

**NOTICE OF RESCHEDULED REGULAR JANUARY MONTHLY MEETING
OF NORTH FLORIDA WATER UTILITIES AUTHORITY BOARD**

Due to a date conflict with the previously published meeting date, the Board of Directors of the North Florida Water Utilities Authority (NFWUA) will meet at 9:30 A.M. in Regular Session on January 7, 2025, in the Suwannee County Judicial Annex, 218 Parshley Street SW, Live Oak, FL 32064.

The Rate Study RFQ Committee of NFWUA will meet at 9:00 A.M. on the same date and at the same location as stated above, or as soon as may be heard thereafter, on an as needed basis.

In accordance with the Florida Statutes and Americans with Disabilities Act, any person needing a special accommodation to participate in this matter should contact the North Florida Water Utilities Authority by mail to James M. Swisher, Jr., Columbia County Clerk of Court & Comptroller, 173 NE Hernando Avenue, Lake City, Florida 32055 or by telephone at (386) 758-1041, no later than 48 hours prior to the hearing or proceeding for which this notice has been given. Persons requiring auditory assistance may access the foregoing telephone number by contacting the Florida Relay Service at 1-800-955-8770 (Voice) or 1-800-955-8771 (TDD).

If any person intends to appeal any decision related to this action, such person will need to provide a court reporter at such person's expense, for a transcript of the proceedings. All interested persons are invited to attend.

For further information, call (386) 758-1041.

North Florida Water Utilities Authority

Meeting Agendas

January 7, 2024

Suwannee County Judicial Annex
218 Parshley Street SW
Live Oak, FL 32064

Pursuant to s.s. 189.015 and 286.011, F.S. this public meeting of the Authority shall be conducted in-person at the noticed public forum. Members of the public are welcomed and encouraged to attend in person, as live digital streaming is not available for this public meeting.

PLEASE BE ADVISED THAT ANYONE WANTING TO APPEAL AN OFFICIAL DECISION OF THE NORTH FLORIDA WATER UTILITIES BOARD MADE ON ANY SUBJECT AT THE MEETING MUST HAVE A VERBATIM RECORD OF THE MEETING THAT INCLUDES THE TESTIMONY AND EVIDENCE ON WHICH THE APPEAL IS BASED.

Committee Agenda – 9:00am

- 1. Contract for Utility Rate Study**
- 2. Committee Comments and Concerns**

Authority Board Agenda – 9:30am

- 3. Call to Order**
- 4. Pledge**
- 5. Roll Call**
- 6. Additions and Deletions**
- 7. Adoption of the Agenda**

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Discussion and Action

8. Committee Recommendation on Raftellis Contract for Utility Rate Study
9. Contract with Payne Consulting Services
10. Auditor Selection Update
11. Discussion of Staffing Issues
12. Update on Utility Issues for Suwannee County
13. Update on Utility Issues for Columbia County

Consent Items

14. Approve Bills and Vouchers

Board/Public Comments

15. Public Comments
16. Board Comments
17. Announcement: Next NFWUA Meeting Date
18. Adjournment

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
NORTH FLORIDA WATER UTILITY AUTHORITY
AND
RAFTELIS FINANCIAL CONSULTANTS, INC.**

This Consulting Agreement (“Agreement”) is entered into this ____ day of _____, 2025 (hereinafter referred to as the effective date of the agreement) by and between, North Florida Water Utility Authority (the “Client” or “NFWUA”) and Raftelis Financial Consultants, Inc., 227 W. Trade Street, Suite 1400, Charlotte, NC 28202 (“Raftelis”).

Witnesseth

WHEREAS, Raftelis is engaged and experienced in public finance, utility rates and management consulting services, and

WHEREAS The Client desires to hire Raftelis and Raftelis agrees to provide services to the Client,

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the terms and conditions set forth herein.

Article 1 – Statement of Work

Raftelis shall provide professional consulting services to prepare a rate and financial plan for Client. Raftelis will perform the scope of services as set forth in its Statement of Qualifications sent to Client dated November 19, 2024, and included herein as Attachment A, the “Scope of Services.”

Article 2 – Time for Completion

This Agreement will commence upon approval by the Client and remain in effect for a period of one year. Further renewals of this Agreement are at the option of and shall be mutually agreed to by the Parties.

Article 3 – Compensation

Client shall pay to Raftelis the sum not to exceed \$130,480, based on the cost estimate included as Attachment C, which includes professional fees and direct expenses incurred in performing the scope of services as outlined in Attachment A. The parties understand that this sum is based upon the scope of work contained herein at Raftelis’ current standard hourly rate schedule included in Attachment B. Any expansion of the scope of work by the Client shall involve the discussion of and agreement about additional fees and time by both parties.

Raftelis shall submit invoices to the Client on a monthly basis for services rendered to the date thereof. Such invoices shall be supported by appropriate documentation; at a minimum, the task performed, the individuals working on such task, the level of each such individual, and expenses incurred. Each invoice will contain all hours and expenses from Raftelis for the month. Upon receipt of monthly invoice, the Client will remit payment of same amount to Raftelis within 30 days.

Article 4 – Additional Services

At the Client's request, Raftelis may submit proposals for additional professional services. Each proposal submitted shall detail: (1) scope of work for the additional services; (2) period of services to be performed; and (3) method and amount of compensation. The Client shall provide written acceptance and authorization to Raftelis prior to the commencement of work on any proposed additional services. Each proposal for additional services accepted and approved by the Client shall become part of this Agreement and shall be governed by the terms and conditions contained herein.

Article 5 – Place of Performance

Raftelis shall be responsible for maintaining its own office facilities and will not be provided with either office facilities or support by the Client.

Article 6 – Indemnification

Raftelis hereby agrees to indemnify and defend the Client, its officers, directors, managers and employees ("Indemnified Party or Parties") and to hold the Indemnified Parties harmless against third party claims, costs and expenses, including reasonable attorney's fees, action, or demands against the Indemnified Parties and against damages for injury to or death of any person and for loss of or damage to all property caused by the negligent acts, errors or omissions of Raftelis in performing this Agreement, except to the extent the claims, demands, liabilities, cost and expenses are caused by the negligent acts, errors or omission of an Indemnified Party.

Article 7 – Insurance

Raftelis shall maintain the types and levels of insurance during the life of this Agreement as specified below. The Client will be named as additional insured on Raftelis' Certificates of Insurance and Raftelis will provide the Client with these Certificates of Insurance.

Commercial General Liability Insurance – \$1,000,000 for each occurrence and \$2,000,000 in the aggregate

Comprehensive Automobile Liability Insurance – \$1,000,000 combined single limit each occurrence – hired and non-owned only

Workers Compensation Insurance – Statutory limits

Professional Liability Insurance – \$5,000,000 occurrence and \$5,000,000 excess

Excess or Umbrella Liability – \$5,000,000 occurrence and \$5,000,000 in the aggregate

Cyber Insurance - \$2,000,000

Article 8 – Confidential Information

Raftelis acknowledges and agrees that in the course of the performance of the services pursuant to this Agreement, Raftelis may be given access to, or come into possession of, confidential information from the Client, of which information may contain privileged material or other confidential information. Raftelis acknowledges and agrees, except as required by judicial or administrative order, trial, or other governmental proceeding, that it will not use, duplicate, or divulge to others any such information marked as "confidential" disclosed to Raftelis by the Client ("Confidential Information") without first obtaining written permission from the Client. All tangible embodiments of such information shall be delivered to the Client or the destination of such information by Raftelis requested by the Client. The Client acknowledges Raftelis has the right to maintain its own set of work papers which may contain Confidential Information.

Article 9 – Independent Contractor Status

It is understood and agreed that Raftelis will provide the services under this Agreement on a professional basis as an independent contractor and that during the performance of the services under this Agreement, Raftelis' employees will not be considered employees of the Client within the meaning or the applications of any federal, state, or local laws or regulations including, but not limited to, laws or regulations covering unemployment insurance, old age benefits, worker's compensation, industrial accident, labor, or taxes of any kind. Raftelis' employees shall not be entitled to benefits that may be afforded from time to time to Client employees, including without limitation, vacation, holidays, sick leave, worker's compensation, and unemployment insurance. Further, the Client shall not be responsible for withholding or paying any taxes or social security on behalf of Raftelis' employees. Raftelis shall be fully responsible for any such withholding or paying of taxes or social security.

Article 10 – Reliance on Data

In performance of the services, it is understood that the Client and/or others may supply Raftelis with certain information and/or data, and that Raftelis will rely on such information. It is agreed that the accuracy of such information is not within Raftelis' control and Raftelis shall not be liable for its accuracy, nor for its verification, except to the extent that such verification is expressly a part of Raftelis' Scope of services.

Article 11 – Standard of Performance

Raftelis will perform the services under this Agreement in accordance with the standard of professionals in its industry prevailing at the time and place the services are performed. Raftelis' opinions, estimates,

projections, and forecasts of current and future costs, revenues, other levels of any sort, and events and estimates of cost-justified system development fees shall be made on the basis of available information and Raftelis' expertise and qualifications as a professional. Raftelis will perform the Scope of services in conformance with the professional standards in its field of expertise prevailing at the time and place the Scope of services are performed. Raftelis does not warrant or guarantee that its opinions, estimates, projections or forecasts of current and future levels and events will not vary from the Clients' estimates or forecasts or from actual outcomes. Raftelis identifies costs, allocates costs to customer classes and provides rate models. It does not establish rates, which is the legislative responsibility of the Client.

Article 12 – No Consequential Damages

To the fullest extent permitted by law, neither party shall be liable to the other for any special, indirect, consequential, punitive or exemplary damages resulting from the performance or non-performance of this Agreement notwithstanding the fault, tort (including negligence), strict liability or other basis of legal liability of the party so released or whose liability is so limited and shall extend to the officers, directors, employees, licensors, agents, subcontractors, vendors and related entities of such party.

Article 13 – Termination of Work

This Agreement may be terminated as follows:

1. **By Client.** (a) for its convenience on 30 days' notice to Raftelis, or (b) for cause, if Raftelis materially breaches this Agreement through no fault of Client and Raftelis neither cures such material breach nor makes reasonable progress toward cure within 15 days after Client has given written notice of the alleged breach to Raftelis.
2. **By Raftelis.** (a) for cause, if Client materially breaches this Agreement through no fault of Raftelis and Client neither cures such material breach nor makes reasonable progress toward cure within 15 days after Raftelis has given written notice of the alleged breach to Client, or (b) upon five days' notice if Work under this Agreement has been suspended by either Client or Raftelis in the aggregate for more than 30 days.
3. **Payment upon Termination.** In the event of termination, Raftelis shall be compensated for all work properly performed prior to the effective date of termination.

Article 14 – Notices

All notices required or permitted under this Agreement shall be in writing and shall be deemed deliverable when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

If for the Client:

If for Raftelis:

Name

Raftelis Financial Consultants, Inc.

227 W. Trade Street

Suite 1400

Title

Charlotte, NC 28202

Address

Article 15 – Ownership of Work Product

All documents, data, compilations reports and studies prepared by Raftelis in performing the Scope of services shall be the property of the Client; provided that any use other than as contemplated in this Agreement or any alteration or modification of the Work Product shall be at the sole risk of Client, and Client shall indemnify, defend and hold Raftelis harmless from any claim, demand, liability, cost or expenses incurred by Raftelis from such use or modification. Nothing contained herein shall be deemed an assignment, transfer, or divestiture of its use by Raftelis of any of its trade secrets, know-how, or intellectual property.

Article 16 – Compliance with Applicable Laws

Raftelis is an equal opportunity employer and complies with all federal, state, and local fair employment practices laws. Raftelis strictly prohibits and does not tolerate discrimination against employees, applicants, or any other covered persons because of race, color, religion, national origin or ancestry, gender identity, sexual orientation, marital status, sex, pregnancy, age, disability, past, current, or prospective service in the uniformed services, or any other characteristic protected under applicable federal, state, or local law. All Raftelis employees, other workers, and representatives are prohibited from engaging in unlawful discrimination. This policy applies to all terms and conditions of employment, including, but not limited to, hiring, training, promotion, corrective action, compensation, benefits, and termination of employment.

Any act of discrimination committed by Raftelis in the course of its performance under this Agreement, or failure to comply with these statutory obligations when applicable, shall be grounds for termination of this Agreement.

Article 17 – General Provisions

- A. **Entire Agreement:** This Agreement represents the entire and sole agreement between the Parties with respect to the subject matter hereof.
- B. **Waiver:** The failure of either Party to require performance by the other of any provision hereof shall in no way affect the right to require performance at any time thereafter, nor shall the waiver of a breach of any provision hereof be taken to be a waiver of any succeeding breach of such provision or as a waiver of the provision itself. All remedies afforded in this Agreement shall be taken and construed as cumulative; that is, in addition to every other remedy available at law or in equity.
- C. **Relationship:** Nothing herein contained shall be construed to imply a joint venture, partnership, or principal-agent relationship between Raftelis and the Client; and neither Party shall have the right, power, or authority to obligate or bind the other in any manner whatsoever, except as otherwise agreed to in writing.
- D. **Assignment and Delegation:** Neither Party shall assign this Agreement or any rights, duties, or obligations hereunder without the express written consent of the other. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the successors, legal representatives, and assignees of the Parties hereto.
- E. **Severability:** If any provision of this Agreement is declared invalid or unenforceable, such provision shall be deemed modified to the extent necessary to render it valid and enforceable. In any event, the unenforceability or invalidity of any provision shall not affect any other provision of this Agreement, and this Agreement shall continue in force and effect, and be construed and enforced, as if such provision had not been included, or had been modified as above provided, as the case may be.
- F. **Governing Law:** This Agreement shall be governed by, and construed in accordance with, the laws of the State of North Carolina.
- G. **Paragraph Headings:** The paragraph headings set forth in this Agreement are for the convenience of the Parties, and in no way define, limit, or describe the scope or intent of this Agreement and are to be given no legal effect.
- H. **Third Party Rights:** Nothing in this Agreement shall be construed to create or confer any rights or interest to any third party or third-party beneficiary. It is the intent of the parties that no other outside, non-party claimant shall have any legal right to enforce the terms of this Agreement.

Article 18 – Disclosures

As a registered Municipal Advisor under the Dodd-Frank Act, Raftelis is required to inform our clients of any existing or potential conflicts of interest that may be relevant to any proposed scope of services that may include providing “advice” as that term is defined in the Dodd-Frank Act. As of the date of this engagement letter, no conflicts of interest are known to exist.

Under the Dodd-Frank Act the definition of “advice” includes providing any opinion, information or assumptions related to the size, timing and terms of possible future debt issues or borrowing. This type of information may be integrated into the capital and financial planning components of a utility rate and financial plan. This definition is applicable regardless of whether this information is developed and used solely for planning and decision-making purposes. For the services addressed in the scope of work identified for this engagement, any information that is developed by Raftelis that falls under this definition of municipal advice is not intended to represent a recommendation that the NFWUA should issue debt based on the terms and assumptions used to develop the financial plan or forecast, or that the NFWUA will, in fact, be able to issue debt under the exact terms and conditions assumed and used to develop the financial plan or forecast. The information developed as part of this engagement, including any related municipal advice, is intended only to provide information useful in evaluating the potential impact on the utility and future rate adjustments of one potential course of action for the NFWUA. If the NFWUA decides at some future date to issue debt, then at that time the NFWUA will need to engage an independent, registered Financial Advisor to assist in evaluating the availability of different types of debt, and the specific terms and conditions for issuing debt, which will be affected by market conditions and the NFWUA’s credit rating at the time of issuance. At that time, as a registered Municipal Advisor, Raftelis can also provide additional assistance related to a specific bond or debt issue, such as preparing a bond feasibility report or financial forecast for inclusion in bond documents.

Any services provided under this agreement that fall under the definition of municipal advice are only covered through the term of this agreement. Raftelis may withdraw from providing municipal advisory services upon written notification to the NFWUA.

The Municipal Securities Rulemaking Board (“MSRB”) provides significant protections for municipal entities and obligated persons that are clients of a municipal advisor. To understand the protections provided and how to file a complaint with an appropriate regulatory authority, visit the MSRB’s web site at www.msrb.org.

Raftelis does not have any legal events or disciplinary history on Raftelis’ Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgements, liens, civil judicial actions, customer complaints, arbitrations, and civil litigation. Raftelis’ most recent form MA and each most recent Form MA-I filed with the SEC may be assessed electronically at the following website: www.sec.gov/edgar/searchedgar/companysearch.html

There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC. If any material legal or regulatory actions is brought against Raftelis, Raftelis will provide complete disclosure to the NFWUA in detail.

By signing this agreement indicating its approval and acceptance of the of the proposed scope of work and fees, the NFWUA is also explicitly acknowledging that Raftelis has provided the necessary disclosures addressing conflicts of interest and any limitations on the scope of Municipal Advisory services to be provided by Raftelis' part of this engagement.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives.

North Florida Water Utility Authority

By: _____
Signature

Title

Date

Raftelis Financial Consultants, Inc.

By: _____
Signature

Title

Date

This is to certify that an appropriation in the amount of this contract is available therefore and that _____ has been authorized to execute the contract and approve all requisitions and change orders.

By: _____
Signature

Title

ATTACHMENT A

SCOPE OF SERVICES

Scope of Services

The utility rate and financial consulting services to be performed by Raftelis on behalf of North Florida Water Utility Authority (NFWUA) shall include the following major activities:

1. Develop rate and financial model that incorporates both Columbia County and Suwannee County's water and wastewater utility system operations on a standalone and combined regional basis;
2. Review each member's operating revenues and expenses, current fixed assets, monthly user rates, water and wastewater capacity charges, and projected capital improvements.
3. Using the rate and financial model to develop projected revenue requirements for the five-year period beginning with Fiscal Year 2025 through Fiscal Year 2029 including projected revenues, operations and maintenance expenses and capital-related costs. The projections will be developed for each individual Member system and for the combined Authority system. Raftelis will also prepare a summary level ten-year projection of financial operations.
4. For the Authority, develop proposed rates, capacity fees, and miscellaneous service charges including wholesale rates for Fiscal Years 2025 through 2027. Prospective rates will be analyzed for each Member system and the combined Authority system to facilitate a strategy to phase-in consolidated financial policies, and rate and fee structures over time, as appropriate, to support the combined Authority utility operations while minimizing the impact of the rates on customer bills.
5. Prepare Rate Study Report and present results.

Raftelis' proposed Project Team is uniquely qualified to serve the Authority's professional consulting needs because of our demonstrated experience working with regional utilities and county and municipal utilities to implement strategies related to utility system start-up and rate consolidation. Our project team has extensive experience conducting rate consolidation studies for Citrus, Hillsborough, Lee, Martin, Sarasota and Volusia Counties, South Martin Regional Utilities and municipal systems such as the City of Gulf Breeze, Inverness, Oviedo and Sunrise Florida, where multiple rate and fee structures were consolidated into to a single service area rate and fee structure. Each of these studies required well thought out strategies to phase in the consolidated rates while minimizing the impact of the proposed rate changes on customer bills. No other rate consultant practicing in Florida has this level of experience with the issues facing the Authority.

The scope of services to be performed by Raftelis with respect to this project will include the following tasks:

Task 1 – Data Request, Acquisition / Compilation, and Review

Raftelis will compile readily available system information for both Columbia County and Suwannee County and prepare a detailed data request for specific information as related to the scope of services. The information about the operation of the System will include, but is not limited to, fixed asset schedules, customer billing and sales statistics, Fiscal Year 2024 financial statements and reports, the adopted Fiscal Year 2025. The Columbia County and Suwannee County Utility Master Plans will be utilized for the latest projects and cost estimates for the multi-year capital improvement programs and updated with any new project or grant funding projections that may occur throughout the remainder of Fiscal Year 2025. Additional information related to fund (cash) balances, utility rate ordinances / resolutions, system agreements, development policies, debt repayment schedules and corresponding loan documents, and other similar information will be requested and reviewed. Raftelis will coordinate a kick-off meeting to review available data, with a follow-up meeting to review the data received in response to the data request.

Task 2 – Customer, Sales, and Revenue Forecast

Raftelis will prepare a forecast of customer and usage requirements based on detailed customer account information for both member counties. This task will include a review of the recent historical customer statistics by service type and rate classification and the development of a forecast of customers and revenues based on the best available information about new development and future growth. This task also includes preparing a profile of billing determinants to be included in the financial forecast. The first step of this task will be to work with staff from each county to specify the billing data to be provided. Once the customer billing data is provided, it will be summarized and assembled for use in the rate study. The second step of this task to develop a Sales / Revenue Forecast to include projected new customers including infill growth, potential large commercial development in the Ellisville area, and potential wholesale sales to the Town of Fort White. This summarized customer billing and sales data will then be applied to the current customer billing rates by system to develop a projection of rate revenues by utility system for the forecast period.

Task 3 – Development of Projected Revenue Requirements

Raftelis will prepare a five- (5) year financial forecast and revenue requirements analysis based on each County's current financial position, Fiscal Year 2025 Operating Budget, and the Capital Improvement Program. This task will include analysis of operations and maintenance expenses, capital expenditures and funding sources, and other non-operating costs such as debt service, renewal and replacement funding requirements, and transfers to the General Fund. A general review of any existing or proposed debt covenant compliance issues will also be performed. This task will also include the development of a forecast of revenues and income including utility rate revenues, other operating revenues from miscellaneous service charges, and other income such as interest income on fund balances, and account for the source and use of Capacity Fees. This Task will also incorporate sales revenue and operating expense projections for the Columbia County North Florida Mega Industrial Park (NFMIP) and the Suwannee County Catalyst Site Industrial Park (CIP). The final step in this task will be to compare the projected revenues from existing rates with the projected revenue requirements to estimate the adequacy of current and future rate levels.

Based on this summary of the adequacy of rates, overall rate adjustments by system will be recommended in conjunction with NFWUA staff and staff from the counties as available.

Raftelis will provide, in addition to the detailed five-year (5) revenue requirement schedules, a 10-year high-level summary schedule in Excel. The detailed five-year projection of revenue requirements will incorporate the major budgetary line items to determine current year source and use of funds such as revenues, operations expense, net revenues, debt service, renewal and replacement capital as well as other capital needs for vehicles and equipment. Additionally, the rate and financial model shall include a dashboard section for primary financial metrics such as debt service coverage and days cash on hand, including fund balances for restricted capital and unrestricted capital that depicts for each year the beginning balance, transfers-in, transfers-out, capital expenditures, and ending balance. The revenue requirements will be developed for each County on an individual basis and for the combined Authority. These projections will serve as the foundation for analyzing future rate needs and rate consolidation strategies associated with the combined Authority.

Task 4 – Monthly User Rate Design Analysis

Based on the results of the revenue sufficiency analysis conducted in Task 3, Raftelis shall prepare a cost-of-service analysis to appropriately allocate costs among the combined Authority's customer classes and rate structure components. The sufficiency / deficiency of revenues in the baseline year compared to costs to service allocations in the baseline year in terms of both dollars and percentage adjustments of customer class shall be provided in a summary chart. The summary chart will denote the impacts of each of three (3) year recommended rate adjustments. The rate consolidation will likely occur over time as the starting point for the individual systems is different and the goal is to achieve a consolidated rate and fee structure over several years while minimizing the customer bill impacts.

Understanding the current customer base is limited, Raftelis shall use industry standard approaches to the cost-of-service analysis including those described by the American Water Works Association ("AWWA") and the Water Environment Federation ("WEF"). The analysis will also consider historical rate forms, consideration of industry norms in Florida and other appropriate factors. The cost-of-service analysis shall identify the Authority's fixed and variable costs in providing water and wastewater service.

Raftelis will perform a review of the Columbia County and Suwannee County's current water and sewer rate structures and development of the phasing of proposed rate structures will be based on input from Authority and members' staff. Raftelis will also provide rate comparisons of neighboring utilities. This task will include a recommended rate phasing plan with specific rates for each member for a three (3) year projection period with the goal being to achieve a consolidated rate structure. The initial plan will also be reevaluated and adjusted annually during the projected period of Fiscal Year 2025 to Fiscal Year 2027 to reflect changing conditions and project costs. Raftelis will prepare a bill comparison evaluation of the impact on the average customer to identify the impact on customers assuming adoption of proposed rates.

Task 5 – Capacity Fee Recommendations

Raftelis will evaluate both counties' current level of service and related costs associated with capital capacity fees. This will be based on an industry standard cost-of-service analysis considering existing transmission and plant assets, future growth-related capital expenditures grant and debt funding, available capacity at NFMIP plant under construction, needed capacity at the Ellisville Plant and the Catalyst Industrial Park (CIP). The fee development methodology will address embedded and future costs and level of service and fee application issues as appropriate. Raftelis will provide a recommended capacity fee structure with specific recommended rates for a three- (3) year projection period, which can be reevaluated and adjusted by the Authority during the projected period of Fiscal Year 2025 to Fiscal Year 2027 to the extent allowed by the Florida Impact Fee Law as set forth in Florida Statutes.

Task 6 – Wholesale Rate

Develop an alternative scenario in Task 2 through Task 5 above under the following assumption:

- Columbia County begins supplying the Town of Fort White in Calendar Year 2025 with wholesale water (~85,000 AADF) through a pipeline currently under construction. The evaluation should consider the potential incremental costs associated with Water Use Permit (“WUP”).

Task 7 – Service Fees and Specialty Rates

Compile each member County's miscellaneous utility service fees such as new account set-up, service connection / cut-offs, tap and meter charges, fire protection service, septic hauling and sewer surcharge. These recommended fees, and specialty rates will not undergo a cost-of-service methodology but will use industry standards and be compared to Florida utility benchmarks for recommended adjustments to be considered.

Tasks 8 and 9 – Prepare Rate Study Document and Present Results

This task involves the preparation of the study report, briefing documents, and utility rate comparisons. The task will include preparation of initial drafts as follows:

- 50% Draft within 120 days includes prior on-site Staff workshop meeting to review conceptual approach.
- 100% Draft Final within 165 days to allow time for the client to review and comment on the draft documents. This task also requires one (1) on-site meeting for a Board workshop meeting to review the results and recommendations of the study and receive direction from the County Board.
- 100% Final Draft within 180 days, and attendance at one (1) public hearing for rate adoption.

- The Rate Document shall be provided in PDF format to have it posted to the NFWUA web page, and in MS Word format to facilitate future edits by NFWUA staff for adoption of updates in the future by NFWUA Board.

Meetings

The scope of services assumes that personnel from Raftelis will attend a total of five (5) on-site meetings with the counties and will also attend 3 (3) teleconference meetings to review the project status with the counties' staff. The purpose of the on-site meetings is to obtain and review information, develop the assumptions regarding the rate and financial evaluation, and present the results. The purpose of the teleconference meetings is to provide periodic project status reports.

Work Schedule

The expected work schedule to complete the project from notice to proceed through the Board's adopting of rates is approximately 8 months. The project schedule includes eight (8) total meetings held approximately monthly within an (8) month period, where five (5) of the planned meetings are expected to be on-site including two (2) on-site meetings associated with Task 1 and three (3) on-site meetings associated with Task 9. MS Teams or other virtual meeting tools will be used for the other status meetings to include discussions on milestones, deliverables, and stakeholder correspondence.

Several of the on-site meetings may incorporate preparation, follow-up analysis, and correspondence with NFWUA Board and staff, regulatory agencies, customer groups or other stakeholders concerning the 100% Draft Final and 100% Final Report. The Utility Rate Study project is expected to be completed within an approximate eight (8) month period. Additional Utility Rate related financial analysis or consulting rates may be authorized by the NFWUA under this consulting agreement as described under Ad Hoc Services scope section. The proposed project schedule is shown below:

| TASKS | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 | Month 6 | Month 7 | Month 8 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| 1. Data Request, Acquisition / Compilation, and Review | ● | ● | | | | | | |
| 2. Customer, Sales, and Revenue Forecast | | | ● | | | | | |
| 3. Development of Projected Revenue Requirements | | | | ● | | | | |
| 4. Monthly User Rate Design Analysis | | | | | | | | |
| 5. Capacity Fee Recommendations | | | | | | | | |
| 6. Wholesale Rate | | | | | | | | |
| 7. Service Fees and Specialty Rates | | | | | ● | | | |
| 8. Prepare Rate Study Document | | | | | | ● | | |
| 9. Present Rate Study Results | | | | | | ● | ● | ● |

- *In-person Meetings*
- *Web Meetings*
- *Deliverables*

Additional Services

The Client may request additional services to be provided by Raftelis. Such services will not be conducted until authorized by both the Client and Raftelis. Examples of such additional services include, but are not limited to, the following:

1. Attendance at any additional working group, Board of County Commissioners, or other on-site or additional virtual teleconference meetings as requested by the County in addition to what is anticipated in this scope of services.
2. Requests for updated analyses, and/or additional financial scenarios after substantial completion of the initial work
3. Delays in the project schedule which are not the fault of Raftelis that have impacts on analyses performed, and which would affect the budget for the scope of services reflected herein.
4. Ad Hoc Services as set forth in RFQ. These ad hoc services may include review of development policies, cost participation agreements for regional utilities, cost allocation studies, development of financial policies addressing cash reserve and financial performance objectives, preparing bond feasibility reports in support of capital financing as well as rate and fee development, such as high strength surcharges.

ATTACHMENT B

RAFTELIS

2025 STANDARD HOURLY BILLING RATES

| <u>Position</u> | <u>Hourly Rate*</u> |
|---|----------------------------|
| Chair/Chair Emeritus | \$500 |
| Chief Executive Officer/President | \$475 |
| Executive Vice President/Senior Principal | \$425 |
| Senior Vice President | \$400 |
| Vice President | \$375 |
| Senior Manager | \$340 |
| Recruiter | \$310 |
| Principal/Senior Advisor | \$310 |
| Manager | \$295 |
| Senior Consultant | \$260 |
| Executive Coach | \$260 |
| Consultant | \$230 |
| Creative Director | \$230 |
| Associate Consultant | \$195 |
| Graphic Designer | \$170 |
| Analyst | \$150 |
| Administration | \$100 |

* These rates will be in effect for calendar year 2025 and will then increase annually by 3% unless specified otherwise by contract.

ATTACHMENT C

**North Florida Water Utility Authority Water and Wastewater Rate Study
Cost Estimate**

| Tasks | Hours | | | | Total Fees & Expenses |
|--|----------|----------|----------|-----------|-----------------------|
| | HT | JW | MO | Total | |
| 1. Data Request, Acquisition / Compilation, and Review | 2 | 4 | 16 | 22 | \$6,320 |
| 2. Customer, Sales, and Revenue Forecast | 6 | 8 | 16 | 30 | \$9,280 |
| 3. Development of Projected Revenue Requirements | 8 | 16 | 32 | 56 | \$16,960 |
| 4. Monthly User Rate Design Analysis | 16 | 16 | 36 | 68 | \$21,200 |
| 5. Capacity Fee Recommendations | 8 | 16 | 24 | 48 | \$14,880 |
| 6. Wholesale Rate | 4 | 8 | 12 | 24 | \$7,440 |
| 7. Service Fees and Specialty Rates | 4 | 8 | 20 | 32 | \$9,520 |
| 8. Present Rate Study Results/ Meetings | 48 | 48 | 36 | 132 | \$44,880 |
| Hours | 96 | 124 | 192 | 412 | |
| Hourly Billing Rate | \$400 | \$340 | \$260 | | |
| Total Professional Fees | \$38,400 | \$42,160 | \$49,920 | \$130,480 | |
| Total Fees | | | | | \$130,480 |
| <i>Project Team</i> <i>HT - Henry Thomas, Senior Vice President</i> <i>JW - Joe Williams, Senior Manager</i> <i>MO - Matthew Ori, Senior Consultant</i> | | | | | Total Expenses |
| | | | | | \$700 |
| Total Fees & Expenses | | | | | \$130,480 |

ADDENDUM TO RAFTELIS FINANCIAL CONSULTANTS, INC.

PROFESSIONAL SERVICES AGREEMENT

Per diem and travel expenses of authorized persons. All per diem and travel expenses related to RAFTELIS FINANCIAL CONSULTANTS, INC. ("Raftelis") professional services to be provided to NORTH FLORIDA WATER UTILITIES AUTHORITY ("Client"), dated _____, 202_ ("Agreement"), if any, are subject to and limited by Florida Statutes s. 112.061, as from time to time amended.

Florida Public Records Laws Compliance. Raftelis acknowledges Client's obligations under Art. 1, Section 24, Florida Constitution, and Chapter 119, Florida Statutes, as from time to time amended (together, the Public Records Laws), to release public records to members of the public upon request. Raftelis acknowledges that Client is required to comply with the Public Records Laws in the handling of the materials created under this Agreement and that the Public Records Laws control over any contrary terms in this Agreement. Raftelis shall comply with all requirements of Chapter 119, Florida Statutes, to the extent applicable to the records and documents associated with this Agreement. In accordance with Section 119.0701(3)(a), Florida Statutes (or successor statutes), a request to inspect or copy public records related to this Agreement must be made directly to Client.

IF RAFTELIS HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO RAFTELIS'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT DAVID KRAUS AS PUBLIC RECORDS CUSTODIAN AT (386) 758-1005, david_kraus@columbiacountyfla.com, 135 NE Hernando Avenue, Ste. 203, Lake City, FL 32055.

Nondiscrimination Compliance by Client. The Client is a public body which does not discriminate regardless of race, religion, nationality, or gender in the bidding and award process for contracts and commodities. Pursuant to s. 287.05701, Florida Statutes, as amended, the Client may not request documentation of or consider a vendor's social, political, or ideological interests when determining if the vendor is a responsible vendor and may not give preference to a vendor based on the vendor's social, political, or ideological interests.

Choice of Law. Notwithstanding any contrary provision in the Agreement, Client is a public body, and Florida law shall apply and control as to all aspects of the Agreement, the parties' respective performance thereunder, and the interpretation and enforcement of the Agreement. Raftelis is a foreign profit corporation qualified to do business in Florida. Venue shall lie in either Columbia County or Suwannee County, Florida.

Duly executed as an Addendum to the Agreement on the dates set forth below:

RAFTELIS:

CLIENT:

RAFTELIS FINANCIAL CONSULTANTS, INC.

NORTH FLORIDA WATER UTILITIES AUTHORITY

By: _____

By: _____

Name/Title: _____

Rocky Ford, Chairman of the Board

Date: _____

Date: _____

ADDENDUM TO RAFTELIS FINANCIAL CONSULTANTS, INC.

PROFESSIONAL SERVICES AGREEMENT

Per diem and travel expenses of authorized persons. All per diem and travel expenses related to RAFTELIS FINANCIAL CONSULTANTS, INC. ("Raftelis") professional services to be provided to NORTH FLORIDA WATER UTILITIES AUTHORITY ("Client"), dated _____, 202_ ("Agreement"), if any, are subject to and limited by Florida Statutes s. 112.061, as from time to time amended.

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Duly executed as an Addendum to the Agreement on the dates set forth below:

RAFTELIS:

CLIENT:

RAFTELIS FINANCIAL CONSULTANTS, INC.

NORTH FLORIDA WATER UTILITIES AUTHORITY

By: _____

By: _____

Name/Title: _____

Rocky Ford, Chairman of the Board

Date: _____

Date: _____

BOBBY PAYNE CONSULTING LLC

103 Sherri Lane
Palatka, FL 32177
(386) 530-9345

CONSULTING AGREEMENT

This Consulting Agreement is made and entered into as of the date last written below by and between **BOBBY PAYNE CONSULTING LLC**, a Florida limited liability company (the "Consultant") and **NORTH FLORIDA WATER UTILITIES AUTHORITY**, an independent special district of the State of Florida ("Client").

- A. Consultant is engaged in consulting services related to infrastructure, planning and development, energy delivery and water resources with emphasis on assisting and advising clients with issues related to county and local governments.
- B. Consultant has broad experience in the areas described in (A) above including legislative and governmental affairs and in networking with energy and water utility companies and lobbying associations.
- C. Consultant will provide assistance in strategic planning and subject matter expertise, in providing the types of consulting services described in (A) and (B) above
- D. The Client retains Consultant to act as an advisor to the Client on the terms and conditions contained in this Agreement.

THEREFORE, in consideration of these premises and the mutual promises and covenants set forth below, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by each party, the Client and Consultant agree as follows:

1. Retention as an Independent Consultant.

The Company retains Consultant as an independent contractor to provide the services described in Section 2 of this Agreement (the "Advising Services") for the compensation, and on the terms and conditions, described below. Consultant will be treated as an independent contractor for purposes of all federal employment taxes (including but not limited to FICA, FUTA, and Medicare), federal income tax withholding, the Employee Retirement Income Security Act, state workers' compensation, unemployment or disability insurance laws and other laws applicable to employees; and Consultant will be responsible for the reporting and payment of all taxes.

2. Advising Services.

Throughout the term of this Agreement, Consultant shall upon the request of the Client provide the necessary attention, effort, and skill required to perform Advising Services related to (A)-(D) above. Consultant shall serve the Client diligently; comply with the rules, directions, and

requests of the Client as evidenced by communication from Client or any designee of Client; and adequately perform the Advisory Services established by the Client at its discretion, which shall include, but not be limited to the following.

(a) Brand Positioning

Work with client to ensure brand positioning is recognized as requested. Understand business objectives and leverage network of private and public relationships in the best interest of the client.

(b) Strategic Planning

Advise and assist the client with business strategies, capabilities that will best meet the clients long term goals. Prioritize targets and objectives and make introductions that are key to network decision makers.

(c) Other goals, action plans and or strategies as specified below:

(i) Engage in fact finding and assessment activities necessary to prepare a business plan for Client as a public multicounty regional water, wastewater, and reclaimed water utilities provider in Columbia and Suwannee Counties, Florida and (ii) preparation of business plan sufficient to support Client's separate engagement with Raftelis, or such other vendor as may be acceptable to Client at Client's sole cost and expense, for the preparation of a comprehensive initial detailed business plan and rate study for such public utility.

3. Reporting.

Consultant will report to Client or whom they have been assigned. Consultant will maintain regular working relationships with Client or with assignees as needed.

4. Term.

The term of this Agreement shall be for three-hundred sixty-five (365) days or six (6) months commencing on January 1, 2025 and shall conclude on June 30, 2025. This Agreement shall automatically renew for additional successive ninety (90) day terms unless and until terminated herein or as otherwise agreed herein. Either party may terminate this Agreement during the term hereof upon at least thirty (30) days' prior written notice to the other party. Upon termination of this Agreement, Client shall have no liability to Consultant except for charges performed by Consultant and accepted by Client prior to termination as described in the terms above.

5. Monetary Compensation.

In consideration for the Advising Services to be performed during the term of this Agreement, Consultant shall be paid \$5,000.00 Dollars payable monthly at the beginning of the thirty (30) day term, and any successive thirty (30) day term in the event this Agreement is not terminated as provided for in (4) above.

6. Reimbursement for Expenses and Travel.

The Client shall pay Consultant his reasonable out-of-pocket expenses as reasonably incurred by Consultant in furtherance of performance of the Advising Services and which are approved by the Client in advance. Consultant agrees to provide Client with access to such receipts, ledgers and other records as may be reasonably appropriate for Client to verify the amount and nature of any such expenses.

7. Effect of Termination of this Agreement.

Upon termination of this Agreement, Consultant agrees to return to the Client upon such termination originals and all copies of any documents, instruments, papers, facsimiles, computerized information, and tangible things in Consultant's custody, possession, or control that are the property of the Client or any of the Client's affiliates. Consultant is not entitled to retain any copies of these documents whatsoever.

8. Confidential Information.

Consultant agrees to hold in confidence and not to disclose to any third party any Confidential Information of the Client or any person or entity represented by the Client during the term of this agreement without the prior written consent of the Client. Further, Consultant will make no use of such Confidential Information except as expressly permitted by the Client.

9. Applicable Law.

This Agreement shall be subject to and governed by the laws of the State of Florida.

10. Assignment.

This Agreement shall be binding upon and inure to the benefit of the Client and Consultant and their respective successors, assigns, heirs, legal representatives, executors, and administrators.

11. Understanding.

Client acknowledges that they have read and understand this Agreement and all of the provisions thereof, that adequate opportunity has been afforded by the Client for explanation and discussion thereof with Consultant, and that Client has been given or at any time shall be entitled to an exact copy hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date last written below.:

CLIENT: NORTH FLORIDA WATER UTILITIES AUTHORITY

By: _____
Name/Title: Rocky Ford, Chairman of the Board

Date: _____

CONSULTANT:

BOBBY PAYNE CONSULTING LLC

Date: _____

ADDENDUM TO BOBBY PAYNE CONSULTING, LLC CONSULTING AGREEMENT

Per diem and travel expenses of authorized persons. All per diem and travel expenses related to BOBBY PAYNE CONSULTING LLC ("Contractor") services provided to NORTH FLORIDA WATER UTILITIES AUTHORITY ("Client") dated _____, 202_ ("Agreement"), if any, are subject to and limited by Florida Statutes s. 112.061, as from time to time amended.

Florida Public Records Laws Compliance. Contractor acknowledges Client's obligations under Art. 1, Section 24, Florida Constitution, and Chapter 119, Florida Statutes, as from time to time amended (together, the Public Records Laws), to release public records to members of the public upon request. Contractor acknowledges that Client is required to comply with the Public Records Laws in the handling of the materials created under this Agreement and that the Public Records Laws control over any contrary terms in this Agreement. Contractor shall comply with all requirements of Chapter 119, Florida Statutes, to the extent applicable to the records and documents associated with this Agreement. In accordance with Section 119.0701(3)(a), Florida Statutes (or successor statutes), a request to inspect or copy public records related to this Agreement must be made directly to Client.

IF CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT DAVID KRAUS AS PUBLIC RECORDS CUSTODIAN AT (386) 758-1005, david.kraus@columbiacountyfla.com, 135 NE Hernando Avenue, Ste. 203, Lake City, FL 32055.

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Duly executed as an Addendum to the Agreement on the dates set forth below:

CONTRACTOR:

CLIENT:

BOBBY PAYNE CONSULTING LLC

NORTH FLORIDA WATER UTILITIES AUTHORITY

By: _____
Bobby Payne, Manager

By: _____
Rocky Ford, Chairman of the Board

Date: _____

Date: _____



North Florida Water Utilities Authority

PO Box 1529
Lake City, FL 32056
(755) 755-4100

Agenda Title

Bills and Vouchers - 10/16/2024 - 12/19/2024 - \$ 12,576.83

Nature and Purpose

This item requests Board approval for the payment of bills and vouchers in the amount of \$12,576.83 submitted - 10/16/2024 - 12/19/2024. All funds authorized for the issuance of these checks have been budgeted. The Clerk to the Board office reviews bills and vouchers submitted for approval. If for any reason, any of these bills are not recommended for approval, the Clerk to Board office will notify the Board. The Clerk to the Board office maintains copies of invoices and supporting documentation for review.

Recommended Motion/Action

Approve payment of bills and vouchers in the amount of \$12,576.83

| ACCOUNT NUMBER | CHECK DATE | PAYMENT # | DESCRIPTION | VENDOR NAME | AMOUNT |
|--------------------|------------|-----------|-----------------------------|--------------------------|-------------|
| 602-3600-536.30-31 | 11/12/2024 | 696 | NOVEMBER RETAINER | GRADY H WILLIAMS JR LLM | \$ 6,000.00 |
| 602-3600-536.30-31 | 12/05/2024 | 967 | MONTHLY RETAINER DEC 2024 | GRADY H WILLIAMS JR LLM | \$ 6,000.00 |
| 602-3600-536.30-47 | 12/11/2024 | 970 | NOTICE OF RESCHEDULED | LAKE CITY REPORTER, INC. | \$ 129.20 |
| 602-3600-536.30-47 | 12/11/2024 | 971 | LEGAL NOTICE OF RESCHEDULED | RIVERBEND NEWS | \$ 83.74 |
| 602-3600-536.30-49 | 11/13/2024 | 1 | ANNUAL SPEC DIST FEE | FLORIDA COMMERCE | \$ 175.00 |
| 602-3600-536.30-51 | 12/11/2024 | 972 | CUSTOM LOGO EMBOSSER | SCRIBES DELIGHT | \$ 188.89 |
| | | | | | \$12,576.83 |



GRADY H. WILLIAMS, JR., LL.M.
ATTORNEYS AT LAW, P.A.

Grady H. Williams, Jr., LL.M.*
*Master of Laws in Taxation
Grady@FloridaElder.com

MAIN OFFICE
1543 Kingsley Avenue, Building 5
Orange Park, FL 32073

Tel: 904-264-8800

MAILING ADDRESS
P.O. Box 1542
Orange Park, FL 32067

Fax: 904-264-0155

JACKSONVILLE
Tel: 904-268-8170

www.FloridaElder.com

January 1, 2025

North Florida Water Utilities Authority
Attn: David Kraus, Contract Administrator
135 N.E. Hernando Avenue, Ste. 203
Lake City, Florida 32055

Re: GHW Monthly Retainer Invoice for Routine Legal Services to NFWUA

STATEMENT OF SERVICES RENDERED:

| | |
|--|-------------------|
| Current month's routine services rendered to NFWUA per Private Attorney Services Contract with NFWUA and Grady H. Williams, Jr., LL.M., Attorneys at Law, P.A. | <u>\$6,000.00</u> |
| Total for this monthly billing | \$6,000.00 |

Note: Third party costs and expense reimbursements, if
any, per the contract, will be separately invoiced.

Thank you for allowing us to provide these legal services to you for this representation. If you
have any questions, please contact our contract administrator, Grady H. Williams, Jr. Please
remit payment to 1543 Kingsley Ave., Bldg. 5, Orange Park, FL 32073, unless arrangements for
electronic payment or direct deposit have been made. Our FEIN is 58-2491128.