

Florida Governmental Utility Authority
Board Agenda Item
Thursday, June 20, 2024

Item

OP 1 Approval of Amendment to the Compensation Agreement with U.S. Water Services Corporation for the South Region Extending the Term of the Agreement

Summary

Provided for your review and consideration is a recommended amendment to the Compensation Agreement with U.S. Water Services Corporation (USWSC) extending the term of the South Region Utility System Compensation Agreement for an additional five-year term. The South Region Compensation Agreement includes the Lehigh Acres, North Fort Myers and South Seas/Peace River Utility Systems.

The Board entered into a Compensation Agreement for the provision of operations, maintenance, billing, and customer support services for the South Region on July 18, 2019. The initial agreement term expires on September 30, 2024, and allows for extension of the contract for an additional five-year term at the conclusion of the initial term.

USWSC has met the obligations of the existing agreement in an efficient and satisfactory manner and FGUA achieves synergies of service by having USWSC service multiple FGUA service areas. Also, due to uncertainties with the current market, staff believes it is in the best interest of the FGUA to extend the term of the South Region Compensation Agreement for an additional five-year term. All other provisions of the Compensation Agreement remain unchanged.

At the conclusion of this additional term, FGUA will issue a Request for Proposals for utility operations, maintenance and customer service for the FGUA South Region contracts.

Recommendation

Staff recommends approval of amendment to the Compensation Agreement with U.S. Water Services Corporation for the provision of operations, maintenance, billing and customer service for the South Region for an additional five-year term with all other terms and conditions remaining the same.

Budget Impact

Sufficient funds are provided for in the recommended FY 2025-2029 budget for these services.

Board Action

Moved by:	Seconded by:	Action Taken:
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**AMENDMENT TO
SOUTH REGION
COMPENSATION AGREEMENT**

THIS AMENDMENT TO SOUTH REGION COMPENSATION AGREEMENT dated July 18, 2019, as amended, ("Compensation Agreement"), is made and entered into as of this 20th day of June, 2024, by and between the Florida Governmental Utility Authority, a legal entity and public body created by interlocal agreement pursuant to section 163.01(7)(g), Florida Statutes (the "GUA"), and U.S. Water Services Corporation (the "Contractor").

WITNESSETH:

WHEREAS, on or about July 18, 2019, the GUA and the Contractor entered that certain South Region General Terms Agreement for Utility Operations, Maintenance, Billing, and Customer Service (the "General Terms Agreement"), which outlines the terms and conditions under which the Contractor will provide Utility Services for certain GUA South Region Systems; and

WHEREAS, on or about July 18, 2019, pursuant to the General Terms Agreement, the GUA and the Contractor entered into a Compensation Agreement for the South Region systems located in Lee and Hardee County, Florida known by the GUA as the Lehigh Acres, North Fort Myers, and South Seas/Peace River Utility Systems for which the contractor has provided Utility Services pursuant to the terms outlined in the General Terms Agreement; and

WHEREAS, Section 11, Paragraph (A) of the Compensation Agreement identifies the Initial Term of the contract as ending on September 30, 2024; and

WHEREAS, Section 11, Paragraph (B) of the Compensation Agreement allows

upon mutual agreement, the extension of the contract for an additional five-year term at the end of the Initial Term; and

WHEREAS, the GUA and the Contractor have agreed to extend the Compensation Agreement for an additional five-year term beginning on October 1, 2024 and ending on September 30, 2029,

NOW, THEREFORE, in consideration of the mutual promises, covenants, representations and agreements contained herein, the parties agree to amend the Compensation Agreement as outlined below.

SECTION 1. RECITALS. The above Recitals are true and correct and are hereby incorporated herein by reference.

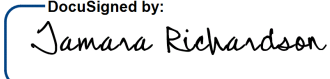
SECTION 2. COMPENSATION AGREEMENT TERM. Section 11(A) of the Compensation Agreement is hereby amended to read as follows:

(A) The Initial Term of the contract shall begin on October 1, 2019 and end on September 30, 2024. Beginning June 20, 2024, the contract shall be extended for an additional five-year term beginning on October 1, 2024 and ending on September 30, 2029.

SECTION 3. FULL FORCE AND EFFECT. All provisions of the Compensation Agreement not amended herein shall remain in full force and effect.

IN WITNESS WHEREOF, the GUA and the Contractor have caused this amendment to the Compensation Agreement to be duly executed and entered on the date first above written.


FLORIDA GOVERNMENTAL UTILITY AUTHORITY

By: 
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As its: FGUA Board Chair

Attest: 
3E47124F6F0A44D...

U.S. WATER SERVICES CORPORATION

By: 
D3A6A803599C46E...

As its: _____

Attest: 
2147BFDA986F494...