

CITY COMMISSION WORKSHOP MINUTES

September 21, 2015

Mayor Joe LaCascia called the meeting to order at 5:00 p.m.

Present: Mayor Joe LaCascia, Vice Mayor Mike Blethen, Commissioner Wanda Harris, Commissioner Don Kimsey, City Attorney Thomas Cloud and City Manager Patricia Jackson

Absent: Commissioner Keith Prestage

ORDER OF BUSINESS

1. Review the RFP's for Operations, Maintenance and Management of Water and Wastewater Facilities

The City Commission consensus was to go through each of the bidders and get the requested clarification. City Manager Jackson provided the bidder responses.

Question posed to all bidders: the City seeks to clarify the intention to all bidders to the most recent RFP for Water and Wastewater Operations and Maintenance Services. Please answer the following question.....regarding the contractor's coverage of all routine maintenance charges up to \$2,000 of any single occurrence.....is the city responsible for the entire amount or the amount exceeding \$2,000?

Vice Mayor Blethen stated he would like to get the clarification that City Manager Jackson was seeking from each bidder.

Workshop continued with responses from each bidder present.

VEOLIA

Veolia considered any single occurrence that exceeds \$2,000 to be outside the proposed scope. Therefore, the City would be responsible for the entire amount. We did not interpret the RFP to require the vendor to pay the first \$2,000 of every repair. Veolia is willing to negotiate. Most of our contracts allow the customer to award such non-routine maintenance work to us and we charge a nominal cost, plus 12%, per cost is typically limited to the material and equipment only as the labor is already incorporated in the base fee.

Brad Jurkovic, Veolia Representative, discussed inflated pricing and limited amounts as well as the \$2,000 limit. Indicated that it is better to do preventative maintenance.

Attorney Cloud did not think Veolia answered the question.

City Manager Jackson responded the question was answered in the email response that has been read.

Commissioner Kimsey asked if we were confusing maintenance with capital improvements?

Vice Mayor Blethen reiterated his understanding of maintenance.

Mr. Jurkovic continued with examples of maintenance in an effort to reiterate preventative maintenance to keep cost as low as possible.

City Manager Jackson explained the difference between repair maintenance and capital projects.

Mr. Jurkovic stated the verbage is certainly open to interpretation and all we need is clarification from the City Commission on what the City wants and we can price it accordingly.

Lengthy discussion ensued.

AQUARINA

Kevin Burge, Aquarina, inquired about how the previous contract worked. Was it a deductible or was it paid over a certain amount?

Mayor LaCascia stressed the importance of moving forward.

Vice Mayor Blethen asked how many projects with the previous contractors did the City have to pay in excess of the \$2,000 in the last year?

City Manager Jackson responded five. Looking strictly at repair and maintenance.

Mayor LaCascia asked how long it would take to come up with more numbers.

Mr. Burge responded that Aquarina has priced this project competitively compared to the previous contract. This is bare bones. We can certainly recess and come back with more numbers.

Commissioner Kimsey asked if everyone could sharpen their pencils and come back with a figure that we can finalize at 7 pm.

Mayor LaCascia asked the City Commission if this is such an important factor....deal breaker, do we have to go forward with this....in the spirit of moving forward....in terms of the proposals already presented. ...I do not know if it is reasonable to explore any further.

Commissioner Kimsey asked if we can we go with the figures we have for one year and then get some experience behind us.....how do we move then?

Mayor LaCascia stated we can't get hurt that bad, it is a one year proposal.

City Manager Jackson stated we could do this up to three years...if the City Commission chooses to go one year, that is within the scope of the RFP. Bottom line, the City will pay for it whether it increases their contract or we pay for it straight out. We are better off going with one year.

Aquarina financials were distributed to City Commission.

Mayor LaCascia requested additional financials. Aquarina is the smallest bidder in terms of financials. The price Aquarina has come forward with provides a great deal of comfort. Inquired about Aquarina being bondable and if they would be willing to put forth a Performance Bond for the entire contract? The financials are sketchy, that was the only negative. Comfortable with Aquarina numbers, but would feel more comfortable if a performance bond is in place.

Mayor LaCascia wants Performance Bond in place if we decide to go with Aquarina.

Mr. Burge stated Aquarina has been doing this since 1988 in the State of Florida without a Performance Bond. We own a Class B Utility in East Polk County. We are well aware of what it takes to operate utilities. Though we do understand the concern.

Mayor LaCascia asked if there would be any legal consequences if we choose to go with them and the contract is terminated?

City Attorney Cloud stated if the contract is terminated, there should be another entity in place ready to pick up work to be done.

Vice Mayor Blethen asked if Aquarina has had any legal proceedings in the last three years?

Mr. Burge responded no.

City Attorney Cloud asked if Aquarina owns the company for which it operates the facilities in Polk County?

Mr. Burge responded No, Gold Coast Utility Corporation does.

City Attorney Cloud stated Aquarina has operated under another company for approximately three (3) years and has not had any failure to perform their duties as a Utility Contractor.

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SEVERN TRENT

Severn Trent did not submit a response to the request for clarification. Therefore, what they submitted previously is what we have to work with.

Vice Mayor Blethen asked if Severn Trent had any legal actions in the last three years.

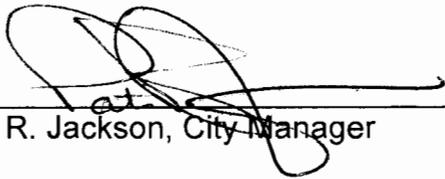
Severn Trent representative responded no.

No further discussion.

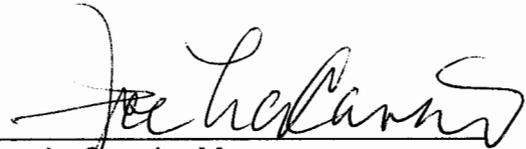
Mayor Lacascia stated City Commission will make a final decision at the 7pm Regular Meeting.

ANNOUNCEMENTS – None

The meeting adjourned at 6:10 p.m.



Patricia R. Jackson, City Manager



Joe Lacascia, Mayor

Mayor LaCascia stated that he is still not satisfied and would want some sort of Performance Bond.

Commissioner Kimsey asked Attorney Cloud if any other municipalities required a Performance Bond?

City Attorney Cloud stated he was not aware. However, a Performance Bond is an item of comfort to the commissioners.

Mr. Burge stated that Aquarina is not opposed to a Performance Bond.

Mayor LaCascia stated if we decide to go with Aquarina, in all fairness, since the Performance Bond was not mentioned in the RFP, Polk City would be willing to split the Performance Bond price 50/50.

Vice Mayor Blethen stated Aquarina business certifications is controlled through the State of Florida. Other entities are monitoring Aquarina.

Mr. Burge stated Aquarina has been filing reports with the State of Florida since 1988; therefore, a body of reports are available for reference.

US WATER

Craig Bliss stated their US Water's bid is the largest based on how we interpreted the RFP.

Commissioner Kimsey stated that we had already hashed that out. We have decided collectively to go with your interpretation of the bid for a one year contract.

Mayor LaCascia asked if there are any legal suits in the past three years.

Mr. Bliss responded they have had legal suits, being a company of our size, not for performance or anything like that, but there was an issue with a subcontractor (can't recall name) that we filed suit against, but the project was finished without interruption to the contract.

Mayor LaCascia stated a reference was provided from Pembroke Pines that was unfavorable towards US Water.

Mr. Bliss stated they were not able to negotiate the second year.

No further discussion.

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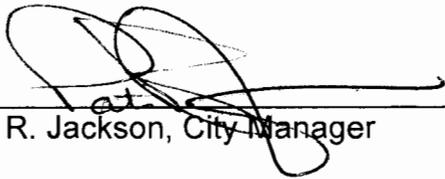
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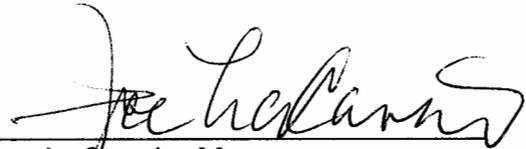
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Patricia R. Jackson, City Manager



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