



**Executive Committee Agenda
March 30, 2017, 2:30 p.m. Eastern
Florida Association of Counties
100 South Monroe Street
Tallahassee, Florida 32301
Dial-in Number: 1-888-670-3525
Participant Passcode: 998 449 5298#**

1. Call to Order and Roll Call
2. Public Comment
3. Approval of Minutes from February 1, 2017 Executive Committee Meeting
4. SEP Project Management Report: Status Report on Work Order # 6: Update on Preliminary Project List
Doug Robison
Environmental Science Associates
5. Recommend Approval of Work Order # 7: Complete Draft Project List and Conduct Detailed Project Evaluation and Refinement
Doug Robison
Environmental Science Associates
6. Preview of Work Order # 8: Conduct Project Leveraging Analysis and Develop Project Sequencing & Implementation Strategy
Doug Robison
Environmental Science Associates
7. Discussion of Potential Conceptual Design and Feasibility Study Work
Doug Robison
Environmental Science Associates
8. Planning Grant Update
 - 8.1 Grant Management and Administration Report
Lisa King/Melissa Beaudry
Langton Consulting
 - 8.2 Analysis of Work Orders Approved and Planning Grant Amount
Ginger Delegal
Interim Manager
9. Update on FY 2015/2016 Independent Financial Audit
Ginger Delegal,
Interim Manager

Angela Balent
Warren Averett



10. Recommend Approval of Contract with The Balmoral Group for Permanent Management Services
11. Discussion of Teleconference Gulf Consortium Board of Directors' Meetings
12. New Business
13. Public Comment
14. Upcoming Board Meeting
April 6, 2017, 11:00 am, ET
Florida Department of Environmental Protection
Carr Building, Room 170
3800 Commonwealth Blvd
Tallahassee, Florida
15. Adjourn

Notice of Meeting/Workshop Hearing

OTHER AGENCIES AND ORGANIZATIONS

Gulf Consortium

The Gulf Consortium Executive Committee announces a telephone conference call to which all persons are invited.

DATE AND TIME: March 30, 2017 at 2:30 pm (ET)

PLACE: Dial in Number: 888-670-3525

Participant Passcode: 998 449 5298#

GENERAL SUBJECT MATTER TO BE CONSIDERED: The Executive Committee of the Gulf Consortium will conduct a Board of Directors preview meeting, consisting of a planning grant update; status of work orders under the State Expenditure Plan; contract for the Permanent Manager; and, conduct other business. The location of the conference call is the Florida Association of Counties, 100 S. Monroe Street, Tallahassee, FL 32301.

A copy of the agenda may be obtained by contacting: Ginger Delegal at 850-922-4300 or gdelegal@fl-counties.com; or, see www.FACRestore.com.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 3 days before the workshop/meeting by contacting: Ginger Delegal at 850-922-4300 or gdelegal@fl-counties.com. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1-800-955-8771 (TDD) or 1-800-955-8770 (Voice). If any person decides to appeal any decision made by the Board with respect to any matter considered at this meeting or hearing, he/she will need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence from which the appeal is to be issued.

For more information, you may contact Ginger Delegal at 850-922-4300 or gdelegal@fl-counties.com; or, see www.FACRestore.com.

Gulf Consortium Executive Committee Meeting
March 30, 2017, 2:30 p.m., Eastern
FAC Office - Conference Call



<u>County</u>	<u>Executive Committee Member</u>	<u>Present</u>
Escambia	Commissioner Grover Robinson	
Gulf	Warren Yeager	
Monroe	Commissioner George Neugent	
Charlotte	Commissioner Chris Constance	
Pasco	Commissioner Jack Mariano	

AGENDA ITEM 3

**Gulf Consortium Executive Committee
March 30, 2017**

**Agenda Item 3
Approval of February 1, 2017 Executive Committee Minutes**

Statement of Issue:

This agenda item proposes approval of the February 1, 2017 Executive Committee meeting minutes.

Options:

- (1) Approve the February 1, 2017 Executive Committee minutes, as presented;
or
- (2) Amend and then approve the February 1, 2017 Executive Committee minutes.

Recommendation:

Motion to approve the February 1, 2017 Executive Committee meeting minutes, as presented.

Prepared by:

Ginger Delegal
Florida Association of Counties
Interim Manager
On: March 22, 2017

Attachment:

Draft 2/1/17 Minutes

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended____; Defeated_____.

**Gulf Consortium Executive Committee Meeting
February 1, 2017, 4:00 p.m. (Eastern)
Florida Association of Counties
Leon County, Tallahassee, Florida**

Officers in Attendance Telephonically: Commissioner Grover Robinson (Escambia), Commissioner Chris Constance (Charlotte), Commissioner Jack Mariano (Pasco) and Warren Yeager (Gulf).

Agenda Item #1 – Call to Order

Chairman Grover Robinson (Escambia) called the meeting to order at 4:08 pm (ET).

Agenda Item #2 – Public Comment

None.

Agenda Item #3 – Approval of Minutes from November 17, 2016 Executive Committee Meeting

Chairman Grover Robinson (Escambia) presented the minutes from the November 17, 2016 Executive Committee meeting. A motion to approve the November 17, 2016 Executive Committee minutes was made by Warren Yeager (Gulf) and seconded by Commissioner Chris Constance (Charlotte).

ACTION: APPROVED

Agenda Item #4.1 – SEP Project Management Report – Status Report on Work Order # 6

Chairman Grover Robinson (Escambia) recognized Doug Robison with ESA who gave a detailed overview on the status of the work performed under Work Order #6, including detailing the completion of Tasks 4 and 5 under Work Order #6 – assess any additions, deletions or modifications to the counties proposed projects; confirm status of local BoCC approvals of county proposed projects; evaluation of specific project informational needs; and, determining the need for county assistance and financial support to further define and develop projects. There was minimal Committee discussion and questions posed to the ESA team for response. No action was required on this item.

Agenda Item #4.2 – SEP Project Management Update – Project Leveraging Opportunities

Chairman Grover Robinson (Escambia) recognized Lisa King with Langton Consulting who gave an overview of the possible project leveraging which included information on the Wastewater State Revolving Loan Fund, the Drinking Water State Revolving Loan Fund and the Water Infrastructure Finance and Innovation Act (WIFIA). There were no questions or comments from the Executive Committee and no action was required on this item.

Agenda Item #4.3 – SEP Project Management Update – Preview of Work Order # 7

Chairman Grover Robinson (Escambia) recognized Doug Robison with ESA who gave a brief preview of Work Order # 7 which includes Task 6: Develop and Draft Project List, Task 7: Develop Project Evaluation Criteria, and Task 8: Conduct Detailed Project Evaluation and Refinement. Mr. Robison also informed the Executive Committee that Tasks 9 and 10 would be considered at the April 6, 2017 Board meeting. There was brief Committee discussion but no questions and no action was required on this item.

Agenda Item #5.1 – Planning Grant Update – Grant Management and Administration Report

Chairman Grover Robinson (Escambia) recognized Lisa King with Langton Consulting who gave an overview of the agenda item and the status of the grant management by Langton Consulting. It was reported that the next submission of the Financial Progress Report is on April 30, 2017. There were no questions or discussion and no action was required on this item.

Agenda Item #5.2 – Planning Grant Update – Analysis of Work Orders Approved and Planning Grant Amount

Chairman Grover Robinson (Escambia) recognized Ginger Delegal, Interim Manager, who briefed the Committee on the work orders approved to date and the amount of dollars expended for the approved work orders. There were no questions and no action was required on the agenda item.

Agenda Item #6 – Evaluation Team Report for Procurement of Permanent Manager to the Consortium

Chairman Grover Robinson (Escambia) recognized Ginger Delegal, Interim Manager, who gave a detailed overview of the agenda item including the timeline of progress since the December Board meeting. Chairman Robinson then introduced Shelly Kelley, Leon County Purchasing Director, and Chairman of the Evaluation Committee, Len Sossamon, Hernando County Administrator. Mr. Sossamon commented to the Committee that the process has been very easy and the Evaluation Team plans on interviewing the top two candidates, North Highland and The Balmoral Group, in Hillsborough County on February 8, 2017 at 9:00 am and will be ready to make a recommendation to the full Board at its meeting later that afternoon. Ms. Hoshihara stated that there would be a 72-hour waiting period after the award of the bid to the winning vendor for bid protest. There were no questions or discussion and no action was required on this item.

Agenda Item #7 – Discussion of Officer Elections

Chairman Grover Robinson (Escambia) recognized Ginger Delegal, Interim Manager, who gave an overview of the agenda item and the historical process by which the Officers are elected each year. There was considerable Committee discussion and, after which, a motion was made by Warren Yeager (Gulf) to present the current slate of Officers for reelection for 2017 to the full Board at its meeting on February 8, 2017. The current slate being: Commissioner Grover Robinson (Escambia), Chairman; Warren Yeager (Gulf), Vice-Chairman; Commissioner George Neugent (Monroe), Secretary-Treasurer; Commissioner Chris Constance (Charlotte), At-Large Officer; and, Commissioner Jack Mariano (Pasco), At-Large Officer. The motion was seconded by Commissioner Chris Constance (Charlotte) and passed unanimously.

ACTION: APPROVED

Agenda Item #8 – Interim Manager Report

Chairman Grover Robinson (Escambia) recognized Ginger Delegal, Interim Manager, who gave a detailed overview of the Interim Manager activities since the last Board meeting. There were no questions or discussion and no action was required on this item.

Agenda Item #9 – General Counsel Report

Chairman Grover Robinson (Escambia) recognized Lynn Hoshihara, General Counsel, who gave a brief overview of the activities of the General Counsel since the last Board meeting, including a quick update on the bonding issue. There were no questions or comments and no action was required on this item.

Agenda Item #10 – New Business

None.

Agenda item # 11 - Public Comment

None.

Agenda Item #12 – Upcoming Meetings

The next meeting of the Consortium Board of Directors will be held on February 8, 2017 at 2:00 pm ET at the Hillsborough County Center in Hillsborough County.

Agenda Item #13 – Adjournment

There being no further business, the Committee adjourned at 5:05 pm (ET).

Respectfully submitted,

Grover Robinson
Chairman

AGENDA ITEM 4

Gulf Consortium Executive Committee
March 30, 2017

Agenda Item 4

SEP Project Management Report: Status Report on Work Order #6 – Update on Preliminary Project List

Background:

At its December 2, 2016 meeting the Gulf Consortium authorized the ESA consultant team to proceed with Work Order #6 which encompasses Tasks 4 and 5 of the amended State Expenditure Plan development process. These tasks include:

- Task 4 - Screen, Attribute and Map the Preliminary Project List; and
- Task 5 - Perform Gaps, Overlaps, and Opportunities Analysis.

The goals of these tasks are to begin refining the preliminary project list, assisting the counties in better selecting priority projects and further defining those projects, identifying specific project informational needs, filling gaps in project types and geographic coverage across the Florida Gulf Coast, and promoting greater inter-county cooperation and regionalism where feasible.

Status Update:

Since the February 8, 2017 Gulf Consortium meeting, the ESA consultant team has conducted teleconferences and/or face to face meetings with all 23 counties, and in some cases multiple meetings. The objectives of these communications are to:

- Assess any additions, deletions, or modifications to the counties proposed projects;
- Confirm status of local BOCC approvals of county proposed projects;
- Begin evaluating specific project informational needs;
- Determining the need for county assistance and financial support to further define and develop projects; and
- Screen and refine the preliminary project list.

In addition, on January 26, 2017 the ESA consultant team met with senior representatives of the Florida Department of Environmental Protection and the Florida representative on the Gulf Coast Restoration Council in Tallahassee. The objectives of this meeting were to:

- Present a detailed county-by-county summary of the SEP Preliminary Project List ; and

- Obtain early feedback on project consistency with Council and State goals and objectives, as well as leveraging opportunities and guidance.

At the February 8, 2017 Gulf Consortium meeting Mr. Robison presented a detailed summary of the FDEP meeting. In general, the feedback from FDEP on the preliminary project list was very positive, and key FDEP staff indicated that there will be numerous opportunities to leverage proposed County SEP projects with other funding sources, primarily the various components of the NRDA settlement.

Since the February 8, 2017 Gulf Consortium meeting, the ESA consultant team has determined that several counties are still in the process of determining priority projects and that there will be significant changes to the preliminary project list presented at the December 2, 2016 meeting. In general, it appears that the total number of projects will be reduced, and there will be a greater emphasis on projects involving oyster restoration and land acquisition for environmental and recreational uses. The ESA Consultant Team will present a summary of the screened and revised preliminary project list at the upcoming April 6, 2017 Gulf Consortium meeting in Tallahassee. Upon approval by the Consortium, the ESA Consultant Team will meet with Restoration Council in April 2017 to present the project list and discuss informational needs.

Recommendation:

Information only.

Attachment:

None.

Prepared by:

Doug Robison – SEP Project Manager
Environmental Science Associates
On: March 22, 2017

AGENDA ITEM 5

Gulf Consortium Executive Committee
March 30, 2017

Agenda Item 5

**Recommend Approval of Work Order # 7: Complete Draft Project List and
Conduct Detailed Project Evaluation and Refinement**

Background:

At its February 8, 2017 Gulf Consortium meeting, Mr. Robison presented a preview of Work Order #7 which authorizes the Consultant to complete Tasks 6, 7 and 8 of the amended State Expenditure Plan development process. These tasks include:

- Task 6 - Develop the Draft Project List and Spatial Database
- Task 7 - Develop Project Evaluation Criteria
- Task 8 – Conduct Detailed Project Evaluation and Refinement.

The goals of these tasks are to complete the Draft Project List, and conduct detailed project evaluation, refinement, and definition of all county projects to be included in the SEP.

With the completion of Task 6, Phase II – Project Nomination – will be completed. Tasks 7 and 8 are part of Phase III – Project Evaluation – of the revised SEP development process. Completion of Work Order #7 will define the full list of projects to be included in the SEP. These activities will set the stage for the detailed leveraging analysis (Task 9) and the development of the SEP implementation and project sequencing strategy (Task 10).

Recommendation:

Recommend approval of Work Order #7 by the Executive Committee for action by the full Gulf Consortium Board at its April 6, 2017 meeting.

Attachment:

Work Order #7.

Prepared by:

Doug Robison – SEP Project Manager
Environmental Science Associates
On: March 22, 2017

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved_____; Approved as amended_____; Defeated_____.

**GULF CONSORTIUM AND ENVIRONMENTAL SCIENCE ASSOCIATES
AGREEMENT FOR CONSULTANT SERVICES
FOR STATE EXPENDITURE PLAN**

-WORK ORDER #7-

**Complete Draft Project List and Conduct Detailed Project Evaluation and
Refinement**

WHEREAS, the Gulf Consortium (Consortium) and Environmental Science Associates (Consultant) entered into an agreement for planning consulting services for the State Expenditure Plan (Agreement);

WHEREAS, the Agreement requires written Work Orders to be issued by the Consortium for work to be performed by the Consultant; and

WHEREAS, the Consortium desires the Consultant to screen, map and assess gaps and overlaps in the preliminary list of projects, programs and activities to potentially be included in the Florida State Expenditure Plan.

NOW, THEREFORE, the Parties agree to Work Order #7 as follows:

Background

This Work Order #7 authorizes the Consultant to complete Tasks 6, 7 and 8 of the amended State Expenditure Plan development process. These tasks include:

- Task 6 - Develop the Draft Project List and Spatial Database
- Task 7 - Develop Project Evaluation Criteria
- Task 8 – Conduct Detailed Project Evaluation and Refinement.

The goals of these tasks are to complete the Draft Project List, and conduct detailed project evaluation, refinement, and definition of all county projects to be included in the SEP. With the completion of Task 6, Phase II – Project Nomination – will be completed. Tasks 7 and 8 are part of Phase III – Project Evaluation – of the revised SEP development process. These activities will set the stage for the detailed leveraging analysis (Task 9) and the development of the SEP implementation and project sequencing strategy (Task 10).

Scope of Work

The scopes of work for these tasks, as authorized in the Planning Grant, are described below.

Task 6 - Develop the Draft Project List and Spatial Database

Based on input from the Consortium and the individual counties received in Tasks 4 and 5, respectively, the ESA consultant team will revise and update the preliminary project list and

develop the draft project list and associated GIS spatial database. The draft project list will be mapped, and summarized in a Technical Memorandum, and presented to the Consortium for review and approval. Based on input from the Consortium, the draft project list and spatial database may be further revised. Upon Consortium approval, the draft project list will represent the universe of projects that will be taken into Phase III – Project Evaluation.

Phase III – Project Evaluation

Task 7 - Develop Project Evaluation Criteria

It should be noted that the purpose of project evaluation under the revised County-driven process is not necessarily to eliminate projects, or to prioritize some projects over others, but rather to improve and refine each project included in the final project list to maximize its impact, cost-effectiveness, and grant readiness.

Based on the range of projects represented in the draft project list, the ESA consultant team will develop detailed project evaluation criteria to comparatively assess each project. Detailed evaluation criteria for environmental projects will focus on three key project attributes:

- **Technical basis and justification:** Evaluating the technical basis of proposed actions will be based on best professional judgment. This attribute will be assessed in terms of whether or not proposed projects are based on the best available science and/or engineering, as required by the Council, and whether they have a clearly defined technical rationale and justification (i.e., will the project address a demonstrated need).
- **Feasibility:** Evaluating the feasibility of proposed projects will essentially constitute a “reality check” also based largely on best professional judgment. The feasibility attribute will be assessed in terms of numerous factors including but not limited to: technical efficacy (both science and engineering) workability, permitability, constructability, cost-effectiveness, and public acceptance.
- **Leveragability:** Evaluating leveragability will involve an assessment of the ability for the project to attract leveraged funding from a range of sources. Under this task, the primary focus will be on funding streams associated with the Deepwater Horizon oil spill settlements.

Separate criteria will be developed for economic projects. The recommended project evaluation criteria will be summarized in a Technical Memorandum, and presented to the Consortium for review and approval.

Task 8 - Conduct Project Evaluation and Refinement

To facilitate approval by the Council, all projects ultimately included in the FSEP should ideally be technically justifiable, feasible, and affordable within the budget limitations of the Spill

Impact Component. Towards that end, the ESA consultant team will apply the approved evaluation criteria to the draft project list to screen out those project concepts that cannot meet the criteria, or modify them so that they do meet the criteria. Furthermore, projects that can attract other funds through leveraging increase the overall value of the FSEP. Therefore, refining projects so that they can meet criteria for various leveraged funding sources will also be addressed in this task. It is anticipated that many project concepts submitted by the counties will have significant information gaps, while other project submittals will be well-developed as conceptual or even final designs with accompanying feasibility, engineering and environmental studies. To fairly and objectively evaluate the various project concepts submitted by the counties, those that are lacking in basic details with regard to such factors as technical justification, project boundaries, anticipated benefits, technical approach, construction methods, cost estimates, etc. will need to be further developed. Therefore, this task will involve the ESA consultant team working with individual counties, as needed, to further refine their project concepts.

Note: Conceptual Design Funds

It should be noted that conceptual design and feasibility studies (up to 30% design) for individual projects to be included in the FSEP are allowable activities for the use of planning grant funds. Accordingly, a total of \$1,500,000 has been reserved in the planning grant for these services if the Consortium decides to accelerate design activities for high priority projects identified at this stage of FSEP development; however, such services will need to be procured separately as the ESA consultant team selection did not include engineering design.

Upon completion of project evaluation and refinement activities, a final project list will be developed. This methods and findings of the project evaluation/refinement process, and the recommended final project list will be summarized in a Technical Memorandum and presented to the Consortium for review and approval. The final project list will serve as the basis for the remaining tasks.

Deliverables

The deliverables for this Work Order #7 include the following:

- Task 6 Summary Technical Memorandum (as described above) and associated geospatial database of the Draft Project List.
- Task 7 Summary Technical Memorandum (as described above).
- Task 8 Summary Technical Memorandum (as described above).

Schedule

Upon formal approval of this Work Order #7 by the Consortium at its April 6, 2017 meeting, the above described scope of work and deliverables will be completed on or before October 31, 2017.

Compensation

Compensation of the Consultant for this and all future Work Orders shall be contingent upon the availability of planning grant funds from the Restoration Council. As provided in the revised ESA agreement and the Planning Grant, the fixed fee costs for Tasks 6, 7, and 8 are shown in the table below.

Work Order #6			
Task	Description	Hours	Dollars @\$205/hour*
6	Develop the Draft Project List and Spatial Database	568	\$116,440
7	Develop Project Evaluation Criteria	480	\$98,400
8	Conduct Project Evaluation and Refinement	1,480	\$303,400
Totals		2,528	\$518,320

* Blended rate used for cost estimating includes: overhead; profit; reimbursable expenses; and project management.

The Consultant shall be compensated on a fixed fee basis, and shall provide a final invoice upon the completion of each task, and approval all associated deliverables, encompassed in this Work Order. The total fixed fee for Work Order #7 shall not exceed **\$518,320**.

WHERETO, the Parties have set their hands and seals effective the date whereon the last party executes this Agreement.

GULF CONSORTIUM

By: _____

Date: _____

**ENVIRONMENTAL SCIENCE
ASSOCIATES**

By: _____
Vice President or designee

Title: _____

Date: _____

SECRETARY/TREASURER:

By: _____

Date: _____

Approved as to Form:
Gulf Consortium General Counsel

BY: _____
Lynn Hoshihura
Nabors, Giblin & Nickerson, P.A.
Gulf Consortium General Counsel

DRAFT

AGENDA ITEM 6

Gulf Consortium Executive Committee
March 30, 2017

Agenda Item 6

**Preview of Work Order # 8: Conduct Project Leveraging Analysis and
Develop Project Sequencing & Implementation Strategy**

Background:

At its February 8, 2017 Gulf Consortium meeting, Mr. Robison presented a preview of Work Order #8 which authorizes the Consultant to complete Tasks 9 and 10 of the amended State Expenditure Plan development process. These tasks include:

- Task 9 - Conduct Project Leveraging Analysis;
- Task 10 - Develop Project Sequencing & Implementation Strategy.

The goals of these tasks are to maximize leveraged funding sources for all SEP projects, and to develop a project sequencing schedule and implementation strategy that optimizes the 15-year payout such that each county is annually making progress on their respective projects, while also ensuring that priority early action projects can be adequately funded.

Completion of Tasks 9 and 10 will close out Phase III – Project Evaluation of the SEP development process and set the stage for the development of the draft SEP document. To accelerate the SEP development process the ESA Consultant Team anticipates bringing Work Order #8 to the full Gulf Consortium for action at its May 17, 2017 meeting in Okaloosa County.

Recommendation:

Information only.

Attachment:

Draft Work Order #8.

Prepared by:

Doug Robison – SEP Project Manager
Environmental Science Associates
On: March 22, 2017

**GULF CONSORTIUM AND ENVIRONMENTAL SCIENCE ASSOCIATES
AGREEMENT FOR CONSULTANT SERVICES
FOR STATE EXPENDITURE PLAN**

-WORK ORDER #8-

**Conduct Project Leveraging Analysis and
Develop Project Sequencing & Implementation Strategy**

WHEREAS, the Gulf Consortium (Consortium) and Environmental Science Associates (Consultant) entered into an agreement for planning consulting services for the State Expenditure Plan (Agreement);

WHEREAS, the Agreement requires written Work Orders to be issued by the Consortium for work to be performed by the Consultant; and

WHEREAS, the Consortium desires the Consultant to screen, map and assess gaps and overlaps in the preliminary list of projects, programs and activities to potentially be included in the Florida State Expenditure Plan.

NOW, THEREFORE, the Parties agree to Work Order #8 as follows:

Background

Proposed Work Order #8 authorizes the Consultant to complete Tasks 9 and 10 of the amended State Expenditure Plan development process. These tasks include:

- Task 9 - Conduct Project Leveraging Analysis
- Task 10 - Develop Project Sequencing & Implementation Strategy.

The goals of these tasks are to maximize leveraged funding sources for all SEP projects, and to develop a project sequencing schedule and implementation strategy that optimizes the 15-year payout such that each county is annually making progress on their respective projects, while also ensuring that priority early action projects can be adequately funded. Completion of Tasks 9 and 10 will close out Phase III – Project Evaluation of the SEP development process.

Scope of Work

The scopes of work for these tasks, as authorized in the Planning Grant, are described below.

Task 9 - Conduct Project Leveraging Analysis

The ESA consultant team will develop an *Other Grant Sources Inventory* document that addresses potential leveraged funding sources applicable to the final suite of projects recommended in Task 8. This inventory will include a wide range of federal, state, private and NGO grant programs

(e.g., National Fish & Wildlife Foundation) that could potentially be used to leverage projects to be included in the FSEP. This task will also involve close coordination with the Restoration Council and FDEP with regard to the availability and applicability of leveraged funds from the Council Selected Restoration Component (RESTORE Act Pot 2) and the Florida portion of the Natural Resource Damages (NRD) settlement. The final suite of projects will be individually linked to potential leveraging sources applicable to each, along with estimated dollar amounts. Upon completion of this task, the final project list, and the leveraging potential for each, will be summarized in a Technical Memorandum, and presented to the Consortium for review and approval.

Task 10 - Develop Project Sequencing & Implementation Strategy

The approximate funding levels available to each county from the Spill Impact Compact component have been estimated for the BP settlement. Furthermore, based on current knowledge of the settlement, funds will be paid out over a 15-year period, without the ability to use these funds for bonding and debt payments. Finally, Council implementation grants for all projects included in the FSEP must be project-specific, and be channeled through a single grant portal by the FSEP implementing entity. Individual counties will not be able to engage with the Council independently with regard to implementation grant funds. To address these complexities, a project sequencing strategy is necessary to expedite and optimize the distribution of Council implementation grant funds.

It is anticipated that the final suite of projects ultimately included in the FSEP will vary significantly with regard to their relative complexity and level of development and/or design. For example, some projects may be ready to receive construction funds, while other projects may require planning or design funds. The ESA consultant team will develop a project sequencing schedule that optimizes the 15-year payout such that each county is annually making progress on their respective projects. In addition, this task will involve the development of an overall implementation strategy that considers multiple alternatives for managing the accounting of Spill Impact Component funds amongst the 23 counties over the 15-year payout schedule. A draft *Project Sequencing & Implementation Strategy* document will be prepared and presented to the Consortium for review, modification, and/or approval. The approved final suite of projects along with the approved project sequencing and implementation strategy will serve as the basis for Phase IV - FSEP Development.

Deliverables

The deliverables for this Work Order #7 include the following:

- Task 9 - *Other Grant Sources Inventory* document, Summary Technical Memorandum and presentation to the Gulf Consortium.
- Task 10 - *Project Sequencing & Implementation Strategy* document, and summary presentation to the Gulf Consortium.

Schedule

Upon formal approval of this Work Order #8 by the Consortium at its May, 2017 meeting, the above described scope of work and deliverables will be completed on or before October 31, 2017.

Compensation

Compensation of the Consultant for this and all future Work Orders shall be contingent upon the availability of planning grant funds from the Restoration Council. As provided in the revised ESA agreement and the Planning Grant, the fixed fee costs for Tasks 9 and 10 are shown in the table below.

Work Order #8			
Task	Description	Hours	Dollars @\$205/hour*
9	Task 9 - Conduct Project Leveraging Analysis	982	\$201,310
10	Develop Project Evaluation Criteria	960	\$196,800
Totals		1,942	\$398,110

* Blended rate used for cost estimating includes: overhead; profit; reimbursable expenses; and project management.

The Consultant shall be compensated on a fixed fee basis, and shall provide a final invoice upon the completion of each task, and approval all associated deliverables, encompassed in this Work Order. The total fixed fee for Work Order #8 shall not exceed **\$398,110**.

WHERETO, the Parties have set their hands and seals effective the date whereon the last party executes this Agreement.

GULF CONSORTIUM

By: _____

Date: _____

**ENVIRONMENTAL SCIENCE
ASSOCIATES**

By: _____
Vice President or designee

Title: _____

Date: _____

SECRETARY/TREASURER:

By: _____

Date: _____

Approved as to Form:
Gulf Consortium General Counsel

BY: _____

Lynn Hoshihura
Nabors, Giblin & Nickerson, P.A.
Gulf Consortium General Counsel

DRAFT

AGENDA ITEM 7

Gulf Consortium Executive Committee
March 30, 2017

Agenda Item 7
Discussion of Potential Conceptual Design and Feasibility Study Work

Background:

At its February 8, 2017 Gulf Consortium meeting, the Board directed the ESA Consultant Team to assess the need for accessing planning grant funds to conduct “conceptual design and feasibility studies” to further define and cost projects to be included in the SEP. Specifically, the Board requested that a cumulative cost estimate be developed for conceptual design and feasibility studies needed to complete the SEP. This cost estimate will to be used to determine the need to procure professional engineering services to complete conceptual design and feasibility studies concurrent with the development of the SEP.

Based on information received from the counties as of this writing, there does appear to be a need to procure professional engineering services to access the \$1.5 million set aside in the existing Gulf Consortium planning grant. It is not clear at this time if the planning grant will need to be amended to access additional funds beyond this \$1.5 million set-aside.

Mr. Robison will present an overview of the process used to determine the need for conceptual design and feasibility study funds, and a summary of the cumulative cost estimates as of this writing. It is anticipated that the need for these funds will be further evaluated once the ESA Consultant Team meets with the Restoration Council in April 2017.

Recommendation:

Information only.

Attachment:

None.

Prepared by:

Doug Robison – SEP Project Manager
Environmental Science Associates
On: March 22, 2017

AGENDA ITEM 8.1

Gulf Consortium Executive Committee
March 30, 2017

Agenda Item 8.1
Update on Planning Grant

Executive Summary:

Update on the status of the Planning Grant.

Most Recent Activity:

A Planning Grant in the amount of \$4,640,675 was awarded to the Gulf Consortium on June 23, 2016. The Gulf Consortium executed the grant agreement on June 28, 2016. Langton Consulting and Consortium staff have developed the financial control systems and enrolled the Consortium in invoicing and payment systems and commenced the drawdown and disbursement of federal grant funds. Three payment requests totally \$506,303.27 have been submitted and paid to date. The Gulf Consortium's first Financial Progress report for the period of 9/23/14-9/30/16 was submitted on 10/30/16.

Full Background on Post Award Process/Procedure:

The Consortium submitted its fourth payment request in the amount of \$14,373.43 through RAAMS on March 10, 2017. As of March 17, this payment request was still pending.

The Consortium's next Financial Progress report is due April 30, 2017.

Fiscal Impact:

Under Work Order #5, the Consortium agreed to pay ESA a \$5,000 flat fee monthly for grant management services (Task 15) provided by Langton Consulting.

Attachments:

None

Recommendation:

For information only.

Prepared by:

Lisa King
Langton Consulting
On: March 21, 2017

AGENDA ITEM 8.2

Gulf Consortium Executive Committee
March 30, 2017

Agenda Item 8.2
Planning Grant Update: Analysis of Work Orders Approved and
Planning Grant Award

Executive Summary:

Presentation of ESA Work Orders approved to date and a comparison of that encumbered amount with respect to the Planning Grant Award.

Background:

On April 22, 2016, the Gulf Consortium Board of Directors approved a contract amendment for the ESA Consulting Team to assist the Consortium in developing Florida's State Expenditure Plan for the Governor's submission to the Restoration Council for the Spill Impact Component of the RESTORE Act. The ESA Team was selected and hired after a comprehensive, competitively procured process. The Contract between the Consortium and ESA is a not to exceed amount of \$2,722,780. The contract is performed on a work order basis.

The Consortium also hired Nabors, Giblin & Nickerson as its General Counsel, also after a comprehensive, competitively procured process. The contract between the Consortium and NGN is a not to exceed amount of \$150,000 per year.

The Consortium's Planning Grant Application was approved by the Restoration Council on June 23, 2016 and the award contract was executed on June 28. The grant award is in the amount of \$4,640,675.

Analysis:

As of September 13, 2016, the Consortium has approved five work orders, totaling \$576,688, broken down as follows:

<u>Task 1</u> (PSEP, Planning Grant App) (approved 1/21/15) (\$35,980 of which is funded by the grant)	\$50,980
<u>Task 2</u> (Goal Setting Workshop) (approved 3/25/15)	\$21,560
<u>Task 3</u> (Public Involvement – Phase I) (approved 6/19/15)	\$82,388
<u>Work Order 4(A)</u> (Prelim Project List – Phase I) (approved 6/28/16)	\$92,660
<u>Work Order 4(B)</u> (Preliminary Project List-Phase II) (approved 9/13/16)	\$209,100

Work Order 5 (Grant Admin) \$120,000
(approved 4/21/16) (\$5,000 per month for 24 months)

Work Order 6 (Map Preliminary Project List & Perform Gaps Analysis)
(approved 12/2/16) \$455,290

Total **\$1,031,978**

As of September 13, 2016, the Consortium has approved one other contract to be funded partially from the planning grant: Nabors, Giblin & Nickerson

NGN General Counsel Services \$180,000
(\$90,000 of which can be funded by the grant, annually)

Also, out of the grant award, the Consortium can pay for some of the actual costs it incurs for its meetings: AV, IT, meeting space. These costs are incurred on a meeting by meeting basis.

AV/IT Reimbursement \$11,285
(in the first grant drawdown; incurred between 8/22/14 – 4/30/16)

Accordingly, the following summarizes the grant budget as compared to Consortium-approved and grant-fundable contracts:

Grant Award	ESA Contract Amount	ESA Work Orders Approved to Date	NGN Contract from Grant	AV Reimbursement
\$4,640,675	\$2,722,780	\$1,031,978	\$180,000	\$11,285

Options:

No action required.

Recommendation:

For information only.

Prepared by:

Ginger Delegal
Florida Association of Counties
Interim Manager
On: March 22, 2017

AGENDA ITEM 9

Gulf Consortium Executive Committee
March 30, 2017

Agenda Item 9
Update on FY 2015-2016 Independent Financial Audit

Statement of Issue:

Discuss the FY 2015/2016 Independent Financial Audit.

Background:

Florida law, under section 218.39, Florida Statutes, requires that an annual independent financial audit be conducted on the Gulf Consortium. The Consortium conducted a competitive selection process that led to the engagement of Warren Averett to conduct the Consortium's FY 2013/2014 independent audit. The Executive Committee was empowered to extend that contract for additional years, which it did on at its September 9, 2016 meeting for FY 2015/2016.

The FY 2015/2016 audit is complete and the report finalized. The report will be filed with both the State of Florida's Chief Financial Officer and the Florida Auditor General as further required by Florida law.

The auditor's opinion is that:

The financial statements..., in all material respects, the respective financial position of the business-type activities of the Gulf Consortium, as of September 30, 2016, and the respective changes in financial position, and,...cash flows thereof are in conformity with accounting principles generally accepted in the United States of America.

There were no negative management notes or comments in the report. The entire report is attached for review and discussion. Members of the Warren Averett firm are available for questions, during the meeting.

Fiscal Impact:

Under the Consortium's contract for services with Warren Averett for the FY 2015/2016 independent financial audit, the Consortium will pay Warren Averett \$3,000.00 within 45 days of receipt of the invoice.

Recommendation:

Discuss and recommend receipt of the final report to the full Board at its meeting on April 6, 2017.

Attachment:

Draft FY 2015/2016 Independent Financial Audit.

Prepared by:

Ginger Delegal
Florida Association of Counties
Interim Manager
On: March 22, 2017

GULF CONSORTIUM

FINANCIAL STATEMENTS

SEPTEMBER 30, 2016

DRAFT

**GULF CONSORTIUM
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SEPTEMBER 30, 2016**

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INDEPENDENT AUDITORS' REPORT

To the Members of the Gulf Consortium

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Gulf Consortium (the Consortium), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Consortium's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Gulf Consortium, as of September 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3-5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2017, on our consideration of the Gulf Consortium's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Gulf Consortium's internal control over financial reporting and compliance.

Fort Walton Beach, Florida
March 20, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Gulf Consortium (the Consortium), our discussion and analysis of the Consortium's financial performance provides an overview of the Consortium's financial activities for the fiscal year ended September 30, 2016. It should be read in conjunction with the Consortium's financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The Consortium's assets exceeded its liabilities by approximately \$13 thousand (net position) and represents a decrease of \$2,500 from the prior year. The total net position of the Consortium is unrestricted.
- Operating revenues consist of membership dues paid by each of the 23 participating counties and grant funds earned from the Oil Spill Impact Program. Total revenues earned during the year ended September 30, 2016 was approximately \$418,000 of which 33% was generated from membership dues and 66% from a federal grant award.
- Grant funded expenses of \$278,613 consisted of approved pre-award costs of \$170,953 and \$107,660 of services approved under task orders to provide grant management services and compilation of the preliminary project list. Other operating expense of \$142,695 which were paid from membership dues and prior year unrestricted resources related to interim Consortium management, legal, audit, grant writing and meeting and travel expenses.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Gulf Consortium is a public entity created in October 2012 by Inter-local Agreement among Florida's 23 Gulf Coast counties, from Escambia County in the western panhandle of Florida to Monroe County on the southern tip of Florida and the United States.

Florida's 23 Gulf Coast Counties formed the Consortium to meet requirements of the RESTORE Act to develop a State Expenditure Plan for economic and environmental recovery of the Gulf coast in Florida following the Deepwater Horizon oil spill. The RESTORE Act was passed by the Congress on June 29, 2012 and signed into law on July 6, 2012 by the President.

The Consortium Board of Directors consists of one representative from each of the 23 counties. As a public entity, the Consortium must meet all government transparency requirements in Florida, including open public records and meetings, ethics, and state auditing obligations. Since its inception, the Consortium has held several committee meetings to begin developing Florida's State Expenditure Plan.

To avoid duplication and to effectively utilize available resources, Florida's local governments are working in partnership with the State of Florida to fully recover the Gulf of Mexico following the Deepwater Horizon disaster. To foster the development of the State Expenditure Plan, enhance coordination, and to also ensure consistency with the goals and objectives of the Gulf Coast Ecosystem Restoration Council's Draft Initial Comprehensive Plan: Restoring the Gulf Coast's Ecosystem and Economy, the Consortium has entered into a Memorandum of Understanding with Florida Governor Rick Scott.

OVERVIEW OF THE FINANCIAL STATEMENTS – CONTINUED

As a result of the nature of the funding the Gulf Consortium will receive, this function is considered a business-type activity and is accounted for in an enterprise fund in accordance with generally accepted accounting principles for governments as established by the Governmental Accounting Standards Board (GASB). As such, the required components of the Consortium's financial statements are as follows:

- Management's Discussion and Analysis
- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Fund Net Position
- Statement of Cash Flows
- Notes to the Financial Statements

Required Supplementary Information, other than Management's Discussion and Analysis, is not applicable to the Consortium's form of government and related activities.

The statement of net position and the statement of revenues, expenses, and changes in fund net position report information about the Consortium using the accrual basis of accounting, similar to most private-sector companies, as required for enterprise funds. The statement of net position presents information on the Consortium's (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources, with the difference between the two reported as net position. In the statement of revenues, expenses, and changes in net position, the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. The statement of cash flows provides information as to the sources and uses of the Consortium's funds.

FINANCIAL ANALYSIS

Table 1 focuses on net position. The Consortium's net position was \$13,239 as of September 30, 2016. Unrestricted net position is intended to cover Consortium on-going operating expenses. During the year ended September 30, 2016 the Consortium budgeted to use \$15,000 of previous year net position to fund current year operating costs; however actual expenses only exceeded operating revenue by \$2,576. Legal, meeting and travel expenses were less than budgeted amounts.

Table 2 focuses on the change in net position. Operating revenues consist of membership dues paid by each of the 23 participating counties and grant funds earned from the Oil Spill Impact Program. Grant funded expenses of \$278,613 consisted of approved pre-award costs of \$170,953 and \$107,660 of services approved under task orders to provide grant management services and compilation of the preliminary project list. Other operating expense of \$142,695 which were paid from membership dues and prior year unrestricted resources related to interim Consortium management, legal, audit, grant writing and meeting and travel expenses.

Table 1
GULF CONSORTIUM
STATEMENTS OF NET POSITION
AS OF SEPTEMBER 30, 2016 AND 2015

	Business-Type Activities	
	2016	2015
Current and other assets	\$ 314,125	\$ 47,949
Total assets	314,125	47,949
Accounts payable	300,886	32,134
Total liabilities	300,886	32,134
Net position		
Unrestricted	13,239	15,815
Total net position	\$ 13,239	\$ 15,815

Table 2
GULF CONSORTIUM
STATEMENTS OF CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015

	Business-Type Activities	
	2016	2015
REVENUES		
Operating revenues	\$ 418,732	\$ 140,071
EXPENSES		
Operating expenses	421,308	132,550
CHANGE IN NET POSITION	(2,576)	7,521
NET POSITION AT BEGINNING OF YEAR	15,815	8,294
NET POSITION AT END OF YEAR	<u>\$ 13,239</u>	<u>\$ 15,815</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Consortium's budget for fiscal year 2017 totals \$1,663,180, which is \$1.2 million higher than the fiscal year 2016 approved budget due to increased grant funded activity. The Consortium has budgeted \$1,493,130 of federal grant revenue with grant expenses budgeted in the same amount. Tasks expected to be started during the year ended September 30, 2017 include analysis of the preliminary project list, perform gaps, overlaps and opportunities analysis, develop project evaluation criteria, project evaluation and refinement, project leveraging analysis and project oversight including grant reporting and draw requests and other management tasks.

REQUESTS FOR INFORMATION

This financial report is designed to provide a narrative overview and analysis of the financial activities of the Consortium for the fiscal year that ended September 30, 2016. Management's Discussion and Analysis is designed to: (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Consortium's financial activities, (c) identify changes in the Consortium's financial position, and (d) identify individual fund issues or concerns of the Gulf Consortium's financial activity. Questions concerning any of the information provided in the report or requests for additional information should be addressed to the Executive Director, Florida Association of Counties, 100 South Monroe Street, Tallahassee, Florida 32301.

**GULF CONSORTIUM
STATEMENT OF NET POSITION
SEPTEMBER 30, 2016**

ASSETS

Current assets	
Cash	\$ 35,512
Restricted assets	
Cash	170,953
Due from other governments	<u>107,660</u>

TOTAL ASSETS

314,125

LIABILITIES

Current liabilities	
Accounts payable	22,273
Accounts payable from restricted assets	<u>278,613</u>

TOTAL LIABILITIES

300,886

NET POSITION

Unrestricted	<u>13,239</u>
--------------	---------------

TOTAL NET POSITION

\$ 13,239

See notes to the financial statements.

GULF CONSORTIUM
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

OPERATING REVENUES

Planning grant	\$ 278,613
Membership dues	140,050
Other	<u>69</u>
Total operating revenues	<u>418,732</u>

OPERATING EXPENSES

Management	60,000
Legal and other professional fees	337,703
Meetings and travel	<u>23,605</u>
Total operating expenses	<u>421,308</u>

CHANGE IN NET POSITION

(2,576)

NET POSITION AT BEGINNING OF YEAR

15,815

NET POSITION AT END OF YEAR

\$ 13,239

See notes to the financial statements.

**GULF CONSORTIUM
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from members	\$ 140,050
Grant receipts	107,660
Payments to vendors for services	(89,263)
Receipts from other sources	<u>69</u>
Net cash provided by operating activities	<u>158,516</u>
NET INCREASE IN CASH	158,516
CASH AT BEGINNING OF YEAR	<u>47,949</u>
CASH AT END OF YEAR	<u><u>\$ 206,465</u></u>

**RECONCILIATION OF OPERATING INCOME TO NET CASH
PROVIDED IN OPERATING ACTIVITIES**

Operating income	\$ (2,576)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Decrease (increase) in assets:	
Due from other governments	(107,660)
Increase (decrease) in liabilities:	
Accounts payable	(9,861)
Accounts payable from restricted assets	<u>278,613</u>
Net cash provided by operating activities	<u><u>\$ 158,516</u></u>

See notes to the financial statements.

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF DISTRICT

Description of District

The Gulf Consortium (Consortium) was created in response to the United States Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act). The RESTORE Act was established as a mechanism for providing funding to the Gulf Coast region to restore ecosystems and rebuild local economies damaged by the Deepwater Horizon Oil Spill which occurred on April 20, 2010. The RESTORE Act established the Gulf Coast Ecosystem Restoration Council (the Restoration Council), an independent entity, which is composed of certain federal officials and the Governors of Alabama, Florida, Mississippi, Louisiana, and Texas. The RESTORE Act charges the Restoration Council with developing a comprehensive plan for ecosystem restoration in the Gulf Coast region ("Council Comprehensive Plan") that identifies projects and programs aimed at restoring and protecting the natural resources and ecosystems of the Gulf Coast Region. The projects and programs are to be funded from a portion of the Gulf Coast Restoration Trust Fund. For Florida, the RESTORE Act, under 33 U.S.C. Chapter 1321(t)(3)(2012), requires a consortia of local political subdivisions to develop a State Expenditure Plan, for which the RESTORE Act provides for Trust Fund expenditures that would fund projects, programs and activities that will improve the ecosystems or economy of the Gulf Coast region that meet the criteria specified in the RESTORE Act. Therefore, pursuant to Section 163.01, *Florida Statutes*, by Interlocal Agreement among 23 Florida Gulf Coast affected counties, the Gulf Consortium was created on November 19, 2012 to: 1) develop Florida's State Expenditure Plan, 2) prepare and process proposals for funding under the competitive program to be processed and administered by the Restoration Council, and 3) act as a resource and advocate for Consortium members.

On September 29, 2015, the Restoration Council published its proposed rule on the RESTORE Act, Spill Impact component state allocation formula. The Spill Impact component represents 30% of a portion of civil fines and administrative penalties derived from the Clean Water Act and is expected to be \$1.32 billion. The proposed allocation of the Spill Impact component for the State of Florida was 18.36% of the total designated or approximately \$242 million.

During the year ended September 30, 2015, the Gulf Consortium planning grant application to prepare Florida's State Expenditure Plan (FSEP) was submitted to the Restoration Council. As of September 30, 2016 the Restoration Council approved \$4.64 million of the planning grant application and \$283,613 has been earned. The performance period of the grant is August 23, 2014 to June 30, 2018. Of the total award \$1,500,000 is earmarked for conceptual design and feasibility studies. Such costs are considered allowable activities under the grant however the Restoration Council is not requiring every project in the FSEP to meet specific percentages in the design level. As such the \$1,500,000 is reserved for those counties desiring to use planning grant funds for project conceptual design concurrent with the development of the FSEP.

The Reporting Entity

The Consortium operates independently and is not subject to the oversight of any individual governmental unit and therefore is not a component unit of another primary government. Membership of the Consortium is limited to the counties that were impacted by the Deepwater Horizon Oil Spill. As of September 30, 2016, the Consortium's membership consisted of the 23 Florida counties with frontage to the Gulf of Mexico. Each member appoints one Director of the Consortium to act as a representative on its behalf.

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF DISTRICT –
CONTINUED**

Measurement Focus and Basis of Accounting

The Consortium is accounted for as an enterprise fund. Enterprise funds are used to account for activities similar to those found in the private sector, where the determination of the excess of revenues over expenses is necessary or useful to sound financial accountability. The accounting records of the Consortium are organized on the basis of funds as prescribed by generally accepted accounting principles (GAAP) for governments as established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used by the Consortium. Revenues are recognized when they are earned and expenses when they are incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal and ongoing operations. The Consortium was formed to develop a State Expenditure Plan for economic and environmental recovery of the Gulf Coast in Florida following the Deepwater Horizon oil spill. As such the Consortium considers its principal operating revenue to encompass member dues and grant funding earned to prepare the State Expenditure Plan. Operating expenses include legal, management and other day to day operational costs along with services performed by consultants and other third parties related to the preparation of the State Expenditure Plan.

Assets, Liabilities, and Net Position or Equity

Cash and Cash Equivalents

The Consortium's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Restricted Assets

Grant proceeds received but not disbursed and grant revenue receivable is restricted by the terms of the planning grant agreement.

Net Position

When both restricted and unrestricted resources are available for use, it is the Consortium's policy to use restricted resources first and then unrestricted resources, as they are needed.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Subsequent events were evaluated through March 20, 2017, which is the date the financial statements were available to be issued.

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

2. CASH

At September 30, 2016, cash consists of \$206,465 with local commercial banks. The carrying amount is equal to the bank balance.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of the counterparty, the government's deposits may not be returned to it or the organization may not be able to recover the value of its investments that are in the possession of an outside party. Funds deposited in the local commercial bank are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank or by collateral pursuant to the Public Depository Security Act of the State of Florida and are therefore considered fully insured or collateralized.

3. DUE FROM OTHER GOVERNMENTS

The Consortium receivable from other governments as of September 30, 2016, is \$107,660 due from the Gulf Coast Ecosystem Restoration Council.

4. RELATED PARTIES

State of Florida

On June 12, 2013, the Consortium entered into a Memorandum of Understanding (MOU) with the Governor of the State of Florida to collaborate for the benefit of the Gulf of Mexico and the State of Florida with a focus on maximizing Florida's attainment of funds under the RESTORE Act to restore the Gulf Coast resources and energize the economy recovery in the region. The MOU establishes the process of coordinating with the Governor's office on projects in the State Expenditure Plan for Florida, which will be certified, if appropriate, by the Governor to the Gulf Coast Ecosystem Restoration Council for approval (see Note 1 for information on the Restoration Council). As part of the MOU, the Governor shall appoint six individuals to provide input and guidance to the Consortium on policies and criteria used to determine projects, activities, and programs for consideration in the State Expenditure Plan (the Plan). Additionally, the Consortium will consult with the State on the development of the Plan and provide the Plan to the Governor for review prior to submission to the Restoration Council.

Florida Association of Counties, Inc.

The Consortium entered into an agreement on October 19, 2012, with the Florida Association of Counties, Inc. (FAC) for the FAC to serve as the Consortium's interim manager. Services to be provided include administration of Consortium operations as well as other administrative duties, including the annual budget preparation. The term of the initial agreement was extended effective October 2013. According to the amendment, the contract term shall be extended and continue until sixty (60) days after the effective date of the Consortium's hiring, engaging, or retaining a permanent manager, unless an earlier expiration date is mutually agreed to in writing. FAC is to be compensated \$5,000 per month for these services. Management expenses for the year ended September 30, 2016, totaled \$60,000.

**GULF CONSORTIUM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

4. RELATED PARTIES – CONTINUED

Leon County, Florida

The Consortium has an interlocal agreement with Leon County, Florida to provide all necessary personnel to develop a competitive procurement policy and procurement services as needed. The level of effort related to these services were not significant during the year ended September 30, 2016, and as such no expenses or related in-kind revenue have been recorded.

5. CONCENTRATIONS

The Consortium's revenue is generated from two sources, membership dues and federal grant funds relating to the Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program. During the year ended September 30, 2016 33% of the Consortium's revenue was generated from membership dues and 66% from federal grant awards. The Consortium is fiscally dependent upon these revenue sources.

6. COMMITMENTS AND CONTINGENCIES

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Consortium expects such amount, if any, to be immaterial.

7. SUBSEQUENT EVENTS

The Board of Directors approved a recommendation from the Evaluation Team for permanent management services of the Consortium in February, 2017 based on a competitive bid process. The contract will come before the Board for approval and execution in April, 2017.

**INDEPENDENT ACCOUNTANTS' REPORT ON AN EXAMINATION OF
COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER
10.550, RULES OF THE AUDITOR GENERAL**

To the Members of the Gulf Consortium

We have examined the Gulf Consortium's (the Consortium) compliance with Florida Statute 218.415 in regards to the investments for the year ended September 30, 2016:

Management is responsible for the Consortium's compliance with those requirements. Our responsibility is to express an opinion on the Consortium's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Consortium's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Consortium's compliance with specified requirements.

In our opinion, the Gulf Consortium complied, in all material respects, with Florida Statute 218.415 in regards to the investments for the year ended September 30, 2016.

Fort Walton Beach, Florida
March 20, 2017

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS**

To the Members of the Gulf Consortium

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Gulf Consortium, as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Gulf Consortium's basic financial statements and have issued our report thereon dated March 20, 2017.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Gulf Consortium's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Gulf Consortium's internal control. Accordingly, we do not express an opinion on the effectiveness of the Gulf Consortium's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Gulf Consortium's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fort Walton Beach, Florida
March 20, 2017

DRAFT

MANAGEMENT LETTER

To the Members of the Gulf Consortium

Report on the Financial Statements

We have audited the financial statements of the Gulf Consortium (the Consortium), as of and for the fiscal year ended September 30, 2016, and have issued our report thereon dated March 20, 2017.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Auditor General.

Other Report

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in this report, which is dated March 20, 2017, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial report. There were no recommendations made in the preceding audit report.

Official Title and Legal Authority

Section 10.554(l)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The official title and legal authority for the Consortium has been disclosed in Note 1 to the financial statements. The Consortium has no component units.

Financial Condition

Section 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and report the results of our determination as to whether or not the Consortium has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the Consortium did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c., and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the Consortium's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Annual Financial Report

Section 10.554(1)(i)5.b. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the Consortium, for the fiscal year ended September 30, 2016, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2016. In connection with our audit, we determined that these two reports were in agreement.

Special District Component Units

Section 10.554(1)(i)5.d, *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. The Consortium has no special districts that are component units.

Other Matters

Section 10.554(1)(i)2., *Rules of Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)3., *Rules of Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, members of the Gulf Consortium, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We greatly appreciate the assistance and cooperation extended to us during our audit.

Fort Walton Beach, Florida
March 20, 2017

Client: 07685000 - Gulf Consortium
Engagement: AUDA-2016 - Gulf Consortium
Period Ending: 9/30/2016
Trial Balance: 401F - Government Fund Trial Balance
Workpaper: 403 - Adjusting Journal Entries Report (None for FY15)
Fund Level: All
Index: All

Account	Description	W/P Ref	Debit	Credit
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Adjusting Journal Entries

Adjusting Journal Entries JE # 3

To correct and eliminate other revenue.

401-0000-202.00-00	ACCOUNTS PAYABLE		10,133.00	
401-0000-369.90-99	OTHER REVENUE		26,285.00	
401-0000-115.00-00	ACCOUNTS RECEIVABLE			26,285.00
401-0000-369.90-99	OTHER REVENUE			10,133.00
Total			36,418.00	36,418.00
Total Adjusting Journal Entries			36,418.00	36,418.00
Total All Journal Entries			36,418.00	36,418.00

Client: 07685000 - Gulf Consortium
Engagement: AUDA-2016 - Gulf Consortium
Period Ending: 9/30/2016
Trial Balance: 401F - Government Fund Trial Balance
Workpaper: 404 - Reclassifying Journal Entries Report (None for FY15)
Fund Level: All
Index: All

Account	Description	W/P Ref	Debit	Credit
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Reclassifying Journal Entries

Reclassifying Journal Entries JE # 4

To reclassify grant writer expenditures out of management expense

401-0001-514.30-05 Grant Writer Fees

401-0000-513.30-00 MANAGEMENT EXPENSES

Total

501E

15,000.00

15,000.00

15,000.00

15,000.00

Total Reclassifying Journal Entries

15,000.00

15,000.00

Total All Journal Entries

15,000.00

15,000.00

Engagement:	07685000 - Gulf Consortium												
Period Ending:	AUDA-2016 - Gulf Consortium												
Trial Balance:	9/30/2016												
Workpaper:	401F - Government Fund Trial Balance												
Fund Level:	402.401 - Working Trial Balance												
Index:	Fund												
	401												
Account	Description	UNADJ 9/30/2016	JE Ref #	AJE 9/30/2016	JE Ref #	RJE 9/30/2016	FINAL 9/30/2016	JE Ref #	GASB 9/30/2016	GOVWDE 9/30/2016	1st PP-GOVWDE 9/30/2015	\$Var549	%Var550
Group : [11000]	Cash and Cash Equivalents												
Subgroup : [11000.00]Cash and Cash Equivalents													
Fund : 401	Gulf Consortium												
401-0000-101.00-00	CASH / SUNTRUST	35,512.00		0.00		0.00	35,512.00		0.00	35,512.00	47,949.00	(12,437.00)	(25.94%)
401-0001-101.00-00	WELLS FARGO - GRANT	170,953.00		0.00		0.00	170,953.00		0.00	170,953.00	0.00	170,953.00	0.00%
Subtotal Fund : 401	Subgroup : [11000.00] Cash and Cash	206,465.00		0.00		0.00	206,465.00		0.00	206,465.00	47,949.00	158,516.00	330.59%
Subtotal All Funds Ph	Subtotal [11000.00] Cash and Cash Eq	206,465.00		0.00		0.00	206,465.00		0.00	206,465.00	47,949.00	158,516.00	330.59%
All Funds Presented	Group Total [11000] Cash and Cash Ex	206,465.00		0.00		0.00	206,465.00		0.00	206,465.00	47,949.00	158,516.00	330.59%
Group : [13000]	Receivables												
Subgroup : [13000.03]Accounts													
Fund : 401	Gulf Consortium												
401-0000-115.00-00	ACCOUNTS RECEIVABLE	26,285.00		(26,285.00)		0.00	0.00		0.00	0.00	0.00	0.00	0.00%
			AJE - 3	(26,285.00)									
401-0001-115.00-00	ACCOUNTS RECEIVABLE - GRANT	107,660.00		0.00		0.00	107,660.00		0.00	107,660.00	0.00	107,660.00	0.00%
Subtotal Fund : 401	Subgroup : [13000.03] Accounts	133,945.00		(26,285.00)		0.00	107,660.00		0.00	107,660.00	0.00	107,660.00	0.00%
Subtotal All Funds Ph	Subtotal [13000.03] Accounts	133,945.00		(26,285.00)		0.00	107,660.00		0.00	107,660.00	0.00	107,660.00	0.00%
All Funds Presented	Group Total [13000] Receivables	133,945.00		(26,285.00)		0.00	107,660.00		0.00	107,660.00	0.00	107,660.00	0.00%
Group : [21000]	Accounts Payable												
Subgroup : [21000.00]Accounts Payable													
Fund : 401	Gulf Consortium												
401-0000-202.00-00	ACCOUNTS PAYABLE	(32,406.00)		10,133.00		0.00	(22,273.00)		0.00	(22,273.00)	(32,134.00)	9,861.00	(30.69%)
			AJE - 3	10,133.00									
401-0001-202.00-00	ACCURUED LIABILITIES - GRANT	(278,613.00)		0.00		0.00	(278,613.00)		0.00	(278,613.00)	0.00	(278,613.00)	0.00%
Subtotal Fund : 401	Subgroup : [21000.00] Accounts Payal	(311,019.00)		10,133.00		0.00	(300,886.00)		0.00	(300,886.00)	(32,134.00)	(268,752.00)	836.35%
Subtotal All Funds Ph	Subtotal [21000.00] Accounts Payable	(311,019.00)		10,133.00		0.00	(300,886.00)		0.00	(300,886.00)	(32,134.00)	(268,752.00)	836.35%
All Funds Presented	Group Total [21000] Accounts Payable	(311,019.00)		10,133.00		0.00	(300,886.00)		0.00	(300,886.00)	(32,134.00)	(268,752.00)	836.35%
Group : [35300]	Unrestricted												
Subgroup : [35300.00]Unrestricted													
Fund : 401	Gulf Consortium												
401-0000-275.10-00	RESTRICTED NET POSITION	(15,815.00)		0.00		0.00	(15,815.00)		0.00	(15,815.00)	(8,294.00)	(7,521.00)	90.68%
Subtotal Fund : 401	Subgroup : [35300.00] Unrestricted	(15,815.00)		0.00		0.00	(15,815.00)		0.00	(15,815.00)	(8,294.00)	(7,521.00)	90.68%
Subtotal All Funds Ph	Subtotal [35300.00] Unrestricted	(15,815.00)		0.00		0.00	(15,815.00)		0.00	(15,815.00)	(8,294.00)	(7,521.00)	90.68%
All Funds Presented	Group Total [35300] Unrestricted	(15,815.00)		0.00		0.00	(15,815.00)		0.00	(15,815.00)	(8,294.00)	(7,521.00)	90.68%
Group : [40300]	Intergovernmental												
Subgroup : [40300.00]Intergovernmental													
Fund : 401	Gulf Consortium												
401-0001-389.20-00	PLANNING GRANT: PRE AWARD - LEC	(4,740.00)		0.00		0.00	(4,740.00)		0.00	(4,740.00)	0.00	(4,740.00)	0.00%
401-0001-389.20-01	PLANNING GRANT: PRE AWARD AV/M	(11,285.00)		0.00		0.00	(11,285.00)		0.00	(11,285.00)	0.00	(11,285.00)	0.00%
401-0001-389.20-02	PLANNING GRANT: PRE AWARD ESA/	(154,928.00)		0.00		0.00	(154,928.00)		0.00	(154,928.00)	0.00	(154,928.00)	0.00%
401-0001-389.20-03	PLANNING GRANT: SEP - ESA 4A	(92,660.00)		0.00		0.00	(92,660.00)		0.00	(92,660.00)	0.00	(92,660.00)	0.00%
401-0001-389.20-04	PLANNING GRANT: SEP ESA 5	(15,000.00)		0.00		0.00	(15,000.00)		0.00	(15,000.00)	0.00	(15,000.00)	0.00%
Subtotal Fund : 401	Subgroup : [40300.00] Intergovernmer	(278,613.00)		0.00		0.00	(278,613.00)		0.00	(278,613.00)	0.00	(278,613.00)	0.00%
Subtotal All Funds Ph	Subtotal [40300.00] Intergovernmental	(278,613.00)		0.00		0.00	(278,613.00)		0.00	(278,613.00)	0.00	(278,613.00)	0.00%
All Funds Presented	Group Total [40300] Intergovernmenta	(278,613.00)		0.00		0.00	(278,613.00)		0.00	(278,613.00)	0.00	(278,613.00)	0.00%
Group : [45100]	Charges for Services (Proprietary Fun												
Subgroup : [45100.00]Charges for Services													
Fund : 401	Gulf Consortium												
401-0000-349.00-00	MEMBERSHIP DUES	(140,050.00)		0.00		0.00	(140,050.00)		0.00	(140,050.00)	(140,050.00)	0.00	0.00%
Subtotal Fund : 401	Subgroup : [45100.00] Charges for Ser	(140,050.00)		0.00		0.00	(140,050.00)		0.00	(140,050.00)	(140,050.00)	0.00	0.00%

Subtotal All Funds PnSubtotal [45100.00] Charges for Servi	(140,050.00)	0.00	0.00	(140,050.00)	0.00	(140,050.00)	(140,050.00)	0.00	0.00%
All Funds Presented Group Total [45100] Charges for Servi	(140,050.00)	0.00	0.00	(140,050.00)	0.00	(140,050.00)	(140,050.00)	0.00	0.00%
Group : [55200] Operating									
Subgroup : [55200.01] Management Expenses									
Fund : 401 Gulf Consortium									
401-0000-513.30-00 MANAGEMENT EXPENSES	75,000.00	0.00	(15,000.00)	60,000.00	0.00	60,000.00	60,000.00	0.00	0.00%
Subtotal Fund : 401 Subgroup : [55200.01] Management Ex	75,000.00	0.00	(15,000.00)	60,000.00	0.00	60,000.00	60,000.00	0.00	0.00%
Subtotal All Funds PnSubtotal [55200.01] Management Expe	75,000.00	0.00	(15,000.00)	60,000.00	0.00	60,000.00	60,000.00	0.00	0.00%
Subgroup : [55200.02] Professional Fees									
Fund : 401 Gulf Consortium									
401-0000-513.30-01 AUDIT	3,000.00	0.00	0.00	3,000.00	0.00	3,000.00	3,000.00	0.00	0.00%
401-0000-514.30-00 LEGAL	52,375.00	0.00	0.00	52,375.00	0.00	52,375.00	60,000.00	(7,625.00)	(12.71%)
401-0001-514.30-00 PLANNING GRANT: LEGAL	4,740.00	0.00	0.00	4,740.00	0.00	4,740.00	0.00	4,740.00	0.00%
401-0001-514.30-02 PLANNING GRANT: CONSULTING	154,928.00	0.00	0.00	154,928.00	0.00	154,928.00	0.00	154,928.00	0.00%
401-0001-514.30-03 DEVELOPMENT OF SEP: WORK ORDE	92,660.00	0.00	0.00	92,660.00	0.00	92,660.00	0.00	92,660.00	0.00%
401-0001-514.30-04 DEVELOPMENT OF SEP: WORK ORDE	15,000.00	0.00	0.00	15,000.00	0.00	15,000.00	0.00	15,000.00	0.00%
401-0001-514.30-05 Grant Writer Fees	0.00	0.00	15,000.00	15,000.00	0.00	15,000.00	0.00	15,000.00	0.00%
Subtotal Fund : 401 Subgroup : [55200.02] Professional Fe	322,703.00	0.00	15,000.00	337,703.00	0.00	337,703.00	63,000.00	274,703.00	436.04%
Subtotal All Funds PnSubtotal [55200.02] Professional Fees	322,703.00	0.00	15,000.00	337,703.00	0.00	337,703.00	63,000.00	274,703.00	436.04%
Subgroup : [55200.04] Travel and Other									
Fund : 401 Gulf Consortium									
401-0000-519.30-00 MEETING AND TRAVEL	11,630.00	0.00	0.00	11,630.00	0.00	11,630.00	8,520.00	3,110.00	36.50%
401-0000-519.30-99 MISCELLANEOUS EXPENSES	690.00	0.00	0.00	690.00	0.00	690.00	1,030.00	(340.00)	(33.01%)
401-0001-519.30-00 PLANNING GRANT: PRE AWARD AV/VI	11,285.00	0.00	0.00	11,285.00	0.00	11,285.00	0.00	11,285.00	0.00%
Subtotal Fund : 401 Subgroup : [55200.04] Travel and Oth	23,605.00	0.00	0.00	23,605.00	0.00	23,605.00	9,550.00	14,055.00	147.17%
Subtotal All Funds PnSubtotal [55200.04] Travel and Other	23,605.00	0.00	0.00	23,605.00	0.00	23,605.00	9,550.00	14,055.00	147.17%
All Funds Presented Group Total [55200] Operating	421,308.00	0.00	0.00	421,308.00	0.00	421,308.00	132,550.00	288,758.00	217.85%
Group : [65500] Interest Income									
Subgroup : [65500.00] Interest Income									
Fund : 401 Gulf Consortium									
401-0000-361.10-00 INTEREST INCOME	(69.00)	0.00	0.00	(69.00)	0.00	(69.00)	(21.00)	(48.00)	228.57%
Subtotal Fund : 401 Subgroup : [65500.00] Interest Income	(69.00)	0.00	0.00	(69.00)	0.00	(69.00)	(21.00)	(48.00)	228.57%
Subtotal All Funds PnSubtotal [65500.00] Interest Income	(69.00)	0.00	0.00	(69.00)	0.00	(69.00)	(21.00)	(48.00)	228.57%
All Funds Presented Group Total [65500] Interest Income	(69.00)	0.00	0.00	(69.00)	0.00	(69.00)	(21.00)	(48.00)	228.57%
Group : [65900] Miscellaneous									
Subgroup : [65900.00] Miscellaneous									
Fund : 401 Gulf Consortium									
401-0000-369.90-99 OTHER REVENUE	(16,152.00)	16,152.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Subtotal Fund : 401 Subgroup : [65900.00] Miscellaneous	(16,152.00)	16,152.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Subtotal All Funds PnSubtotal [65900.00] Miscellaneous	(16,152.00)	16,152.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
All Funds Presented Group Total [65900] Miscellaneous	(16,152.00)	16,152.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
NET (INCOME) LOSS	(13,576.00)	16,152.00	0.00	2,576.00	0.00	2,576.00	(7,521.00)	10,097.00	(134.25%)
Sum of Account Groups	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%

AGENDA ITEM 10

**Gulf Consortium Executive Committee
March 30, 2017**

**Agenda Item 10
Recommend Approval of Contract with The Balmoral Group, LLC
for Management Services**

Executive Summary:

This agenda item seeks Board approval of the attached proposed Agreement for Management Services between the Gulf Consortium and The Balmoral Group, LLC.

Background:

On October 19, 2012, the Consortium hired the Florida Association of Counties (FAC) to provide Interim Management Services to the Consortium. The original contract contained a one-year term. That term was then extended in September 2013 until "the effective date of the Consortium's hiring, engaging or retaining a permanent Manager, unless an earlier expiration date is mutually agreed to in writing."

In anticipation of planning grant funds, the Consortium began the process of hiring a permanent Manager by approving the issuance of a Request for Proposals (RFP) utilizing the procurement services of Leon County Purchasing Department. The RFP was issued on June 23, 2015. However, the RFP process was suspended on July 15, 2015 due to the Restoration Council confirming that planning grant funds would not be allowed for much of the costs of the day-to-day functions performed by the Manager of the Consortium.

Upon clarifying the contract funding issues, on December 2, 2016, the Consortium approved conducting a competitive procurement process of hiring a permanent Manager through the issuance of an RFP. On February 8, 2017, the Board voted unanimously to accept the Evaluation Team's recommendation and authorized the negotiation of a contract with The Balmoral Group.

Attached for the Board's consideration is a proposed Agreement for Management Services for a term of two years commencing May 1, 2017 through April 31, 2019. Management Services for the initial two-year period will not to exceed \$8,588 per month. If the Agreement is extended beyond the initial two-year period, the compensation shall not exceed \$7,642 per month.

Options:

- (1) Approve the proposed Agreement.
- (2) Disapprove the proposed Agreement.
- (3) Provide other direction.

Fiscal Impact:

Currently, the Consortium has budgeted \$60,000 annually for interim management services through the county contributions and \$50,000 annually, for two years, for contract management services through the planning grant.

If approved, the proposed Agreement with The Balmoral Group totals \$103,056 annually.

Attachment:

Agreement for Management Services between the Gulf Consortium and The Balmoral Group, LLC.

Prepared by:

Lynn M. Hoshihara
Nabors, Giblin & Nickerson, P.A.
General Counsel
March 22, 2017

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended____; Defeated_____.

**AGREEMENT FOR MANAGEMENT SERVICES BETWEEN
THE GULF CONSORTIUM AND THE BALMORAL GROUP, LLC**

THIS AGREEMENT is by and between the Gulf Consortium, which is a legal entity and public body organized and created pursuant to an interlocal agreement among the 23 county governments along Florida's Gulf Coast (the "Consortium"), and The Balmoral Group, LLC, which is a Florida limited liability company, whose business address is 165 Lincoln Avenue, Winter Park, Florida 32789 (the "Contractor").

WHEREAS, the Consortium desires to obtain the professional services of a management company to aid in conducting the business of the Consortium; and

WHEREAS, the Contractor represents that it has the experience and expertise in the type of professional services that will be required by the Consortium; and

WHEREAS, the Consortium, through a selection process conducted in accordance with the requirements of law and Consortium policy, has selected Contractor as the entity to provide management services to the Consortium; and

WHEREAS, the Consortium seeks to engage the Contractor for the purpose of providing management services.

NOW, THEREFORE, the parties hereto agree as follows:

1. SERVICES TO BE PROVIDED

The Contractor hereby agrees to provide to the Consortium management services in accordance with:

- A. The Request for Proposal for Management Services for the Gulf Consortium # BC-01-10-17-16 ("RFP"), which is attached hereto and incorporated herein as Exhibit A, to the extent that the RFP is not inconsistent with this Agreement; and
- B. The Contractor's submissions to the RFP, which is attached hereto and incorporated herein as Exhibit B, to the extent that the submission is not inconsistent with this Agreement or with Exhibit A.

2. FUND AVAILABILITY

The performance of the Consortium of any of its obligations under this Agreement shall be subject to and contingent upon the availability of funds lawfully expendable for the purposes of this Agreement for the current and any future periods provided for within this Agreement.

The following statement is included in this Agreement in accordance with section 218.77, Florida Statutes, regarding requirements for disclosure of contingencies associated with federal requirements: The payment of costs to the Contractor for the management services is contingent upon the receipt of federal funds and federal approval.

3. TERM OF AGREEMENT

The Agreement shall be for a period of two years, commencing on May 1, 2017, and shall continue until April 31, 2019. After the initial two year period, at the sole option of the Consortium, this Agreement may be extended for no more than two additional one year periods. Such one year extensions will be automatic unless the Consortium provides written notice of non-renewal to the Contractor no less than thirty (30) days prior to the expiration date of the then-current term.

4. COMPENSATION

The Contractor agrees that for the performance of the Services as outlined in Section 1 above, it shall be compensated by the Gulf Consortium in a manner that maximizes the use of federal funds to pay for such services and in no event shall the compensation exceed EIGHT THOUSAND FIVE HUNDRED EIGHTY EIGHT DOLLARS (\$8,588) per month for the initial two-year period. The compensation shall include all services to be provided, including expenses such as copying, long distance phone, travel, and general overhead. If this Agreement is extended beyond the initial two-year period, Contractor's compensation for subsequent years shall not exceed SEVEN THOUSAND SIX HUNDRED FORTY TWO DOLLARS (\$7,642) per month.

5. PAYMENTS

In accordance with part VII of Chapter 218, Florida Statutes, the Consortium shall make such payments within forty-five (45) days of submission and approval of invoice for services.

6. STATUTORY PROMPT PAYMENT INFORMATION REQUIREMENTS

A. Notices to the Consortium are to be submitted to:

Name:	Lynn M. Hoshihara, Esq.
Street Address:	1500 Mahan Drive, Suite 200
City, State, Zip Code:	Tallahassee, FL 32308
Telephone:	850-224-4070
E-mail:	lhoshihara@ngnlaw.com

B. Notices to the Contractor are to be submitted to:

Name:	Valerie Seidel
Street Address:	165 Lincoln Avenue
City, State, Zip Code:	Winter Park, FL 32789
Telephone:	407-629-2185
E-mail:	vseidel@balmoralgroup.us

C. Invoice: The Contractor shall submit requests for payment to the Consortium in the following form:

A numbered invoice document with date of invoice; reference of the Consortium contract number; itemized listing of all goods and services being billed with unit prices and extended pricing; Contractor's name, address, billing contact person information, and Federal tax identification number. The invoice must be properly addressed and delivered to the contact identified above.

- D. Payment Dispute Resolution: Resolution 2015-01 of the Consortium establishes the Gulf Consortium Purchasing Policy for Management Services. The Resolution and part VII of chapter 218, Florida Statutes, establish the policy and procedures for payment disputes that apply to this Agreement.

7. STATUS

The Contractor at all times relevant to this Agreement shall be an independent contractor and in no event shall the Contractor nor any employees or sub-contractors under it be considered to be employees of the Consortium.

8. INSURANCE

Contractor shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

A. Minimum Limits of Insurance. Contractor shall maintain limits no less than:

1. General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage with a \$2,000,000 annual aggregate.
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage. (Non-owned, Hired Car).
3. Workers' Compensation and Employers Liability: Insurance covering all employees meeting Statutory Limits in compliance with the applicable state and federal laws and Employer's Liability with a limit of \$500,000 per accident, \$500,000 disease policy limit, \$500,000 disease each employee. Waiver of Subrogation in lieu of Additional Insured is required.
4. Professional Liability Insurance, including errors and omissions: for all services provided under the terms of this Agreement with minimum limits of \$1,000,000.00 Dollars per occurrence; or claims made with "tail coverage" extending three (3) years beyond the term of the Agreement. Proof of "tail coverage" must be submitted with the invoice for final payment.

B. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the Consortium. At the option of the Consortium, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Consortium, its officers, officials, employees and volunteers; or the Consortium shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages (the Consortium is to be named as Additional Insured).
 - a. The Consortium, its officers, officials, employees and volunteers are to be covered as insureds as respects; liability arising out of activities performed by or on behalf of the Contractor, including the insured's general supervision of the Contractor; products and completed operations of the Contractor; premises owned, occupied or used by the Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protections afforded the Consortium, its officers, officials, employees or volunteers.
 - b. The Contractor's insurance coverage shall be primary insurance as respects the Consortium, its officers, officials, employees and volunteers. Any insurance of self-insurance maintained by the Consortium, its officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
 - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Consortium, its officers, officials, employees or volunteers.
 - d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. All Coverages

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Consortium.

- D. Acceptability of Insurers. Insurance is to be placed with insurers with a Best's rating of no less than A:VII.
- E. Verification of Coverage. Contractor shall furnish the Consortium with certificates of

insurance and with original endorsements effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the Consortium before work commences. The Consortium reserves the right to require complete, certified copies of all required insurance policies at any time.

- F. Subcontractors. Contractors shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

9. PERMITS

The Contractor shall pay for and obtain all necessary permits as required by law.

10. LICENSES

The Contractor shall be responsible for obtaining and maintaining its city or county occupational license and any licenses required pursuant to the laws of Leon County, the City of Tallahassee, or the State of Florida. Should the Contractor, by reason of revocation, failure to renew, or any other reason, fail to maintain his license to operate, the Contractor shall be in default as of the date such license is lost.

11. ASSIGNMENTS

- A. In providing services under this Agreement, the Contractor agrees to utilize the services of the team of consultants designated in its bid proposals. If the Contractor desires to utilize the services of consultants that were not part of the Contractor's proposal submission team, it can do so only with the written approval of the Consortium.
- B. This Agreement shall not be assigned or sublet as a whole or in part without the written consent of the Consortium. The Contractor shall not assign any monies due or to become due to it hereunder without the previous written consent of the Consortium.

12. INDEMNIFICATION

The Contractor agrees to indemnify and hold harmless the Consortium, its officials, officers, representatives, employees and agents, from and against any and all claims, damages, liabilities, losses, costs, or suits of any nature whatsoever arising out of, because of, or due to any negligent acts or omissions of the Contractor, its delegates, employees and agents, arising out of or under this Agreement, including reasonable attorney's fees. The Contractor acknowledges that ten dollars (\$10.00) of the amount paid to the Contractor is sufficient consideration for the Contractor's indemnification of the Consortium.

13. AUDITS, RECORDS, AND RECORDS RETENTION

The Contractor agrees:

- a. To establish and maintain books, records, and documents (including electronic storage media) in accordance with generally accepted accounting procedures and practices, which sufficiently and properly reflect all revenues and expenditures of funds provided by the Consortium under this Agreement.
- b. To the extent the Contractor is performing services on behalf of the Consortium, the Contractor must:
 - (i) Keep and maintain public records that ordinarily and necessarily would be required by the Consortium in order to perform the service;
 - (ii) Provide the public with access to public records on the same terms and conditions that the Consortium would provide the records and at a cost that not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law;
 - (iii) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law;
 - (iv) Meet all requirements for retaining public records and transfer, at no cost, to the Consortium all public records in possession of the Contractor upon termination of this Agreement and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the Consortium in a format that is compatible with the Consortium's information technology systems.
- c. To retain all client records, financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to this Agreement for a period of five (5) years after termination of the Agreement, or if an audit has been initiated and audit findings have not been resolved at the end of five (5) years, the records shall be retained until resolution of the audit findings or any litigation which may be based on the terms of this Agreement.
- d. Upon completion or termination of the Agreement and at the request of the Consortium, the Contractor shall cooperate with the Consortium to facilitate the duplication and transfer of any said records or documents during the required retention period as specified in this Section.
- e. To assure that these records shall be subject at all reasonable times to inspection, review, or audit by Federal, state, or other personnel duly authorized by the Consortium.
- f. Persons duly authorized by the Consortium and Federal auditors, pursuant to 45 CFR, Part 92.36(l)(10), shall have full access to and the right to examine any of provider's Agreement and related records and documents, regardless of the form in

which kept, at all reasonable times for as long as records are retained.

- g. To include these aforementioned audit and record keeping requirements in all approved subcontracts and assignments.

14. MONITORING

To permit persons duly authorized by the Consortium to inspect any records, papers, documents, facilities, goods, and services of the provider which are relevant to this Agreement, and interview any clients and employees of the provider to assure the Consortium of satisfactory performance of the terms and conditions of this Agreement.

Following such evaluation, the Consortium will deliver to the Contractor a written report of its findings and will include written recommendations with regard to the Contractor's performance of the terms and conditions of this Agreement. The Contractor shall correct all noted deficiencies identified by the Consortium within the specified period of time set forth in the recommendations. The Contractor's failure to correct noted deficiencies may, at the sole and exclusive discretion of the Consortium, result in any one or any combination of the following: (1) the Contractor being deemed in breach or default of this Agreement; (2) the withholding of payments to the Contractor by the Consortium; and (3) the termination of this Agreement for cause.

15. TERMINATION

The Consortium may terminate this Agreement without cause, by giving the Contractor thirty (30) days written notice of termination. Either party may terminate this Agreement for cause by giving the other party hereto thirty (30) days written notice of termination. The Consortium shall not be required to give Contractor such thirty (30) day written notice if, in the opinion of the Consortium, the Contractor is unable to perform its obligations hereunder, or if in the Consortium's opinion, the services being provided are not satisfactory. In such case, the Consortium may immediately terminate the Agreement by mailing a notice of termination to the Contractor. The Consortium may retain/withhold payment for nonperformance if deemed appropriate to do so by the Consortium.

16. PUBLIC ENTITY CRIMES STATEMENT

In accordance with Section 287.133, Florida Statutes, Contractor hereby certifies that to the best of his knowledge and belief neither Contractor nor his affiliates has been convicted of a public entity crime. Contractor and his affiliates shall provide the Consortium with a completed public entity crime statement form no later than February 15 of each year this Agreement is in effect. Violation of this section by the Contractor shall be grounds for cancellation of this Agreement by the Consortium.

17. UNAUTHORIZED ALIENS

The Contractor agrees that unauthorized aliens shall not be employed nor utilized in the performance of the requirements of this solicitation. The Consortium shall consider the employment or utilization of unauthorized aliens a violation of Section 274A(e) of the

Immigration and Naturalization Act (8 U.S.C. 1324a). Such violation shall be cause for unilateral termination of this Agreement by the Consortium.

18. EMPLOYMENT ELIGIBILITY VERIFICATION

- a. Contractor agrees that it will enroll and participate in the federal E-Verify Program for Employment Verification under the terms provided in the "Memorandum of Understanding" governing the program. Contractor further agrees to provide to the Consortium, within thirty days of the effective date of this contract/amendment/extension, documentation of such enrollment in the form of a copy of the E-Verify "Edit Company Profile" screen", which contains proof of enrollment in the E-Verify Program (this page can be accessed from the "Edit Company Profile" link on the left navigation menu of the E-Verify employer's homepage).
- b. Contractor further agrees that it will require each subcontractor that performs work under this contract to enroll and participate in the E-Verify Program within sixty days of the effective date of this contract/amendment/extension or within sixty days of the effective date of the contract between the Contractor and the subcontractor, whichever is later. The Contractor shall obtain from the subcontractor(s) a copy of the "Edit Company Profile" screen indicating enrollment in the E-Verify Program and make such record(s) available to the Agency upon request.
- c. Contractor will utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of: (a) all persons employed during the term of the Agreement by Contractor to perform employment duties within Florida; and (b) all persons (including subcontractors) assigned by Contractor to perform work pursuant to the Agreement.
 - 1) Contractor must use E-Verify to initiate verification of employment eligibility for all persons employed during the term of the Agreement by Contractor to perform employment duties within Florida within 3 business days after the date of hire.
 - 2) Contractor must initiate verification of each person (including subcontractors) assigned by Contractor to perform work pursuant to the Agreement within 60 calendar days after the date of execution of this contract or within 30 days after assignment to perform work pursuant to the Agreement, whichever is later.
- d. Contractor further agrees to maintain records of its participation and compliance with the provisions of the E-Verify program, including participation by its subcontractors as provided above, and to make such records available to the Consortium or other authorized state entity consistent with the terms of the Memorandum of Understanding.
- e. Compliance with the terms of this Employment Eligibility Verification provision is made an express condition of this contract and the Consortium may treat a failure to comply as a material breach of the contract.

19. NON-WAIVER

Failure by the Consortium to enforce or insist upon compliance with any of the terms or conditions of this Agreement or failure to give notice or declare this Agreement terminated shall not constitute a general waiver or relinquishment of the same, or of any other terms, conditions or acts; but the same shall be and remain at all times in full force and effect.

20. DELAY

No claim for damages or any claim other than for an extension of time shall be made or asserted against the Consortium by reason of any delays. The Contractor shall not be entitled to an increase in the contract sum or payment or compensation of any kind from the Consortium for direct, indirect, consequential, impact or other costs, expenses or damages, including but limited to costs of acceleration or inefficiency, arising because of delay, disruption, interference or hindrance from any cause whatsoever, whether such delay, disruption, interference or hindrance be reasonable or unreasonable, foreseeable or unforeseeable, or avoidable or unavoidable; provided, however, that this provision shall not preclude recovery of damages by the Contractor for hindrances or delays due solely to fraud, bad faith, or active interference on the part of the Consortium or its agents. Otherwise, the Contractor shall be entitled only to extensions of the contract time as the sole and exclusive remedy for such resulting delay, in accordance with and to the extent specifically provided above.

21. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding between the parties with respect to the transaction contemplated herein and supersedes all prior written or oral negotiations, commitments or writings. All future modifications to this Agreement shall be in writing signed by both parties.

22. VENUE

Venue for all actions arising under this Agreement shall lie in Leon County, Florida.

23. CONSTRUCTION

The validity, construction, and effect of this Agreement shall be governed by the laws of the State of Florida.

24. CONFLICTING TERMS AND CONDITIONS

In the instance that any other agreement exists concerning the matters herein, then the terms and conditions in this Agreement shall prevail over all other terms and conditions.

WHERETO, the parties have set their hands and seals effective the date whereon the last party executes this Agreement.

GULF CONSORTIUM

By: _____
Grover Robinson, Chairman

Date: _____

SECRETARY/TREASURER:

By: _____
George Neugent

Date: _____

Approved as to Form:

BY: _____
Lynn M. Hoshihara, Esq.
Nabors, Giblin & Nickerson, P.A.
General Counsel to
the Gulf Consortium

THE BALMORAL GROUP, LLC

By: Keil
President or designee

Title: President

Date: 3/8/17

AGENDA ITEM 11

**Gulf Consortium Executive Committee
March 30, 2017**

**Agenda Item 11
Discussion of Teleconference Gulf Consortium
Board of Directors' Meetings**

Executive Summary:

This agenda item calls for discussion on providing conference call ability for the full Gulf Consortium Board meetings.

Background:

Gulf Consortium staff has provided the Executive Committee and Board of Directors information and analysis on the teleconferencing ability and reliability for Gulf Consortium Board meetings in 2015 and 2016. The Board has directed FAC staff to bring back for discussion the ability to hold teleconference meetings and for members of the Gulf Consortium Board of Directors to be able to attend and vote via teleconference if unable to attend in person.

Analysis:

The issues for the Board to discuss are two-fold: (1) as a matter of Board policy, whether it wants to allow remote, full participation in Board meetings by Directors or their alternates or whether it wants to continue the culture of conducting business at in-person meetings; and, (2) if full, remote participation is allowed, the potential for unreliable telephonic access exists because of the transitory nature of the Board meetings.

The Consortium has a sufficient budget to cover the costs of providing remote participation. In the past two years, the Consortium has incurred the following amounts, indicated by location for varying levels and success for remote access.

Meeting Date	Location/Facility	AV Cost for Meeting	Telephone Access Available	Number in Attendance
1/21/2015	FDEP - Tallahassee	\$846.00	No	23
3/25/2015	FDEP – Tallahassee	\$846.00	No	27
6/19/2015	Sawgrass Marriott – St. Johns County	\$2,891.68 (basic mics and sound)	No	22
8/26/2015	St. Petersburg Hilton – Pinellas County	\$2,558.58	No	26
11/18/2015	Amelia Island Plantation – Nassau County	\$1,747.95 (no issues)	Yes	22

Meeting Date	Location/Facility	AV Cost for Meeting	Telephone Access Available	Number in Attendance
4/21/2016	Hillsborough County Center	\$0	Yes (no issues)	19
6/28/2016	Hyatt Regency Orlando	\$2,880.29	Yes (phone system could not connect properly – 2 way communication not working correctly)	20
9/13/2016	Hutchinson Island Marriott – Martin County	\$1,740.60	Yes (could not get phone line to work properly)	18
12/2/2016	Hilton Buena Vista Orlando	\$0	Yes (feedback issues; hotel did not charge for AV due to issues)	23
2/8/2017	Hillsborough County Center	\$0	Yes (no issues)	21

Prepared by:

Ginger Delegal
Florida Association of Counties
Interim Manager
On: March 22, 2017

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended____; Defeated_____.