent, and responsive and should be held accountable for achieving these goals; and

WHEREAS, fiscal accountability is necessary to ensure good government and to minimize financial burdens on the taxpayer; and

WHEREAS, all levels of government should continue to work to eliminate unnecessary and inappropriate spending; and

WHEREAS, Section 218.391, Florida Statutes mandates that each local government shall use auditor selection procedures when selecting an auditor to conduct the annual financial audit required by Section 218.39, Florida Statutes.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL ON BEHALF OF THE PEOPLE OF THE CITY OF NEPTUNE BEACH, FLORIDA that:

SECTION 1. Chapter 2., Article VII of the Code of Ordinances, City of Neptune Beach, Florida is hereby amended to read as follows: (s~~trikethrough~~ text shall mean deletions and underlined / highlighted text shall mean additions):

ARTICLE VII. BOARDS AND COMMISSIONS AND COMMITTEES

DIVISION 1. GENERALLY

Sec. 2-411. Boards, ~~and~~ commissions and committees subject to certain laws.

Each board, ~~and~~ commission and committee is subject to the provisions of ~~F.S. Chs.~~ Chapters 119, 112 and 286, Florida Statutes (the Public Records Law, Code of Ethics for Public Officers and Employees and the Government in the Sunshine Law, respectively.). Each prospective member of a board, ~~or~~ commission or committee of the city shall be provided with a copy or summary of ~~F.S. Chs. F.S. Chs.~~ Chapters 119, 112 and 286, Florida Statutes by the city clerk prior to the prospective member's acceptance of such nomination or appointment. Furthermore, each prospective member shall acknowledge receipt of these documents and shall acknowledge an understanding of the duties and responsibilities of such membership, as imposed by said laws, prior to confirmation of the prospective member by the council. The city clerk shall be designated as custodian of the records of the board, ~~and~~ commission and committee, who shall be responsible for safekeeping and administration according to ~~F.S. Chs.~~ Chapters 119, 112 and 286, Florida Statutes. ~~F.S. Ch. 119.~~

Sec. 2-412. Presiding officer of a board, ~~or~~ commission or committee.

In the event the chair and vice chair are absent from a meeting of a board, ~~or~~ commission or committee of the city, the members present will select a temporary chair for the duration of the absence of the chair or vice chair if a quorum is present.

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DIVISION 4. FINANCE AND AUDITOR SELECTION COMMITTEE

Sec. 2-486. – Established.

A Finance and Auditor Selection Committee for the City of Neptune Beach, Florida, is hereby established as a Special Committee of the City Council to serve as the Auditor Selection Committee as required by Section 218.391, Florida Statutes and to provide other advisory purposes to the City Council and City staff. The Finance and Auditor Committee may be dissolved by a majority vote of City Council at any time, for any reason and members of the Committee serve at the will of the City Council and may be removed with or without cause by a majority vote.

Sec. 2-487. Composition, qualifications and terms of office.

(a) The Finance and Auditor Selection Committee shall consist of three (3) members, one of whom shall be a member of the governing body, who shall serve as the committee Chair, the other members will be members of the public. All members of the Finance and Audit Committee shall be appointed by the Mayor and confirmed by the City Council. The two members of the public shall have backgrounds in accounting, banking, business, and/or finance.

(b) The terms of members of the Finance and Auditor Selection Committee shall be for two years. Members may be reappointed by the Mayor for one additional consecutive two-year term.

(d) All members of the Finance and Auditor Selection Committee shall serve without compensation.

(e) Whenever vacancies occur, a person qualified shall be appointed by the Mayor and approved by the City Council to fill such vacancies for the unexpired term.

(f) An employee, a chief executive officer, or a chief financial officer of the City may not serve as a member of the Finance and Auditor Selection Committee; however, they may serve in an advisory capacity.

Sec. 2-488. Meetings.

The Finance and Auditor Selection Committee shall hold at least one meeting per month or any time otherwise deemed necessary by the Finance and Auditor Selection Committee or as directed by the City Council. Meetings of the Finance and Auditor Selection Committee shall be conducted during normal office hours (between the hours of 8:00 a.m. and 5:00 p.m.). Meetings of the Finance and Auditor Selection Committee shall be held in City Hall unless it is necessary to change locations for providing public access and previous notice is properly published. Members of the Finance and Auditor Selection Committee are expected to attend each committee meeting in person. More than three unexcused absences in a rolling twelve-month period shall be grounds for removal for cause. All meetings of the Finance and Auditor Selection Committee shall be publicly noticed and an agenda shall be published at least five days prior to the meeting. The City

Clerk or their designee shall record audio of the meetings and shall prepare meeting minutes.

Sec. 2-489. Powers and Duties

1. Primary Purpose. The primary purpose of the Finance and Auditor Selection Committee is to serve as the Auditor Selection Committee as required by Section 218.391, Florida Statutes. The Finance and Auditor Selection Committee shall fully comply with the requirements of Section 218.391, Florida Statutes in addition to its other duties and responsibilities enumerated herein.

(a) **RFP for Auditor**: In its capacity as the Auditor Selection Committee, the Finance and Auditor Selection Committee shall:

i. Establish factors to be used on the Request For Proposal (RFP) for the evaluation of audit services to be provided by an auditing firm.

ii. Publicly announce the RFP.

iii. Provide interested firms with the RFP.

iv. Evaluate proposals provided by qualified firms.

v. Rank and recommend in order of preference of no fewer than three (3) firms deemed to be the most highly qualified to perform the required services. If fewer than three (3) firms respond to the RFP, the committee shall recommend such firms as it deemed to be the most qualified.

(b) **Results of Audit**. The auditors engaging in conducting the annual financial audit shall report the results of the audit directly to the Finance and Audit Committee. The Finance and Audit Selection Committee shall present the results of the audit together with any recommendation, if applicable, to the City Council. The Committee shall:

i. Review, evaluate, and establish internal controls and adequate management process and make recommendations, as necessary, for improvement.

ii. Review the Management letter that is required to be submitted as a part of the audit report.

iii. Develop a process for identifying and recommending what may be needed to improve the auditor's performance.

iv. The Finance Director and other relevant staff are responsible to implement corrective action related to audit findings, but the Finance and Auditor Selection Committee should be responsible for monitoring management's implementation.

2. Other Powers and Duties. The powers and duties of the Finance and Auditor Selection Committee beyond what are mandated by Section 218.391, Florida Statutes are advisory in nature and any recommendations are subject to final approval of the City Council. The purpose of these duties is to comply with Executive Order 25-44. In addition to those other duties described herein, the Finance and Auditor Selection Committee may also serve other oversight purposes and the Committee shall at a minimum:

(a) Review proposals for the issuance of debt by the City and make recommendations concerning those proposals to the City Council;

(b) Make recommendations to the City Council concerning the appointment and compensation of bond counsel, investment advisors and underwriting firms that may be used by the City, and to oversee the work performed by these individuals and firms on behalf of the City;

(c) Meet with and request information from City staff, independent auditors and advisors or outside counsel, as necessary to perform the duties of the Finance and Auditor Selection Committee;

(d) Review proposals relating to the repayment of debt or other long-term financing arrangements by the City;

(e) Review and make recommendations to the City Council regarding any proposed procurements submitted to the Finance and Auditor Selection Committee by the City's Chief Financial Officer or City Manager;

(f) Review the effectiveness of the City's various financial policies and strategies and make recommendations as appropriate to the City Council;

(g) Upon approval of the City Council, the Finance Committee may retain the services of outside legal counsel, Financial Advisor and an Investment Consultant to assist in the performance of its functions;

(h) Monitor and ensure financial reporting and compliance;

(i) Review budget amendments and submit recommendations to the City Council; and,

(j) Prepare an annual report and recommendations to the City Council as more fully described herein.

Sec. 2-490. Annual Report and Recommendations to the City Council

The Finance and Auditor Selection Committee shall prepare an annual report for submission to the City Council at least 45 days prior to the City Council's adoption of the annual budget. The annual report shall at least contain those items listed in this Section. The City Council may request periodic reports on specific items more frequently than annually including:

(a) A self-evaluation of its performance of its duties, including its effectiveness and compliance with its responsibilities herein;

(b) A review and recommended changes to the City's fee schedules;

(c) A review of the scope and terms of the City's insurance policies and liability coverage;

(d) Recommendations concerning the level of debt and nature of debt incurred by the City;

(e) Review the City's proposed annual operating budget as presented by the City's Chief Financial Officer or City Manager for the upcoming fiscal year;

(f) A report on the City's compliance with its adopted budget during the fiscal year (actual verses estimated budget);

(g) Review of the City's investments and evaluation of assets;

(h) Address risk management areas;

(i) A review and recommendations regarding the financial policies and procedures of the City;

(j) Review the financial aspects of major proposed transactions, significant expenditures, new programs and services, as well as proposals to discontinue programs or services and making action recommendations to the City Council; and

(k) Any other financial matter related to the City that the Finance and Auditor Selection Committee deems appropriate and necessary for review and presentation to the City Council.

SECTION 2: Codification. The provisions of this Ordinance shall become and be made a part of the *Code of Ordinances of the City of Neptune Beach, Florida* and the sections of this Ordinance may be renumbered or re-lettered to accomplish such intention and the word "Ordinance", or similar words, may be changed to "Section," "Article", or other appropriate word; provided, however, that Sections Three, Four, Five, and Six shall not be codified.

SECTION 3. Conflict. All ordinances, resolutions, official determinations, or parts thereof previously adopted or entered by the City or any of its officials and in conflict with this ordinance are repealed to the extent inconsistent herewith.

SECTION 4. Severability. If a Court of competent jurisdiction at any time finds any provision of this Ordinance to be unlawful, illegal, or unenforceable, the offending provision shall be deemed severable and removed from the remaining provisions of this Ordinance which shall remain in full force and intact.

SECTION 5. Effective Date. This ordinance shall immediately take effect upon second reading and approval.

VOTE RESULTS OF FIRST READING:

Mayor Corrine Bylund	YES
Vice Mayor Nia Livingston	YES
Councilor Josh Messinger	NO
Councilor Brent Rogers	YES
Councilor Tim Horvath	YES

Passed at First Reading this 3rd day of March, 2025.

VOTE RESULTS OF SECOND READING:

Mayor Cori Bylund	____
Vice Mayor Nia Livingston	____
Councilor Josh Messinger	____
Councilor Brent Rogers	____
Councilor Tim Horvath	____

____
Corrine A. Bylund, Mayor

ATTEST:

____
Catherine Ponson, City Clerk

Approved as to form and content:

____
Paul Waters, City Attorney

STATE OF FLORIDA

OFFICE OF THE GOVERNOR
EXECUTIVE ORDER NUMBER 25-44

(Ensuring Government Efficiency)

WHEREAS, state and local governments should be efficient, effective, transparent, and responsive and should be held accountable for achieving these goals; and

WHEREAS, fiscal accountability is necessary to ensure good government and to minimize financial burdens on the taxpayer; and

WHEREAS, all levels of government should continue to work to eliminate unnecessary and inappropriate spending; and

WHEREAS, the State of Florida has a strong record of responsible fiscal management and stewardship; and

WHEREAS, in addition to balancing the budget each year, my Administration has consistently strived toward streamlining government; and

WHEREAS, for example, the Fiscal Year 2024-2025 "Focus on Florida's Future" Budget saved Florida taxpayers $3.5 billion; and

WHEREAS, Florida has paid down 41% of the State's total historic tax-supported debt since 2019; and

WHEREAS, Florida's debt per capita is estimated to have decreased by 54% from $1,457 in Fiscal Year 2010-2011 to $664 in Fiscal Year 2023-2024; and

WHEREAS, the State has maintained a triple-A credit rating, has one of the lowest tax burdens in the country, and has increased rainy-day reserves by over $9.4 billion; and

WHEREAS, my Administration's proposed Fiscal Year 2025-2026 "Focus on Fiscal Responsibility" Budget will lower spending even further, saving Florida taxpayers $3 billion compared to the current year budget; and

WHEREAS, the proposed Fiscal Year 2025-2026 budget eliminates over 740 state government positions, recommends $2.2 billion in tax relief, and requires a thorough review of federal grant funding received and expended in the State; and

WHEREAS, Florida has the lowest ratio of state government workers to population; and

WHEREAS, because of Florida's low regulatory footprint, Florida has consistently been ranked one of the top states in which to conduct business; and

WHEREAS, notwithstanding Florida's history of prudent fiscal management relative to many states in the country, the State should nevertheless endeavor to explore opportunities for even better stewardship of state and local resources; and

WHEREAS, for example, the Trump Administration has created the Department of Government Efficiency ("DOGE") to employ innovative technology to identify and eliminate unnecessary and oftentimes frivolous spending, to maximize governmental efficiency and productivity, and to reform the federal workforce; and

WHEREAS, the State of Florida should leverage cutting edge technology to identify further spending reductions and reforms in state agencies, university bureaucracies, and local governments that have increased their spending, to include identifying and returning unnecessary federal grant funding.

NOW, THEREFORE, I, RON DESANTIS, as Governor of Florida, by virtue of the authority vested in me by Article IV, Section 1(a) of the Florida Constitution, and all other applicable laws, promulgate the following Executive Order, to take immediate effect:

Section 1. There shall be established within the Office of Policy and Budget in the Executive Office of the Governor (EOG) an EOG DOGE Team. The EOG DOGE Team shall be responsible for (1) ensuring compliance with this Executive Order; (2) using publicly available information to identify and report unnecessary spending within county and municipal governments; (3) coordinating with the Board of Governors of the State University System of Florida and the State Board of Education to identify and eliminate unnecessary spending, programs, courses, staff, and any other inefficiencies within the State University System and the Florida College System; and (4) recommending legislative reforms to promote efficiency, maximize productivity, and eliminate waste in state and local government. The EOG DOGE Team shall report any legislative recommendations to the Governor, the Chief Financial Officer, the President of the Senate, and the Speaker of the House of Representatives no later than September 30, 2025.

Section 2. Each state agency shall establish an Agency DOGE Team that shall be responsible for (1) utilizing advanced technology, such as artificial intelligence, as part of ongoing efforts to identify and eliminate unnecessary spending, programs, or contracts within the agency; (2) identifying any pending or funded federal grant awards that are inconsistent with the policies of this State and should be returned to the American taxpayer in furtherance of the President's DOGE efforts; and (3) recommending administrative or legislative reforms to promote efficiency, maximize productivity, and eliminate waste in state and local government, including recommendations to leverage modern technology and to eliminate the duplication of services, reduce fees, and cut overhead. Each Agency DOGE Team shall report its progress on the foregoing responsibilities to the EOG DOGE Team on a monthly basis until this Executive Order expires.

Section 3. The Board of Governors of the State University System of Florida and the State Board of Education shall collaborate with the EOG DOGE Team to identify and eliminate unnecessary spending, programs, courses, staff, and any other inefficiencies within the State University System and the Florida College System.

Section 4. This Executive Order shall be implemented in accordance with state and federal law and with existing staff and funding. To the maximum extent possible, agencies should employ the most innovative technology feasible to carry out the responsibilities assigned in this Executive Order.

Section 5. This Executive Order is effective immediately and shall expire on March 31, 2026.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 24th day of February, 2025.

RON DESANTIS, GOVERNOR

ATTEST:

SECRETARY OF STATE

STATE OF FLORIDA
AUDITOR GENERAL

AUDITOR SELECTION
AND
AUDITOR SELECTION COMMITTEE
GUIDANCE

EFFECTIVE FOR AUDITS FOR FISCAL YEARS ENDED SEPTEMBER 30, 2021, AND THEREAFTER

SEPTEMBER 2021

Table of Contents

Auditor Selection Law

Section 218.391, Florida Statutes,[1] the auditor selection law, establishes required procedures for the selection of auditors to perform the financial audits required by Section 218.39, Florida Statutes, for counties, municipalities, special districts, district school boards, charter schools, and charter career technical centers. These procedures help ensure selection of a qualified auditor and satisfactory audit effort. Section 218.391, Florida Statutes, is included as Appendix A to this document.

The established auditor selection process requires a request for proposal (RFP) for the solicitation of the necessary audit services, and a selection and negotiation process in which fees cannot be the sole or predominant reason for selecting a particular audit firm.

The auditor selection law requires that the governing body of each county, municipality, special district, district school board, charter school, and charter technical career center establish an auditor selection committee. Section 218.391(2)(d), Florida Statutes, provides that while the primary purpose of the auditor selection committee is to assist the governing body in selecting an auditor to conduct the financial audit, the auditor selection committee may serve other audit oversight purposes as determined by the entity's governing body.

The purpose of this document, which was initially prepared by an Auditor Selection Task Force[2] established by the Auditor General, is to provide additional nonmandatory guidance regarding the auditor selection committee and the selection of auditors for performing the financial audit required by Section 218.39, Florida Statutes. Specifically, this document provides guidance in the following areas:

- Composition of auditor selection committees.
- Responsibilities of auditor selection committees.
- Audit proposal evaluation factors.
- Use and elements of an RFP for audit services.
- Use and elements of audit services contracts.

Additional auditor selection topics are included in Appendix B - Questions and Answers. A listing of resources used to prepare this guidance is included in Appendix C.

This document includes numerous references to guidance from the Government Finance Officers Association (GFOA) for audit committees because such guidance is relevant to auditor selection committees assigned audit oversight responsibilities.

Auditor Selection Committee Composition and Size

Legal Requirements

Section 218.391, Florida Statutes, provides that the auditor selection committee for a county must, at a minimum, include each of the county officers elected pursuant to the county charter or Article VIII, Section 1(d) of the State Constitution, or their respective designees, and one member of the board of county commissioners or its designee. The auditor selection committee for a municipality, special district, district school board, charter school, or charter technical career center must consist of at least three

[1] All statutory references in this guidance are to the 2020 Florida Statutes.

[2] The Task Force included representatives of the Florida Association of Counties, Florida Association of Court Clerks and Controller, Florida Association of Public Purchasing Officers, Florida Association of Special Districts, Florida Government Finance Officers Association, Florida Institute of Certified Public Accountants, Florida League of Cities, and Florida School Finance Officers Association. Also included were representatives of the Auditor General's Office, the Legislative Auditing Committee, and the former Legislative Committee on Intergovernmental Relations.

members, one of which must be a member of the governing body and who must serve as the committee chair.

No employee of the county, municipality, special district, district school board, charter school, or charter technical career center may serve as a member of the auditor selection committee; however, an employee of the county, municipality, special district, district school board, charter school, or charter technical career center may serve in an advisory capacity.

Nonmandatory Guidance

The effectiveness of an auditor selection committee in performing its assigned duties is dependent on the qualifications and skills of its members and the relationship of the members to the governing body.

GFOA Best Practices[3] recommend the following regarding the composition of audit committees, which would also apply to auditor selection committees:

- *Ideally, all members of the committee should possess or obtain a basic understanding of governmental financial reporting and auditing. The audit committee also should have access to the services of at least one financial expert, either a committee member or an outside party engaged by the committee for this purpose. Such a financial expert should through both education and experience, and in a manner specifically relevant to the government sector, possess 1) an understanding of generally accepted accounting principles and financial statements; 2) experience in preparing or auditing financial statements of comparable entities; 3) experience in applying such principles in connection with the accounting for estimates, accruals, and reserves; 4) experience with internal controls; and 5) an understanding of audit committee functions.*

  For governmental entities experiencing difficulty in acquiring financial expertise on the audit committee, alternative means of acquiring such expertise include, but are not limited to, obtaining assistance from another governmental entity's chief financial officer, engaging an independent financial professional, or providing a training program for audit committee members to develop the necessary financial knowledge.

- *To ensure the committee's independence and effectiveness, no governing body member who exercises managerial responsibilities that fall within the scope of the audit should serve as a member of the audit committee.*

  GFOA Best Practices[4] suggest that the actual audit committee membership be composed of the governing body or a subset of the governing body. Under this approach, it is likely that the entity will need to engage an outside party to obtain the needed experience in governmental financial reporting and auditing. The audit committee members should be provided an orientation on the duties and responsibilities of the committee, including such topics as objectives of internal control, accounting, auditing, and financial reporting to assist in making sound judgments.

- *An audit committee should have sufficient members for meaningful discussion and deliberation, but not so many as to impede its efficient operation. As a general rule, the minimum membership of the committee should be no fewer than three.*

  Another factor that could affect the size of the audit committee, particularly in smaller communities, is the availability of individuals who possess both the skills desired of an audit committee member and the willingness to make the commitment to perform effectively as a member. It is important that the entity not compromise these factors, as well as independence considerations, in establishing the size of the audit committee.

[3] GFOA's Best Practice: *Audit Committees*.

[4] GFOA's Best Practice: *Audit Committees*.

- *Members of the audit committee should be educated regarding both the role of the audit committee and their personal responsibility as members, including their duty to exercise an appropriate degree of professional skepticism.*

  GFOA Best Practices[5] suggest that audit committee members be provided training regarding the audit committee function. This is particularly critical where the committee members are governing body members who may not possess the needed experience in governmental financial reporting and auditing. At a minimum, such training might include making members familiar with this guidance and the publications referenced herein.

Small Government Considerations

Smaller entities may experience difficulty in obtaining the necessary experience in governmental financial reporting and auditing from a source that is independent from financial management of the entity. Qualified persons willing to provide such experience may simply not be available within the community. In such instances, the small entity might consider consulting with larger entities in the area to identify employees or consultants of those entities who might be willing to work with their auditor selection committee. A smaller entity may also opt to include members of the auditor selection committee of the larger entity on its auditor selection committee. Regardless of the method used to provide an auditor selection committee function, ultimate responsibility for the selection of the auditor rests with the governing body.

Auditor Selection Committee Responsibilities

Legal Requirements

The primary purpose of the auditor selection committee, as contemplated in Section 218.391, Florida Statutes, is to assist in the selection of an auditor to conduct the financial audit required by Section 218.39, Florida Statutes.

Section 218.391(3), Florida Statutes, establishes the duties of the auditor selection committee to include:

- Establishment of factors to be used for the evaluation of audit services to be provided by an audit firm.
- Public announcement of an RFP.
- Provision of interested firms with the RFP.
- Evaluation of proposals provided by qualified firms.
- Ranking and recommendation in order of preference of no fewer than three firms deemed to be the most highly qualified to perform the required services. If fewer than three firms respond to the RFP, the committee shall recommend such firms as it deems to be the most highly qualified.

The auditor selection committee may also serve other audit oversight purposes as determined by the entity's governing body.

Nonmandatory Guidance

- Establishment of the Auditor Selection Committee. GFOA Best Practices[6] advise that the audit committee be formally established by charter, enabling resolution, or other appropriate legal means. Likewise, Florida local governmental entity auditor selection committees should be formally established by charter, ordinance, resolution, or written policies and procedures adopted by the governing body. In addition to addressing the composition of the auditor selection committee (see the previous section, Auditor Selection Committee Composition and Size), the formal means by which the auditor selection committee is established should define the

[5] GFOA's Best Practice: *Audit Committees*.

[6] GFOA's Best Practice: *Audit Committees*.

committee's responsibilities and prescribe committee member qualifications consistent with GFOA recommendations.

GFOA Best Practices[7] recommend that the audit committee be established in such a manner that the auditors engaged to conduct the financial audit report directly to the audit committee. If the auditor selection committee is assigned oversight responsibilities with respect to the independent audit and the establishment of internal controls and adequate management processes, the GFOA's Best Practice: *Audit Committees* (October 2008) should be consulted for additional guidance.

- Auditor Selection Committee Responsibilities. GFOA Best Practices[8] indicate that an audit committee is a practical means for a governing body to provide much needed independent review and oversight of the government's financial reporting processes, internal controls, and independent auditors. GFOA Best Practices further indicate that, by effectively carrying out its functions and responsibilities, an audit committee helps to ensure that management properly develops and adheres to a sound system of internal controls, that procedures are in place to objectively assess management's practices, and that the independent auditors, through their own review, objectively assess the entity's financial reporting practices.

  The GFOA's publication, *Governmental Accounting, Auditing, and Financial Reporting* (2020), also known as the GFOA Blue Book,[9] indicates that governing bodies are responsible for ensuring that management fulfills its obligations in regard to internal control and financial reporting. The GFOA Blue Book[10] also indicates that governing bodies typically establish audit committees for this purpose and audit committee responsibilities, in addition to audit oversight, include selecting the auditors. Accordingly, although State law assigns this task to the auditor selection committee, consideration should be given to using the auditor selection committee as an audit committee as contemplated by the GFOA.

  The GFOA Blue Book[11] further indicates that:

  - The auditors should report directly to the audit committee.
  - The audit committee should have access to the reports of any internal auditors, as well as access to any annual internal audit work plans.
  - The audit committee should publish the results of its work in an annual written report to the governing body.

  Should the auditor selection committee be assigned audit oversight responsibilities that are in addition to the statutorily mandated auditor selection committee responsibilities (i.e., used as an audit committee as contemplated by the GFOA), consideration should be given to GFOA guidance regarding audit committee responsibilities. For example, the GFOA's *Audit Management Handbook* (GFOA Handbook) recommends that, in addition to auditor selection, the audit committee perform the following functions:

  - Monitoring the Audit
    - Monitoring Activity During the Audit. The GFOA Handbook[12] indicates that concerns of interest to the audit committee during the audit would include whether the audit is progressing on schedule and whether potential problems are identified and immediately corrected, if appropriate. Potential problems might include difficulties in gathering information or contacting key personnel, discovery of instances or indications of fraud,

[7] GFOA's Best Practice: *Audit Committees*.

[8] GFOA's Best Practice: *Audit Committees*.

[9] GFOA Blue Book, Chapter 43, page 43-1.

[10] GFOA Blue Book, Chapter 43, pages 43-1 and 43-2.

[11] GFOA Blue Book, Chapter 43, pages 43-2 through 43-4.

[12] GFOA Handbook, Chapter 6, pages 87 and 88.

waste, or abuse that require immediate attention, and circumstances that could result in a modified opinion. Monitoring can be accomplished through periodic progress reports or meetings.

- Review of Final Audit Reports. The GFOA Handbook[13] recommends that the audit committee review each of the auditor's reports to gain a thorough understanding of problems identified by the auditor to provide the background needed to address resolution of the problems. In view of the emphasis placed on management letters in Florida law and the Rules of the Auditor General,[14] an auditor selection committee assigned audit oversight responsibilities should review the management letters required to be submitted as a part of the audit report. For the committee to effectively review the results of the audit, the results must be communicated in a manner that assures a thorough understanding by the committee members. In lieu of relying solely on the delivery of a written audit report, this might be accomplished at a public meeting[15] in which committee members have an opportunity to ask questions of the auditors. This could be done either in addition to, or in conjunction with, a public meeting of the entity's governing body at which governing body members would also have an opportunity to question the auditors. If the findings are presented at a governing body meeting, consideration should be given to a meeting convened solely or predominantly for this purpose to assure that the findings are adequately communicated.

- Audit Resolution

  The GFOA Handbook[16] points out that while it is management's responsibility to implement corrective action related to audit findings, the audit committee should be responsible for monitoring management's implementation. The GFOA Handbook suggests that governing bodies may want to require management to answer to the governing body for any failure to implement corrective action plans in a timely manner to the satisfaction of the audit committee.

  Specified entities are required by Auditor General Rule 10.558(2) to provide the Auditor General with responses to all audit findings included in their financial audit reports. The responses are required to include corrective action designed to prevent recurrence of any findings included in the audit report.

- Auditor Evaluation

  The GFOA Handbook[17] views auditor evaluation as the first step of the subsequent year's audit procurement or, if audit procurement is not scheduled for the subsequent year, a process for identifying and recommending needed improvements in the auditor's performance. The GFOA Handbook recommends that the audit committee meet with management to discuss matters pertaining to the auditor's performance, including: ability to meet deadlines; compliance with other provisions of the audit contract; competence and cooperativeness of the audit staff; and thoroughness and reasonableness of audit adjustments, findings, and recommendations.

  In assessing the overall effectiveness of the audit, the auditor selection committee may determine a need for audit procedures that are in addition to the minimum procedures

[13] GFOA Handbook, Chapter 6, pages 88 through 91.

[14] All references in this guidance to Rules of the Auditor General rules are to *Chapter 10.500, Rules of the Auditor General* effective for fiscal years ending September 30, 2020, and thereafter.

[15] Auditor selection committee meetings are subject to the Sunshine Law (Section 286.011, Florida Statutes) as discussed in question 11 of Appendix B - Questions and Answers.

[16] GFOA Handbook, Chapter 6, page 92.

[17] GFOA Handbook, Chapter 6, page 92.

necessary to issue an opinion on financial statements. Such information would be useful in preparing future requests for proposals.

- Communications with the Auditor Selection Committee. If the auditor selection committee is assigned audit oversight responsibilities (i.e., is acting as an audit committee), effective communication between the auditors and the auditor selection committee is necessary. Financial audits conducted pursuant to Section 218.39, Florida Statutes, must be conducted in accordance with auditing standards generally accepted in the United States[18] and government auditing standards.[19] Auditing standards generally accepted in the United States require that auditors communicate certain matters with the audit committee or other subgroup of those charged with governance[20] and communicate with the audit committee regarding internal control-related matters[21] and identified or suspected noncompliance with laws and regulations.[22]

Small Government Considerations

While smaller entities may lack the resources to expand the use of the auditor selection committee to accommodate all or many of the nonmandatory audit oversight functions described above, all entities, regardless of size, are required to use the committee for auditor selection. The entities are encouraged to use the auditor selection committees for the other functions to the extent available in their particular circumstances. Additional discussion regarding the establishment of auditor selection committees by small governments is included in the Auditor Selection Committee Composition and Size section.

Audit Proposal Evaluation Factors

Legal Requirements

Section 218.391(3)(a), Florida Statutes, requires that the auditor selection committee establish factors to be used for the evaluation of audit services to be provided and that such factors include, but not be limited to, ability of personnel, experience, ability to furnish the requested services, and such other factors as may be determined by the committee to be applicable to the particular requirements. Section 218.391(3)(d), Florida Statutes, prohibits the use of compensation as the sole or predominant factor for evaluating proposals.

Nonmandatory Guidance

Consistent with Florida law, GFOA Best Practices[23] state "The audit procurement process should be structured so that the principal factor in the selection of an independent auditor is the auditor's ability to perform a quality audit. Price should not be allowed to serve as the sole criterion for selection of an independent auditor."

- Audit Firm Qualifications. While Florida law prescribes minimal audit firm qualifications that must be considered in selecting an auditor, the *GFOA Handbook*[24] describes an evaluation process to be used in selecting the auditor that includes certain mandatory criteria that must be met by the auditor to qualify for further consideration. The criteria listed by the *GFOA Handbook* include:

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[18] These standards are promulgated by the AICPA in its publication *AICPA Professional Standards*. All references in this guidance to *AICPA Professional Standards* are to such standards codified as of July 1, 2020.

[19] These standards are promulgated by the Comptroller General of the United States in the publication *Government Auditing Standards.*

[20] *AICPA Professional Standards*, AU-C Sections 260.08 -.14.

[21] *AICPA Professional Standards*, AU-C Sections 265.11 -.15.

[22] *AICPA Professional Standards*, AU-C Sections 250.21 -.23.

[23] GFOA's Best Practice: *Audit Procurement*.

[24] GFOA Handbook, Chapter 5, page 79.

- Meets applicable independence requirements.
- License to practice as a CPA in the State.
- Receipt of adequate continuing professional education by key personnel.
- Completion of a quality control review within the past 3 years.
- A history of performing quality audits.

- Technical Qualifications. The GFOA Handbook[25] indicates that if a point system is used to evaluate proposals, the total points should be divided between two categories for technical qualifications of proposers: (1) expertise and experience and (2) audit approach. Expertise and experience qualifications could include, for example:
  - Past experience and performance on comparable government engagements.
  - Quality of the firm's professional personnel to be assigned to the engagement and quality of the firm's management support personnel to be available for technical consultation.
  - Experience with specific State and Federal grant programs.
  - Information technology expertise.

  Audit approach qualifications include, for example:
  - Adequacy of proposed staffing plan (hours and level) for the various segments of the engagement.
  - Adequacy of sampling techniques.
  - Adequacy of analytical procedures.

  The GFOA Handbook[26] points out that technical qualifications should be tailored to meet each government's unique environment and specific audit requirements and cites as an example a government that sponsors its own pension plan for employees, which might require actuarial expertise. The GFOA Handbook also recommends assignment of point value ranges to each criterion to aid in the evaluation of the technical qualifications of proposers, which allows the entity to reflect the relative importance of the qualifications for that government and engagement (i.e., allows the entity the flexibility to reflect qualitative differences in the qualifications presented in the proposals).

Use and Elements of Request for Proposal

Legal Requirements

Pursuant to Section 218.391(3)(c), Florida Statutes, the auditor selection committee must provide interested audit firms with an RFP. The RFP is required to include information on how proposals are to be evaluated and such other information as the committee determines is necessary for the firm to prepare a proposal.

Nonmandatory Guidance

The GFOA Blue Book[27] states that an effective RFP serves two purposes: 1) provides enough information about the entity to allow potential auditors to assess whether their particular experience and resources would be a "good match" for the engagement, and 2) elicit enough information from responding audit firms to assess their ability to perform a high quality government audit.

[25] GFOA Handbook, Chapter 5, page 80 and 81.
[26] GFOA Handbook, Chapter 5, page 81.
[27] GFOA Blue Book, Chapter 43, page 43-13.

- Public Announcement for Audit Services. Section 218.391(3), Florida Statutes, provides that the auditor selection committee shall publicly announce an RFP and provide interested firms with the RFP. To achieve the benefits of a competitive selection process, it is critical that there be sufficient responses by qualified audit firms to the RFP. The GFOA Handbook[28] states that a well-planned solicitation effort is needed to identify a sufficient number of qualified audit firms. This can be accomplished in a variety of ways and the law does not mandate any specific method. The method selected should provide sufficient time for the potential responders to prepare an appropriate response. The NIGP: Institute for Public Procurement,[29] in its publication *Public Procurement Guide for Elected and Senior Government Officials*,[30] indicates that potential service providers should be given a minimum of 14 to 30 days to prepare bids or proposals.

  To promote competition, the method of noticing the RFP should be designed to reach as many potential providers of audit services as possible. The GFOA Handbook[31] identifies several methods for identifying and of reaching qualified audit firms from which proposals can be solicited, including advertisement in local newspapers, notice in a publication of the state society of certified public accountants, inquiries of other entities in the same region, and direct mailing to audit firms. In Florida, the Auditor General maintains a database of local government audit reports received, including the names of the audit firms that conducted the audits, thereby providing another source that entities may find useful for identifying and reaching potential audit firms. If the entity opts to advertise in a newspaper, the newspaper selected should have adequate coverage to assure an opportunity for a sufficient number of responses.

- Elements of the Request for Proposal. The GFOA Handbook[32] includes a list of 24 information elements that should be considered in designing an RFP for audit services. These elements generally either provide information to the prospective proposers regarding the RFP evaluation process or assure that adequate information is provided by the proposers to allow for an informed decision by the entity. It may not be necessary to include all of these elements in the RFP, but each element should be considered, and those elements considered to be appropriate for the given circumstances should be incorporated. The elements listed in the GFOA Handbook consist of:

  1. *How proposals will be evaluated.*

     The RFP should clearly state the factors upon which the selection will be based and could provide:

     a. The relative weights of the evaluation factors, particularly with respect to qualifications and price, when price is considered as one of the evaluation factors.
     b. A statement that price will not be the sole or predominant factor to assure that highly qualified firms will receive appropriate consideration and to discourage the submission of proposals with unrealistically low prices by less qualified firms.
     c. Auditor qualifications that are mandatory for all proposers.
     d. Particular qualifications that will be considered more favorably (e.g., experience with particular grant programs).

[28] GFOA Handbook, Chapter 4, page 27.

[29] NIGP: Institute for Public Procurement is a membership-based, nonprofit organization composed of members representing Federal, state, provincial and local government levels throughout the United States and Canada and provides support to professionals in the public sector procurement profession.

[30] NGIP *Public Procurement Guide for Elected and Senior Government Officials* (2016), page 17.

[31] GFOA Handbook, Chapter 4, pages 27 and 28.

[32] GFOA Handbook, Chapter 4, pages 29 through 45.

2. *Procedures to be followed in the proposal process.*

   The prospective proposers who will be incurring the cost of preparing and presenting a proposal will need specific information as to how to respond to the RFP. Such information might include:

   a. The appropriate format to use in making the proposal.
   b. Identification of a contact person.
   c. Whether there will be a pre-proposal conference.
   d. Information regarding the submission of proposed prices (i.e., audit fees), such as the form or timing of submission of the proposed audit fee or the level of detail required to support the proposed audit fee (e.g., number of hours x level of staff at set rate per hour).[33]
   e. Other aspects of the proposal process, including submission deadlines, consideration of late proposals, and notification of evaluation and auditor selection results.

3. *Brief description of the entity and its accounting systems and financial reporting structures.*

   Prospective proposers require information that will provide a basis for determining the type and amount of resources that will be needed to perform the audit. This information might include:

   a. General description of the entity, including:
      i. The entity's fiscal year.
      ii. Services the entity provides its citizens.
      iii. Organizational chart and key personnel.
      iv. Size of the entity (e.g., geographic area, number of employees, total budget or payroll).
      v. The entity's documented policies and procedures.
   b. Fund structure and basis of accounting.
   c. Involvement in Federal awards programs and State financial assistance projects.
   d. Description of pension plans.
   e. Information regarding component units and joint ventures.
   f. Magnitude of financial operations.
   g. Scope of information systems, including networking, software vendors, and major applications.
   h. Existence, size, and scope of the internal audit function.
   i. Contact person for access to prior audit information.

4. *Known weaknesses in the entity's internal control structure.*

   Prospective proposers will want to be made aware of significant known internal control deficiencies. This could be accomplished by providing the proposers with a copy of the prior year external audit report (including financial statements, auditor's reports, and management letters), prior year adjusting entries, and the status of prior audit report findings (corrected or uncorrected). It may also be useful to provide proposers recent relevant internal audit reports.

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[33] Section 218.391, Florida Statutes, permits consideration of compensation in selecting the auditor; however, Section 218.391(3)(d), Florida Statutes, prohibits the use of compensation as the sole or predominant factor for evaluating proposals. Additionally, Section 218.391(5), Florida Statutes, provides that the method used by the entity to select, and negotiate a contract with, an auditor must ensure that the agreed-upon compensation is reasonable to satisfy the requirements of Section 218.39, Florida Statutes, and the entity's needs.

5. *Anticipated implementation problems arising from new authoritative pronouncements.*

   An entity's readiness to implement new pronouncements, laws, or regulations having a significant impact on the entity's financial operations and reporting could impact the auditor's consideration of the resources needed to perform the audit.

6. *Principal contacts inside and outside the entity.*

   Examples of contacts that proposers might want to be aware of as individuals with whom they will be expected to interact during the engagement include:

   a. Chief executive officer.
   b. Chief financial officer.
   c. Auditor selection or audit committee members.
   d. Director of internal audit.
   e. Grants management personnel.
   f. Legal counsel.

7. *Level of assurance to be required of the auditor for each type of information contained within the report.*

   The auditor will need to be made aware of circumstances that might impact the scope of the audit. Such circumstances might include the audit of the financial statements of a component unit by another audit firm or a determination of compliance with specific legal requirements that will require an auditor's report based on an examination conducted in accordance with *AICPA Professional Standards* [34] pursuant to Auditor General Rule 10.556(10).

8. *Auditing standards required for the engagement.*

   Pursuant to Florida law[35] and Auditor General Rule 10.551(3), all required financial audits of entities in Florida are to be performed in accordance with *Government Auditing Standards* promulgated by the Comptroller General of the United States. The RFP might include a statement to this effect to avoid any misunderstanding.

9. *The auditor's specific reporting responsibilities.*

   Although the auditor's reporting responsibilities are described in the auditing standards and the Rules of the Auditor General, the GFOA Handbook recommends listing the reporting responsibilities in the RFP. This could be most easily accomplished by reference to the Rules of the Auditor General, Chapter 10.550 (*Local Governmental Entity Audits*), Chapter 10.800 (*Audits of District School Boards*), or Chapter 10.850 (*Audits of Charter Schools and Charter Technical Career Centers, the Florida Virtual School, and Virtual Instruction Program Providers*), as appropriate. For Florida local governmental entity financial audits, the scope of the work to be performed by the auditor could include:

   a. Expression of opinion in conjunction with a full-scope audit of a comprehensive annual financial report (CAFR) (optional under Florida law and Rules of the Auditor General) or a report on basic financial statements only (minimum requirement for all local government audits).
   b. Federal or state single audit reports (required if certain thresholds are met).
   c. Management letter (required for all local government audits).

[34] *AICPA Professional Standards*, AT-C Section 315.

[35] Financial audits required by Section 218.39, Florida Statutes, and defined by Section 218.31(17), Florida Statutes, must be conducted in accordance with *Government Auditing Standards*.

d. An auditor's report prepared in accordance *AICPA Professional Standards* pursuant to Auditor General Rule 10.556(10).

Expected deliverables should also include any requirement for separate opinions for any debt issues or to meet any other reporting requirements.

10. *The type and amount of assistance available from the entity.*

Entities can sometimes reduce the cost of their audits by providing certain assistance to the auditor. To formulate the type and amount of resources to be applied to the audit, the auditor needs information as to the type and extent of assistance that will be available from the entity. The GFOA Handbook refers to various types of assistance including internal audit support, clerical support, and preparation of schedules. A statement might be included acknowledging that the entity is responsible for preparing draft financial statements. Any anticipated concerns regarding the ability of the entity to do so should be disclosed.

11. *Required audit timetable and deliverables.*

The GFOA Handbook recommends that the RFP include the latest acceptable dates for the following:

a. Entrance conference.
b. Completion of interim audit work.
c. Completion of year-end field work.
d. Submission of audit adjustments and draft findings.
e. Exit conference.
f. Issuance of reports.

12. *Additional services to be required of the auditor.*

Auditors often provide additional services beyond audit services; however, the ability of auditors to provide nonaudit services to an audit client has been severely limited by *Government Auditing Standards*. Careful consideration should be given to the restrictions on such services prior to including them in the RFP. *Government Auditing Standards*[36] suggest that auditors performing nonaudit services obtain agreement from the entity's management that management will perform the following functions regarding nonaudit services:

a. Assume all management responsibilities.
b. Oversee the services using an individual with suitable skill, knowledge, or experience.
c. Evaluate the adequacy and results of the services.
d. Accept responsibility for the results of the services.

13. *Information on auditor workspace and access to telephones, copiers, FAX machines, and computers.*

The GFOA Handbook suggests that the RFP include information on the location and type of workspace that will be made available to the auditor, as well as availability of telephones, Internet access, copy machines, FAX machines, and computer hardware and software.

14. *Procedures to be followed to determine if additional audit work is necessary and the fee basis applicable to such work.*

Circumstances sometimes arise in which the scope of the audit may need to be expanded

[36] *Government Auditing Standards* (2018 Revision) paragraph 3.76.

beyond what was anticipated in the RFP. For example, an entity might request the auditor to perform additional work in an area where the auditor discovered certain control weaknesses. The GFOA Handbook recommends that the RFP indicate that the scope of the audit may only be broadened with the entity's consent and request that proposers indicate how the fee for additional work related to a scope expansion would be determined.

15. *Information needed from proposers to evaluate their qualifications.*

    A primary purpose of the RFP is to provide the entity with information needed to assess the professional skill and experience of the auditors who will perform the engagement. The GFOA Handbook recommends that the RFP ask for the following information from the proposer:

    a. Overall size of the audit firm.
    b. Location and number of professional staff who will perform the engagement.
    c. Identification and qualifications of personnel to be assigned to the engagement, including:
        i. Names and government audit experience of the partner in charge of the audit and other partners who will be assigned review or quality control functions.
        ii. Names of the manager and other supervisory personnel who will be assigned to the engagement, including information about their government audit experience.
        iii. Information on certification, licensure, and CPE training of each of the above.
        iv. Information on membership in professional societies (e.g., AICPA, FICPA, FGFOA, GFOA, AGA) of each of the above.
        v. Background and qualifications, including experience, of all other professional audit or other staff assigned to the engagement.

    The GFOA Handbook also recommends that the RFP clearly set forth: (1) the circumstances in which the audit staff may be changed; (2) the need for new staff to meet the same level of qualifications; and (3) the entity's right to reject or approve replacements.

16. *Requirement for auditors to furnish a statement that they meet the appropriate criteria for independence.*

    Auditors are required to maintain independence, both in fact and appearance, regarding audit clients. The GFOA Handbook suggests that the RFP require a formal statement from the proposers that they meet the guidelines for independence as set forth in applicable auditing standards.

17. *Request for references from other entity clients.*

    The GFOA Handbook suggests that the RFP ask proposers to furnish the names of governments (preferably of similar type and size) for which they have recently performed similar audits, and contact information for those governments.

18. *Request for information on the results of peer reviews.*

    Government Auditing Standards[37] require that auditors performing audits in accordance with those standards (in Florida, this includes local governmental entity financial audits conducted pursuant to Section 218.39, Florida Statutes) undergo external peer review at least once every 3 years. The GFOA Handbook recommends that the RFP ask proposers to provide the entity with a report on their most recent peer review, and whether it included a review of the quality of specific government audits. The RFP could also ask for the results of desk or field reviews of their audits by Federal or state agencies.

[37] *Government Auditing Standards* (2018 Revision) paragraph 5.84.

19. *Request for information on the status of any disciplinary actions undertaken against the firm.*

    The GFOA Handbook recommends that the RFP request information on whether any disciplinary action has been taken against the firm at the Federal or state level and, if such action has been undertaken, the current status of the action. In Florida, certified public accountants may be subject to punishment for a misdemeanor committed pursuant to Section 473.322(2), Florida Statutes, or to disciplinary action by the Florida State Board of Accountancy pursuant to Section 473.323(3), Florida Statutes.

20. *Request for detailed information on the proposer's anticipated audit approach.*

    The GFOA Handbook points out that, in addition to information regarding the proposer's qualifications, the proposer's audit approach should be evaluated to determine that the proposer has a sound understanding of the scope of the engagement and the entity's environment. Additionally, the entity needs assurance that the proposer will apply the appropriate level of effort needed to perform the engagement satisfactorily. The GFOA Handbook recommends that the RFP ask for the following types of information:

    a. The extent to which the firm proposes to employ statistical sampling techniques.
    b. The extent to which the firm proposes to employ analytical procedures.
    c. The manner in which the firm intends to segment the engagement.
    d. The hours of staff time at each level that will be devoted to each segment.
    e. The approach proposed for gaining and documenting the auditor's understanding of the entity's internal controls.
    f. The approach proposed for determining which laws and regulations should be tested for compliance.
    g. The method of drawing samples for tests of compliance.

21. *Requirements applicable to working papers and cooperation with other auditors.*

    The GFOA Handbook recommends that the RFP clearly establish the period for retention of the auditors working papers by the auditor and parties who are allowed access to the working papers. In establishing the retention period, the entity should consider that *AICPA Professional Standards*[38] require financial statement auditors to retain "audit documentation of any nature" (this would include audit working papers) for at least 5 years after release of the audit report. This should be considered a minimum retention period in drafting an audit services contract. The GFOA Handbook also recommends that the RFP include provisions requiring accessibility to the working papers by Federal cognizant agencies; principal auditors, where component units are audited by other auditors; parties designated by the entity as part of an audit quality control review; and successor auditors for matters relating to continuing accounting significance.

22. *Policy toward joint proposals or the use of subcontracting.*

    The use of subcontracting or joint ventures on the part of auditors can be a means for encouraging participation by smaller firms. The GFOA Handbook recommends that any subcontracting after the audit contract is awarded be subject to the entity's right to approve or reject subcontracting firms. Further, if joint proposals or subcontracting is allowed, the RFP should request proposers to identify the firm that will serve as the principal auditor.

23. *Right to reject proposals, demand additional information, and use unsuccessful proposals.*

    The GFOA Handbook recommends that the RFP indicate that the entity:

    a. Retains the right to reject any or all proposals.
    b. Retains the right to request additional information from proposers and failure to provide

[38] *AICPA Professional Standards*, AU-C Section 230.17.

the information could result in rejection of a proposal.

c. Reserves the right to retain proposals and use ideas from them.

d. Is not obligated in any manner to reimburse firms for costs incurred in connection with responding to the RFP.

24. *Any additional language to meet the requirements of applicable laws and regulations.*

The GFOA Handbook suggests that the entity be aware of and include any specific language required by law or regulation.

Use and Elements of Audit Services Contract

Legal Requirements

Section 218.391(7), Florida Statutes, requires that every procurement of audit services be evidenced by a written contract embodying all provisions and conditions of the procurement of such services. An engagement letter signed and executed by both parties constitutes a written contract. The written contract shall include, at a minimum, the following:

- A provision specifying the services to be provided and fees or other compensation for such services.
- A provision requiring that invoices for fees and other compensation be submitted in sufficient detail to demonstrate compliance with the terms of the contract.
- A provision specifying the contract period, including renewals, and conditions under which the contract may be terminated or renewed. Section 218.391(8), Florida Statutes, provides that written contracts may be renewed (pursuant to renewal periods specified in the contract) without the use of auditor selection procedures and that such renewals shall be in writing.

Nonmandatory Guidance

The audit services contract is a legally binding agreement that should be prepared and reviewed with the advice of legal counsel. The GFOA Handbook[39] suggests that the written agreement incorporate by reference the terms of the RFP and specific language regarding the understanding between the entity and the auditors. The entity should also be careful to ensure that the written agreement terms are consistent with the terms of the successful proposal.

- Engagement Letter. While Section 218.391(7), Florida Statutes, authorizes the use of an engagement letter as an audit services contract, if it is signed by both parties, the use of an engagement letter does not relieve the need to include all provisions that would constitute a good contract and protect both the entity and the auditor.
- Required Contract Elements. As indicated above, there are certain legally required elements that must be included in the audit services contract. Additional guidance for each of these elements follows:
    - *Services to be provided and fees or other compensation (Section 218.391(7)(a), Florida Statutes). AICPA Professional Standards*[40] indicate that agreed upon terms of the audit engagement should include, among other things, the objective and scope of the audit, the responsibilities of the auditor, and the responsibilities of entity management. *AICPA Professional Standards*[41] also suggest elaborating on the scope of the audit, to include reference to applicable legislation, regulations, generally accepted auditing standards, and ethical and other pronouncements of professional bodies to which the auditor adheres. Florida law and the Rules of the Auditor General include several requirements that impact the

[39] GFOA Handbook, Chapter 6, page 85.

[40] *AICPA Professional Standards*, AU-C Section 210.10.

[41] *AICPA Professional Standards*, AU-C Section 210.A24.

scope of the audit in addition to the required auditor's reports on the financial statements and State and Federal programs. Specifically addressing these requirements in the contract helps to preclude any subsequent misunderstandings regarding the auditor's responsibilities.

- *Invoices for fees and other compensation in sufficient detail to demonstrate compliance with the contract (Section 218.391(7)(b), Florida Statutes)*. *AICPA Professional Standards*[42] suggest that the basis on which fees are computed and any billing arrangements be included in the engagement letter (contract). The basis for payment may vary from a lump sum arrangement to specific rates to be paid for the services of specific employees or categories of employees of the audit firm and reimbursement for specific costs, such as travel, incurred in connection with the engagement. The level of detail on the invoice sufficient to demonstrate compliance with the terms of the contract will vary according to the basis for payment. In the case of a fixed fee contract, the basis for payment should be clearly defined within the audit services contract. If the contract identifies certain employees for which the firm will be paid at specified hourly rates, the contract should require invoices that indicate the numbers of hours worked by each employee and application of the appropriate rates. If the contract provides for reimbursement for certain actual costs, the contract should require invoices that demonstrate the costs actually incurred by the firm in the form of receipts or similar documentation.

- *Contract period, renewals, and termination (Section 218.391(7)(c), Florida Statutes)*. The contract must specify the number of years for which it will be in effect, including any options for renewal on the part of the entity. The law does not prescribe a maximum term for an audit services contract or a maximum number of renewal periods. Once the contract period, including renewals, has expired, any further required audit services must be subjected to the auditor selection law as required by Section 218.391, Florida Statutes.

  The GFOA's Best Practice: *Audit Procurement* recommends that governmental entities enter into multiyear agreements of at least 5 years in duration when obtaining the services of an independent auditor. The GFOA points out that such agreements allow for greater continuity and help to minimize the potential for disruption in connection with the independent audit and can also help reduce audit costs by allowing auditors to recover certain "start-up" costs over several years, rather than a single year. The appropriate length for the audit services contract is left to the judgment of the entity. However, as the auditor selection process established by law is intended to ensure selection of a qualified auditor and satisfactory audit effort, entities should avoid establishing excessive contract periods.

- Additional Contract Elements. Additional elements that are recommended by the GFOA Handbook[43] to be made a part of the audit services contract include:
  - An independence assertion by the auditor.
  - Language describing the actions to be taken in the event of a disagreement as to whether certain procedures are within the scope of the contract.
  - Provisions to assure the availability of the auditor's services to aid the entity in the defense of claims that may arise as the result of audit work.
  - Language concerning opportunities for socially and economically disadvantaged individuals (such language may be required by law or regulation).
  - Clarification of the auditor's duty to maintain the confidentiality of certain sensitive information.

[42] *AICPA Professional Standards*, AU-C Section 210.A24.

[43] GFOA Handbook, Chapter 6, pages 85 through 87.

- Provisions establishing the entity's rights to terminate the contract and the procedures for doing so.
- Stipulation as to how the value of the auditor's work is to be determined if the engagement is terminated prior to completion.
- Language establishing the auditor's sole liability for claims arising from the auditor's performance of the engagement.
- Language requiring both the entity and the auditor to attempt to resolve disputes amicably.
- Language requiring formal notification to the other party in the event of a disagreement (e.g., a disagreement over the scope of the audit) and indicating what is to be considered notification in such instance (e.g., registered mail).
- Language specifying how the terms of the contract can be waived or modified.
- Language clarifying that the contract's separate provisions are to stand alone, so that a failure to meet one provision does not nullify the entire contract.
- A requirement for the auditor to obtain insurance coverage.
- A prohibition against the auditor's delegating or subcontracting audit work without the entity's permission.

In developing audit contracts, entities should consider an article[44] titled *Contract Issues for Governmental Audits* that was jointly developed by the AICPA and GFOA to educate governments and their auditors about clauses in contracts and engagement letters in the governmental environment that may not meet *AICPA Professional Standards* and that may create uncertainty about the auditor's independence.

As shown above, different professional organizations have placed varying emphasis on the contents of the contract for audit services. Entity management must determine the most appropriate provisions for a contract in a given set of circumstances. The specific elements and language to be included within a contract will ultimately be a matter of agreement between the entity and the audit firm.

[44] A link to this article is provided on the AICPA's Web site at www.aicpa.org/search.html?source=AICPA&q=Contract+Issues+for+Governmental+Audits.

Appendix A - Auditor Selection Law

218.391 Auditor selection procedures.

(1) Each local governmental entity, district school board, charter school, or charter technical career center, prior to entering into a written contract pursuant to subsection (7), except as provided in subsection (8), shall use auditor selection procedures when selecting an auditor to conduct the annual financial audit required in s. 218.39.

(2) The governing body of a county, municipality, special district, district school board, charter school, or charter technical career center shall establish an auditor selection committee.

(a) The auditor selection committee for a county must, at a minimum, consist of each of the county officers elected pursuant to the county charter or s. 1(d), Art. VIII of the State Constitution their respective designees, and one member of the board of county commissioners or its designee.

(b) The auditor selection committee for a municipality, special district, district school board, charter school, or charter technical career center must consist of at least three members. One member of the auditor selection committee must be a member of the governing body of an entity specified in this paragraph, who shall serve as the chair of the committee.

(c) An employee, a chief executive officer, or a chief financial officer of the county, municipality, special district, district school board, charter school, or charter technical career center may not serve as a member of an auditor selection committee established under this subsection; however, an employee, a chief executive officer, or a chief financial officer of the county, municipality, special district, district school board, charter school, or charter technical career center may serve in an advisory capacity.

(d) The primary purpose of the auditor selection committee is to assist the governing body in selecting an auditor to conduct the annual financial audit required in s. 218.39; however, the committee may serve other audit oversight purposes as determined by the entity's governing body. The public may not be excluded from the proceedings under this section.

(3) The auditor selection committee shall:

(a) Establish factors to use for the evaluation of audit services to be provided by a certified public accounting firm duly licensed under chapter 473 and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy. Such factors shall include, but are not limited to, ability of personnel, experience, ability to furnish the required services, and such other factors as may be determined by the committee to be applicable to its particular requirements.

(b) Publicly announce requests for proposals. Public announcements must include, at a minimum, a brief description of the audit and indicate how interested firms can apply for consideration.

(c) Provide interested firms with a request for proposal. The request for proposal shall include information on how proposals are to be evaluated and such other information the committee determines is necessary for the firm to prepare a proposal.

(d) Evaluate proposals provided by qualified firms. If compensation is one of the factors established pursuant to paragraph (a), it shall not be the sole or predominant factor used to evaluate proposals.

(e) Rank and recommend in order of preference no fewer than three firms deemed to be the most highly qualified to perform the required services after considering the factors established pursuant to paragraph (a). If fewer than three firms respond to the request for proposal, the committee shall recommend such firms as it deems to be the most highly qualified.

(4) The governing body shall inquire of qualified firms as to the basis of compensation, select one of the firms recommended by the auditor selection committee, and negotiate a contract, using one of the following methods:

(a) If compensation is not one of the factors established pursuant to paragraph (3)(a) and not used to evaluate firms pursuant to paragraph (3)(e), the governing body shall negotiate a contract with the firm ranked first. If the governing body is unable to negotiate a satisfactory contract with that firm, negotiations with that firm shall be formally terminated, and the governing body shall then undertake negotiations with the second-ranked firm. Failing accord with the second-ranked firm, negotiations shall then be terminated with that firm and undertaken with the third-ranked firm. Negotiations with the other ranked firms shall be undertaken in the same manner. The governing body, in negotiating with firms, may reopen formal negotiations with any one of the three top-ranked firms, but it may not negotiate with more than one firm at a time.

(b) If compensation is one of the factors established pursuant to paragraph (3)(a) and used in the evaluation of proposals pursuant to paragraph (3)(d), the governing body shall select the highest-ranked qualified firm or must document in its public records the reason for not selecting the highest-ranked qualified firm.

(c) The governing body may select a firm recommended by the audit committee and negotiate a contract with one of the recommended firms using an appropriate alternative negotiation method for which compensation is not the sole or predominant factor used to select the firm.

(d) In negotiations with firms under this section, the governing body may allow a designee to conduct negotiations on its behalf.

(5) The method used by the governing body to select a firm recommended by the audit committee and negotiate a contract with such firm must ensure that the agreed-upon compensation is reasonable to satisfy the requirements of s. 218.39 and the needs of the governing body.

(6) If the governing body is unable to negotiate a satisfactory contract with any of the recommended firms, the committee shall recommend additional firms, and negotiations shall continue in accordance with this section until an agreement is reached.

(7) Every procurement of audit services shall be evidenced by a written contract embodying all provisions and conditions of the procurement of such services. For purposes of this section, an engagement letter signed and executed by both parties shall constitute a written contract. The written contract shall, at a minimum, include the following:

(a) A provision specifying the services to be provided and fees or other compensation for such services.

(b) A provision requiring that invoices for fees or other compensation be submitted in sufficient detail to demonstrate compliance with the terms of the contract.

(c) A provision specifying the contract period, including renewals, and conditions under which the contract may be terminated or renewed.

(8) Written contracts entered into pursuant to subsection (7) may be renewed. Such renewals may be done without the use of the auditor selection procedures provided in this section. Renewal of a contract shall be in writing.

(9) If the entity fails to select the auditor in accordance with the requirements of subsections (3)-(6), the entity must again perform the auditor selection process in accordance with this section to select an auditor to conduct audits for subsequent fiscal years.

History.--s. 65, ch. 2001-266; s. 1, ch. 2005-32; s. 15, ch. 2019-15.

Appendix B - Questions and Answers

General

1. **Question**: Are the auditor selection requirements of Section 218.391, Florida Statutes, to be applied whenever a local governmental entity (entity) contracts with a CPA firm for any audit services?

   Answer: No. Section 218.391, Florida Statutes, applies only to contracting for the financial audit required by Section 218.39, Florida Statutes. However, the use of selection procedures provided for in Section 218.391, Florida Statutes, and other Federal, State, or local laws is advisable when contracting for any audit services.

2. **Question**: Is there a legal requirement or recommendation for mandatory rotation of auditors after a specified number of years or at the end of an audit services contract?

   Answer: No. Unless the entity has established its own mandatory auditor rotation requirement, there is no legal requirement for the mandatory rotation of auditors. The current auditor may be included in the auditor selection process at the end of the current audit services contract.

   The GFOA's Best Practice: *Audit Procurement* provides "While there is some belief that auditor independence is enhanced by a policy requiring that the independent auditor be replaced at the end of the audit contract ... the frequent lack of competition among audit firms fully qualified to perform public-sector audits could make a policy of mandatory auditor rotation counterproductive. In such cases, it is recommended that a governmental entity actively seek the participation of all qualified firms, including the current auditors, assuming that the past performance of the current auditors has proven satisfactory."

3. **Question**: If an entity is satisfied with the existing auditor and can negotiate acceptable fees, can the contract for financial audit services be renewed without going through the auditor selection procedures required by Section 218.391, Florida Statutes?

   Answer: A contract for financial audit services can be renewed only as provided in the contract, which is required to include a provision specifying the contract period, including renewals.

4. **Question**: Are the auditor selection procedures required to be used only when an entity decides to change auditors or initiate a request for proposals process?

   Answer: No. The revised auditor selection procedures are required to be followed when an audit contract period expires. The audit contract is required to include a provision specifying the contract period, including renewals.

5. **Question**: Chapter 2019-15, Laws of Florida, effective July 1, 2019, amended Section 218.391(2), Florida Statutes, to revise the requirements for establishing the auditor selection committee and appointing committee members. Does this impact an audit services contract that was in effect at July 1, 2019?

   Answer: No. An audit services contract that was in effect at July 1, 2019, can remain in effect through the end of the original contract term, including renewals. Entities are required to comply with the new auditor selection committee requirements for auditor selection procedures initiated after July 1, 2019.

6. **Question**: Are audit services contracts required to include renewal option provisions?

   Answer: No. The contract is not required to include a renewal provision; however, a contract cannot be renewed in the absence of such a provision.

7. **Question:** Is there a minimum or maximum number of years that an audit contract must cover?

   Answer: No. The audit services contract must specify a contract period including renewals, but the law does not specify a minimum or maximum number of years that an audit services contract must cover. This is left to the discretion of the entity and is a matter of agreement between the entity and the audit firm. The entity should use prudent business practices in establishing the contract period.

8. **Question:** Section 218.391(4)(c), Florida Statutes, provides that a governing body may select a firm recommended by the auditor selection committee and negotiate a contract with one of the recommended firms using an appropriate alternative negotiation method. Which specific provisions of the law may be considered nonmandatory under this provision by the application of an alternative methodology?

   Answer: Regardless of the negotiation method used, an entity's governing body must establish an auditor selection committee pursuant to Section 218.391(2), Florida Statutes, and the auditor selection committee must perform its functions in accordance with the requirements of Section 218.391(3), Florida Statutes. Regardless of the method used to select the audit firm, compensation may not be the sole or predominant factor used to select the firm (Section 218.391(3)(d) and (4)(c), Florida Statutes).

9. **Question:** Can an auditor selection committee ratify, after the fact, a request for proposal previously developed and issued by City personnel or City personnel's evaluation and ranking of proposals submitted by interested firms?

   Answer: No. Pursuant to Section 218.391(3), Florida Statutes, the auditor selection committee is required to create (and provide interested firms with) a request for proposals and to evaluate and rank proposals submitted by interested firms. An auditor selection committee's statutorily prescribed duties may not be delegated to a subordinate or other entity absent statutory authorization (see Attorney General Opinion 2012-31).

10. **Question:** Can an entity select an auditor to conduct a financial audit pursuant to Section 218.39, Florida Statutes, by piggybacking off of another entity's audit contract?

    Answer: No. Pursuant to Section 218.391(2), Florida Statutes, an entity seeking such audit services must establish an auditor selection committee and the committee must apply the auditor selection procedures prescribed by Section 218.391(3), Florida Statutes. This law does not include a provision that would allow for piggybacking, and an auditor selection committee's statutorily prescribed function may not be delegated to a subordinate or other entity absent statutory authorization (see Attorney General Opinion 2012-31).

11. **Question:** Are auditor selection committee meetings subject to the Sunshine Law (Section 286.011, Florida Statutes)?

    Answer: Yes. Auditor selection committee meetings are subject to the Sunshine Law (i.e., noticing meetings and keeping minutes for all meetings) because the committee is not just fact-finding in nature but also makes decisions in ranking proposals and recommending to the governing body firms deemed to be the most highly qualified to perform the auditing services. See discussion regarding application of the Sunshine law to advisory boards in Part I, Section B.1, of the Attorney General's Government-in-the-Sunshine Manual.

<u>Auditor Selection Committee</u>

12. **Question:** Section 218.391(2)(a), Florida Statutes, provides that the auditor selection committee for a county must, at a minimum, consist of each of the county officers elected pursuant to the county charter or Article VIII, Section 1(d) of the State Constitution or their respective designees and one member of the board of county commissioners or its designee. May a county officer (i.e., clerk of the court, sheriff, property appraiser, tax collector, supervisor of elections, or any other such officer in whom any portion of the fiscal duties of the such officers are under law separately placed)

designate an employee of the county officer to serve in place of the county officer on the county's auditor selection committee?

Answer: Pursuant to Section 218.391(2)(c), Florida Statutes, an employee of a county cannot serve on the county auditor selection committee. The term "employee" is not explicitly defined for purposes of applying this law; however, the term "county" as used in Section 218.391(2)(a), Florida Statutes, encompasses county officers and the board of county commissioners, indicating that the legislature intended the restriction imposed by Section 218.391(2)(c), Florida Statutes, to apply to employees of a county officer or of the board of county commissioners. Accordingly, a county officer may not designate an employee of a county officer to serve in place of the county officer on the county auditor selection committee. However, the employee may serve in an advisory capacity for the auditor selection committee.

13. **Question:** Section 218.391(2)(b), Florida Statutes, provides that the auditor selection committee for a municipality, special district, district school board, charter school, or charter technical career center must consist of at least three members, and one member must be a member of the governing body who must serve as the committee chair. Does this mean that only one member of the governing body may serve on the committee?

    Answer: No. The committee can have as many members of the governing body as desired, but at least one member must be a member of the governing body who must be the committee chair.

Dependent Special Districts

14. **Question:** A dependent special district exceeds the audit threshold established by Section 218.39, Florida Statutes, and must provide for a financial audit requirement. Although the district is audited as part of a county or municipality pursuant to Section 218.39(3)(a), Florida Statutes, the district opts to also provide for a separate financial audit. Does the district have to select the auditor for the separate financial audit in accordance with Section 218.391, Florida Statutes?

    Answer: No. As the district is not required to provide for a separate financial audit pursuant to Section 218.39, Florida Statutes, it is not required to follow the auditor selection procedures prescribed by Section 218.391, Florida Statutes. However, the use of such selection procedures is advisable to help ensure selection of a qualified auditor and satisfactory audit effort.

15. **Question:** A dependent special district exceeds the audit threshold established by Section 218.39, Florida Statutes, and must provide for a financial audit requirement. The district opts not to be audited as part of a county or municipality pursuant to Section 218.39(3)(a), Florida Statutes, but instead opts to provide for its own financial audit. Does the district have to select the auditor in accordance with Section 218.391, Florida Statutes?

    Answer: Yes. As the district is required to provide for a financial audit pursuant to Section 218.39, Florida Statutes, it is required in this situation to follow the auditor selection procedures prescribed by Section 218.391, Florida Statutes.

16. **Question:** A dependent special district does not exceed the audit threshold established by Section 218.39, Florida Statutes; however, the district opts to provide for a financial audit. Does the district have to select the auditor in accordance with Section 218.391, Florida Statutes?

    Answer: No. As the district is not required to provide for a financial audit pursuant to Section 218.39, Florida Statutes, it is not required to follow the auditor selection procedures prescribed by Section 218.391, Florida Statutes. However, the use of such selection procedures is advisable to help ensure selection of a qualified auditor and satisfactory audit effort.

Community Redevelopment Agencies

17. **Question:** A community redevelopment agency (CRA) exceeds the audit threshold established by Section 163.387(8), Florida Statutes, and must provide for its own financial audit. Does the CRA have to select the auditor in accordance with Section 218.391, Florida Statutes?

Answer: Yes. Chapter 2021-226, Laws of Florida, amended Section 218.39(1)(h), Florida Statutes, to include CRAs. Because Section 218.391, Florida Statutes, regarding auditor selection procedures applies to all audits conducted pursuant to Section 218.39, Florida Statutes, auditors conducting 2020-21 and subsequent fiscal year audits of CRAs must be selected pursuant to Section 218.391, Florida Statutes.

18. **Question:** A CRA provides for an audit required by Section 218.39, Florida Statutes, by being included in a county or municipality audit pursuant to Section 218.39(3)(a), Florida Statutes; however, the CRA is also required to provide for its own separate financial audit pursuant to Section 163.387(8), Florida Statutes. Can the auditor who conducted the county or municipality financial audit also conduct the separate CRA financial audit?

    Answer: Yes. Section 163.387(8), Florida Statutes, does not specify how the CRA is to select an auditor to conduct the required audit and does not include any restrictions on the CRA's selection of an auditor. However, in deciding whether to use the auditor who conducts the CRA's parent entity (county or municipality) financial audit, the CRA should consider whether it would benefit from applying its own auditor selection procedures because, while the parent entity's auditor selection process was designed to find an auditor to conduct a financial audit of a county or municipality, the CRA's selection process should be designed to find an auditor to conduct a financial audit of the CRA. As CRAs are a unique type of local governmental entity, an auditor with the knowledge and experience needed to conduct an audit of a county or municipality may not necessarily have sufficient knowledge and experience needed to conduct an audit of a CRA.

Use of Compensation as Evaluation or Ranking Factor

19. **Question:** If compensation is used as one of the factors to evaluate firms and the governing body of an entity chooses to select a firm other than the auditor selection committee's highest-recommended firm and documents the reason for not selecting the highest-ranked firm pursuant to Section 218.391(4)(b), Florida Statutes, does the next ranked firm become the highest-ranked firm, requiring documentation as to the reason for nonselection, before a firm ranked lower than that firm can be selected?

    Answer: The law does not specifically address this circumstance; however, it would be reasonable to conclude that justification is necessary and should be documented for the selection of any firm over a higher ranked firm.

20. **Question:** If compensation is used as one of the factors to evaluate firms and the governing body of an entity chooses to select a firm other than the auditor selection committee's highest-recommended firm pursuant to Section 218.391(4)(b), Florida Statutes, what documentation is required to justify selection of a firm other than the highest-ranked firm?

    Answer: Required documentation as to the reason for not selecting the highest-ranked firm under Section 218.391(4)(b), Florida Statutes, is not described in the law. Such documentation could include a statement made by the governing body, possibly in the form of a resolution and included in the minutes of the governing body, describing the factors that caused the governing body to decide that selection of the next ranked firm was in the entity's best interest. Those factors might include inability to negotiate a satisfactory contract with the highest-ranked firm or information provided to the governing body subsequent to the ranking process. However, as specified in Section 218.391(4)(c), Florida Statutes, the decision to select a firm cannot be based on compensation as the sole or predominant factor.

21. **Question:** If compensation is used as a ranking factor, may the governing body also use the alternative method prescribed by Section 218.391(4)(c), Florida Statutes, to select the audit firm or must they use the method prescribed by Section 218.391(4)(b), Florida Statutes?

    Answer: The alternative methodology referred to in Section 218.391(4)(c), Florida Statutes, may include the use of compensation as a ranking factor as long as compensation is not the sole or predominant factor used to rank proposals and select the firm.

22. **Question:** If compensation is 20 percent of the ranking criteria and all other factors are each less than 20 percent, is compensation then the predominant factor, or must it be predominant of all factors combined, i.e., greater than 50 percent of all combined?

    Answer: "Predominant" is not defined in the law with respect to auditor selection. Certainly, weighting compensation at greater than 50 percent of all combined factors, would constitute "predominant." Black's Law Dictionary defines "predominant" as "Something greater or superior in power and influence to others, with which it is connected or compared."

Noncompliance with Auditor Selection Law

23. **Question:** Pursuant to Section 218.391(9), Florida Statutes, if an entity fails to select the auditor in accordance with Section 218.391(3)-(6), Florida Statutes, the entity must again perform the auditor selection process in accordance with this section to select an auditor to conduct audits for subsequent fiscal years. Does Section 218.391(9), Florida Statutes, apply to a situation where an entity selects an auditor to conduct a financial audit required by Section 218.39, Florida Statutes, without use of an auditor selection committee appointed by the entity's governing body?

    Answer: Yes. An entity cannot comply with Section 218.391(3), Florida Statutes, unless the entity's governing body has established an auditor selection committee to carry out the responsibilities prescribed by Section 218.391(3), Florida Statutes.

24. **Question:** An entity is notified that its auditor engaged to conduct a financial audit required by Section 218.39, Florida Statutes, was not selected in accordance with the requirements of Section 218.391(3)-(6), Florida Statutes. What should the entity do?

    Answer: The entity should carefully review its auditor selection process to ensure compliance with Section 218.391(3)-(6), Florida Statutes. In doing so, the entity may want to consult with its legal counsel. If it is determined that the entity did not select the auditor in accordance with Section 218.391(3)-(6), Florida Statutes, the entity, at a minimum, must perform the auditor selection in accordance with Section 218.391, Florida Statutes, for the subsequent fiscal year audit as required by Section 218.391(9), Florida Statutes. However, if possible (e.g., an audit contract for the current fiscal year has not been executed, or if executed, can be legally terminated without significant financial costs, and there is sufficient time to reselect the auditor and comply with the audit report submittal deadline), the entity should reperform the auditor selection process for the current fiscal year audit.

25. **Question:** An auditor becomes concerned (e.g., through the process of responding to a request for proposal for audit services) that an entity may not be selecting an auditor to conduct a financial audit required by Section 218.39, Florida Statutes, in accordance with the requirements of Section 218.391(3)-(6), Florida Statutes. What should the auditor do?

    Answer: The auditor should notify the entity's governing body of the concern. The entity may not be aware of the Section 218.391, Florida Statutes, auditor selection requirements or that its auditor selection process is not in accordance with that law. At a minimum, the auditor's notification should help ensure the entity's future compliance with Section 218.391, Florida Statutes. Also, depending on the timing of the auditor's notification, the entity may decide to reperform the auditor selection process. Auditors should also consider refraining from responding to a request for proposal for audit services from entities they know to be in violation of Section 218.391, Florida Statutes.

Appendix C - Auditor Selection and Auditor Selection Committee Resources

AICPA Audit Committee Effectiveness Center (www.aicpa.org/forthepublic/auditcommitteeeffectiveness)

AICPA Professional Standards promulgated by the American Institute of Certified Public Accountants as of July 1, 2020.

Audit Management Handbook, Stephen J. Gauthier, Government Finance Officers Association (1989) (Note: Publication of this *Handbook* was discontinued several years ago as a result of 1996 changes to the Federal Single Audit Act and changes in GFOA policy; however, the references to the *Handbook* in this guidance are consistent with current GFOA policy.)

Choosing an External Auditor: A Guide to Making a Sound Decision, Mid-America Intergovernmental Audit Forum (May 2007) (https://www.pdffiller.com/100306568-Choosing_an_External_Auditorpdf-Selecting-performance-audit-topics-PSC-doa-alaska-)

GFOA's Best Practice: *Audit Procurement*, Government Finance Officers Association (www.gfoa.org/best-practices/internal-controls)

GFOA's Best Practice: *Audit Committees,* Government Finance Officers Association (www.gfoa.org/best-practices/internal-controls)

Government Accounting, Auditing, and Financial Reporting (2020), Government Finance Officers Association

Government Auditing Standards issued by the Comptroller General of the United States (www.gao.gov/yellowbook)

How to Avoid a Substandard Audit: Suggestions for Procuring an Audit (May 1988), National Intergovernmental Audit Forum (www.gao.gov/products/137493)

Public Procurement Guide for Elected and Senior Government Officials promulgated by the NIGP: Institute for Public Procurement (2016) (www.nigp.org/home/find-procurement-resources/elected-officials-procurement-guide)

Special Meeting
Agenda Item #4B
Ord. No. 2025-06
E-bikes

CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT

AGENDA ITEM:	Ordinance No. 2025-06, Repealing Ban of Electric Bicycles
SUBMITTED BY:	Michael J. Key, Jr., Chief of Police
DATE:	April 16, 2025
BACKGROUND:	A total ban on the use of electric bicycles on the beach is unnecessary to be consistent with neighboring jurisdictions, to allow fair and consistent regulation, and to address and embrace technological advances to improve the overall beach experience for the City's citizens and visitors. The amended ordinance repeals the ban of electric bikes while holding the use of electric bikes to the same safety standards as other personal vehicles by prohibiting reckless use. Ordinance No. 2025-06 passed at First Reading at the Regular Council Meeting on April 7, 2025
RECOMMENDATION:	Recommend adoption of Ordinance No. 2025-06 at Second Reading
ATTACHMENT(S):	Ordinance No. 2025-06 Business Impact Estimate

SPONSORED BY: **ORDINANCE NO. 2025-06**

MAYOR CORRINE BYLUND

A BILL TO BE ENTITLED

AN ORDINANCE OF THE CITY OF NEPTUNE BEACH, FLORIDA, AMENDING CHAPTER 7. BEACHES AND WATERWAYS, ARTICLE II. BEACH REGULATIONS BY AMENDING SECTION 7-29. BEACH PERSONAL VEHICLE REGULATIONS BY REPEALING THE BAN OF ELECTRIC BICYCLES ON THE BEACH; PROVIDING CODIFICATION, CONFLICTS, SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 7 of the City of Neptune Beach's Code of Ordinances contains beach regulations within the corporate limits of the City**;** and

WHEREAS, it is hereby determined that a total ban on the use of electric bicycles on the beach is unnecessary to be consistent with neighboring jurisdictions, to allow fair and consistent regulation, and to address and embrace technological advances to improve the overall beach experience for the City's citizens and visitors; and

WHEREAS, if unregulated, the reckless operation of bicycles, electric bicycles skateboards, roller skates, and personal mobility devices create a public nuisance and threatens the health, safety and welfare of the City's citizens and visitors.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL ON BEHALF OF THE PEOPLE OF THE CITY OF NEPTUNE BEACH, FLORIDA that:

SECTION 1. Section 7-29 of the Code of Ordinances, City of Neptune Beach, Florida is hereby amended to read as follows: (~~strikethrough~~ text shall mean deletions and <u>underlined</u> text shall mean additions):

Sec. 7-29. Beach personal vehicle regulations.

(a) *Definitions.*

(1) *Bicycle* shall mean as such term is defined in F.S. § 316.003(4), as amended from time to time.

(2) *Electric bicycle* shall mean as such term is defined in F.S. § 316.003(~~22~~ <u>23</u>), as amended from time to time.

(3) *Personal mobility device* shall mean all wheeled objects, coasters, toys, conveyances, or similar devices used for transportation or sport which are propelled by machine power except electric bicycles and any other motorized vehicle specifically regulated by F.S. Ch. 316, as amended from time to time.

(4) *Roller skates* shall mean any shoe, boot or other footwear, or device which may be attached to the foot or footwear, to which one (1) or more wheels are attached, including wheels that are "in line," also known as "rollerblades".

(5) *Skateboard* shall mean all wheeled objects, coasters, toys, conveyances, or similar devices used for transportation or sport which are propelled by human power except bicycles, electric bicycles, or roller skates.

(6) *Reckless* shall mean:

a. At a speed in excess of fifteen (15) miles per hour; or
b. In willful or wanton disregard for the safety of persons; or
c. Operation in such a manner so as to cause an unreasonable risk of harm to person or property of others on the city's beaches; or
d. Operation in a manner other than is reasonable and prudent under the conditions existing at the time, having regard to the actual and potential hazards then existing.

(b) No bicycle, electric bicycle, skateboard~~s~~, roller skate~~s~~, or personal mobility device may be operated on the beaches within the city in a reckless manner.

~~(c) To the fullest extent permitted by F.S. § 316.20655, no electric bicycle may be operated on the beaches and dunes under the jurisdiction of the city.~~

(~~d~~ c) *Enforcement.* Violations of this section shall be enforced as non-criminal infractions of the city's ordinances.

(~~e~~ d) *Penalties.*

(1) The amount of penalties for violations of this section shall be as provided for in in F.S. § 318.18(3), as amended from time to time.

SECTION 2: Codification. The provisions of this Ordinance shall become and be made a part of the *Code of Ordinances of the City of Neptune Beach, Florida* and the sections of this Ordinance may be renumbered or re-lettered to accomplish such intention and the word “Ordinance”, or similar words, may be changed to “Section,” “Article”, or other appropriate word; provided, however, that Sections Three, Four, Five, and Six shall not be codified.

SECTION 3. Conflict. All ordinances, resolutions, official determinations, or parts thereof previously adopted or entered by the City or any of its officials and in conflict with this ordinance are repealed to the extent inconsistent herewith.

SECTION 4. Severability. If a Court of competent jurisdiction at any time finds any provision of this Ordinance to be unlawful, illegal, or unenforceable, the offending provision shall be deemed severable and removed from the remaining provisions of this Ordinance which shall remain in full force and intact.

SECTION 5. Effective Date. This ordinance shall immediately take effect upon second reading and approval.

VOTE RESULTS OF FIRST READING:

Mayor Corrine Bylund	YES
Vice Mayor Nia Livingston	YES
Councilor Josh Messinger	YES
Councilor Brent Rogers	YES
Councilor Tim Horvath	YES

Passed at First Reading this 7th day of April, 2025.

VOTE RESULTS OF SECOND READING:

Mayor Corrine Bylund	____
Vice Mayor Nia Livingston	____
Councilor Josh Messinger	____
Councilor Brent Rogers	____
Councilor Tim Horvath	____

____
Corrine A. Bylund, Mayor

ATTEST:

____
Catherine Ponson, City Clerk

Approved as to form and content:

____
Paul Waters, City Attorney

Business Impact Estimate Form

This Business Impact Estimate Form is provided to document compliance with and exemption from the requirements of Sec. 166.041(4), Fla. Stat. If one or more boxes are checked below under “Applicable Exemptions”, this indicates that the City of Neptune Beach has determined that Sec. 166.041(4), Fla. Stat., does not apply to the proposed ordinance and that a business impact estimate is not required by law. If no exemption is identified, a business impact estimate required by Sec. 166.041(4), Fla. Stat. will be provided in the “Business Impact Estimate” section below. In addition, even if one or more exemptions are identified, the City of Neptune Beach may nevertheless choose to provide information concerning the proposed ordinance in the “Business Impact Estimate” section below. This Business Impact Estimate Form may be revised following its initial posting.

Proposed ordinance’s title/reference:

ORDINANCE 2025-06

AN ORDINANCE OF THE CITY OF NEPTUNE BEACH, FLORIDA, AMENDING CHAPTER 7. BEACHES AND WATERWAYS, ARTICLE II. BEACH REGULATIONS BY AMENDING SECTION 7-29. BEACH PERSONAL VEHICLE REGULATIONS BY REPEALING THE BAN OF ELECTRIC BICYCLES ON THE BEACH; PROVIDING CODIFICATION, CONFLICTS, SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

Applicable Exemptions: None of the below exemptions are applicable to Ordinance 2025-06

☐ The proposed ordinance is required for compliance with Federal or State law or regulation;

☐ The proposed ordinance relates to the issuance or refinancing of debt;

☐ The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;

☐ The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant, or other financial assistance accepted by the municipal government;

☐ The proposed ordinance is an emergency ordinance;

☐ The ordinance relates to procurement; or

☐ The proposed ordinance is enacted to implement the following:

- ☐ Part II of Chapter 163, Florida Statutes, relating to growth policy, county and municipal planning, and land development regulation, including zoning, development orders, development agreements, and development permits;
- ☐ Sections 190.005 and 190.046, Florida Statutes, regarding community development districts;

Note to Staff: *This form should be completed and included in the agenda packet for the item under which the proposed ordinance is to be considered and must be posted on the City’s website by the time notice of the proposed ordinance is published.*

☐ Section 553.73, Florida Statutes, relating to the Florida Building Code; or
☐ Section 633.202, Florida Statutes, relating to the Florida Fire Prevention Code.

Business Impact Estimate:

The City of Neptune Beach hereby publishes the following information:

1. A summary of the proposed ordinance (must include a statement of the public purpose, such as serving the public health, safety, morals and welfare):

A total ban on the use of electric bicycles on the beach is unnecessary to be consistent with neighboring jurisdictions, to allow fair and consistent regulation, and to address and embrace technological advances to improve the overall beach experience for the City's citizens and visitors. The amended ordinance repeals the ban of electric bikes while holding the use of electric bikes to the same safety standards as other personal vehicles by prohibiting reckless use.

2. An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the municipality, including the following, if any:

(a) An estimate of direct compliance costs that businesses may reasonably incur if the ordinance is enacted:

As of the date of the first reading of the Ordinance there are 213 business tax receipts / businesses in the City of Neptune Beach. There will be no known business impact.

(b) Identification of any new charge or fee on businesses subject to the proposed ordinance, or for which businesses will be financially responsible:

None

(c) An estimate of the municipality's regulatory costs, including an estimate of revenues from any new charges or fees that will be imposed on businesses to cover such costs:

None

3. A good faith estimate of the number of businesses likely to be impacted by the ordinance:

None

4. Additional information the governing body determines may be useful (if any):

None

***Note:** The City's provision of information in the Business Impact Estimate section above, notwithstanding an applicable exemption, shall not constitute a waiver of the exemption or an admission that a business impact estimate is required by law for the proposed ordinance. The City's failure to check one or more exemptions below shall not constitute a waiver of the omitted exemption or an admission that the omitted exemption does not apply to the proposed ordinance under Sec. 166.041(4), Fla. Stat., Sec. 166.0411, Fla. Stat., or any other relevant provision of law.*

Special Meeting
Agenda Item #4C
Ord. No. 2025-07
Amends FY24-25

CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT

AGENDA ITEM:	Ordinance No. 2025-07, Amending FY24-25 Budget
SUBMITTED BY:	Jaime Hernandez, Chief Financial Officer
DATE:	April 16, 2025
BACKGROUND:	Fund 302-Street Improvement fund is a Capital Project Fund dedicated to account for financial resources that are restricted, committed or assigned to Capital Projects related to Street and Drainage. As of March 31, 2025, the fund has an available balance of $246,763.68. Requesting appropriation of $228,883.15 from the fund balance to fund milling and paving projects. Transferring $325,500 from account 401-4335-535-60-63-Improvement-Not Building to account to account 401-4335-535-30-46-Rapair and Maintenance to fund the emergency repairs to the 3rd street gravity sanitary sewer. Transferring $73,139.41 from account 401-4336-535-30-31-Professional Services to account 401-4336-536-30-52 to provide additional funding. Transferring $32,687.00 from account Public Works account 001-1441-541-60-62-Building Improvement to account Ocean Rescue 001-1775-575-30-46 to fund emergency repairs on the Lifeguard station. Ordinance No. 2025-07 was approved at the First Reading at the Regular City Council meeting on April 7, 2025.
BUDGET:	Appropriation of $228,883.15 from fund balance on fund 302
RECOMMENDATION:	• Appropriate the fund balance in the amount of $228,883.15 to fund milling and paving projects. • Approve transfer of $325,500 to fund 3rd St. Street Gravity Sanitary Sewer. • Approve transfer of $32,687 to fund repairs to the Lifeguard station. • Approve transfer of $76,139.41 to provide additional funding to Operating supplies.
ATTACHMENT:	Ordinance 2025-07 Business Impact Estimate

INTRODUCED BY:

MAYOR CORRINE BYLUND

ORDINANCE NO. 2025-07

A BILL TO BE ENTITLED

AN ORDINANCE AMENDING THE OPERATING BUDGET FOR THE CITY OF NEPTUNE BEACH, FLORIDA FOR FISCAL YEAR 2025, BEGINNING OCTOBER 1, 2024, AND ENDING SEPTEMBER 30, 2025.

WHEREAS, the City of Neptune Beach adopted an operating budget for the Fiscal Year 2025; and

WHEREAS, the nature of budgetary systems and those day-to-day decisions affecting such budgetary systems require adjustments from time to time.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF NEPTUNE BEACH, FLORIDA, that:

Section 1. The Fiscal Year 2025 Final Budget be Amended as shown on the attached Budget Amendment Request.

Section 2. The Ordinance shall become effective immediately upon its passage by the City Council.

	Current Balance	Amendment	Amended Budget
302-0000-271-00-00	(246,763.68)	228,883.15	(17,880.53)

Fund Balance
Appropriate fund balance to fund Milling and Paving projects are not part of the adopted budget FY 2024-25.

302-0000-389-10-00	.00	(228,883.15)	(228,883.15)

Appropriated Fund Balance
To account for the transfer of fund balance to Appropriated Fund Balance account.

302-1441-541-60-63	.00	228,883.15	228,883.15

Improvements – Not Buildings
To account for the funding for the Milling & Paving projects.

401-4335-535-60-53	186,794.06	325,500.00	512,294.06

Improvement – Not Building
Transferring funds to the Repair & Maintenance account to pay for emergency repairs to the 3rd street gravity sanitary sewer.

401-4335-535-30-46	2,394,633.70	(325,500.00)	2,069,137.70

Repair and Maintenance
To account for transfer of funds from the Improvement & Maintenance account to fund emergency repairs to the 3rd St gravity sanitary sewer.

001-1441-541-60-62	746,660.00	(32,687.00)	713,973.00

Building Improvements
To account for the transfer to the Ocean Rescue-Repair & Maintenance account to fund the repairs to the Lifeguard station.

001-1775-575-30-46	2,353.40	32,687.00	35,040.40

Repairs and Maintenance
To transfer funds from PW Building Improvement account to fund repairs of the Lifeguard Station.

401-4336-536-30-31	342,523.52	(76,139.41)	266,384.11

Professional Services
Transfer funds from to provide additional funding to the Operational Supplies account.

401-4336-536-30-52	(46,139.41)	76,139.41	30,000.00

Operating Supplies
Transfer funds from the Professional Service account to provide additional funding.

VOTE RESULTS OF FIRST READING:

Mayor Corrine Bylund	YES
Vice Mayor Nia Livingston	YES
Councilor Josh Messinger	YES
Councilor Brent Rogers	YES
Councilor Tim Horvath	YES

Passed at First Reading this 7th day of April, 2025.

VOTE RESULTS OF SECOND READING:

Mayor Corrine Bylund	____
Vice Mayor Nia Livingston	____
Councilor Josh Messinger	____
Councilor Brent Rogers	____
Councilor Tim Horvath	____

Passed at Second and Final Reading this ___ of ____, 2025.

____
Corrine A. Bylund, Mayor

ATTEST:

____
Catherine Ponson, City Clerk

Approved as to form and content:

____
Paul Waters, City Attorney

Business Impact Estimate Form

This Business Impact Estimate Form is provided to document compliance with and exemption from the requirements of Sec. 166.041(4), Fla. Stat. If one or more boxes are checked below under "Applicable Exemptions", this indicates that the City of Neptune Beach has determined that Sec. 166.041(4), Fla. Stat., does not apply to the proposed ordinance and that a business impact estimate is not required by law. If no exemption is identified, a business impact estimate required by Sec. 166.041(4), Fla. Stat. will be provided in the "Business Impact Estimate" section below. In addition, even if one or more exemptions are identified, the City of Neptune Beach nevertheless choose to provide information concerning the proposed ordinance in the "Business Impact Estimate" section below. This Business Impact Estimate Form may be revised following its initial posting.

Proposed ordinance's title/reference:

ORDINANCE 2025-07

AN ORDINANCE OF THE CITY OF NEPTUNE BEACH, FLORIDA, AMENDING THE OPERATING BUDGET FOR THE CITY OF NEPTUNE BEACH, FLORIDA FOR THE FISCAL YEAR 2025, BEGINNING OCTOBER 1, 2024, AND ENDING SEPTEMBER 30, 2025.

Applicable Exemptions: None of the below exemptions are applicable to Ordinance 2025-07

☐ The proposed ordinance is required for compliance with Federal or State law or regulation;
☐ The proposed ordinance relates to the issuance or refinancing of debt;
☒ The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
☐ The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant, or other financial assistance accepted by the municipal government;
☐ The proposed ordinance is an emergency ordinance;
☐ The ordinance relates to procurement; or
☐ The proposed ordinance is enacted to implement the following:
- ☐ Part II of Chapter 163, Florida Statutes, relating to growth policy, county and municipal planning, and land development regulation, including zoning, development orders, development agreements, and development permits;
- ☐ Sections 190.005 and 190.046, Florida Statutes, regarding community development districts;

Note to Staff: *This form should be completed and included in the agenda packet for the item under which the proposed ordinance is to be considered and must be posted on the City's website by the time notice of the proposed ordinance is published.*

☐ Section 553.73, Florida Statutes, relating to the Florida Building Code; or
☐ Section 633.202, Florida Statutes, relating to the Florida Fire Prevention Code.

Business Impact Estimate:

The City of Neptune Beach hereby publishes the following information:

1. **A summary of the proposed ordinance (must include a statement of the public purpose, such as serving the public health, safety, morals and welfare):**
   N/A

2. **An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the municipality, including the following, if any:**

   (a) **An estimate of direct compliance costs that businesses may reasonably incur if the ordinance is enacted:**

   (b) **Identification of any new charge or fee on businesses subject to the proposed ordinance, or for which businesses will be financially responsible:**

   None

   (c) **An estimate of the municipality's regulatory costs, including an estimate of revenues from any new charges or fees that will be imposed on businesses to cover such costs:**

   None

3. **A good faith estimate of the number of businesses likely to be impacted by the ordinance:**

None

4. **Additional information the governing body determines may be useful (if any):**

None

Note: *The City's provision of information in the Business Impact Estimate section above, notwithstanding an applicable exemption, shall not constitute a waiver of the exemption or an admission that a business impact estimate is required by law for the proposed ordinance. The City's failure to check one or more exemptions below shall not constitute a waiver of the omitted exemption or an admission that the omittedexemption does not apply to the proposed ordinance under Sec. 166.041(4), Fla. Stat., Sec. 166.0411, Fla. Stat., or any other relevant provision of law.*

Special Meeting
Agenda Item #5A
Res. No. 2025-08
Appointing Members to Finance Committee

CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT

AGENDA ITEM:	Resolution No. 2025-08, Appointing Member to the Finance and Auditing Selection Committee (FASC)
SUBMITTED BY:	Catherine Ponson, City Clerk
DATE:	April 16, 2025
BACKGROUND:	Ordinance No. 2025-04, creates the Finance and Auditing Selection Committee. Section 2-487(a) of the ordinance states committee shall consist of three (3) members and the members shall be appointed by the Mayor and confirmed by Council. The two members of the public being recommended are Joe Cox and Lynda Padrta. Councilmember Brent Rogers will be the governing body member to serve as chair.
RECOMMENDATION:	Consider confirmation of Brent Rogers, Joe Cox and Lynda Padrta for the Finance and Auditing Selection Committee
ATTACHMENT:	Resolution No. 2025-08 Cox and Padrta Applications

RESOLUTION NO. 2025-08

A RESOLUTION OF THE CITY OF NEPTUNE BEACH, FLORIDA, APPOINTING MEMBERS TO THE FINANCE AND AUDITOR SELECTION COMMITTEE (FASC)

WHEREAS, City of Neptune Beach Ordinance No. 2025-04, established a Finance and Auditor Selection Committee, pursuant to the Florida Statutes Section 218.391.

WHEREAS, Section 2-487 (a) created by Ordinance No. 2025-04, states the FASC shall consist of three (3) members, one of whom shall be a member of the governing body who shall serve as the committee Chair, the other members will be members of the public.

WHEREAS, All members of the Finance and Audit Committee shall be appointed by the Mayor and confirmed by the City Council.

WHEREAS, The terms of members of the Finance and Auditor Selection Committee shall be for two years.

NOW, THEREFORE BE IT RESOLVED, the City Council of the City of Neptune Beach, Florida, hereby confirms the following FASC members:

FINANCE AND AUDITOR SELECTION COMMITTEE

Member	**Type**	**Term**	**Begins**	**Ends**
Councilor Brent Rogers	Chair	1st 2-year	04/21/2025	04/21/2027
Joe Cox	Member	1st 2-year	04/21/2025	04/21/2027
Lynda Padrta	Member	1st 2-year	04/21/2025	04/21/2027

This Resolution adopted by the City Council of Neptune Beach, Florida, at the Special Council Meeting held this ____ day of _____, 2025.

Corrine A. Bylund, Mayor

ATTEST:

Catherine Ponson, CMC
City Clerk

Approved as to form and content:

Paul Waters, City Attorney

CITY OF NEPTUNE BEACH
Board Membership Application

Name: Lynda Padrta			
Address: 1113 1st Street, Neptune Beach			
Mobile Phone: 904-234-7007	Work Phone:		
Email address: lpadrta.conb@gmail.com			
Occupation: retired	Place of Employment:		

How long have you lived in the City of Neptune Beach?

I moved here on Nov 1, 1997 and I have owned my home since 1999.

Education College	Major	Did you graduate?
High School:		Yes
College: Univ. of West Florida	BA of Acctg Info Sys	Yes

What are your hobbies and interests?

Treasurer of the Jean Ribault Chapter of National Society of Daughters of the American Revolution, Secretary of St. Andrew's Lutheran Church council, member of church crochet group, painting, reading, assist friends with computer work

Which Board do you desire to serve on? (see back for description)

X	Community Development Board
	Police Retirement Fund Board

Please explain what qualifications, employment, or volunteering, you possess that is relevant to this board.

As a resident of Neptune Beach since 1997, I've witnessed a lot of activities and changes in our city. I participated in lengthy citizen particpation hearings for Chapter 27 revisions around 1999, as well as participating as a citizen in the most recent code updates. I've attended many city council meetings, including some that lasted until 3:00 am, even as I traveled weekly as an IT consultant. In a previous career as a contracted federal financial/compliance/EDP auditor, I interpreted federal and state laws for audit purposes. I have owned and maintained my home in Neptune Beach since 1999.

Provide a brief explanation of your interest in being appointed to this board.

I'm aware of the importance of the board in determining how Neptune Beach will look now and in the future. My experience of living in Neptune Beach and traveling widely has made me aware of how fortunate we are to live in such a wonderful little city, and I'd like to help keep this a wonderful city to live in, with plenty room to enjoy the outdoors, as well as having plenty of local entertainment options.

Are you available one night per month?

Yes

Are you a registered voter? Yes

Signature: Lynda Padrta	Date: 12/16/2024

CITY OF NEPTUNE BEACH
Board Membership Application

Name: Crawford J. (Joe) Cox		
Address: 1842 Nightfall Drive, Neptune Beach, Fl 32266		
Mobile Phone: (904) 303-2045 Work Phone: (904) 854-3238		
Email address: Joe.Cox@fnf.com / JCox40238@gmail.com		
Occupation: IT Project Manager Place of Employment: FNF		
How long have you lived in the City? 38 years		
Education	Major	Did you graduate?
High School: Duncan U. Fletcher	Gen Ed	Yes
College: University of North Florida	Accounting	Yes
What are your hobbies and interests?		
Music, Travel, Art, Gardening, Antique Motorcycles and Automobiles		
Which Board do you desire to serve on? (see back for description)		
	Finance Commitee	
	Community Development Board	
	Police Retirement Fund Board	
Please explain what qualifications, employment or volunteer, you possess that is relevant to this board.		
I have over 40 years of project managment, acccounting and computer technology experiience.		
I currently work of Fidelity National Finance, The lagest Title Insurance Company in the United States		
As a project manager for FNF, I manage large scale multi-million-dollar projects.		
This includes the oversight of resources (human, technical and material) with budget accountability.		
I believe I have a special set of skills that can benefit the City of Neptune Beach and The Finance Committee		
Provide a brief explanation of your interest in being appointed to this board.		
I have been a resident of Neptune Beach for 38 years and understand the challenges of our small city.		
Over the last several years, the city has had some accounting / audit issues that I believe I can help with.		
I have a degree in Accounting and passed the CPA exam in 1995. I have auditing and compliance experi-ence.		
Are you available one night per month? Yes		
Are you a registered voter? Yes		
Signature:		Date: 1/17/25

Special Meeting
Agenda Item #6A
Rescind Public Works Roof Bid Award

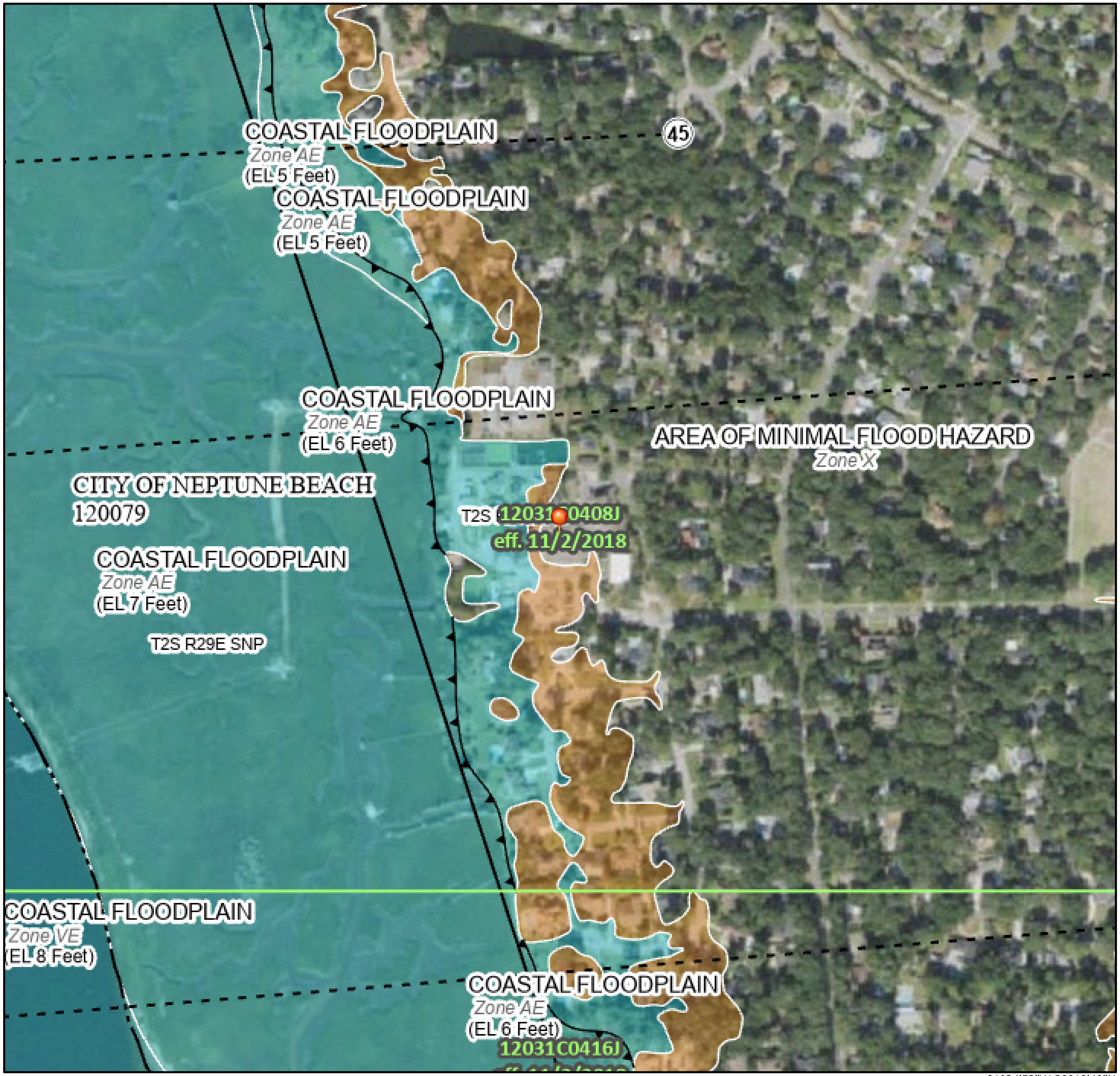
CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT

AGENDA ITEM:	Rescind Public Works Roofs and Related Replacement Project Award
SUBMITTED BY:	Deryle Calhoun, P.E. Public Works Director
DATE:	April 15, 2025
BACKGROUND:	City Council approved award to TC Metal Roofing LLC for the Public Works Roofs and Related Replacement Project at its April 7, 2025, meeting. It was subsequently discovered that manufacturers of galvanized roofing specified in the bid package will not provide a 20-year warranty. Further, American Society of Civil Engineers Flood Resistant Design and Construction (ASCE 24) standard and Florida Building Code have requirements that must be considered for buildings within the flood plain, including required building upgrades when the proposed work triggers guidelines established by the Federal Emergency Management Agency (FEMA). Elevation Certificates and possibly appraisals will be required for buildings within the Special Flood Hazard Area. A more in-depth analysis would be required for the foundation, walls, roof system, and all connecting elements. Florida Building Code Existing Building Section 707.3.2 speaks to the possibility of triggering a full building wind evaluation if more than 30% of the structural diaphragm (roof decking) is removed. Any building upgrade requirements would be weighed against future plant expansion and upgrades required in order to meet the January 2033 Advanced Wastewater Treatment regulation deadline. Because the staff-occupied buildings at Public Works are not located in a Special Flood Hazard Area, staff is proposing to proceed with those buildings as base bid and include those within the hazard area as a bid alternate. Lastly, roofing specifications will be updated to reflect aluminum panels with stainless steel clips and fasteners to receive an acceptable manufacturer's warranty.
BUDGET:	Not applicable
RECOMMENDATION:	Rescind previous award to TC Metal Roofing LLC
ATTACHMENT:	• FEMA National Flood Hazard Layer FIRMette map • FEMA's National Flood Hazard Layer Viewer map

National Flood Hazard Layer FIRMette

FEMA

81°25'29"W 30°19'11"N



Feet

0 250 500 1,000 1,500 2,000

1:6,000

81°24'52"W 30°18'40"N

Basemap Imagery Source: USGS National Map 2023

Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS
- Without Base Flood Elevation (BFE) *Zone A, V, A99*
- With BFE or Depth *Zone AE, AO, AH, VE, AR*
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD
- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile *Zone X*
- Future Conditions 1% Annual Chance Flood Hazard *Zone X*
- Area with Reduced Flood Risk due to Levee. See Notes. *Zone X*
- Area with Flood Risk due to Levee *Zone D*

OTHER AREAS
- NO SCREEN Area of Minimal Flood Hazard *Zone X*
- Effective LOMRs
- Area of Undetermined Flood Hazard *Zone D*

GENERAL STRUCTURES
- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES
- 20.2 / 17.5 Cross Sections with 1% Annual Chance Water Surface Elevation
- 8 Coastal Transect
- 513 Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS
- Digital Data Available
- No Digital Data Available
- Unmapped

N

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 4/10/2025 at 1:27 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

FEMA's National Flood Hazard Layer (NFHL) Viewer

with Web AppBuilder for ArcGIS

Special Meeting
Agenda Item #6B
Florida Blvd Pump Station Automatic Transfer Switch Replacement

CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT

AGENDA ITEM:	Florida Blvd Pump Station Automatic Transfer Switch Replacement
SUBMITTED BY:	Deryle Calhoun, P.E. Public Works Director
DATE:	April 15, 2025
BACKGROUND:	The Florida Boulevard Pump Station is served by a generator equipped with an automatic transfer switch (ATS) which transfers the pumps from utility power to generator power in the event of a utility power fail. The existing ATS is 24 years old, and although parts are still available, they may be out of stock in the event of failure. Although Public Works has a portable generator, response time after hours with knowledgeable personnel could result in a sanitary sewer overflow. Budget to replace the ATS was included in the FY25 approved budget. Ring Power provides maintenance of the Caterpillar generator served by the ATS; consequently, award of this work to Ring Power is suggested. Ring Power provides maintenance and parts to CONB utilizing the Sourcewell Caterpillar, Inc. contract. Code of Ordinances, Article VI, Finance, Section 2-377 (b)(5) addresses sole source: "(b) The formal bid procedure defined in subsection (a) is not required in the following cases: 5. Contracts for the maintenance or servicing of equipment, which are made with the manufacturer or authorized service agent of equipment when the maintenance or servicing can best be performed by the manufacturer or authorized service agent where such a contract would otherwise be advantageous to the city;"
BUDGET:	As of 4.15.25 FY25, Current Budget for Sewer Machinery and Equipment (401-4335-535-60-64) is $684,648.00 with Budget Available of $546,504.81.
RECOMMENDATION:	Approve award to Ring Power in the amount of $30,651.50.
ATTACHMENT:	• Quote from Ring Power • Sourcewell contract

Ring Power CAT

Quote No: 136062 - 1

CITY OF NEPTUNE BEACH
116 1ST ST
NEPTUNE BEACH FL
32266-6140

PER YOUR REQUEST, WE HAVE ESTIMATED REPAIRS ON THE MACHINE LISTED BELOW. A REPAIR DESCRIPTION WITH LABOR AND/OR PARTS IS ATTACHED. UPON DISASSEMBLY OF THE COMPONENT(S) TO BE REPAIRED,ADDITIONAL PARTS AND LABOR MAY BE NECESSARY. IF SO, A QUOTE FOR ADDITIONAL REPAIRS WILL BE FORWARDED TO YOU FOR APPROVAL. NOTE: AN AUTHORIZED REPRESENTATIVE OF YOUR COMPANY SHOULD SIGN AND RETURN THIS REPAIR ESTIMATE. ONLY UPON RECEIPT OF THE SIGNED ESTIMATE WILL REPAIRS BE PERFORMED. A PURCHASE ORDER NUMBER SHOULD BE SUPPLIED IF REQUIRED BY YOUR COMPANY.

CUSTOMER NO.	QUOTE NO.	DATE	CONTACT
032233	136062	4/1/2025	BRANDI TAYLOR
PHONE NO.	**FAX NO.**	**EMAIL**	
904-652-5733		btaylor@nbfl.us	
MODEL	**MAKE**		**SERIAL NO.**
D125	OLYMPIAN		BL003506
UNIT NO.	**HOURS**	**WO NO.**	**P.O. NO.**
FL AVE LS			

NOTE

CITY OF NEPTUNE BEACH
FLORIDA AVENUE SWITCH CHANGE OUT
BRANDI TAYLOR 904-652-5733
****

> CUSTOMER REQUEST FLORIDA AVE ATS
****

> PROVIDE A QUALIFIED TECHNICIAN TO PERFORM THE FOLLOWING REPAIRS USING SAFETY AND LOCK OUT, TAG OUT PROCEDURES.
****

> ALL QUOTES APPROVALS NEED TO BE RETURNED TO: GARY.WOLFE@RINGPOWER.COM SO PARTS AND SERVICE CAN BE SCHEDULED AT THE TIME OF APPROVAL.

****

> WORK IS QUOTED TO BE COMPLETED DURING NORMAL WORKING HOURS, 7:30 TO 4 PM UNLESS OTHER TIME ARRANGEMENTS ARE REQUIRED.

****

> ESTIMATED TOTAL DOES NOT INCLUDE APPLICABLE TAXES.
> ENVIRONMENTAL FEES ARE INCLUDED.

****

REMOVE & INSTALL TRANSFER SWITCH

NOTES:
MILEAGE CHARGE FOR UNITS THAT ARE NO MORE THAN 50
MILES ROUND TRIP FROM BRANCH.

		Total Time and Material Parts:	28,243.75

Item Number	Description	Qty	Ext Price
TRV	TRAVEL LABOR REV	1.50	408.00
TRV	TRAVEL LABOR REV	1.50	408.00
FLD	FIELD LABOR REV	7.00	1,163.75
		Total Time and Material Labor:	1,979.75

Item Number	Description	Qty	Ext Price
MLG	MILEAGE PSD	64	128.00
		Total Time and Material Misc:	128.00

Segment 01 Total:	30,351.50
Total Segments:	30,351.50
ENVIRONMENTAL/MISCELLANEOUS	300.00
SUB TOTAL (BEFORE TAXES)	30,651.50
TOTAL ESTIMATE	30,651.50

I hereby authorize the above repair work to be done along with the necessary materials. Ring Power Corporation and it's employees may operate above equipment for purposes of testing. Inspection or delivery at my risk. An expressed mechanics lien is acknowledged on equipment to secure the cost of all repairs thereto. Ring Power Corporation is not responsible for loss or damage to equipment in case of fire, theft, accident, or any other cause beyond our control. Replaced parts will be held for a period of ten days after work completion. The cost of labor and parts in determining any estimate shall be borne by the customer.

PO#: ______________ Authorized Name: ______________________________ (signature)

Date: ______________ ______________________________ (print)

Thank you for this opportunity to serve your company

CONTACT INFORMATION:

Prepared by: James Mosley Phone: +1-904-466-4712 Email: James.Mosley@RingPower.Com Fax:

JOB SITE: -

-This estimate is made subject to buyer's acceptance within (10) ten days from this date
-All prices are subject to change without notice, and those in effect on date of shipment shall prevail
-Terms are Net 30 Days from receipt of invoice
-Estimate excludes sales tax, incoming freight, environmental and additional charges for parts/labor not included in the above mentioned.
-Customer will be contacted should estimate exceed 10%

THIS WORK ORDER IS SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1. AUTHORITY TO PERFORM REPAIRS It is understood that, "upon receipt" of any item of equipment for repair, maintenance or other work, Ring Power may examine the item of equipment as to work which Ring Power may suggest to be performed in addition to whatever work, if any, might have been requested by customer. All work (requested by customer or suggested by Ring Power) to be noted on a form as supplied by Ring Power.
   a. Time and Material Work - Ring Power will proceed with the work agreed upon at current labor and parts prices.
   b. Firm Price - If requested, a firm price in writing will be given to the customer for labor and/or parts to do specific repair. Any agreed a upon repair order not covered by a firm written quotation will be billed at current time and material prices
   c. Unforeseen Problems or Additional Repairs. In the event that during the course of the Work, additional repair work is found to be necessary pursuant to Ring Power's examination and inspection of the Equipment, then in such event Ring Power will attempt to communicate with the Customer as to the additional repair work; provided, however, that in the event Ring Power is unable to communicate with the Customer, then Ring Power, at its sole discretion, shall have the absolute right to cease any and all repairs on the Equipment until such time as the additional repairs are discussed with the Customer. In the event the Customer consents to the additional repairs, Ring Power shall have the right to proceed with the repair of the same without further communication with the Customer and any and all additional repairs will be charged to the Customer at current time and material prices.

2. HOLD HARMLESS AGREEMENT FOR CUSTOMER PARTICIPATION IN SERVICE WORK- In the event customer or customers' personnel assists our mechanics in performing service work, customer agrees to hold harmless and fully indemnify Ring Power for injuries or damages to anyone arising out of customer assisting Ring Power personnel in servicing or repairing customer's equipment.

3. WARRANTY INFORMATION - Ring Power warrants the work performed to be free from defects in material and workmanship for a period of ninety days. Ring Power's obligation under this warranty shall be limited to the repair or replacement at Ring Power's premises of those new parts previously installed or labor previously performed demonstrated to be defective. SUCH REMEDY SHALL CONSTITUTE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND CUSTOMER HEREBY AGREES THAT NO OTHER REMEDY (INCLUDING, BUT NOT LIMITED TO CLAIMS FOR INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES, OR ANY CAUSE, LOSS, ACTION, CLAIM OR DAMAGE, INCLUDING LOSS OF TIME, WHATSOEVER, OR INJURY TO PERSON OR PROPERTY OR ANY OTHER CONSEQUENTIAL DAMAGE OR INCIDENTAL OR ECONOMIC LOSS) SHALL BE AVAILABLE TO CUSTOMER. THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OR MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. SUBSTANDARD REPAIR WORK MAY BE PERFORMED UPON REQUEST OF CUSTOMER AND ACCORDING TO CUSTOMER'S INSTRUCTIONS BUT SUCH WORK WILL CARRY ABSOLUTELY NO WARRANTY WHATSOEVER. CUSTOMER FURTHER ACKNOWLEDGES AND AGREES THAT NO VERBAL CONTRACTS, AGREEMENTS OR WARRANTIES OTHER THAN WHAT IS SET FORTH HEREIN HAVE BEEN RECEIVED OR GIVEN.

4. PAYMENT - Customer will make payment for services rendered by Ring Power pursuant to this work order at such times and in such manner as may be prescribed by Ring Power. In the event of nonpayment by a customer, the cost incurred by Ring Power in collecting the indebtedness, including attorney's fees and expenses, both in the trial court and on any and all appeals, with interest at the maximum rate allowed by law from date of expenditure, shall be added to the principal amount of the indebtedness owed to Ring Power. These provisions are not exclusive and Ring Power may elect other remedies at law and at equity.

5. RISK OF LOSS - Ring Power carries an Equipment Floater Insurance Policy covering all risk (except war, wear and tear, etc.) for the current value (replacement cost less depreciation) on customer's equipment in Ring Power's custody or control. All risk of loss and damage not covered in above policy shall be borne solely by its owner.

6. SEVERABILITY CLAUSE - Any provisions of this Agreement found to be prohibited by law shall be immediately ineffective to the extent of such prohibition without invalidating the rest of this Agreement.

7. APPLICABLE LAW - This Agreement shall be deemed to be governed by the laws of the State of Florida.

Caterpillar, Inc.

Electrical Energy Power Generation Equipment

#092222-CAT

THIS DOCUMENT IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A PART OF THE CONTRACT BETWEEN SOURCEWELL AND SUPPLIER.

If you would like to purchase off this contract or for questions regarding products and pricing, the Supplier Contact Information can be found at:

[Caterpillar Inc.: Contract 092222-CAT | Sourcewell (sourcewell-mn.gov)]

Solicitation Number: RFP #092222

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Caterpillar Inc., 5212 N. O'Connor Blvd., Suite 1100, Irving, TX 75039 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Electrical Energy Power Generation Equipment with Related Parts, Supplies, and Services from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

B. EXPIRATION DATE AND EXTENSION. This Contract expires November 22, 2026, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.

C. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer used, close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. WARRANTY. Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;

- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities. Supplier may not enter into a contract with a U.S. Federal Government entity prior to obtaining necessary internal approvals and will not be obligated to provide Equipment, Products, or Services to any U.S. Federal Government entity under this Contract unless separately agreed in writing. Supplier may work with such parties and may agree to provide equipment or services under the Contract on a case-by-case basis.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. AUDIT. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. ASSIGNMENT. Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid. Provided, however, that Caterpillar is permitted to subcontract certain of its rights and obligations to Caterpillar dealers for performance without Sourcewell's prior written consent.

C. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. WAIVER. Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. CONTRACT COMPLETE. This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Intentionally omitted.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:

    a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.

b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.

2. *Limited Right of Sublicense*. The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. *Termination*. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending*. Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an “AM BEST” rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers’ Compensation and Employer’s Liability.*
Workers’ Compensation: As required by any applicable law or regulation.
Employer's Liability Insurance: must be provided in amounts not less than listed below:
Minimum limits:
$500,000 each accident for bodily injury by accident
$500,000 policy limit for bodily injury by disease
$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office (“ISO”) Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.
Minimum Limits:
$1,000,000 each occurrence Bodily Injury and Property Damage
$1,000,000 Personal and Advertising Injury
$2,000,000 aggregate for products liability-completed operations
$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:
$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:
$2,000,000

5. *Professional/Technical, Errors and Omissions, and/or Miscellaneous Professional Liability*. During the term of this Contract, Supplier will maintain coverage for all claims the Supplier may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Supplier's professional services required under this Contract.

Minimum Limits:
$2,000,000 per claim or event
$2,000,000 – annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds. A Participating Dealer may name a Participating Entity as an additional insured on a case-by-case basis.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier’s Participating Dealers must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier’s Participating Dealer conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Intentionally omitted.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

DocuSigned by:
Jeremy Schwartz
C0FD2A139D06489...

By: ___________________________
Jeremy Schwartz
Title: Chief Procurement Officer

12/6/2022 | 4:51 PM CST
Date: _________________________

Caterpillar Inc.

DocuSigned by:
Jaime Mineart
8ED6778AD1EB44E...

By: ___________________________
Jaime Mineart
Title: Vice President & General Manager
Retail Electric Power Solutions
12/6/2022 | 6:57 PM PST
Date: _________________________

Approved:

DocuSigned by:
Chad Coauette
7E42B8F817A64CC...

By: ___________________________
Chad Coauette
Title: Executive Director/CEO
12/6/2022 | 8:58 PM CST
Date: _________________________

RFP 092222 - Electrical Energy Power Generation Equipment with Related Parts, Supplies, and Services

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Vendor Details

Company Name:	Caterpillar
Address:	5205 N O'Connor Blvd Irving, TX 75039
Contact:	Jaime Mineart
Email:	Mineart_Jaime_M@cat.com
Phone:	309-208-8238
Fax:	847-212-8020
HST#:	

Submission Details

Created On:	Thursday August 04, 2022 09:20:25
Submitted On:	Thursday September 22, 2022 11:48:50
Submitted By:	Jaime Mineart
Email:	Mineart_Jaime_M@cat.com
Transaction #:	7d158290-a935-4ffc-acc0-efaa11d1bfb4
Submitter's IP Address:	198.180.154.20

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Caterpillar Inc.	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	N/A	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	N/A	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	11083	*
5	Proposer Physical Address:	5212 N O'Connor Blvd Ste. 1100, Irving, TX 75039	*
6	Proposer website address (or addresses):	https://www.caterpillar.com/, https://www.cat.com/en_US.html	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Authorized Rep: Jaime Mineart Title: Vice President & General Manager, Retail Electric Power Solutions Address: 5212 N O'Connor Blvd Ste. 1100, Irving, TX 75039 Email: Mineart_Jaime_M@cat.com Phone: (309) 208-8238	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Primary Contact: Nicole Warnstedt Title: Territory Sales Manager Address: 5212 N O'Connor Blvd Ste. 1100, Irving, TX 75039 Email: Warnstedt_nicole_a@cat.com Phone: (847) 212-8020	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Other Contact: Steve Turner Title: Americas Sales Manager, Retail Electric Power Solutions Address: 5212 N O'Connor Blvd Ste. 1100, Irving, TX 75039 Email: Turner_Stephen_M@cat.com Phone: (309) 208-8238	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	

10	Provide a brief history of your company, including your company’s core values, business philosophy, and industry longevity related to the requested equipment, products or services.	Caterpillar was founded in 1925 when two entrepreneurs merged their companies: Holt Manufacturing Company and C.L Best Tractor Company. The merger was a great success because the ethics of both men were focused on high quality products and the best customer support. The key to this satisfaction is two-fold: build the best products and empower our dealers to offer the best support. Through this combination, we are proud to prove that our products offer the best value to our customers regardless of where they are located. Caterpillar produced its first diesel engine in 1939. In 1953, Caterpillar created a division dedicated to the specific needs of a broad range of diesel engine customers, including power generation. In 2021, the Energy & Transportation segment including all Power Generation divisions contributed more than $20.2 Billion of revenue globally for Caterpillar Inc. with more than $7.6 Billion in North America alone. Since the founding, Caterpillar Inc. has retained the culture of focusing on customer needs and supporting products after the sale. Our company culture is keenly focused on customer satisfaction and every employee realizes that a customer's experience using the product will determine whether he or she will purchase another one. Caterpillar has a robust Code of Conduct that can be found at Caterpillar | Code of Conduct | Caterpillar Values in Action. Here is a quote from Jim Umpleby, Caterpillar Chief Executive Officer, summarizing this code and its significance in Caterpillar culture. “We are proud that the people on our team come from across the globe, with diverse backgrounds, experiences, and perspectives. This diverse culture and character make us stronger. What unites us within this diversity is a common set of Values; that we are not just accountable for the work we do; we also care deeply about how we do it. Our Code of Conduct defines those Values in action –what we stand for and how we conduct ourselves with our customers, suppliers and one another. Its purpose is not to provide a set of rules that covers every situation or challenge we may face, but to guide us in living those values every day. The Code of Conduct explains what Integrity, Excellence, Teamwork, Commitment and Sustainability mean to us and how we use these Values to make sound, ethical decisions. Our Code of Conduct is one of the most important documents we produce at Caterpillar. We can prove measurable advantages in total owning and operating costs as well as tangible benefits in terms of standard safety features, telematic information sharing, and many training, and application support services offered by our dealers.	*
11	What are your company’s expectations in the event of an award?	Caterpillar is honored to have served Sourcewell and its members who have purchased Cat construction equipment, work-tools, and electrical power generation products through Sourcewell since 2008. Furthermore, we are proud to have earned the Sourcewell Legacy Award in 2019. Caterpillar is the top contributor to generator sales in our current Power Generation and Services contract 120617-CAT. Together with the Machine contract, we look forward to the opportunity to further grow business and serve member needs together in this new Power Generation contract. With average 20-30% growth over the past 5 years, we will be dedicated to continuing with this annual growth.	*

12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	Maintaining financial strength is a critical priority for Caterpillar. We receive debt ratings from the major credit rating agencies. Caterpillar is "mid-A" rated by S&P and Fitch and has a "low-A" rating with a positive outlook from Moody's. Maintaining our "mid-A" credit rating is critical to our cash deployment priorities. Due to our prudent focus on financial strength, on a comparative basis Caterpillar has generally demonstrated higher profitability, lower leverage, and better liquidity than our competitor peer group. Our liquidity position is extremely strong with typically the highest percentage of cash as a percent of total assets on the balance sheet vs our competitors. Please see 2021 Investor Presentation which provides additional details about our financial position. The full text of the SEC filing documents can be found on our public website: https://investors.caterpillar.com/financials/sec-filings/default.aspx. In 2021 full year sales and revenues were $50.971B. Enterprise operating cash Flow was $7.2B. During the year, the company paid dividends of $2.33B and repurchased $2.67B of Caterpillar common stock. Liquidity remained strong with an enterprise cash balance of $9.25B at the end of 2021. After paying uninterrupted rising annual dividends for more than two decades, Caterpillar, Inc. (NYSE:CAT) reached the 27th consecutive year mark for inclusion in the elite group of companies designated as Dividend Aristocrats. In addition to a minimum of 25 consecutive years of dividend hikes, a company must be a component of the S&P 500 index and and must have a market capitalization of at least $3B to qualify as a Dividend Aristocrat.	*
13	What is your US market share for the solutions that you are proposing?	Market share information beyond what is made publicly available through our annual reports is considered confidential. Market share data is not readily available within the industry. There are not many manufacturers offering products for the US and Canada that meet the required regulations. Caterpillar is a significant contributor to the overall Power Generation sector within the US and Canada.	*
14	What is your Canadian market share for the solutions that you are proposing?	Market share information beyond what is made publicly available through our annual reports is considered confidential. Market share data is not readily available within the industry. There are not many manufacturers offering products for the US and Canada that meet the required regulations. Caterpillar is a significant contributor to the overall Power Generation sector within the US and Canada.	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No, Caterpillar has never filed for bankruptcy.	*
16	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	Caterpillar is a world class manufacturer which distributes products through a vast and capable dealer network. Our dealers are strong independent companies and in North America alone they have a combined net worth of billions of dollars. Their large valuation is a competitive advantage because it allows them to have the infrastructure to support customers regardless of location, industry, fleet size, or application. We believe our dealers have the largest amount of service parts available in their inventory. Another advantage of independently owned dealers is that they know their customers and market well. They tailor their services specifically to their customers' needs. Caterpillar and each dealer have signed a sales and service agreement that outlines the specific expectations from both parties. In a broad overview, Caterpillar manufactures products and sells them to our dealers. The dealers then sell those products to customers. Caterpillar does not sell directly to state and local governments. Though we will sign this contract as a manufacturer, our dealers will be given the opportunity to avail themselves of the opportunity presented by the contract and will execute all the transactions with governmental customers as they do today. This includes but is not limited to consultation, quoting, accepting payment, delivery, warranty support, parts sales, and service. This is no different than sales occurring out the terms of this agreement. Caterpillar dealers heartily embrace the other Sourcewell contracts currently available to them (032119-CAT, 120617-CAT and 062320-CAT). They have all been trained on contract usage. In fact, the current Electric Power contract is leveraged by at least 75% of our dealers in North America. Caterpillar offers specific discounts to Sourcewell members. By using any Sourcewell Contract, our dealers agree to honor those discounts.	*
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Caterpillar and its subsidiaries operate across the globe in a variety of markets that require Caterpillar to adhere to all locally mandated laws and regulations in order to do business. With regards to the territories covered by this RFP, Caterpillar will comply with applicable laws in order to do business in the territories described herein.	*

18	Provide all “Suspension or Debarment” information that has applied to your organization during the past ten years.	Caterpillar has not been suspended or disbarred in trading history.	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
19	Describe any relevant industry awards or recognition that your company has received in the past five years	Please note: To list all the awards received in the past 5 years would unnecessarily lengthen our response. For brevity, we are highlighting some recognition received in 2020, 2021 and 2022. Also note there are many global awards. Fortune Magazine #78 on the Fortune 500 2021 Fortune Magazine World's Most Admired Companies World & North America Dow Jones Sustainability Index Forbes Best Employers for diversity 2020 and 2021 #82 Best Global Brands- Interbrand 2021 The Wall Street Journal Best Managed Companies in 2020 and 2021 The Wall Street Journal World's Most Sustainably Managed Companies Human Rights Campaign Foundation Corporate Equality Index Dow Jones Sustainability Index (World and North America) 21 years World’s Most Sustainably Managed Companies – The Wall Street Journal United Way World Wide’s Global Corporate Leadership Program U.S. President’s Volunteer Service Award from Junior Achievement Corporate Equality Index – Human Rights Campaign Foundation CSR China Top 100 – the 4th CSR China Education Award (China) China CSR Excellence Award – China Philanthropy Times (China) Corporate Social Responsibility Research Center of Southern Weekly (China) Outstanding Contribution to Poverty Alleviation – China Foundation for Poverty Alleviation (China) 2020 Global 500 – Fortune Magazine America’s Most Responsible Companies 2020, 2021 & 2022 – Newsweek Best-Managed Companies of 2020 & 2021 – The Wall Street Journal Top Companies for Customer Satisfaction – The Wall Street Journal The CEO Leaderboard: COVID-19 Reputation Rankings – SJR All-America Executive Team – Institutional Investor Top 150 Global Licensors – Global License Best Global Brands Top 100 – Interbrand World’s Most Valuable Brands 2020 – Forbes 2020 Best Places to Work for Disability Inclusion – Disability Equality Index World’s Best Employers 2020 – Forbes Best Employers for Women 2020 – Forbes America’s Best Employers by State 2020 – Forbes America's Best Employers for Diversity 2020 – Forbes Best Employers for New Grads 2020 – Forbes Global 2000 – Forbes 2020, 2021 & 2022 Best Employers for Veterans 2020 and 2021– Forbes Top Veteran-Friendly Company – U.S. Veterans Magazine #1 Great Place to Work – Great Place to Work Institute (Brazil) #1 Great Place to Work in the Ag Business - Great Place to Work Institute (Brazil) Chile’s 20 Best Places in 2020 to Work for LGBTQ Equality, pwc Human Rights Campaign Top of Mind Company “Industry category” (Piracicaba, Brazil) Certification on Promoting Work-Life Balance in Hyogo Prefecture – Hyogo Work and Life Center (Japan) Hyogo’s Women’s Success in Business Promotion Company – Hyogo Women Empowerment & Promotion Center (Japan) Hanada Award for WIN Akashi – Hyogo Women and Future Association (Japan) Hyogo Childcare Supporting Company Award (Japan) Science & Technology Industry Summit: Outstanding Contribution – The Economic Observer (China) 2020 China Good Companies: Industry Leadership – Jiemian.com (China) Cat® G3520 Fast-Response, Natural Gas Generator Set Earns Gold Award in Consulting-Specifying Engineer’s 2021 Product of the Year Competition	*
20	What percentage of your sales are to the governmental sector in the past three years	The governmental and educational sector is extremely important to Caterpillar. We do not track government and education separately. However, it is safe to assume that the bulk of these sales is to state, county, municipal and special districts. We have a dedicated team to ensure success in this market. Overall, the percentage of our sales to non-federal government agencies varies between 7% and 15%.	*

21	What percentage of your sales are to the education sector in the past three years	The governmental and educational sector is extremely important to Caterpillar. We do not track government and education separately. However, it is safe to assume that the bulk of these sales is to state, county, municipal and special districts. We have a dedicated team to ensure success in this market. Overall, the percentage of our sales to non-federal government agencies varies between 7% and 15%.	*
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Cat dealers typically hold contracts with states and provinces. Additionally, we are contract holders with OMNIA. Just as we would never share Sourcewell transaction information with other cooperatives, we feel it is inappropriate to share volumes with those contracts.	*
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	Listed below are the current Power Generation GSA contracts that Caterpillar holds: SIN 335999 Power Distribution Equipment: 2020=$736,134 2021=$1,353,905 2022 = as of today $285,951 Contract Number: GS07F5666R (Future sales will be under new contract: GS30F0018U)	*

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
City of Ogden	Monica Kapp	801-430-2308	*
United Water Conservation District	Chris Hendricks	805-415-1554	*
Renewable Water Resources	Brent Rhymer	864-299-4000	*

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
City of Charlotte	Government	North Carolina - NC	A city local to North Carolina	Purchased 16 units (specific to EP products)	$2,545,112	*
Manatee County	Government	Florida - FL	A county local to Florida	Purchased 9 units (specific to EP products)	$1,463,479	*
Bonita Springs Utilities	Government	Florida - FL	A city local to Florida	Purchased 2 units (specific to EP products)	$1,388,444	*
University of Florida	Government	Florida - FL	College in Gainesville, Florida	Purchased 3 units (specific to EP products)	$1,199,583	*
City of Raleigh Public Utilities	Government	North Carolina - NC	Water and sanitary sewer services	Purchased one unit (specific to EP products)	$1,034,177	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	

26	Sales force.	The Cat dealer salesforce is the most capable and highly trained in the industry. The Cat dealer salespeople are consultants to their customers and advise their customers on the best solutions for their application and job. As a manufacturer we request our dealers to follow strict training protocols to ensure our sales force remains current on all product updates. Specifically, as it relates to governmental sales, each dealer has one or more people named to be a key liaison between us as manufacturer and their dealer sales team. This person is offered additional in-depth training on Sourcewell and ensures that all contract terms are followed. In addition, dealers also have electric power specialists located in house to work with customers on all aspects of their power generation business. In North America, our dealers employ more than 53,000 people across the machine, energy, parts and service divisions. The dealer sales teams are supported by a network of Caterpillar professionals. Each dealer has in territory support of 5-8 Caterpillar sales/marketing employees. It is the responsibility of these people to ensure that the dealer and Caterpillar are working well together to constantly improve and to adapt to marketplace changes. Beyond the territory experts, the sales and marketing department at Caterpillar is staffed by more than 600 people whose mission is to focus on customer satisfaction. Even more are employed "behind-the-scenes" to ensure industry leading product design, up to date product information, and maintaining the ease of doing business in an increasingly connected marketplace.	*
27	Dealer network or other distribution methods.	The Cat dealer network is key to the success of our company. Within Canada and the United States, we have more than 800 dealer owned locations that sell and rent equipment. Please refer to our directory listing of Cat dealer locations and locations map in the attached “Cat Dealer Directory”. Cat dealers are independently owned and many cover an entire state or province. In some cases, dealers cross state/provincial boundaries, and in other cases, more than one dealer will be located in a state). Each dealer has multiple branches and a mobile service fleet that can serve customers regardless of location. These are full physical locations our governmental customers can use. Because of the size of Cat dealers, they are exceptionally capable to serve governmental customers and customers in the governmental industry. Dealers have trained specialists that cover many industries. Many of our dealer sales reps sell more than 50% of their sales through Sourcewell. To support these dealers and specialists in the field, Caterpillar has an electric power division with 30+ dedicated electric power territory managers dedicated to training and focused on the electric power industry. To help with Sourcewell sales, we have a dedicated sales rep, Nicole Warnstedt, who is expert on co-operative purchasing for the power generation group as well as an intern to assist with day to day tasks. Caterpillar also pulls together the electric power specialists into a Dealer Advisory group to have a continuous feedback loop on industry trends and to collaborate on future new product introductions. Collectively, Cat dealers' large net worth permits them to stock a high volume of replacement parts - allowing governmental customers the fastest turnaround on parts availability and repair time. Cat dealers recognize the importance of governmental business to their overall success and their product support sales reps are well versed in working with government entities. Please refer to the Cat dealer locations list and map included in "Additional Documents".	*

28	Service force.	At Caterpillar we are very proud of the saying "The sales department sells the first machine; the service department sells every one after that." The Cat dealer network in North America collectively employs more than 20,000 factory trained technicians, parts experts, product support managers and other service-oriented staff. These people are supported by the best repair shop equipment and materials. As machines and engines are constantly updated, so too are our service experts. We conduct product-specific training every week of the year. Technician shortage is an industry-wide concern, but because Cat dealers are large, long established companies, they can offer strong compensation and benefit packages that encourage the best people to seek employment and to retain them once hired. Caterpillar works very closely with dealers and through a program called "Think Big", we are able to keep the pipeline of high quality employees full. In addition to the technicians and mechanics that work on the generators directly, each dealer has a service support staff that includes customer-facing consultants who are responsible for working with customers to set up maintenance and repair schedules to ensure the best possible up-time. Collectively, service support staff makes up the bulk of each dealers' staff. Roughly half of their personnel investment goes to ensuring customer success via product support. The dealer service teams are supported by a network of Caterpillar professionals. Each dealer has in territory support of 5-8 Caterpillar parts/service employees. It is the responsibility of these people to ensure that the dealer and Caterpillar are working well together to constantly improve and to adapt to marketplace changes. Beyond the territory experts, the service and support groups at Caterpillar are staffed by thousands of people whose mission is to focus on post-sale customer satisfaction. Even more are employed "behind-the-scenes" to ensure technical literature is up to date, service standards are adhere to and repair questions are answered quickly. Historically, we have exceeded our 95% 2-hour response rate target in responding to dealer service inquiries.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Our simple order process has been and will continue to be well appreciated by Sourcewell and Sourcewell members: 1) When a member decides to purchase a new Cat Generator, they include the contract number and their Sourcewell member number on the Purchase Order they issue to the Cat dealer. 2) The Cat dealer then accepts the PO, issues the invoice, accepts payment and delivers the generator. 3) After the generator has been delivered, the dealer, as part of their normal process, includes the member number when filing their sales claims with Caterpillar. 4) At month end, Caterpillar aggregates these reports and sends the sales information quarterly to Sourcewell along with the administrative fee. IMPORTANT NOTE: Should a member wish to include additional terms and conditions to this contract, or to otherwise request a Participating Addendum, that agreement / PA should be executed between the member and Cat dealer directly.	*

30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	We are proud that our reputation stands on having the best customer support in the industry. In fact, our capabilities are industry leading. Should a customer ever have a problem or issue with a generator, their Cat dealer is empowered to resolve that issue locally. If the problem is a result of a defect in material or workmanship, Caterpillar has a standard warranty to address. Every Cat dealer has a common detailed service process in place. Caterpillar supports and verifies that all the dealer service technicians are supplied with the tools and equipment needed to repair all Cat products. With an abundance of Caterpillar Network service locations (over 468 locations) including an estimated sales and service team of 53,000, 8,000 service bays, and 8,500 field service trucks, our highly skilled/trained Caterpillar dealer technicians are in close proximity to Sourcewell customers within the US and Canada. The Caterpillar network provides unmatched service capabilities to meet customer servicing requirements. Technicians have access to an electronic library of technical information including Service Letters, Technical Information Bulletins, System Operations, Troubleshooting and Disassembly and Assembly manuals. These manuals are provided for every Cat product. Each dealer also has one or more "Technical Communicators" who are dedicated to supporting the service technicians by acting as a liaison between the shop personnel and Caterpillar. The service technicians also have a dealer support network (DSN) system with direct access to Caterpillar's Service Engineers. Caterpillar responds to more than 95% of all high priority tickets within one hour. Depending on a customer's needs, they may choose to handle service issues themselves, in conjunction with their dealer, or they may ask their dealer to handle them entirely. To meet the varying desires of each customer, Caterpillar offers a wide range of service programs: -Cat Inspect -Condition Monitoring -Customer Support Agreements -S-O-S Services (fluid analysis)	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	We are happy to serve all geographic areas and all Sourcewell member sectors with in the United States with our complete product and service offerings. Caterpillar has successfully utilized Sourcewell to sell generators in all states.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	We are happy to serve all geographic areas and all Sourcewell member sectors within Canada with our complete product and service offerings. In fact, we see the Canadian market as a significant growth opportunity for Sourcewell use and are actively encouraging its use. Caterpillar currently has Canada Sourcewell growth in our Canada Dealer's 2023 Growth Plans. We have gained momentum with our current contract 120617-CAT in Canada.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	We are happy to serve all geographic areas of the United States and Canada.	*
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	We are happy to serve all Sourcewell Member sectors within the United States and Canada with our complete product and service offering through Sourcewell. Caterpillar's cooperative purchasing contracts are non-exclusive; i.e. none of them restrict Caterpillar from promoting any other cooperative purchasing contracts.	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	There are no restrictions or limitations for sales to members in Hawaii, Alaska or U.S. Territories.	*

Table 7: Marketing Plan

Line Item	Question	Response *	

36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Caterpillar is committed to cooperating with Sourcewell to fully and continually train our 53,000+ management and sales staff within the dealer network to ensure maximum awareness and embracement of our Sourcewell contract. To show our commitment, we have engaged to deploy the proven ability of the Government Solutions Team, LLC (GST) of Lebanon, Tennessee to train and further support our sales management and dealer network in the event of a contract award in this RFP process. GST's extensive knowledge and understanding of the Sourcewell statues, history and processes will be our continual priority in the support and education of our distribution channel. GST builds Sourcewell awareness and enthusiasm within our dealer network. Consistent remote and on-site dealer training at regional and national dealer meetings will continue to lead to exemplary sales growth of our proposed Sourcewell contract. GST also staffs a Dealer Support Specialist who is dedicated to assisting sales reps with their questions and needs. Caterpillar is also listed as a strategic supplier partner for National Cooperative Purchasing Partners (NCPP), the professional association for cooperative procurement. Documentation and training regarding Sourcewell projects are available on our internal dealer website. Caterpillar also does onsite and virtual training for dealers to educate and drive Sourcewell growth. Our current marketing strategy with Sourcewell contract 120617-CAT proves to be effective with year-over-year sales growth. Since inception of Caterpillar's Sourcewell contracts, 3,015 Caterpillar generators have been sold leveraging the Sourcewell contract. Should we be fortunate enough to be awarded a contract for Energy Generation in response to RFP #092222, we will proudly announce the award publicly through our multiple customer-facing touchpoints to include but not limited to: 1) Press Release 2) Announcement in monthly Electric Power customer e-newsletter: 3) Feature on cat.com cooperative purchasing focused webpage: https://www.cat.com/en_US/articles/electric-power/sourcewell-cooperative-purchasing.html 4) Announcement on Cat Electric Power social media channels (FB, LinkedIn, Twitter) 5) Sourcewell promotion at industry events we attend where the audience includes non-profits and government within the SLED market including schools, landfill, and water/sewer treatment applications. Examples of 2022 events where GST representatives attended in support of Caterpillar and Sourcewell included American Public Works Association (PWX), Wastecon, WasteExpo, Water Environment Federation's Technical Exhibition and Conference (WEFTEC), Government Fleet Expo (GFX), National Institute of Government Procurement (NIGP), California Association of Public Procurement Officials (CAPPO), National Association of County Engineers (NACE) and American Public Works Association (APWA) Snow Conference. 6) Update promotional literature 7) Dealer awareness promotional events	*
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Caterpillar and the Cat dealer network are leaders in using emerging technologies to reach our customers. We manage several social media platforms and can target governmental segments. We also look at past purchase history and financing information to recognize in advance when customers may be considering replacing machines they own. Caterpillar has teams of people who handle leads from Cat.com to grow and enhance online presence. Cat Electric Power has an online portal that has ability for customers to size a unit and view inventory. Our dealers have resources for lead generation from third party databases to understand which opportunities are coming in the governmental and non-profit section. Our dealers utilize these resources plus Caterpillar Inc. resources to focus and drive and understand pipeline of opportunity that we can promote the Sourcewell solution through.	*
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	Sourcewell is a well-respected contracting agency within the public procurement industry. It is important, in the event of an award, that our products and logos be included in Sourcewell marketing and website. We believe that the most important role that Soucewell can play in marketing our contract and products, is to market themselves and promote contract purchasing across the industry. In the event of an award, Caterpillar will put high priority in building awareness and enthusiasm within our dealer network and customer base to leverage the Sourcewell contract as our go to market strategy.	*

39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	We do offer a e-procurement ordering process for parts via parts.cat.com. We can also integrate into a variety of procurement systems for high volume customers. We enable customers to size and configure our less complex products, view available inventory, and engage dealers online at power.cat.com. Our larger products are complex and often custom-configured. A consultative salesperson is integral to ensuring that generator sets are configured and built to perform well in their expected duties. For this reason, we only include our less complex products online. We encourage our independent dealers to offer options beyond those from Caterpillar. Sourcewell members are free to use those options.	*

Table 8: Value-Added Attributes

Line Item	Question	Response *	
40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	All dealers offer basic operation, safety, and maintenance training with every sale. All Caterpillar operation and maintenance manuals provided with our equipment have instructions for safe operation of our equipment. Should a customer desire more advanced training, such as productivity improvement or advanced repairs, each of our dealers can supply that training. Often there is a cost associated with that specific training and if would be negotiated between the dealer and the customer. Caterpillar also offers training programs directly to customers in three areas - operation, safety, and service. Members may access courses online, via CD's, or through instructor-led classes leading to operator certifications. The fees for these services vary depending on the depth of training desired. These high-level instruct-led courses can be conducted at one of our dedicated training facilities in the US or on a customer's local site using their own equipment.	*

41	Describe any technological advances that your proposed products or services offer.	Technology is a key product differentiator for Caterpillar. To describe each of them in detail would expand the length of this response beyond a reasonable level. For brevity, key technologies specific to products in this RFP are listed below. More details are available on our product pages on www.cat.com. 1. Cat Remote Asset Monitoring and telematics are available on every generator. Generators smaller than C32 come equipped with Product Link devices which allow ease of setup for monitoring. This allows customers and dealers to monitor generator health and operation with the intent of early issue detection. Through our proprietary fleet monitoring software, we are leaders in using technology to prevent unexpected downtime. 2. Caterpillar has invested in controller technology for generators, offering our EMCP 4.4 control panel for most generator offerings. This controller has an easy-to-use interface and allows for paralleling of multiple units, creating redundancies and allowing customers even more protection against outages. 3. Caterpillar equips every Tier 4 Interim/Stage IIIB engine with ACERT™ technology with an ideal combination of electronic, fuel, air and aftertreatment components, based on engine size, the type of application and the geographic location in which it will work. Applying technologies systematically and strategically optimizes them to meet our customers' high expectations for productivity, fuel efficiency, reliability, and service life. The right technology fine-tuned for the right application results in improved fuel efficiency, boosted power and performance across applications, no additional space requirements, and reduced emissions with up to 90 percent reduction in particulate matter (pm) and 50 percent reduction in oxides of nitrogen (NOx). 4. As the global climate changes, more companies are turning to sustainable solutions to help lower their carbon footprint. Renewable hydrogen and hydrogen blends are among several alternative fuels customers are considering achieving their sustainability goals. Leveraging 35 years of expertise in hydrogen technologies across multiple end markets, Caterpillar continues to improve the performance of hydrogen-fueled power technologies with minimal impacts on maintenance costs and schedules, availability, and operations. 5. Caterpillar offers a full range of Cat® Microgrid projects from 10kW to 100MW through our global dealer network. The projects would include an integrated or standalone solution using solar, energy storage and/or diesel/gas generator sets. We can also offer monitoring services for our projects. The solutions are all module and scalable. Our CAT dealers can offer product upgrades, financing services, warranties, service agreements, and parts availability. We will customize our microgrid technologies to meet your business and industry needs. 6. In 2022, Caterpillar acquired Tangent Energy Solutions, an Energy-as-a-service company. Tangent provides customers with turnkey solutions for reducing energy costs, increasing energy efficiency, reducing emissions, monetizing electric grid support and providing resiliency for customer operations. Tangent Energy's proprietary software solutions monitor patterns from grid and client facilities, analyze opportunities in energy markets, and then dispatch resources to maximize return without disrupting normal business operations.	*
42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	At Caterpillar, sustainability is an important commitment to building a better world. Sustainability is part of who we are and what we do every day - it is one of Caterpillar's core values. We recognize progress involves a balance of environmental stewardship, social responsibility, and economic growth. We consider this as we work toward a vision of a world in which people's basic needs - such as shelter, clean water, education, and reliable energy - are fulfilled. We provide work environments, products, services, and solutions that make productive and efficient use of resources as we strive to achieve our vision. We believe this commitment supports the enduring the success of our customers, stockholders, dealers, and our people. Caterpillar is a proud 20-year member of the Dow Jones Sustainability Indices, including both the World and North America Indices. The annuals DJSI process follows a best-in-class approach, evaluating numerous corporate economic, environmental, and social performance factors. For more on sustainability at Caterpillar, please visit our 2021 Sustainability Report found at Caterpillar | 2021 Sustainability Report. Caterpillar has recently acquired Tangent Energy Solutions. Tangent is an energy-as-a-service company that provides expertise to customers in structuring and developing projects that monetize their power generation assets. This capability increases a customer's financial rationale for new installations and, at the same time, increases power reliability and supports their ESG (Environmental, Social and Governance) initiatives. This investment increases our ability to participate in the growing utility sector and sell more electric power products. Electrification and Decarbonization are major growing trends in our energy space. Tangent can help with the reliability of power that customers are looking for while simplifying the power systems as we move forward through this Energy Transition	*

43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	Plants certified with IDO 14001:2004 Environmental Management System include: 1) Anchor Coupling - Goldsboro NC, ISO 14001:2004- Sept 2018 2) Anchor Coupling - Menominee - ISO 14001: 2015 - Jan. 2021 3) Mapleton - 14001:2004 self-certification issued Jan 2013 4) Reman Services - Corinth MS - ISO 14001-2015- Sept. 2021 5) Reman Services - Franklin - ISO 14001:2004-May 2017 Certifications specific to EP product manufacturing: 1) Lafayette, IN – ISO 9001: 2015- Nov 2020 2) Griffin, GA – ISO 9001:2015 – Feb 2021 3) Seguin, TX- ISO 9001:2015	*
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	Two CAT dealers in NA are owned by women: Foley Equipment, with territory primarily in Kansas and Missouri; and Cashman Equipment based in Nevada. In addition to these two owners, there are 31 other women in our NA dealer network who hold the titles of President, Vice President or Director. One of the more recognized initiatives within Caterpillar's Global Supply Network Division is the Caterpillar Inc. Proprietary Information Supplier Diversity Program which spurs economic growth by increasing business opportunities to minority-owned, women-owned, veteran and service disabled veteran-owned, small disadvantaged businesses and those certified in HUBZones, all while ensuring expectations are met with regards to quality, velocity, capacity, and cost. Currently more than 37% of our direct and indirect purchasing is conducted with suppliers in these categories. Caterpillar is a proud member of the National Minority Supplier Development Council (NMSDC). We also use the System for Aware Management (SAM), SBA, and NMSDC databases to locate SDB, VOSB, SDVOSB and HUBZone suppliers. Supplier Diversity is discussed with Global Supply Network Division leadership during the Monthly Operating Results Review meetings. This in turn forces accountability for divers supplier inclusion by measuring drivers, such as the number of sourcing projects, which include Divers Suppliers and the values of the projects in which they participate. The goal is to create greater transparency to determine which teams are creating inclusive environments and which are not. A full report on Caterpillar Diversity and Inclusion can be found at Caterpillar | Caterpillar 2021 Diversity & Inclusion Report Highlights Progress with Growth in Diverse Populations.	*

45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	BEST OVERALL VALUE / LOWEST LIFE CYCLE COST: CAT products deliver the best value for the money. We are happy to demonstrate to customers that our generators offer the lowest overall owning and operating costs when factors such as fuel efficiency, repair frequency, productivity, and resale value are factored in. We believe that government agencies are tasked to be the best stewards of taxpayer funds and our products can prove that they are the best solution. Sourcewell members are in the best position to allow these discussions to take place in contrast to a local bid situation where the focus is often only on initial price. EXTENDED SERVICE COVERAGE To show the value that we place on this proposed contract, we will continue to offer a complimentary Gold and Platinum Extended Service Coverage on most models when purchased through the Sourcewell contract. Details on these offerings can be found in flyers included in Attachments. CAT SAFETY SERVICES / SAFETY FEATURES: In addition to the tangible, measurable aspects of the life cycle cost equation, we also bring our focus on safety to every product that we manufacture. Quantifying a human life or debilitating injury is impossible, but each generator has industry-leading features that strive to minimize the possibility for accidents. Some examples include: - UL2200 Certified – all units include guards over rotating compartments, safety shutdowns and alarms, and grounded wiring installations among many other safety features - Emergency Stop Button - Enclosures are lockable to allow human contact to be avoided - XQ Product has separated control panel to allow a member to not have to go in enclosure to make generator adjustments - XQ also has cover over customer connections and circuit breaker trips when opened. - NFPA 110 – Level 1 Life Safety saves lives of people who are in hospitals, nursing homes, etc. by requiring startup in X seconds. - IBC – certified against earthquakes All certifications on our products are listed here: AS1359, CSA C22.2 No100-04, UL142, UL489, UL869, UL2200, NFPA37, NFPA70, NFPA99, NFPA110, IBC, IEC60034-1, ISO3046, ISO8528, NEMA MG1-22, NEMA MG1-33, 2006/95/EC, 2006/42/EC, 2004/108/EC. Caterpillar Safety Services offers culture, jobsite and leadership assessments; safety and leadership training workshops; and a comprehensive continuous improvement process through consultative services. Services are facilitated by Safety Services consultants and training products can be purchased for self-implementation. Details on products and services are available at www.cat.com/safety. DEALERSHIP ATTRIBUTES: Back up power is a critical asset of many Sourcewell members. Caterpillar dealers bring a unique solution to provide second to none service to our customers. Unlike competitors, our dealers own their own rental fleet and make available as needed. Even with stationary products, we have options to provide back up rentals to best serve Sourcewell's members when emergencies occur. Our vast dealer network with 800 locations is positioned to service both urban and rural areas throughout the US and Canada. PRODUCT ATTRIBUTES: Over the last five years, Caterpillar has invested in a product that is lower capex cost for the public and non-profit industry sector. This new line of generators, our GC models, involved a redesign of 15 of our current generator offerings, which created an average cost reduction of 10-15%. The cost savings is driven by offering fewer options on these models without sacrificing Caterpillar quality.	*

Table 9: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
46	Do your warranties cover all products, parts, and labor?	Yes. Caterpillar has the most extensive warranty coverage in the industry. We cover all products, parts and labor with fewer exclusions than our competitors. Please see our "EP Warranty Statement SELF5731-01."	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	We are pleased to say that our warranties cover defects in material and workmanship for the time specified in the policy when the equipment is used as per design intent.	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Caterpillar warranties cover the cost of replacement parts and the labor to install them. They sometimes cover travel time and mileage. Dealer territories vary considerably from state to state as do their policies about travel time and mileage during the warranty period.	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	We have no geography restrictions on warranty repairs. One of our key differentiating strengths is our ability to service equipment regardless of where it is located.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Warranty service for generator ordered from a Caterpillar facility are generally provided by Caterpillar and performed by Cat dealers. Some items, such as battery chargers, are covered under their manufacturers' warranties	*
51	What are your proposed exchange and return programs and policies?	We warrant that upon delivery our products will be free from defects in material and workmanship and will operate as intended. If they are not, we will make any necessary corrections.	*
52	Describe any service contract options for the items included in your proposal.	We have a large variety of service contract options which can all be customized according to customer needs and at least equal to local competition. More solutions are available and we encourage members and dealers to explore all options. Customer Value Agreements (CVA's): A member may choose to enter an agreement with their Cat dealer to perform routine maintenance and/or repairs. These contracts are customizable based on member's situational and local needs, including some standard options as well. For instance, all units under 1250kW have standard parts kits available. Examples of options that can be included in a CVA are: 1. Condition Monitoring 2. Load Bank Testing 3. Extended Service Coverages CVA's are a useful tool for members to better manage their budget. Most CVA's are bundled at the time of purchase; however, they may be added at any time.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
53	Describe your payment terms and accepted payment methods.	Cat dealers are independently owned businesses. As such their payment terms vary, but all will be agreed upon at the PO level.	*
54	Describe any leasing or financing options available for use by educational or governmental entities.	Caterpillar's wholly owned subsidiary, Caterpillar Financial offers Sourcewell members leasing and finance products at below market interest rates. The total interest charged is normally less than the total cost of issuing a bond. Often these leasing/financing options may not require voter approval as with bond issuance. These products also let Sourcewell members cancel their contracts without penalty (on the last day of the appropriations period) if funding is not approved for the following year. Lending terms and conditions are transparent to all Sourcewell members upon quotation.	*
55	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	Cat dealers are independently owned businesses. As such their standard transaction documents will vary.	*
56	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Because Cat dealers will be receiving payments directly from members, accepting P-card procurement will be at their discretion. Many dealers do accept this method without additional fees. Some have limitations on the amount that can be processed.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *	
57	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Our pricing model is simple. We offer a deep discount off the current generator list prices to all Sourcwell members. Overall pricing from published list price is discounted up to 40% with an average of 27% overall. Specific discounts apply to each diesel or natural gas platform product line. Services, used products, rental agreements, and microgrid solutions are also included at different discounting levels. We have provided reference pricing in the document entitled "Caterpillar Gen Disc List RFP August 2022."	*
58	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	The discounts are off of the current generator list prices. Our discount ranges varies between 10 - 40% off of the list price depending on the product family.	*
59	Describe any quantity or volume discounts or rebate programs that you offer.	Our dealers are empowered to consider purchase order volume, repeat purchases, member responsiveness, etc. They may offer members additional discounts and /or services at their discretion.	*
60	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Sourced goods / Open Market Items are available to members from our Cat dealers. The prices for these good or services will represent fair marketing value and will be determined between the member and the selling dealer. We encourage our dealers and members to use this option as it facilitates complimentary products and streamlines the procurement process. Customers and dealers are responsible for including their Sourcewell contract number and member numbers on all documentation related to these purchases. Caterpillar Inc. is not a party to these sales and is exempted from including them in quarterly reports. For audits, inclusion of a customer's Sourcewell member number on the PO and/or invoice shall be deemed sufficient.	*
61	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Generators are unique in their requirements, and often require specialized startup/installation which can be determined with the dealer at the PO level. When a dealer issues a quote for a generator, any additional costs will be itemized separately and are not subject to the Sourcewell discount.	*
62	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	There is no additional cost to members who choose to pick up their generator from the Cat dealer. Freight and delivery charges will be determined and assessed at each project.	*
63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Just as for members in the 48 contiguous states, there is no additional cost to members who choose to pick up their generator from their Cat dealer. Freight and delivery charges will be determined and assessed at each project.	*
64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Generators are large purchases and if there are unique member requirements our dealers will be happy to discuss on a case by case basis.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
65	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	This proposed contract is priced to be our go-to-market strategy across the US and Canada. We have included a complimentary extended warranty for most models when purchased through our proposed Sourcewell contract.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
66	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	We plan to continue our very robust process to ensure reporting speed, accuracy, and contract compliance. Caterpillar and our Cat dealers have very close and trusting relationships. Our dealers are long-established, and the current process (under contract #120617-CAT) is working well. The Caterpillar Dealer Network will receive additional discounts from Caterpillar to help reach Sourcewell members purchasing prices per the Sourcewell contract. To qualify for the discounts, the selling Caterpillar Dealer must identify each applicable sale as a Sourcewell sale on their order and they must also fill out a report to the Caterpillar designated Sourcewell custodian, Nicole Warnstedt, including the product order number and Sourcewell member number. Reports are updated and reviewed on a quarterly basis to assist in providing payment to Sourcewell. To ensure correct pricing and auditing, Caterpillar has created a focus program that dealers can use on their quotes. This focus program automatically populates associated discount levels. The Caterpillar designated Sourcewell custodian, Nicole Warnstedt, has and will remain actively involved in the auditing process both with auditing Caterpillar Dealer pricing to Sourcewell members as well as the quarterly administration fee process.	*
67	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	In the event of an award, we will continue to measure the percentage of sales that are sold through the Sourcewell contract, dealer participation with the contract, total number of gensets sold and program growth year over year.	*
68	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	We propose an administrative fee to Sourcewell of 1% of transaction price of any new Caterpillar generators sold through this contract. Caterpillar will pay this fee to Sourcewell and not impose related charges to our dealers or members.	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	
69	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	Caterpillar is proposing an extensive alternative energy solutions offering including: 1) a full line of diesel and natural gas packaged generator sets from 20 to 4000 kW 2) a line of price point configured diesel generator sets up to 1250 kW and 3) Microgrid solar and battery energy solutions. The following key Caterpillar product categories are included in this response: Stationary Diesel Packaged Generator Sets Stationary Natural Gas Packaged Generator Sets Mobile Diesel Packaged Generator Sets (XQ Products with Trailers) Control Panels Switchgear Automatic Transfer Switches Microgrid Components Leasing and Financing The Caterpillar Dealer Network can also offer custom shop work, installation, "turn-key" solutions, delivery/freight, training, custom enclosures, custom fuel tanks, custom automatic transfer switches, dealer labor, additional/custom parts, engineering, leasing, financing and general contracting labor. To further enhance the Sourcewell members' product offering, the Caterpillar Dealer Network can also offer an expansive network of used equipment along with rental agreements and maintenance agreements.	*
70	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	N/A	*

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments	
71	Stationary electrical generation systems, backup or standby generator sets, mobile and ground power units, and trailer mounted generators	(selected) Yes No	N/A	*
72	Parts and accessories, including enclosures, fuel tanks, automatic transfer switches, paralleling equipment, switch gears, connection boxes, controls, alarm modules, batteries, block heaters, and networking tools	(selected) Yes No	N/A	*
73	Related services, including design, customization, engineering, commissioning, installation, delivery, maintenance, repair, training and operation, service and maintenance agreements, decommissioning and repurposing, custom shop work, and rental services	(selected) Yes No	N/A	*

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- Pricing - Caterpillar Gen Disc List RFP August 2022.xlsx - Tuesday September 20, 2022 15:56:47
- Financial Strength and Stability - Financial Strength and Stability.zip - Tuesday September 20, 2022 15:58:41
- Marketing Plan/Samples - Marketing Plan.zip - Tuesday September 20, 2022 15:59:03
- WM8E/M8E/S8E or Related Certificates (optional)
- Warranty Information - SELF5743-01_.pdf - Tuesday September 20, 2022 15:57:54
- Standard Transaction Document Samples - Standard Transaction Document Samples.zip - Tuesday September 20, 2022 15:59:30
- Upload Additional Document - Additionals.zip - Tuesday September 20, 2022 15:59:44

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.

3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor’s objectivity in performing the contract is, or might be, impaired.

5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.

6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.

7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.

8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.

9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.

11. Proposer its employees, agents, and subcontractors are not:
    1. Included on the “Specially Designated Nationals and Blocked Persons” list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;

    2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or

    3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Jaime Mineart, Vice President & General Manager, Caterpillar Inc.

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column **"I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_4 _Electrical_Energy_Power_Generation_Equipment_RFP_092222 Fri September 9 2022 09:10 AM	☑	1
Addendum_3 _Electrical_Energy_Power_Generation_Equipment_RFP_092222 Tue September 6 2022 02:37 PM	☑	1
Addendum_2 _Electrical_Energy_Power_Generation_Equipment_RFP_092222 Wed August 31 2022 07:52 AM	☑	1
Addendum 1 _Electrical_Energy_Power_Generation_Equipment_RFP_092222 Wed August 10 2022 11:35 AM	☑	1

Workshop Agenda Item #4A
Historical Review Board Discussion

CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT

AGENDA ITEM:	**Workshop for Discussion**: ORDINANCE NO. 2025-05 Establishing Chapter 2: DIVISION 5. HISTORICAL REVIEW BOARD Sponsor: Mayor Cori Bylund
SUBMITTED BY:	Heather Whitmore, AICP, PTP, Community Development Director
DATE:	April 21, 2025
BACKGROUND:	Ordinance No. 2025-05 Establishes Chapter 2: Division 5. Historical Review Board. The Ordinance provides a means for property owners to obtain an exception to certain requirements found in Chapter 27, Article IV, related to setbacks, lot coverage, floor area ratio and standards particular to the RC Overlay of the Unified Land Development Regulations for Development Permits with a Certificate of Appropriateness based on a Determination of Historical Significance as granted by the Historical Review Board in a Quasi-Judicial hearing. The Historical Review Board consists of five (5) members, at least three (3) of whom shall be residents of the City of Neptune Beach. All members of the Historical Review Board shall be appointed by the Mayor and confirmed by the City Council. The Historical Review Board meets each calendar month. Notice of meetings of the Historical Review Board and agenda items in accordance with state statute. Applications for Determination of Historical Significance are filed with the City Community Development Department and reviewed by the Boad. The Historical Review Board may make a Determination of Historical Significance for properties that are at least fifty (50) years old and retain the physical characteristics for the time the structure was built (some exceptions apply). The Historical Review Board shall determine eligibly based on satisfaction of at least one criteria for historical designation (as outlined in Sec. 2-499 (b)). The designation is voluntary and only granted for qualified properties based on findings of fact of consistency with the with codified historic character qualifications though a quasi-judicial hearing.

	The Historically Significant designation is proscriptive and incentive-based, not prohibitive, by providing enhanced and expanded development rights with less regulations. The designation is not mandated. Upon a Determination of Historical Significance, the Historical Review Board may consider an application for a Certificate of Appropriateness to obtain a Development Permit which may allow exceptions to any requirement found in Chapter 27, Article IV, related to setbacks, lot coverage, floor area ratio and standards particular to the RC Overlay of the Unified Land Development Regulations. All exterior work to a Historically Significant property requires an approved Certificate of Appropriateness (COA) application. An approved COA is required for such work as repairs, alterations, window replacement, additions, new construction, demolition and relocation. Sitework, such as repair and installation of new sidewalks and driveways, also require an approved COA. An approved COA application ensures that the proposed work is consistent with the appropriate design regulations and historic preservation standards. Interior work can be approved administratively. Other work, such as street visible additions, new construction, window replacement, demolition and relocation, will require the review and action by the Historical Review Board. An approved COA is required before a building permit can be issued. The Certificate of Appropriateness review and approval is voluntary, permitting greater development standard flexibility in exchange for consistency with codified historic character design elements. The designation is non-transferable and would run with the owner and under the terms it was applied for and approved. The Historical Significance designation compliance and Certificate of Appropriateness conditions are not required to be maintained if the owner no longer wishes to remain consistent with the with codified historic character design elements. If the Historically Significant designation was terminated, then the enhanced and expanded rights with development standard flexibility (ie. Zoning exception for setbacks, lot coverage, and FAR) would also be terminated.
RECOMMENDATION:	Approve first reading and forward for second reading
ATTACHMENT:	Ex A) ORDINANCE NO. 2025-05 Establishing Chapter 2: DIVISION 5. HISTORICAL REVIEW BOARD Ex B) Comments received from Councilors, and community members

SPONSORED BY: **ORDINANCE NO. 2025-05**

MAYOR CORRINE BYLUND

A BILL TO BE ENTITLED

AN ORDINANCE OF THE CITY OF NEPTUNE BEACH, FLORIDA, AMENDING CHAPTER 2. ADMINISTRATION, ARTICLE VII. BOARDS AND COMMISSIONS BY CREATING DIVISION 5. HISTORICAL REVIEW BOARD; PROVIDING CODIFICATION, CONFLICTS, SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 2, Article VII of the City of Neptune Beach's Code of Ordinances establishes Boards and Commissions**;** and

WHEREAS, it is the Intent of this Ordinance to create a Historical Review Board to make Determinations of Historical Significance and to issue Certificates of Appropriateness; and

WHEREAS, it is the intent of this Ordinance that applicants for Development Permits may submit a Certificate of Appropriateness based on a Determination of Historical Significance to request an exception to certain requirements found in Chapter 27, Article IV, related to setbacks, lot coverage, floor area ratio and standards particular to the RC Overlay of the Unified Land Development Regulations; and

WHEREAS, it is the intent of this Ordinance to provide procedural due process to all applicants and interested parties for Determination of Historical Significance and issuance of Certificates of Appropriateness.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL ON BEHALF OF THE PEOPLE OF THE CITY OF NEPTUNE BEACH, FLORIDA that:

SECTION 1. Chapter 2., Article VII of the Code of Ordinances, City of Neptune Beach, Florida is hereby amended to read as follows: (s~~trikethrough~~ text shall mean deletions and underlined / highlighted text shall mean additions):

DIVISION 5. HISTORICAL REVIEW BOARD

Sec. 2-492. – Established.

A Historical Review Board for the City of Neptune Beach, Florida, is hereby established. The Historical Review Board may be dissolved by a majority vote of City Council at any time, for any reason and members of the Board serve at the will of the City Council and may be removed with or without cause by a majority vote.

Sec. 2-493. Generally

(a) A Certificate of Appropriates shall be submitted for review and approval for any Development Permit request for exterior modifications or site work performed on a Historically Significant Property.

(b) A Certificate of Appropriateness and a Determination of Historical Significance is nontransferable. Both are unique to the applicant and shall be automatically void upon the sale or change of ownership of the subject property. The Determination of Historical Significance shall not inure to the benefit of the subsequent property owners unless said future property owners apply for such designation as prescribed herein. The City may revoke a Certificate of Appropriateness or a Determination of Historical Significance upon the change in characteristics of the subject property. For example, and not to be meant as an all-inclusive list of examples: changing the exterior historical character or aesthetics of the property, changing the footprint of the structures on the property, changing the use of the property, or violating any provision of the Code of Ordinances or of the elements that lead to the Historical Review Board's final determination.

Sec. 2-494. Definitions

Certificate of Appropriateness is a designation required to apply for a Development Permit for any new construction, alteration, relocation, or demolition on a property with a Determination of Historic Significance

Crime of Moral Turpitude is any offense that violates the community standards of honesty and good morals including but not limited to fraud, theft, misrepresentation, and violence.

Determination of Historic Significance is a finding that a structure is at least fifty (50) years old and retains the physical characteristics for the time the structure was built and otherwise meets the requirements found in Section 2-499.

Development Permit has the same meaning as the definition found in Chapter 27, Section 27-15 of the Unified Land Development Code of the City of Neptune Beach.

Quasi-Judicial hearing involves a process where the Board acts in a capacity similar to that of a court. This type of hearing is characterized by the following elements: basic due process requirements such as notice and hearing and right to present testimony, evidence and cross examine witnesses; application of existing policies to specific facts, rather than creating new policies. This means the decision impacts a limited number of persons or property owners and is based on distinct alternatives presented at the hearing; public participation and reviewability of final decisions by petition for writ of certiorari to the circuit court. The circuit court's review of quasi-judicial decisions is confined to: (1) whether procedural due process is accorded, (2) whether the essential requirements of law have been observed, and (3) whether the administrative findings and judgment are supported by competent substantial evidence.

Sec. 2-495. Composition, qualifications and terms of office.

(a) The Historical Review Board shall consist of five (5) members, at least three (3) of whom shall be residents of the City of Neptune Beach. A Quorum shall consist of three members. All motions shall be approved by majority vote. The qualifications for membership on the Board shall be a person who possesses one of the following skill set, professional degrees and experience:

1) An Architect or Engineer licensed under Chapters 471 or 481, Florida Statutes with verifiable experience in rehabilitating historic residential or commercial structures;

2) A teacher or professor with verifiable experience in the fields of history, architectural history, historic landscapes or art history;

3) A planner or urban designer with a bachelor's degree in planning or closely related field, with course work or verifiable experience in historic preservation;

4) A real estate sales professional licensed under Chapter 475, Florida Statutes with verifiable experience in transactions involving historic properties;

5) A licensed attorney in the State of Florida;

6) A licensed contractor under Chapter 489, Florida Statutes, with verifiable experience rehabilitating historic residential or commercial structures; or

7) Consideration will be given to any of the above professionals who holds an equivalent license in another state, or that has retired.

8) Any licensed or retired professional selected for membership on the Historical Review Board shall not have a history of discipline from the licensing agency.

(b) Any current or prior violation of the Code of Ethics for Public Officers and Employees found in Chapter 112, Florida Statutes, prior felony criminal conviction or prior conviction, or plea of no lo contendere, regardless of adjudication, of any crime involving Moral Turpitude shall disqualify any person from being appointed or serving as a member of the Historical Review Board.

(c) All members of the Historical Review Board shall be appointed by the Mayor and confirmed by the City Council.

(d) Members of the Historical Review Board shall elect a chair and a vice-chair for a one-year term each. The chair shall preside at all meetings and shall have the right to vote. The vice-chair shall preside in the absence of the chair.

(e) Initial Members of the Historical Review Board shall serve staggered terms. Three of the initial Board Members shall be appointed for terms of three (3) years. Two of the initial Board members shall be appointed for terms of two (2) years. Members may be reappointed for one additional consecutive two-year term. If reappointed, Members may be eligible to reapply for the Board after one year and may serve an additional term of three (3) years. Subsequent Members shall be appointed for terms of three (3) years. In the event the City is unable to appoint five (5) members, the Board may conduct business with three (3) duly appointed members until such time as a full Board is appointed.

(f) Members previously appointed shall continue to serve until such time as they are replaced or reappointed

(d) All members of the Historical Review Board shall serve without compensation.

(e) Whenever vacancies shall occur, a person qualified shall be appointed by the Mayor and approved by the City Council to fill such vacancies for the unexpired term.

(f) An employee of the City may not serve as a member of the Historical Review Board.

(g) Members of the Historical Review Board are expected to attend each committee meeting in person. More than three unexcused absences in a rolling twelve-month period shall be grounds for removal for cause.

Sec. 2-496. Meetings and Board procedures.

(a) The Historical Review Board shall adopt rules of procedure to carry out its purposes. All rules must conform to this Code, other city ordinances, and state law and shall be filed in the office of the city clerk.

(b) All meetings shall be conducted in a public building and shall be open to the public.

(c) The Historical review Board shall meet each calendar month, unless cancelled by the board or its chair; and more often at the call of the chair, the board, or the city council.

(d) Notice of meetings of the Historical Review Board shall be given as provided for in this Code and by state statute.

(e) The Historical Review Board shall keep minutes of its proceedings, indicating the attendance of each member, and the decision of each member on every question. The minutes shall be signed by the chair, or in his absence the vice-chair and approved by the board at a future meeting.

(f) Statement of the facts for Determination of Historical Significance and issuance of Certificate of Appropriateness by the Historical review Board shall be included in the minutes of each case heard or considered by it.

(g) The Historical Review Board shall set a reasonable time for the hearing of administrative appeals and shall give notice thereof to the person making the appeal and to the officer from whom the appeal is taken.

Sec. 2-497. Application Requirements for Determination of Historical Significance

(a) The owner or developer of a property shall submit a completed application, as

(b) All applications for Determination of Historical Significance shall be filed with the City using the forms approved and provided by the city staff. described below, to the office of the city manager or designee.

(c) The city manager or designee shall review the application within five (5) working days of its submission to determine if it is complete. When the application is determined to be complete within the requirements set forth herein, the city manager or designee shall forward the application to the Historical Review Board for consideration.

(d) The application shall be accompanied by payment of the official filing fee as set by resolution of the City Council.

(e) The application shall include the following:

(1) Name and address of the owner and agent, along with notarized signatures of the same;

(2) Address and legal description of the property, a copy of the deed and an accurate survey;

(3) A description of the proposed historical significance of the property as more fully described in 2-495 (b);

(4) An eight and one-half (8½) inches by eleven (11) inches overhead site plan drawn to an appropriate scale showing the location of all existing and proposed improvements to the property and including all setback measurements from property lines. The plot plan, as submitted or modified by the applicable board, shall be binding upon the applicant if the determination of historical significance is granted;

(5) An eight and one-half (8½) inches by eleven (11) inch copy of the relevant area of the Duval County Property Ownership Map, to be provided by the building official's office as part of the application packet. Said copy shall show the exact location of the land proposed for the Determination of Historical Significance, along with all of the properties requiring notice as described in subsection 27-500(c)(2);

(6) A list of the addresses of all properties, as described in section 2-500(c)(2);

(7) Photographs of property as it exists

Sec. 2-498. Application Requirements for Issuance of Certificate of Appropriateness

(a) Upon the Determination of Historical Significance, the owner of such property may apply for a Certificate of Appropriateness from the Historical Review Board subject to the requirements contained in this Section.

(b) The owner or developer of a property shall submit a completed application for Certificate of Appropriateness as described below, to the office of the city manager or designee.

(c) The city manager or designee shall review the application within five (5) working days of its submission to determine if it is complete. When the application is determined to be complete within the requirements set forth herein, the city manager or designee shall forward the application to the Historical Review Board for consideration.

(d) All applications for a Certificate of Appropriateness shall be filed with the City using the forms approved and provided by the city staff.

(e) The application shall be accompanied by payment of the official filing fee as set by resolution of the City Council.

(f) The application shall include the following:

(1) Name and address of the owner and agent, along with notarized signatures of the same;

(2) Address and legal description of the property.

(3) A description of the proposed work to be performed on the historically significant property.

(4) An estimate of the timeline of the proposed work.

(g) The applicant shall complete an application form provided by the City. The City shall determine when an application is complete and may request additional information when such application is determined to be incomplete.

(h) In considering an application for a Certificate of Appropriateness for alterations, new construction, demolition, or relocation, the Historic Preservation Board shall be guided by the following general criteria:

(1) The effect of the proposed work on the historically significant property upon which such work is to be done;

(2) The extent to which the historic, architectural, or archaeological significance, architectural style, design, arrangement, texture and materials of the landmark or the property will be affected.

(3) Whether the plans may be carried out by the applicant within a reasonable period of time.

(i) Applications for Certificates of Appropriateness for alterations shall be considered by the Historic Review Board in accordance with the following additional criteria, which are based on the United States Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings:

(1) Every reasonable effort shall be made to use a property for its originally intended purpose, or to provide a compatible use for a property that requires minimal alteration of the building structure, or site.

(2) The distinguishing original qualities or character of a building, structure, or site shall not be destroyed. The removal or alteration of any historic material or distinctive architectural features shall be avoided when possible.

(3) Each building, structure, and site shall be recognized as a product of its own time. An alteration which has no historical basis and which seeks to create an earlier appearance shall be discouraged.

(4) Changes which may have taken place in the course of time are evidence of the history and development of a building, structure, or site. These changes may have acquired significance in their own right, and this significance shall be recognized and respected.

(5) Distinctive stylistic features or examples of skilled craftsmanship which characterize a building, structure, or site, shall be treated with sensitivity.

(6) Deteriorated architectural features shall be repaired rather than replaced, wherever possible. In the event replacement is necessary, the new material shall match the material being replaced in composition, design, color, texture, and other visual qualities. However, technologically advanced materials shall be considered and used as replacement alternatives. Repair or replacement of missing architectural features shall be based on accurate duplications of features, substantiated by historical, physical, or pictorial evidence rather than on conjectural designs or the availability of different architectural elements from other buildings or structures.

(7) The surface cleaning of structures shall be undertaken with the gentlest means possible. Sandblasting and other cleaning methods that will damage the historic building materials shall be not undertaken.

(8) Every reasonable effort shall be made to protect and preserve archaeological resources affected by, or adjacent to, any acquisition, protection, stabilization, preservation, rehabilitation, restoration, or reconstruction project.

j. All work performed pursuant to the issuance of a Certificate of Appropriateness shall conform to the requirements of such certificate. It shall be the duty of the City to inspect from time to time any work being performed pursuant to such certificate to assure such compliance.

k. Any Certificate of Appropriateness which has been approved pursuant to the provisions of this Section shall expire 12 months from the date of issuance if the work authorized is not commenced within this period. Further, such certificate shall expire if the work authorized is not completed within five years of the date of issuance, unless otherwise extended by the Historical Review Board.

Sec. 2-499. Hearing Procedures; Powers and Duties; Determination of Historical Significance and Issuance of Certificate of Appropriateness

(a) The Historical Review Board shall consider applications for residential or commercial properties. Upon application and Determination of Historical Significance, the Historical Review Board may consider applications for the issuance of a Certificate of Appropriateness.

(b) The Historical Review Board may make a Determination of Historical Significance for properties that are at least fifty (50) years old and retain the physical characteristics for the time the structure was built. The fifty (50) year old requirement may be waived if the property is determined to be a Florida Heritage Site as determined by the Florida Department of State's Historical Division of Historical Resources. In addition, the Historical Review Board shall find at least one of the following criteria for the historical designation:

1. Have the Florida Heritage Landmark status as determined by the Florida Department of State's Historical Division of Historical Resources by being on the Division's Florida Register of Heritage Landmarks;
2. Be listed on the National Register of Historic Places by the United States Department of the Interior's Nation Parks Service, Office of Cultural Resources;
3. Have an association with a significant historical event that made a significant contribution to the broad patterns of our history;
4. Have regional significance in areas like architecture, having retained those physical characteristics that were present during the period which the structure was built and that are unique to the City of Neptune Beach. Examples include but are not limited to the two-story homes located along First Street with sleeping porches or the mid-century modern homes west of Third Street that were constructed in a manner to capture ocean breezes;
5. Have an association with the lives of people significant in our past. A non-exhaustive list of examples of significant people in our past includes those that contributed to an important historical event, or who were noted artists, actors, authors, performers, musicians, soldiers, professional athletes, politicians, scholars, religious figures, social activists or newsworthy persons;
6. Embody distinctive characteristics of a type, period, or method of construction or design and represent the work of a master or notable or

renowned architect or builder, or possessing high artistic values; or

7. Have the potential to yield information important in prehistory or history.

(c) Upon a Determination of Historical Significance, the Historical Review Board may consider an application for the issue a Certificate of Appropriateness which the applicant may use to obtain a Development Permit which may allow exceptions to any requirement found in Chapter 27, Article IV, related to setbacks, lot coverage, floor area ratio and standards particular to the RC Overlay of the Unified Land Development Regulations.

(d) No use shall be made of the property which is inconsistent with the historic qualities of the property. Any restoration or repair of the property deemed historically significant to the architectural features of the exterior shall be retained consistent with the historic qualities of the property. The property deemed historically significant shall not be permitted to deteriorate and shall be maintained in good repair and condition to the extent necessary to preserve the historic value and significance of the property.

(e) The Determination of Historic Significance shall only be for the purpose of applying for a Certificate of Appropriateness and shall convey no other rights, interests or title to the owner of the subject property from the City.

(f) Issuance of a Certificate of Appropriateness shall only be used to apply for exception to any requirement found in Chapter 27, Article IV, related to setbacks, lot coverage, floor area ratio and standards particular to the RC Overlay of the Unified Land Development Regulations and shall be used for no other purpose nor shall it be binding upon the City for any other purpose or convey any rights or remedies not expressly enumerated herein.

(g) Neither Determination of Historical Significance nor an issuance of a Certificate of Appropriateness shall guarantee that an exception to any requirement found in Chapter 27, Article IV, related to setbacks, lot coverage, floor area ratio and standards particular to the RC Overlay of the Unified Land Development Regulations will be granted. Hearings for request for Determination of Historical Significance and an issuance of a Certificate of Appropriateness shall be quasi-judicial in nature and the Historical Review Board may make determinations based on other considerations such as compatibility with the City of Neptune Beach's Charter, Code of Ordinances, Unified Land Development Code and Comprehensive Plan. Any Determination of Historical Significance and issuance of Certificate of Appropriateness must be to protect the unique historical qualities of the City of Neptune Beach.

(h) Any final decision of the Historical Review Board of historical significance and issuance of Certificate of Appropriateness may be appealed by an applicant, owner or substantially impacted person residing within 300-foot of the subject property to City Council within 30-days of its rendering or it shall be deemed final. Any decision of the City Council may be appealed to by an applicant, owner or substantially impacted person residing within 300-foot of the subject property to a court with competent jurisdiction within 30-days of its rendering or it shall be deemed final. After receiving notice of hearing, a substantially impacted person residing within 300-feet of the subject property lacks standing to appeal if such person was not present at the hearing.

(i) The City may enforce any provision related to Determinations of Historical Significance or issuance of a Certificate of Appropriateness through any means allowed by law including but not limited to those remedies found in Chapter 162, Florida Statutes and any other available civil or injunctive relief.

Sec. 2-500. - Notice requirements for Hearings on Applications to Determine Historical Significance and Issuance of Certificates Of Appropriateness.

(a) Notice indicating the time and place of the quasi-judicial public hearing shall be posted in two (2) places in the city, one of which shall be in the front yard of the subject property, facing the street on which the property is addressed, and one (1) of which shall be at city hall on the public notice board, for at least ten (10) days immediately prior to the quasi-judicial public hearing. Such notice shall contain the address or location of the property and the nature of the application.

(b) The City shall ensure advertised notice is printed in a newspaper of general circulation within the City of Neptune Beach at least ten (10) days prior to the quasi-judicial public hearing before the Historical Review Board. The advertised notice shall state the date, time, place of the quasi-judicial public hearing, case number, and shall contain the address of the property and the nature of the application.

(c) At least ten (10) days prior to the quasi-judicial public hearing, the City shall give notice of the quasi-judicial public hearing before the Historical Review Board by U.S. Mail to the following:

(1) The property owner and the applicant if different from the owner; and

(2) The owner(s), as listed in the current Duval County Tax Assessor's records, of each property within a three-hundred-foot radius of the boundary of the subject property.

(d) If any person described in this Section does not contest the issue of proper notice within thirty (30) days from the date the Historical Review Board renders final action on a Determination of Historical Significance or issuance of Certificate of Appropriateness, then notice shall be deemed to be in compliance with this section.

SECTION 2: Codification. The provisions of this Ordinance shall become and be made a part of the *Code of Ordinances of the City of Neptune Beach, Florida* and the sections of this Ordinance may be renumbered or re-lettered to accomplish such intention and the word “Ordinance”, or similar words, may be changed to “Section,” “Article”, or other appropriate word; provided, however, that Sections Three, Four, Five, and Six shall not be codified.

SECTION 3. Conflict. All ordinances, resolutions, official determinations, or parts thereof previously adopted or entered by the City or any of its officials and in conflict with this ordinance are repealed to the extent inconsistent herewith.

SECTION 4. Severability. If a Court of competent jurisdiction at any time finds any provision of this Ordinance to be unlawful, illegal, or unenforceable, the offending provision shall be deemed severable and removed from the remaining provisions of this Ordinance which shall remain in full force and intact.

SECTION 5. Effective Date. This ordinance shall immediately take effect upon second reading and approval.

(SIGNATURE AND ADOPTION PAGE FOLLOWS)

VOTE RESULTS OF FIRST READING: (Date ___________)

Mayor Corrine Bylund	____
Vice Mayor Nia Livingston	____
Councilor Josh Messinger	____
Councilor Brent Rogers	____
Councilor Tim Horvath	____

VOTE RESULTS OF SECOND READING: (Date ___________)

Mayor Corrine Bylund	____
Vice Mayor Nia Livingston	____
Councilor Josh Messinger	____
Councilor Brent Rogers	____
Councilor Tim Horvath	____

____
Corrine A. Bylund, Mayor

ATTEST:

____
Catherine Ponson, City Clerk

Approved as to form and content:

____
Paul Waters, City Attorney

From:	Rene Atayan
To:	Paul Waters; Heather Whitmore
Subject:	Fwd: Ordinance Workshop
Date:	Wednesday, April 9, 2025 1:37:29 PM

Dear Heather and Paul-

I have sent the following to Messinger, Rogers, and Horvath. I have already spoken with Livingston, but she did indicate to Alison Ronzon she'd be reaching out.

I will also put a call into the Mayor to touch base. Hopefully this will move forward as we had originally anticipated.

Thanks much
Rene

Sent from my iPhone
So please excuse ridiculous auto-correct errors and my poor typing skills on this keypad

Begin forwarded message:

> **From:** Rene Atayan <rene@atayan.net>
> **Date:** April 9, 2025 at 13:18:55 EDT
> **To:** brogers@nbfl.us
> **Subject: Ordinance Workshop**
>
> Dear Councilman Rogers,
>
> In anticipation of the April 21 Workshop, I would appreciate the opportunity to speak with you regarding questions and comments you may have regarding the Historical Review Board proposal.
>
> While I appreciate that Council has had a number of challenges on their plate, and are working through those issues with a newly constituted Council and Mayor, this initiative has had both broad appeal & acceptance in the City, and benefits Neptune Beach and its residents in a multitude of ways. For the past 16 months, we have thoughtfully and prudently worked through a myriad of variables, many of which the Mayor witnessed and or to which she contributed input.
>
> We tabled moving forward after a Workshop last year out of respect for the electoral process and the understanding the Council's membership would, by default, change in the new year. I look forward to collaborating with you on an initiative that has been specifically designed to maintain & enhance property

values, by preserving Neptune Beach's intrinsic unique character.

Brent, please let me know where/when, at your convenience, we can discuss prior to April 21.

Sincerely

Rene Atayan
Vice Chair Community Development Board
Chair Historical Subcommittee

Sent from my iPhone
So please excuse ridiculous auto-correct errors and my poor typing skills on this keypad

From:	Heather Whitmore
To:	Heather Whitmore
Cc:	Richard Pike; Cheryl Bäck; Catherine Ponson; Piper Turner; Dallas Alvarez
Bcc:	Nia Livingston; Tim Horvath; Brent Rogers; "Paul Waters"; Josh Messinger; Nia Livingston; William Hilton; Rene Atayan; Greg Schwartzenberger; Cori Bylund
Subject:	RE: April 21, 2025 Council Workshop: ORD. NO. 2025-05 Establishing Chapter 2: DIVISION 5. HISTORICAL REVIEW BOARD
Date:	Wednesday, April 16, 2025 10:31:00 AM
Attachments:	image001.png
Importance:	High

Councilors:

As a reminder, in preparation for our April 21st workshop on the historic review board ordinance, I am reaching out to answer any questions or provide additional information as needed.

I am here to make sure your thoughts and questioned are addressed in the workshop.

Please feel free to contact me by phone, email, or stop by the office.

Heather

Heather Whitmore, AICP, PTP, CFM
Community Development Director
City of Neptune Beach
Community Development Department
Floodplain Administrator
116 1st Street
Neptune Beach, FL 32266
Office Phone: 904-270-2400
Direct: 904-749-0074
Email: cdd@nbfl.us

From: Heather Whitmore
Sent: Friday, April 11, 2025 1:00 PM
To: Heather Whitmore <cdd@nbfl.us>
Cc: Richard Pike <cop@nbfl.us>; Cheryl Bäck <cback@nbfl.us>; Catherine Ponson <clerk@nbfl.us>; Piper Turner <piperturner@nbfl.us>; Dallas Alvarez <dalvarez@nbfl.us>
Subject: April 21, 2025 Council Workshop: ORD. NO. 2025-04 Establishing Chapter 2: DIVISION 5. HISTORICAL REVIEW BOARD
Importance: High

Councilors:

In preparation for our April 21st workshop on the historic review board ordinance, I am reaching out to answer any questions or provide additional information as needed.

The proposed ordinance was developed over the course of two years, based on Community Development Board subcommittee efforts that engaged community members, staff, and Council. The purpose of the ordinance is to provide an incentive to retain and maintain non-conforming historic properties in Neptune Beach.

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Please feel free to contact me by phone, email, or stop by the office.

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Neptune Beach, FL 32266

Office Phone: 904-270-2400
Direct: 904-749-0074
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From:	Cori Bylund
To:	Heather Whitmore
Subject:	Re: April 21, 2025 Council Workshop: ORD. NO. 2025-04 Establishing Chapter 2: DIVISION 5. HISTORICAL REVIEW BOARD
Date:	Friday, April 11, 2025 4:12:24 PM
Attachments:	image001.png

Received. Thank you.

Get Outlook for iOS

From: Heather Whitmore <cdd@nbfl.us>
Sent: Friday, April 11, 2025 12:59:38 PM
To: Heather Whitmore <cdd@nbfl.us>
Cc: Richard Pike <cop@nbfl.us>; Cheryl Bäck <cback@nbfl.us>; Catherine Ponson <clerk@nbfl.us>; Piper Turner <piperturner@nbfl.us>; Dallas Alvarez <dalvarez@nbfl.us>
Subject: April 21, 2025 Council Workshop: ORD. NO. 2025-04 Establishing Chapter 2: DIVISION 5. HISTORICAL REVIEW BOARD

Councilors:

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Please feel free to contact me by phone, email, or stop by the office.

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Office Phone: 904-270-2400
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From: Rene Atayan
To: Heather Whitmore
Cc: Paul Waters
Subject: Fwd: St Augustine DIVISION_3.___HISTORIC_ARCHITECTURAL_REVIEW_BOARD.docx
Date: Friday, April 11, 2025 6:51:28 PM
Attachments: St Augustine DIVISION_3.___HISTORIC_ARCHITECTURAL_REVIEW_BOARD.docx

Heads up - had a great chat with Brent today.
One of his primary concerns is the Historic Board composition. He would prefer 100% CONB residents- which I understand.

He also wasn't clear on why they determine both the historic validity of a property and grant what is effectly the variance.

Well, I kinda get that…wanted it to come back before us…but it got amended and I'm not going to argue one way or another. I just said we are trying to protect property rights, streamline the process, make sure it's fair, we minimize the chance of being sued, and maximize the win-win of historic preservation. I stressed, and he understood, that perfection is the enemy of the good, and that we have systems in place for appeals etc.

He said he would be reaching out to you, Heather.

Have a great weekend and, as always, thanks for your help.

René

Sent from my iPhone
So please excuse ridiculous auto-correct errors and my poor typing skills on this keypad

Begin forwarded message:

> **From:** Rene Atayan <rene@atayan.net>
> **Date:** April 11, 2025 at 18:41:51 EDT
> **To:** Brent Rogers <brogers@nbfl.us>
> **Subject: St Augustine DIVISION_3.___HISTORIC_ARCHITECTURAL_REVIEW_BOARD.docx**
>
> Brent-
>
> Thanks so much for all of your time today. I am heartened that we hold many of the same beliefs regarding our OWN city's self- determination.
>
> Our goal was to give relief particularly to long-time home owners and those

purchasing our historic homes that define Neptune Beach. As we discussed, we cannot capriciously grant permits or variances - it opens us to lawsuits and, as you see with communities that do not follow prudent zoning and planning guidelines, building chaos ensues, depressing everyone's property values. The CDB - Community Development Board -responsible for Planning and Zoning….and granting/denying Variances must, by law, follow strict guidelines. We are a quasi-judicial board.
As we (CDB) became increasingly frustrated and disheartened with multiple Denials, resulting in tear downs, we recognized the common thread was that many were historic in nature.
The ordinance before you is a legal mechanism to give MODEST relief to some of these property owners.

The State of Florida requires certain qualifications of Historic Board Members so they can more expertly determine the validity of an applicant's claim. 50 years old is only 1 of many requirements. That said- the state does give a local community some discretion.

I looked back in my files and the attorneys used the attached as a template.

There is flexibility in the Ordinance wording as to board composition. For example, we can say 'may' vs 'shall'. Heather and Paul can help us there if you feel you need more control and focus on our needs as community. I'm all for that.

We want to protect the City from lawsuits so we should pursue experts. I am with you that we must strive to have them be Neptune Beach residents.

There are people however that may seek a position that I don't feel would work. Peggy Cornelius for example (she's just top of mind - she hasn't stepped forward nor may she be interested! This is just for illustration only!) She's a local, her work is very well- respected, but she continues to be active in residential renovation. It would be a conflict of interest. So while one may want someone like her in the Board - with her experience and insight, it doesn't work because it would compromise her…my guess is she still wants to pursue her paying career.

Feel free to reach back, and Heather and Paul are excellent resources.

We want to get this right but we've been at this for quite awhile- in the meantime, we've already lost some special pieces of Neptune history.

Thanks again for all of your time today, Brent, and for your service to Neptune Beach.

Take Care

René

Sent from my iPhone
So please excuse ridiculous auto-correct errors and my poor typing skills on this keypad

DIVISION 3. HISTORIC ARCHITECTURAL REVIEW BOARD[1]

Sec. 28-81. Created; membership.

(1) There is hereby created an historic architectural review board consisting of five (5) regular members to be appointed by the city commission from applications submitted on forms as from time to time promulgated by the city manager and approved by the city commission. Each member shall meet the requirements of the position they wish to fill. Two (2) members of the board as established herein shall be appointed for a term of one (1) year; two (2) for a term of two (2) years; and one (1) for a term of three (3) years. Thereafter all members shall be appointed for three-year terms except those appointed to fill vacancies for unexpired terms, in which case the appointment shall be for the unexpired term only. Members shall comply with all local and state requirements of office.

(2) The historic architectural review board may, in addition to its regular members, have a maximum of two (2) alternate board members to be appointed by the city commission from applications submitted on forms as from time to time promulgated by the city manager and approved by the city commission. The alternate members shall be appointed for a three-year term and may be reappointed for additional terms at the discretion of the city commission. Alternate members shall meet the requirements of the position they wish to fill as promulgated in section 28-81 and 28-82 of this Code and have previously served as regular members of the historic architectural review board. Alternate members will only be called upon to be seated and serve in their alternate member capacity, participate, and vote at meetings, in the event of an anticipated lack of quorum or bare minimum quorum of the regular members. It is the intent of this regulation to allow alternate members of this board to continue to practice their profession, trade or occupation while holding this public office, consistent with state law. Furthermore, due to the scarcity of available alternate members and the substantial public benefit to the community of their volunteer efforts when called upon to serve at a specific meeting, it is the intent of this regulation to allow alternate members to present applications in their professional capacity to this board unless they are seated to serve at the same meeting.

(Code 1964, § 33-183; Ord. No. 16-08, § 1, 3-14-16; Ord. No. 20-29, § 1, 10-26-20; Ord. No. 20-30, § 1, 10-26-20)

Sec. 28-82. Minimum qualifications criteria.

One (1) member must be a licensed, professional architect. The remaining members must hold a professional license, or educational credentials and professional membership in the fields of History, Archeology, Architectural History, Historic Landscapes and Architecture, Art History, Planning, Real Estate, Law, or Construction as further described below. It is the intent of this regulation to allow a member of HARB to continue to practice their profession or occupation while holding this public office, consistent with state law.

(1) *History.* The member must be a licensed professional, or hold the required educational credentials and professional membership, in this field. The minimum professional qualifications in history are a graduate degree in history or closely related field; or a bachelor's degree in history or closely related field plus one (1) of the following:

[1]Cross reference(s)—Boards, commissions, etc., § 2-191 et seq.

a. At least two (2) years of fulltime experience in research, writing, teaching, interpretation or other demonstrable professional activity with an academic institution, historic organization or agency, museum or other professional institution.

b. Substantial contribution through research and publication to the body of scholarly knowledge in the field of history.

(2) *Archaeology.* The member must be a licensed professional, or hold the required educational credentials and professional membership, in this field. The minimum professional qualifications in archaeology are a graduate degree in archaeology, anthropology or closely related field plus:

a. At least one (1) year of fulltime professional experience or equivalent specialized training in archaeological research, administration or management.

b. At least four (4) months of supervised field and analytic experience in general North American archaeology.

c. Demonstrated ability to carry research to completion. In addition to these minimum qualifications, a professional in prehistoric archaeology shall have at least one (1) year of fulltime professional experience at a supervisory level in the study of archaeological resources of the prehistoric period. A professional in historic archaeology shall have at least one (1) year of fulltime professional experience at a supervisory level in the study of archaeological resources of the historic period.

(3) *Architectural history.* The member must be a licensed professional, or hold the required educational credentials and professional membership, in this field. The minimum professional qualifications in architectural history are a graduate degree in architectural history, art history, historic preservation or closely related field, with course work in American architectural history; or a bachelor's degree in architectural history, historic preservation or closely related field plus one (1) of the following:

a. At least two (2) years of fulltime experience in research, writing or teaching in American architectural history or restoration architecture with an academic institution, historical organization or agency, museum, or other professional institution.

b. Substantial contribution through research and publication to the body of scholarly knowledge in the field of American architectural history.

(4) *Historic landscapes and architecture.* The member must be a licensed professional, or hold the required educational credentials and professional membership, in this field. The minimum professional qualifications in historic landscapes and architecture are a professional degree in architecture or landscape architecture or state license to practice architecture or landscape architecture, plus one (1) of the following:

a. At least one (1) year of study in architectural preservation, American architectural history, historic landscapes, preservation planning or closely related field.

b. At least one (1) year of fulltime professional experience on historic preservation projects. Such graduate study or experience shall include detailed investigations of historic structures and landscapes, preparation of historic structures research reports, and preparation of plans and specifications for preservation projects.

(5) *Art history.* The member must be a licensed professional, or hold the required educational credentials and professional membership, in this field. The minimum professional qualifications in architectural history are a graduate degree in art history or closely related field, with course work in art history; or a bachelor's degree in art history or a closely related field plus one (1) of the following:

a. At least two (2) years of fulltime experience in research, writing or teaching in art history with an academic institution, historical organization or agency, museum, or other professional institution.

b. Substantial contribution through research and publication to the body of scholarly knowledge in the field of art history.

(6) *Planning.* The member must be a licensed professional, or hold the required educational credentials and professional membership, in this field. The minimum professional qualifications in urban planning or urban design are a bachelor's degree in planning or closely related field, with course work in historic preservation plus one (1) of the following:

a. At least two (2) years of fulltime experience in project work, research, writing or teaching in planning, urban planning or urban design, with an academic institution, historical organization or agency, museum, or other professional institution or planning and design firm on historic preservation projects.

b. Substantial contribution through research and publication to the body of scholarly knowledge in the field of historic preservation.

(7) *Real estate.* The member must be a licensed professional, or hold the required educational credentials and professional membership, in this field. The minimum professional qualifications in real estate sales, brokerage, or development are a broker or real estate agent license plus one (1) of the following:

a. At least five (5) years of fulltime experience in real estate sales or redevelopment of historic properties in St. Augustine's regulated districts with a demonstrated emphasis on historic preservation and a commitment to supporting ethical real estate sales and redevelopment of historic properties.

b. Substantial contribution through research and publication to the body of scholarly knowledge in the field of real estate redevelopment and historic preservation.

(8) *Law.* The member must be a licensed professional, or hold the required educational credentials and professional membership, in this field. The minimum professional qualifications are a law degree from an accredited law school, plus one (1) of the following:

a. A course of study demonstrating advanced coursework in national registry and local designations, or historic preservation law.

b. At least one (1) year of fulltime professional experience on historic preservation projects. Such study or experience shall include detailed investigation and legal analysis of potential national or local designations for specific projects, or legal analysis, briefs, or memos relating to historic preservation law review articles or litigation.

(9) *Construction.* The member must be a licensed professional, or practice in an occupation substantially regulated by HARB within the City of St. Augustine, such as residential or commercial construction contracting or skilled artisan and trades, rehabilitating historic structures and landscapes plus one (1) of the following:

a. At least five (5) years of fulltime experience in residential or commercial construction contracting or skilled artisan and trades in St. Augustine's regulated districts focusing on historic preservation and restoration.

b. Substantial contribution through field training, teaching, or research and publication to the body of technical knowledge in the field of historic restoration and preservation.

(Code 1964, § 33-183.5; Ord. No. 00-17, § 1, 6-12-00; Ord. No. 05-15, § 1, 6-13-05; Ord. No. 20-29, § 1, 10-26-20)

Sec. 28-83. Residence; tenure.

All members of the historic architectural review board shall hold no government office nor receive any salary or compensation for their services to the board herein created. While preference shall be given to current city residents, the city commission may appoint a non-resident upon a finding that such non-resident is uniquely qualified. No member shall be appointed for more than two (2) consecutive full terms.

(Code 1964, § 33-184; Ord. No. 96-66, § 1, 12-9-96; Ord. No. 03-14, § 2, 4-14-03; Ord. No. 05-15, § 2, 6-13-05)

Sec. 28-84. Transfer of records.

All records of the historic architectural review board created by former section 33-183 of the Code of the City of St. Augustine are hereby transferred to the historic architectural review board created by this division. All applications pending before the historic architectural review board created by former section 33-183 shall be heard and considered by the historic architectural review board herein created.

(Code 1964, § 33-185)

Sec. 28-85. Reserved.

Editor's note(s)—Ord. No. 18-11, § 6, adopted August 27, 2018, repealed § 28-85, which pertained to attendance at meetings and derived from § 33-186 of the 1964 Code.

Sec. 28-86. Number of meetings; rules.

The regular members of the historic architectural review board herein created shall meet once a month or upon call of the chairman. The board shall annually elect one (1) of its members as chairman and one (1) as vice-chairman, who shall serve only two (2) consecutive terms. It shall be the duty of the chairman to preside over all meetings of the board. In the absence of the chairman, the vice-chairman shall preside. Three (3) members of the board shall constitute a quorum for the purposes of meetings and transacting business. No recommendations or formal action of the board shall be taken without a majority vote of those voting and without the concurrence of at least two (2) members. Alternates present may be counted to achieve a minimum quorum of three (3) members and for voting purposes, in the same manner as regular members. Failure to receive a majority vote of those voting and at least two (2) affirmative votes shall act as a denial by the board. Members of the historic architectural review board shall be mindful that they are acting as a quasijudicial board and shall, therefore, act and dress in their meetings with all appropriate decorum.

(Code 1964, § 33-187; Ord. No. 16-08, § 2, 3-14-16)

Sec. 28-87. Responsibilities.

The members of the historical architectural review board herein created shall have the following responsibilities:

(1) Review petitions for certificates of appropriateness required within the historic preservation districts (HP-1 thru HP-5) under article III, division 3 of this chapter. Additionally, the board shall review all applications for building permits on property abutting or immediately facing the HP-1, HP-2 and HP-3 historical districts to ensure reasonable compatibility of the facades of such buildings visible from within such districts with the authentic restoration or preservation of the districts, and where found to be reasonably compatible, issue a certificate of appropriateness.

(2) Participate in the adoption of existing codes, ordinances, procedures and programs to reflect policies and goals designed to conserve historic districts.

(3) The review of all applications for demolition or partial demolition permits for historic or regulated structures. Also, review all applications for demolition or partial demolition permits for primary structures within historic preservation zoning districts and National Register districts for potential designation as an historic landmark, and review of partial demolition permits for regulated structures not eligible for administrative approval. Privately owned single-family residential structures that qualify for complete demolition by statute and are not otherwise exempt pursuant to F.S. ch. 553.79(25), will be processed consistent with state law.

(4) Cooperate with the agencies of city, county, regional, state and federal governments in planning proposed and future projects to reflect the concerns and policies expressed in this chapter; assist, as a consultant, in the development of proposed and future land use plans.

(5) Advise property owners and local governmental agencies concerning the property protection, maintenance, enhancement and preservation of resources designated under this chapter.

(6) Advise the city commission concerning the effects of local governmental actions on resources designated or that appear to qualify for designation under this chapter.

(7) Conduct regular public meetings and call special meetings.

(8) Recommend to the planning director the issuance of a stop work order when it appears that there has not been compliance with the requirements of section 28-90(a).

(9) Develop rules and procedures necessary to implement its powers and duties consistent with the provisions of this chapter.

(10) *Designate historic landmarks.* As utilized herein the term "local historic landmark" shall mean a building, object, site, or structure of the highest historical, architectural, cultural, or archaeological importance and whose demolition, removal, relocation, or alteration would constitute an irreplaceable loss to the character and quality of the city. In the event the historic architectural review board desires not to issue a demolition or partial demolition permit for a structure that it finds could meet the criteria for a historic landmark, the historic architectural review board shall initiate proceedings for designation of the structure as a historic landmark. In the designation of a historic landmark, the historic architectural review board shall evaluate the subject property using criteria and standards established by the National Register of Historical Places for national landmarks, or if evaluating the structure as a potential local historic landmark substituting the importance of the resource to the city and state rather than the nation as a whole. No property shall be designated as a historic landmark without first providing the owner of the proposed historic landmark with notice and an opportunity to be heard in the same manner as that provided for a rezoning of property. In addition, consistent with F.S. ch. 553.79(25), a local landmark designation for a privately owned single-family residential structure that qualifies for complete demolition by statute must include the consent of its owner. Any determination of the historic architectural review board shall be subject to appeal by any affected person to the city commission without any fee being charged or levied.

(11) Issue certificates of appropriateness for newspaper vending machines and similar machines designed to dispense advertising papers, brochures or magazines. The historic architectural review board is authorized to issue certificates of authority for newspaper vending machines and similar machines designed to dispense advertising papers, brochures or magazines and to prepare and issue guidelines for the placement of such machines, conformity of design, size and color, which guidelines shall be submitted to the city commission for its approval prior to taking effect. Initial guidelines shall be prepared by the historic architectural review board and submitted to the city commission for approval no later than ninety (90) days after the passage of this ordinance. The guidelines shall not unreasonably

restrict the placement of newspaper vending machines and similar machines designed to dispense advertising papers, brochures or magazines on city rights-of-way but shall provide standards for uniform design and color and shall contain reasonable restriction on the numbers of such machines which may be placed by any one vender within a city block and a reasonable restriction on the location of such machines so that newspapers and advertising papers, brochures or magazines shall generally be available but shall not unduly or unreasonably impact upon the historical perspective and view of the streetscape.

(Code 1964, § 33-188; Ord. No. 90-11, §§ 1, 2, 7-9-90; Ord. No. 94-14, § 2, 1-9-94; Ord. No. 03-17, § 6, 6-23-03; Ord. No. 04-08, 5-24-04; Ord. No. 23-24, § 2, 8-28-23)

Sec. 28-88. Procedures and application requirements.

The historic architectural review board shall follow the following procedures for certificate or opinion of appropriateness, relocation, or demolition or partial demolition review:

(1) The board shall adopt rules prescribing the procedure for making and reviewing applications for a certificate of appropriateness or request for opinion of appropriateness.

(2) Applications shall be initiated with the planning and building department.

(3) Unless a longer time shall be agreed upon by the applicant and the board in the particular case, a public hearing shall be held by the board to consider any application for a certificate of appropriateness or request for opinion of appropriateness within not more than thirty (30) days from the date of filing of the completed application. Notice of public hearing shall be made as provided. Notice of any public hearing shall be published once in a newspaper of general circulation not less than ten (10) days in advance of the date of such hearing. Such published notice shall be in a form prescribed by the board and/or city commission, as appropriate, and written and published by the planning and building division. Proof of publication shall be on file with the planning and building division. Procedures described herein shall also apply to public hearings conducted by the city commission.

(4) Each final order shall contain the citation to the applicable legal authority for the denial of the permit upon which the board's order is based and may include additional findings and conclusions of law, as well as, such conditions and safeguards as prescribed by the board as are appropriate in the matter, including but not limited to, reasonable time limits within which action pursuant to such order shall be begun or completed or both. The board shall provide for the establishment and maintenance of a record of the hearing by the city clerk for all application requests considered by it. The board shall establish such record in a sufficient degree to disclose the factual basis for its final determination with respect to such requests and appeals. The board shall keep minutes of its proceedings, showing the vote of each member upon each question or if absent or failing to vote indicating such fact, and shall keep records of its official actions, all of which shall be a public record and filed immediately in the planning and building department and preserved with the city clerk. The record shall contain all evidence, testimony and findings placed in the record of the hearing without need to reiterate the same in the final order. A verbatim transcript of the hearing is required for an appeal to the city commission, and may be required for other judicial proceedings. It is the responsibility of the appellant to obtain a complete record of the hearing from the city clerk and to retain a certified court reporter to transcribe the hearing at appellant's cost. For purposes of appeals to the city commission, persons who meet the qualifications of indigency and who have filed a complete indigency application with the city clerk pursuant to this code, may provide an alternative to the certified court reporter transcript, such as providing an audio-visual recording of the proceedings on appeal.

(5) The application and a final order shall describe the project for which is issued and the type of work to be done. The board may require certain terms or conditions as a prerequisite for the approval of an application, which shall be clearly stated thereon the final order.

(6) Additional application requirements:

a. The owner shall permit access to the subject property for the purpose of inspections and/or appraisals required by the board or preservation officer.

b. Signs required: The planning and building department shall cause a sign or signs to be posted on any land upon which an application with respect to relocation or demolition or partial demolition has been made not less than seven (7) days in advance of the date of the public hearing at which such application is to be considered. Such sign shall show the date of construction of the existing building and be erected in full view of the public on each street side of such land. Where such land does not have frontage on a public street, such signs shall be erected on the nearest street right-of-way with an attached notation indicating generally the direction and distance to the land concerning which a public hearing is scheduled. Such sign shall be posted in full view of the public and shall be maintained by the applicant until final determination has been made by the board or city commission.

c. Mailed notices: Not less than ten (10) days in advance of the date of the required public hearing(s) at which an application for a certificate of demolition or partial demolition is to be considered, the time and place of the public hearing shall be posted by United States mail by the applicant to all owners of real property within one hundred fifty (150) feet of the boundaries of the land upon which the application is made. For the purpose of notice requirements to adjoining owners within one hundred fifty (150) feet, the names and addresses shall include information obtained from the St. Johns County Property Appraiser records within ninety (90) days prior to the application date. Such list prepared for any required public hearing with the historic architectural review board, if appealed, shall also be used for a required public hearing with the city commission. A record of the date on which the list was compiled shall be provided to and maintained by the planning and building department.

d. Applications: Shall be presented to the historic architectural review board by the property owner or representative authorized by the owner with a completed authorization form.

e. If an owner/applicant fails to appear for three (3) historic architectural review board meetings, the application may be considered as withdrawn.

(Code 1964, § 33-189; Ord. No. 90-11, § 5, 7-9-90; Ord. No. 94-01, § 5, 1-24-94; Ord. No. 17-02, § 1, 2-23-17; Ord. No. 23-24, § 3, 8-28-23)

Sec. 28-89. Criteria for certificate or opinion of appropriateness, relocation or demolition or partial demolition review.

The criteria for opinion of appropriateness, certificate of appropriateness, certificate of relocation, certificate of demolition or partial demolition review will be determined as follows:

(1) In reviewing an application for structures within historic preservation zoning districts the board or planning and building department shall consider the design and appearance of the structure, including the interior visible from the outside, front, sides, rear and roof; materials, textures and colors; plat plan or site layout, including features such as walls, walks, terraces, plantings, accessory structures, signs, lights, awnings, canopies, and other appurtenances. The decision to approve or deny the proposed application shall be based on the conformance of the proposed work to the Architectural Guidelines for Historical Preservation (AGHP) and adopted addendums of the City of St. Augustine as from time to

time promulgated by the historic architectural review board or the city commission and approved by ordinance of the city commission, hereinafter referred to as "AGHP," Albert Manucy's Houses of St. Augustine - 1565—1821, and other architectural guidelines as may be adopted from time to time. The board shall not exercise any control over land use, such as governed by this chapter, or over construction, such as is governed by the building code, unless such control is within the intent and scope of this chapter.

a. In the case of an opinion of appropriateness: HARB shall make a determination that the general concept, preliminary construction plans, details or specifications of a project meet the architectural requirements of the AGHP, Albert Manucy's Houses of St. Augustine - 1565—1821, or other adopted architectural guidelines, but that the information may be insufficient to meet the requirements of a certificate of appropriateness or to obtain a building permit.

b. In the case of a certificate of appropriateness: HARB shall make a final determination that the material details are sufficient, construction plans are complete, and architectural details and specifications for a project meet the AGHP, Albert Manucy's Houses of St. Augustine - 1565—1821, or other adopted architectural guideline requirements. A certificate of appropriateness is required before a building permit may be issued. Only those plans and details approved by HARB may be reviewed by the planning and building department during the building permit review process.

c. In the case of a certificate of relocation of a structure: Consideration will be given to the immediate surroundings and to the district or districts in which it is located or to be located, that the relocation of the structure will not adversely impact the city's historic preservation efforts or negatively affect the streetscape. If the building will be relocated on the same site or moved to a new site in a locally designated historic preservation zoning district, then the process and plan requirements for a certificate of appropriateness also apply to the building's new location.

d. In the case of a certificate of demolition or partial demolition: A determination is made that the demolition or partial demolition of the structure will or will not adversely impact the city's historic preservation efforts. The applicant may also be required to submit information on the structural condition of the building from an engineer or architect to justify the need for the demolition or the partial demolition of the structure, and all other requirements of this Code.

(2) Before approving the plans for any proposed structure or signs located or to be located in a historic preservation zoning district, the board shall find:

a. In the case of a proposed alteration or addition to an existing structure, that such alteration or addition will not materially impair the architectural or historic value of the structure.

b. In the case of a proposed new structure, that such structure will not, in itself or by reason of its location on the site, materially impair the architectural or historic value of a structure on adjacent sites or in the immediate vicinity.

c. In the case of a proposed new structure, that such structure will not be injurious to the general visual character of the district or districts in which it is to be located.

d. In the case of the proposed demolition of an existing structure, or a project that constitutes partial demolition that the removal of such structure or architectural features will not be detrimental to the historic and architectural character of the city or that, balancing the interest of the city in preserving the integrity of the city and interest of the owner of the property.

1. Approval of the plans for demolition in the latter event the board may issue an order postponing demolition for a period of not to exceed twelve (12) months after which the owner must reapply. The board may issue a second postponement with the total postponement period not to exceed two (2) twelve-month periods. If the board concludes

that the demolition should be postponed, it shall, before issuing any final order with respect to such postponement, afford the applicant an opportunity to appear before the board to offer any evidence they may desire to present concerning the proposed order. Within the period of postponement, the board shall ascertain what the city or other agency or organization may do to preserve such structure and shall make recommendations to that effect to the city commission or otherwise cause the structure to be preserved. This section shall not apply to any permit for demolition which has been applied for, in proper form, prior to the effective date of this section.

2. If the building or structure is of exceptional significance including a local historic landmark, is a contributing property to a National Register of Historic Places District or has been individually listed on the National Register of Historic Places, the board can deny the demolition if the board finds the removal of such building or structure will be detrimental to the historic and architectural character of the city and the applicant has not proven the denial will cause an undue economic hardship.

3. The demolition of colonial buildings listed on the Florida Master Site File, or colonial buildings designated local historic landmark, or colonial buildings meeting the criteria for eligibility on the National Register of Historic Places must be approved by the city commission.

4. In the case of a partial demolition: The board shall find that the proposed replacement materials including historic materials as well as compatible substitute materials maintain the historic character and integrity of the structure and are compatible with the historic structure's building envelope or the removal will not compromise the overall historic character and integrity of the structure.

(3) Criteria for regulated structure. Replacement elements for regulated structures as defined in this code will be reviewed consistent with the procedures for architectural feature limited review. The board will apply the adopted design criteria if any for the area or AGHP if applicable to the regulated structure, if any. If no design criteria have been adopted, the board will accept evidence and testimony to establish relevant architectural features. Some regulated structures may have architectural features that support its historic character and historic period, as well as modifications or additions over time. The board will accept evidence and testimony to establish whether the architectural features should meet preservation or reconstruction standards.

(4) Applications for partial demolition of buildings listed on the National Register of Historic Places, contributing or potentially contributing to a historic district in the National Register of Historic Places, listed as a local historic landmark pursuant to this Code, listed as a potential landmark identified in the Historic Preservation Element of the Comprehensive Plan, Master Plan or identified by historic preservation planning staff as culturally significant within the recent past, may apply for the demolition of additional components of the building as part of a more comprehensive rehabilitation plan. Staff may require that the application be reviewed as a full demolition with required documentation, appropriate condition assessment and a rehabilitation plan, recognizing that applicants may encounter unforeseen building damage, site conditions, flood mitigation obstacles, or other significant and demonstrable reasons justifying a more extensive partial demolition as part of the rehabilitation. In issuing a certificate of demolition or partial demolition, the board may include approval of both the partial demolition and potential related additional demolition and its rehabilitated replacement design under one application. This will allow the approval of drawings sufficient for a building permit and that all necessary requirements for the new construction related to the demolition or partial demolition are submitted for permitting review and approval by staff.

(5) As a condition of issuing a certificate of demolition, including partial demolition, the board may require, at the applicant's expense, salvage and preservation of significant building materials,

architectural details and ornaments, fixtures, and the like for reuse in restoration of other historic properties. The board may also require at the applicant's expense the recording of the structure for archival purposes prior to demolition or partial demolition. The recording may include, but shall not be limited to, photographs and measured drawings.

(6) Applications for certificate of demolition of a building or structure that is of exceptional significance including a local historic landmark, has been a contributing property to a National Register of Historic Places District or has been individually listed on the National Register of Historic Places shall require the following with the burden of proof to be on the applicant. The board may also require the following of structures considered to be contributing to the historical character of the city:

a. A report from an architect or structural engineer licensed in the State of Florida with demonstrated experience in restoration, rehabilitation, or renovation as to the structural soundness of the building and its adaptability for continued use.

b. Proof of unreasonable or undue economic hardship. In any instance where an undue economic hardship, as defined in this chapter, is claimed by a property owner, the property owner may submit to the board any or all of the following information before the board makes a decision on the application for certificate of demolition:

1. An estimate of the cost of the proposed construction, alteration, demolition, or removal;

2. The estimated market value of the property in its current condition; after completion of the proposed construction, alteration, demolition, or removal; and, in the case of a proposed demolition, after renovation of the existing property for continued use;

3. In the case of a proposed demolition, an estimate from an architect, developer, licensed contractor, real estate consultant, appraiser, or other real estate professional experienced in rehabilitation as to the economic feasibility of rehabilitation or reuse of the existing structure on the property;

4. The annual gross income from the property for the previous two (2) years; itemized operating and maintenance expenses for the previous two (2) years; and depreciation deduction and annual cash flow before and after debt service, if any, during the same period;

5. The remaining balance on any mortgage or other financing secured by the property and annual debt service, if any, for the previous two (2) years;

6. All appraisals obtained within the previous two (2) years by the owner or applicant in connection with the purchase, financing, or ownership of the property;

7. Any listing of the property for sale or rent, price asked, and offers received, if any, within the previous two (2) years;

8. The assessed value of the property according to the two (2) most recent assessments;

9. The real estate taxes for the previous two (2) years;

10. The form of ownership or operation of the property, whether an individual, sole proprietorship, for profit or not-for-profit corporation, limited partnership, joint venture, or other;

11. Any other information considered necessary by the board to a determination as to whether the property does yield or may yield a reasonable return to the property owner. The board may require that the property owner furnish such additional information as the board believes is relevant to the board's determination of any alleged undue economic hardship. No decision of the board shall result in undue economic hardship for the property owner.

In any case where undue economic hardship is claimed, the board shall make two (2) specific findings. First, the board shall determine if the owner would be entitled to a certificate of demolition without consideration of undue economic hardship. Second, the board shall determine whether the owner demonstrated an undue economic hardship.

(7) In the case of any proposed new or altered sign, that the sign will not materially impair the architectural or historic value of any structure to which it is attached, nor any adjacent structure, and that such sign is consistent with the architecture of the building and the historical character of the area.

(8) The board shall not have the authority to consider interior arrangements.

(9) The Planning and Building Department may, based upon the AGHP and consistent with this article, make the decision to issue or not to issue a required permit for the following work:

a. Placement of utility service.

b. Repainting with the same color if previously approved for painting with an appropriate color selected from the AGHP guidelines.

c. Structural maintenance and repair utilizing the same materials and architectural character.

d. Any other structural maintenance consistent with the AGHP.

e. Exterior construction or equipment not visible.

f. All signs and graphics.

g. Landscape features, including fences, walls, walks, patios, decks, driveways, plant materials and ornamentation.

h. Placement of exterior utility support equipment, including air conditioning compressors, gas tanks, etc.

(10) Appeals from decisions of the planning and building department under subsection (9) of this section may be taken to the board within fifteen (15) days from such decision.

(Code 1964, § 33-190; Ord. No. 02-17, § 1, 8-26-02; Ord. No. 05-22, § 2, 8-8-05; Ord. No. 11-15, § 1, 10-24-11; Ord. No. 17-21, § 2, 8-28-17; Ord. No. 23-24, § 4, 8-28-23)

Sec. 28-90. Administration records, and appeals.

(a) Any necessary building or demolition (full or partial) permit and/or certificate of occupancy shall not be issued unless the planning and building department reviews the application for compliance and/or the historic architectural review board approves an application as outlined under section 28-88. Such permit shall be subject to the terms of such approval as well as other necessary provisions of this Code.

(b) Applications shall be submitted through the planning and building department and shall include, in duplicate if requested, all plans, elevations and other information necessary to determine the appropriateness of the features to be passed upon.

(c) Prior to issuance or denial of a certificate of appropriateness, relocation, demolition, or partial demolition required by the board, the board shall take such action as may reasonably be required to inform the owners of any property likely to be materially affected by the application and shall give the applicant and such owners an opportunity to be heard. The board shall hold a public hearing concerning each application.

(d) Every decision of the board and/or planning and building department in passing upon plans for structures or signs located or to be located in the district shall be in the form of a written order or permit as appropriate stating the finding of the board, its decisions and reasons therefor.

(e) The board shall not disapprove any plans without giving its recommendations for changes necessary to be made before the plans will be reconsidered. Such recommendations may be general in scope, and compliance with them shall qualify the plans for reconsideration by the board.

(f) An appeal may, within thirty (30) days thereafter, be taken by any aggrieved person to the city commission from the board's action in granting or denying an opinion or certificate of appropriateness, relocation or demolition or partial demolition. The appeal shall be as prescribed in section 28-29(g). Any appeal from the decision of the city commission shall be heard by the circuit court of the county, on writ of certiorari, as in the case of any other zoning decision from the city commission. All orders to approve certificates of demolition, except for partial demolition, shall become effective on the 31st day following the date of the rendered order, unless this waiting period is specifically granted a written waiver by the city commission or city manager. The owner-applicant of an order to approve a demolition certificate may request a hardship waiver to the city manager for emergency humanitarian reasons including the health and safety of the occupants of a structure in need of immediate emergency repairs, renovation or reconstruction. In the alternative, the owner-applicant of an order to approve a demolition certificate may request a waiver from the city commission if the delay in demolishing the structure would create an undue burden on the owner-applicant that would be greater than the public interest served in preserving the thirty-day waiting period. All decisions to grant or deny the waiver shall be rendered in writing within five days of the decision, mailed by standard U.S. mail to the owner-applicant and posted on the city's website. The decision of the city manager or city commission shall serve as the final administrative appeal of the waiting period.

(g) Any decision of the historic architectural review board certified by the planning director to be in conflict with a determination or decision of the planning and zoning board or of the nuisance, appeals and adjustment board; shall be reviewed by the city commission in the same manner as an appeal and the commission shall review the determination of the historic architectural review board, and the decision of the planning and zoning board or the nuisance, appeals and adjustment board as to which it is certified to be in conflict and shall determine whether the decision of the historic architectural review board should be affirmed, modified or reversed and the decision of the commission shall supersede the decision reviewed. All affected persons shall be notified of the hearing by the city commission in the same manner as that provided for appeals from decisions of the planning and zoning board. The hearing before the commission shall be de novo.

(Code 1964, § 33-191; Ord. No. 05-22, § 3, 8-8-05; Ord. No. 15-21, § 1, 8-10-15; Ord. No. 23-24, § 5, 8-28-23; Ord. No. 24-07, § 9, 4-8-24)

Sec. 28-91. Enforcement.

Enforcement of this division shall be as follows:

(1) Neither the owner of nor the person in charge of a structure of exceptional significance including a local historic landmark or within an historic district shall permit such structure to fall into a state of disrepair which may result in the deterioration of exterior appurtenance or architectural feature so as to produce or tend to produce, in the judgment of the historic architectural review board, a detrimental effect upon the character of the district as a whole or the life and character of the structure in question.

(2) A stop work order shall be issued by the building official in any case where work has commenced or preparation for work has commenced, if no certificate of appropriateness, relocation, demolition, or partial demolition has been obtained where one is required by section 28-90. The stop work order shall be issued to the owner, the occupant, or any person commencing work or preparation for work in

violation of this division. The stop work order shall remain in full force and effect until a certificate of appropriateness, relocation, demolition, or partial demolition has been obtained or it has been determined by the board that no certificate of appropriateness, relocation, demolition, or partial demolition is required.

(3) Any person who violates any provision of this division shall be punished as provided by section 28-35.

(4) Any person who files with the board and/or planning and building department any application or request for an opinion of appropriateness or a certificate of appropriateness, relocation, demolition, or partial demolition and who refuses to furnish, upon demand by the board and/or building official and/or planning director, any information relating to such application or request, or who willfully makes any false statement in such application or request, or who, upon such demand, willfully furnishes false information to the board and/or planning and building department shall be punished as provided by section 28-35.

(Code 1964, § 33-192; Ord. No. 05-22, § 4, 8-8-05; Ord. No. 23-24, § 6, 8-28-23)

Sec. 28-92. Termination of certificates of demolition or partial demolition.

The historic architectural review board shall include a time limitation in its certificates of demolition or partial demolition, utilizing the following procedures:

(1) The board shall include a provision in its orders for certificates of demolition or partial demolition that the certificate expires one (1) year from the date of the order.

(2) The owner of the property described in the certificate of demolition or partial demolition may request an administrative six-month extension from the planning and building director. The request for administrative extension must be filed in writing with the planning and building department during regular office hours no later than thirty (30) days before the expiration of the certificate of demolition or partial demolition. The administrative extension is a ministerial act and shall be available for one extension only.

(3) In the alternative, the owner of the property described in the certificate of demolition or partial demolition may request a one-year extension from the board. The request for board extension must be filed in writing with the planning and building department during regular office hours no later than thirty (30) days before the expiration of the certificate of demolition or partial demolition. The application for board extension shall be heard at the next available board meeting. A board extension cannot be applied for property that has already been granted an administrative extension.

(4) If the property owner has received either an administrative extension or a board extension of time on a certificate of demolition or partial demolition, the property is not eligible for further consecutive extensions and upon the expiration of the extension the property owner must reapply for a certificate of demolition or partial demolition.

(5) Valid certificates of demolition or partial demolition issued prior to the effective date of this section shall be honored by the planning and building department and no further action is needed by the property owner other than compliance with life safety procedures and application for a demolition permit or partial demolition from the building department.

(Ord. No. 17-06, § 1, 3-23-17; Ord. No. 23-24, § 7, 8-28-23)

Secs. 28-93—28-110. Reserved.

From: Rene Atayan
To: Heather Whitmore
Subject: Fwd: St Augustine DIVISION_3.___HISTORIC_ARCHITECTURAL_REVIEW_BOARD.docx
Date: Sunday, April 13, 2025 6:38:49 PM

FYI
René

Sent from my iPhone
So please excuse ridiculous auto-correct errors and my poor typing skills on this keypad

Begin forwarded message:

> **From:** Rene Atayan <rene@atayan.net>
> **Date:** April 13, 2025 at 18:37:49 EDT
> **To:** Paul Waters <paul@voselaw.com>
> **Subject: Fwd: St Augustine DIVISION_3.___HISTORIC_ARCHITECTURAL_REVIEW_BOARD.docx**
>
> FYI - my response
> R
> PS I should have included the time you & Heather have spent. I guess my point is it's not another city financed study like Dover Kohl
>
> Sent from my iPhone
> So please excuse ridiculous auto-correct errors and my poor typing skills on this keypad
>
> Begin forwarded message:
>
> > **From:** Rene Atayan <rene@atayan.net>
> > **Date:** April 13, 2025 at 17:02:47 EDT
> > **To:** Brent Rogers <brogers@nbfl.us>
> > **Subject: Re: St Augustine DIVISION_3.___HISTORIC_ARCHITECTURAL_REVIEW_BOARD.docx**
> >
> > Brent-
> >
> > Thanks so much for taking time to go through this.
> >
> > Board Members:

I am hopeful we can get all Neptune Beach residents- it is by far my preference. We limited the outside members to two- only if we cannot find NB residents.

The credentials (architect, builder, etc.) are a way to protect us from getting sued. It is more difficult to try and pull the wool over the eyes of someone possessing a level of expertise. That said, just because someone holds a license or certification doesn't make them wise or honest or necessarily right for the job, but it is a standard.
The members are appointed by the Mayor and approved by you folks on the Council- they may also be removed by you without cause.

As I mentioned " The State of Florida requires certain qualifications of Historic Board Members so they can more expertly determine the validity of an applicant's claim. 50 years old is only 1 of many requirements. **That said- the state does give a local community some discretion.**"

So we indeed have discretion and I prefer, as you, to be as self-determining as possible. This is OUR city.

The Pause:
I'll let Paul chime in on that. There is usually a wait period for all Exceptions, etc. anyway.

Geofencing/Overlay

While I think there is a great deal of merit, I think that should be considered for the future. The sheer scope of research we have done thus far brings us to this very modest yet impactful ordinance. To actually do a study and overlay will take much more time and funds. Thus far, this has been on my personal time and dime. I don't think the City is up for funding another study.

In the meantime, getting this version passed has zero downside and can be expanded, if we feel it's needed, in the future. As I mentioned, we have waited out of respect for the election- houses have come down and some are on the brink of coming down if we don't get moving in this.

Getting the Approval and Not Abiding by It:

Then an applicant is in trouble. They will be penalized. There are fines, withholding of certificates of occupancy, etc.

I know Paul and Heather will also be able to address these questions- they are prudent questions on your part.

I'm not putting them on this email because there are soooo many rules regarding Sunshine lawsand I don't want to get anyone in trouble.

You and I conversing is perfectly fine, appropriate, and legal.

Hope you can enjoy the rest of this beautiful day. And thanks again for your diligence

René

Sent from my iPhone
So please excuse ridiculous auto-correct errors and my poor typing skills on this keypad

> On Apr 13, 2025, at 16:15, Brent Rogers <brogers@nbfl.us> wrote:
>
> Hi Rene,
>
> I'm copying Heather and Paul in and addressing to all:
>
> 1. I didn't see a mandate on the quals of the board from googling (albeit quickly). If it isn't a state mandate, I'd want the qualifications reduced. I feel it unnecessarily excludes capable people. Altering the language to something along the lines of 'preference may be given to' and then listing off those professions would be an improvement, but at the top of the list I'd add to the 'preferred qualifications' a person who has residing in Neptune Beach for more than 20 years. I'd prefer less credentialism — less about licenses and more about experience.
>   a. I'd change 'licensed contractor' to someone who is engaged in the building construction profession for 10+ years. Building firms often only have one guy who holds the GC license.
> 2. I would want the board comp to be all residents first and foremost, with only exceptions being

allowed if there aren't enough residents applicants to fill the board.

3. After they grant the cert of appropriateness, I'd like for the city council to have an opportunity (if they elect to take it up) to step in and deny it. So, if the board gives them the exemption, they have to wait 30 days and see if the city council picks it up and denies it. This gives one extra check to keep some weird stuff from getting approved. Word would get out if they got approved for something, and a neighbor could lobby their council to take it up and 'fix it' by denying it. I don't think 30 days would be unreasonable for bypassing the normal variance process. What do you think about this concept?
4. I'd like to consider fencing this in geographically to the areas that are known to need it, or excluding the areas that are thought to not need it. It could be modified if needed.

My concern remains that someone could say they're going to preserve something, then just ditch that after they got what they wanted for an exemption. #3 would address this concern kinda.

Rene, Heather, Paul, please let me know your thoughts.

Brent

From: Rene Atayan <rene@atayan.net>
Sent: Friday, April 11, 2025 6:41 PM
To: Brent Rogers <brogers@nbfl.us>
Subject: St Augustine DIVISION_3.___HISTORIC_ARCHITECTURAL_REVIEW_BOARD.docx

Brent-

Thanks so much for all of your time today. I am heartened that we hold many of the same beliefs regarding our OWN city's self- determination.

Our goal was to give relief particularly to long-time home owners and those purchasing our historic homes that define Neptune Beach. As we discussed, we cannot capriciously grant permits or variances - it opens us to lawsuits and, as you see with communities that do not follow prudent zoning and planning guidelines, building chaos ensues, depressing everyone's property values. The CDB - Community Development Board -responsible for Planning and Zoning….and granting/denying Variances must, by law, follow strict guidelines. We are a quasi-judicial board.
As we (CDB) became increasingly frustrated and disheartened with multiple Denials, resulting in tear downs, we recognized the common thread was that many were historic in nature.
The ordinance before you is a legal mechanism to give MODEST relief to some of these property owners.

The State of Florida requires certain qualifications of Historic Board Members so they can more expertly determine the validity of an applicant's claim. 50 years old is only 1 of many requirements. That said- the state does give a local community some discretion.

I looked back in my files and the attorneys used the attached as a template.

There is flexibility in the Ordinance wording as to board composition. For example, we can say 'may' vs 'shall'. Heather and Paul can help us there if you feel you need more control and focus on our needs as community. I'm all for that.

We want to protect the City from lawsuits so we should pursue experts. I am with you that we must strive to have them be Neptune Beach residents.

There are people however that may seek a position that I don't feel would work. Peggy Cornelius for example (she's just top of mind - she hasn't stepped forward nor may she be interested! This is just for illustration only!) She's a local, her work is very well- respected, but she continues to be active in residential renovation. It would be a conflict of interest. So while one may want someone like her in the Board - with her experience and insight, it doesn't work because it would compromise her…my guess is she still wants to pursue her paying career.

Feel free to reach back, and Heather and Paul are excellent resources.

We want to get this right but we've been at this for quite awhile- in the meantime, we've already lost some special pieces of Neptune history.

Thanks again for all of your time today, Brent, and for your service to Neptune Beach.

Take Care

René

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So please excuse ridiculous auto-correct errors and my poor typing skills on this keypad

From:	Brent Rogers
To:	Rene Atayan
Cc:	Heather Whitmore; Paul Waters
Subject:	Re: St Augustine DIVISION_3.___HISTORIC_ARCHITECTURAL_REVIEW_BOARD.docx
Date:	Sunday, April 13, 2025 4:15:12 PM

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Sent: Friday, April 11, 2025 6:41 PM
To: Brent Rogers <brogers@nbfl.us>
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CAUTION This email originated from outside the organization. Do NOT click links or open attachments unless you recognize the sender and know the content is safe.

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Take Care

René

Sent from my iPhone
So please excuse ridiculous auto-correct errors and my poor typing skills on this keypad

From:	Jenny Stifter
To:	Cori Bylund; Nia Livingston; Tim Horvath; Brent Rogers; Josh Messinger; paul@voselaw.com; Heather Whitmore
Subject:	Proposed ordinance/historic homes
Date:	Monday, April 14, 2025 12:41:47 PM

To the Neptune Beach City Council,

My name is Jenny Stifter. I'm 38 years old, wife to the tall, friendly guy who maintains the beach access on South St, and mom to the 2 kiddos who you've probably seen wreaking havoc at that same access. I grew up in South Jax Beach, and my first job was at the Katmandu clothing store previously in the shopping plaza with Blockbuster where Native Sun is now.

My husband and I purchased our nearly-100-year-old Neptune Beach cedar shake house in 2019, and we've been continuously impressed and charmed at how the previous owners renovated and up-kept the home to maintain it's vintage charm. From the black and white hex bathroom floor tiles, to the beachy, gray-stained original shiplap walls, to the French doors with old mortis locks, we immediately fell in love with our home and have committed to preserving the historic charm of this longstanding, ocean front cottage.

Recently, we searched for salvaged wood floors to cover a small room that was likely once an addition to the home. It was the only room that didn't have original wood floors. Through the help of the Neptune Beach Historic Preservation Facebook group, I was able to find our identical 1930s wood flooring from a fellow neighbor. This gentleman had ripped up his floors in an attempt to fix the foundation & renovate his 1930s home. He sadly expressed to us that it would be too costly for him to attempt to restore the building (even though he desired to do so) and that he'd likely need to tear the home down. That house, along with its beautiful wood floors, has now been demolished.

Before landing in NB, me, my husband & our two young kids traveled for 2 years visiting all 50 states in our RV. We had the privilege of exploring nearly every major city in the US, along with tens & hundreds of city parks, churches, neighborhoods etc. There is simply no charm to quickly-constructed, tree-cleared & generic suburban neighborhoods. Instead, we found ourselves drawn to the areas that were unique and true to their culture and history. For examples, the terracotta roofs of Southern California, the rocky cactus neighborhood landscapes in Scottsdale, the enormous and breathtaking coastal mansions in Newport, the wall-to-wall townhomes in San Francisco, and the beautiful & expensive mobile home park on the cliffs of Malibu— each and every memorable area has a beautiful and unique imprint. What is Neptune Beach's charm? In my neighborhood, it's the cedar shake exterior, the hard wood interior (oftentimes floor to ceiling!), and red brick pavers to name a few.

Preservation doesn't mean gripping onto the old and being in opposition to change. It means acknowledging that our city has unique and intrinsic charm, and that these qualities are what makes Neptune Beach alluring for the visitor and the resident alike.

Neptune Beach has a unique history and is unlike its neighbors to the north and south for a reason. It is a family-friendly, small beach town with an eclectic demographic mix, embracing

a relaxed casual lifestyle coupled with hard working year-round residents who love to ride their beach cruisers down 1st street in their free time; and that is why it is so attractive. Over-development, over-building and forgetting our roots that date back to the 1930's undermines our unique identity.
We should be encouraging restoration, upkeep, and preservation, instead of making it harder for homeowners to tastefully renovate these gorgeous homes for the future generations.

Did you know that there were only around 350 homes 50+ years old as of 2003? In the past 20 years, 44 of those historic homes have been demolished (based on the the 2003 historical survey, commissioned by the Beaches Museum). I wonder how many of these would still be standing if there weren't so many hoops to jump through and difficult, financially-based decisions to weigh.

I'm kindly asking for each of you to reconsider and vote in favor of the proposed ordinance to form a historical review board. My desire for this ordinance is both personal and community-focused. I love where I live, and I'm proud to be a Neptune Beach Resident.

Sincerely,
Jenny Stifter

I'm attaching pics for your reference.

Workshop Agenda
Item #6A
Pension Board Appointments

CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT

AGENDA ITEM:	Neptune Beach Police Officers' Retirement Fund (PORF)Board of Trustees City Council Appointed Positions
SUBMITTED BY:	Catherine Ponson, City Clerk
DATE:	April 16, 2025
BACKGROUND:	Pursuant to Neptune Beach Code Section 2-347 (a), two members of the five-member PORF Board of Trustees shall be appointed by the City Council. These are two-year terms. The two Council-appointed positions' terms expired on April 7, 2025. Raymond Len did not wish to be reappointed. Michael Phillips has submitted his application for reappointment. There are also four other applications for consideration: Juilo Esteban, Lorelei Lampe, Timothy Strong and Heather Bayfield Weidle
RECOMMENDATION:	Consider and discuss the appointment of two members to the PORF Board
ATTACHMENT:	PORF Board Applications

CITY OF NEPTUNE BEACH
Board Membership Application

Name: Julio F. Esteban, III			
Address: 140 Sand Castle Way			
Mobile Phone: 570-499-4915		Work Phone: 570-499-4915	
Email address: jfesteban3@gmail.com			
Occupation: Director of Latin American Sales		Place of Employment: Global Equipment International	
How long have you lived in the City of Neptune Beach? 12 Years			
Education		Major	Did you graduate?
High School: Calvert Hall College Prep			Yes
College: University of Maryland College Park		Advertising	No

What are your hobbies and interests?

Surf fishing, cooking, gardening

Which Board do you desire to serve on? (see back for description)

	Community Development Board
x	Police Retirement Fund Board

Please explain what qualifications, employment, or volunteering, you possess that is relevant to this board.

I have been a director for my company Global Equipment International for since 2022. I purchase equipment all over the world and sell equipment all over the world. I negotiate contracts for purchasing equipment, transportation, selling of equipment and engineering. I have been on the Summer Sands HOA board for the majority of time that I have lived in Neptune Beach. I have put together budgets, implemented financial reviews, balanced budgets for my community.

Provide a brief explanation of your interest in being appointed to this board.

Currently I am on the board of directors for Summer Home Owners Association. I love Neptune Beach. I know many of the officers and care and respect our police force. I want to give back to not only Neptune Beach, but our Neptune Beach police department by providing another set of eyes to on the oversight of the Police Retirement Fund.

Are you available one night per month? Yes

Are you a registered voter? Yes

Signature: *Julio F. Esteban, III*	Date: 3/06/2025

CITY OF NEPTUNE BEACH
Board Membership Application

Name: Lorelei Lampe	
Address: 2023 Shadow Lane, Neptune Beach, FL 32266	
Mobile Phone: 904 566 1559	Work Phone: 904 401 4818
Email address: Lorelei_Lampe@yahoo.com	
Occupation: Vice President, Talent Acquisition and Global Mobility	Place of Employment: McKesson

How long have you lived in the City of Neptune Beach?

10 years

Education	Major	Did you graduate?
High School: Fletcher	HS Diploma	Yes
College: FSU, UNF	Political Science	Yes

What are your hobbies and interests?

I'm a heavy reader and always have a book on order at The Bookmark, I enjoy patronizing local restaurants and traveling with my husband and we both enjoy spending time with our 5 young adult children and 1 Godson

Which Board do you desire to serve on? (see back for description)

	Community Development Board
X	Police Retirement Fund Board

Please explain what qualifications, employment, or volunteering, you possess that is relevant to this board.

I'm an Executive at a Fortune 10 company where I lead recruiting, global mobility and immigration; I direct a team of over 100 individuals in the US, Canada, UK and Ireland and have full P&L responsibiliy for a $24M annual budget I'm very comfortable working with teams and individuals with unique interest and motivation to drive them toward mutually acceptable results-oriented outcomes. I'm known to be a direct communicator who thrives in environments where transparency and dialogue that challenges commonly accepted processes/inefficiencies are encouraged.

Provide a brief explanation of your interest in being appointed to this board.

I'm the daughter of a LEO (JSO) who died in the line of duty in 1994, when I was a Junior in high school at Fletcher. I had the honor of watching my Mom co-found the NE Florida Chapter of Concerns of Police Survivors in 1997/1998 where I was given the opportunity to speak to the Jacksonville City Council on the impact of that experience as a child of a fallen police officer. I support the police, and belive in the power of community policing when it's at its best.

Are you available one night per month?

Yes

Are you a registered voter? Yes

Signature:	Date: 3/21/2025

CITY OF NEPTUNE BEACH
Board Membership Application

Name: Michael R. Phillips

Address: 1558 Emma Lane, Neptune Beach, FL 32266

Mobile Phone: 904-476-4126	Work Phone: 904-353-7733

Email address: mphillips@fletcherandphillips.com

Occupation: Attorney	Place of Employment: Law office of Fletcher and Phillips

How long have you lived in the City of Neptune Beach?

June 2021 to present

Education Juris Doctorate - Florida Coastal School of Law	Major	Did you graduate?
High School:		Yes
College: U. of South Carolina - Bachelor of Science	Marketing and Business Management	Yes

What are your hobbies and interests?

Spending time with family, Church, outdoor activities

Which Board do you desire to serve on? (see back for description)

	Community Development Board
YES	Police Retirement Fund Board

Please explain what qualifications, employment, or volunteering, you possess that is relevant to this board.

Oceanside Rotary - Past President

Law Office of Fletcher and Phillips

Florida Family Law American Inn of Court - Master

Non Profit Board Member

U. of South Carolina - Past President Carolina Alumni Association and Gamecock Club {Jacksonville Chapter}

Provide a brief explanation of your interest in being appointed to this board.

Service to the Community. Serve and support the men and women of law enforcement.

Are you available one night per month?

YES

Are you a registered voter? YES

Signature:	Date: 04/04/2025

CITY OF NEPTUNE BEACH
Board Membership Application

Name: Timothy B. Strong

Address: 2031 Marye Brant Loop South, Neptune Beach FL 32266

Mobile Phone: 904-705-6712 | Work Phone: —

Email address: timbstrong@gmail.com

Occupation: Attorney (retired as of 4-4-2025) | Place of Employment:

How long have you lived in the City of Neptune Beach? 37 years

Education	Major	Did you graduate?
High School: South Dade (Homestead, FL)	—	YES
College: University of South Florida	Criminology	YES
University of Florida College of Law	Law Degree	YES

What are your hobbies and interests? golf, fitness, family time

Which Board do you desire to serve on? (see back for description)

	Community Development Board
X	Police Retirement Fund Board

Please explain what qualifications, employment, or volunteering, you possess that is relevant to this board. I have almost forty years of experience in practicing employment law. I previously represented the City of Neptune Beach in employment matters, including collective bargaining and negotiations with police union.

Provide a brief explanation of your interest in being appointed to this board.
I have lived in Neptune Beach for 37 years. I am about to retire after almost 40 years of practicing law and I see this as an opportunity to give back to my community.

Are you available one night per month? Yes

Are you a registered voter? Yes

Signature: [signature] | Date: 3/31/25

CITY OF NEPTUNE BEACH
Board Membership Application

Name: Heather Bayfield Weidle	
Address: 230 Hopkins St. Neptune Beach, FL 32266	
Mobile Phone: 904-803-3235	Work Phone: 904-473-5405
Email address: heather@lifemanagementadvisors.com	
Occupation: Professional Fiduciary	Place of Employment: Life Management Advisors, Inc Care Management Advisors, Inc
How long have you lived in the City of Neptune Beach? 24 years	

Education	Major	Did you graduate?
High School: Robinson - Virginia		
College: Sweet Briar College - Virginia	BA Anthropology	yes

What are your hobbies and interests?

Outside of work, I am a member of Atlantic Beach Country Club and play tennis there.

I love watching Fletcher Lacrosse, SCUBA diving and snorkeling and I travel as much as possible.

Which Board do you desire to serve on? (see back for description)

	Community Development Board
x	Police Retirement Fund Board

Please explain what qualifications, employment, or volunteering, you possess that is relevant to this board.

I have worked as a professional fiduciary for more than 25 years. I worked as a financial advisor with Merrill, then as a trust officer with SunTrust (now Truist) until I started Life Management Advisors in 2002. As the president of Life Management Advisors, Inc, I am named as trustee, executor, and/or power of attorney for more than 50 clients. I have been responsible for the administration of personal trust accounts charitable trusts, estates, investment management accounts, IRAs, guardianships, and foundations.

I graduated from Florida Graduate Trust School and earned the designation of Certified Trust and Financial Advisor in 2001

Provide a brief explanation of your interest in being appointed to this board.

I have lived in Neptune Beach with my husband and two children since 2001. I would like to have the opportunity to give back to this wonderful community that is our home.

Are you available one night per month?

Yes

Are you a registered voter? Yes

Signature:	Date: 03/19/2025