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**Executive Committee Call Agenda
January 17, 2019, 4:00 p.m. Eastern
Dial-in Number: 1-669-224-3217
Participant Passcode: 865-760-109 #**

1. Roll Call
2. Public Comment
3. Approval of minutes from November 15, 2019 Executive Committee Meeting
4. Officer Elections - preview
5. Gulf Consortium history and status
Dan Dourte
The Balmoral Group

Old Business:

6. Manager's Report
 - a. Status of stand-up activities
 - b. Planning Grant Update / Summary
 - c. Financial Statements
 - d. Bank Signature Cards Transfer
Valerie Seidel, Manager
The Balmoral Group
7. SEP Project Implementation Update
Dan Dourte
The Balmoral Group

New Business:

8. Revised Operating Budget for Fiscal Year 2018-2019
Valerie Seidel, Manager
The Balmoral Group
9. SEP Amendment – Manatee County project changes
Dan Dourte
The Balmoral Group
10. General Counsel's Report
 - a. TBG Contract Amendment
 - b. Conflict of Interest discussion
Evan Rosenthal
Nabors Giblin & Nickerson



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11. Triumph 15 funding planning discussion

12. Public Comment

13. Upcoming Gulf Consortium Board Meeting

Thursday, January 31, 2019 (Note: New Location and Time)

Center for Innovation

350 S. Duval Street, Tallahassee, FL 32301

1:00pm

14. Adjourn

Notice of Meeting/Workshop Hearing

OTHER AGENCIES AND ORGANIZATIONS

Gulf Consortium

The Gulf Consortium announces a public meeting of its Executive Committee via communications media technology to which all persons are invited to participate.

DATE AND TIME: January 17, 2019 at 4:00 pm (ET)

PLACE: This meeting will be conducted via communications media technology (teleconference). Interested persons may participate by telephone via the following:

Dial in Number +1 (669) 224-3217

Participant Passcode: 865-760-109

Interested persons may also participate in the meeting at the following location, at which communications media technology will be provided:

The Balmoral Group, 165 Lincoln Avenue, Winter Park, FL 32789

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; discussion of upcoming election, discussion of consultant contracts, and other business at the discretion of the Executive Committee. The location of the conference call is The Balmoral Group, 165 Lincoln Avenue, Winter Park, FL 32789. A copy of the agenda may be obtained at www.gulfconsortium.org or by contacting: General Manager at 407-629-2185 or Gulf.Consortium@balmoralgroup.us.

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 the General Manager at 407-629-2185 or Gulf.Consortium@balmoralgroup.us. 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 Executive Committee with respect to any matter considered at this meeting, he/she may 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, please contact the General Manager at 407-629-2185 or Gulf.Consortium@balmoralgroup.us.

Gulf Consortium Executive Committee Policy Review Meeting
January 17, 2019, 4:00 p.m., Eastern
The Balmoral Group Office - Conference Call



<u>County</u>	<u>Executive Committee Member</u>	<u>Present</u>
Escambia	Commissioner Grover Robinson	
Gulf	Warren Yeager	
Levy	Commissioner John Meeks	
Charlotte	Commissioner Chris Constance	
Pasco	Commissioner Jack Mariano	

AGENDA ITEM 3

**Gulf Consortium Executive Committee
January 17, 2019**

**Agenda Item 3
Approval of November 15, 2018 Minutes**

Statement of Issue:

Request to approve the minutes of the November 15, 2018 meeting of the Gulf Consortium Executive Committee.

Options:

- (1) Approve the November 15, 2018 minutes as presented; or
- (2) Amend and then approve the minutes.

Recommendation:

Motion to approve Option 1.

Prepared by:

The Balmoral Group, General Manager
On: January 9, 2019

Attachment:

Draft Minutes, November 15, 2018 meeting of the Gulf Consortium.

Action Taken:

Motion to: _____, Made by: _____;

Seconded by: _____.

Approved____; Approved as amended____; Defeated_____.

**Gulf Consortium Executive Committee Meeting
November 15, 2018, 4:00 p.m. (Eastern)
Teleconference**

Members in Attendance: Commissioner Grover Robinson, Warren Yeager, Commissioner Chris Constance (Charlotte), and Commissioner Jack Mariano (Pasco).

Also In Attendance: Dan Dourte (The Balmoral Group), Valerie Seidel (The Balmoral Group), Lynn Hoshihara and Evan Rosenthal (Nabors, Giblin & Nickerson)

Agenda Item 1 – Call to Order and Roll Call

Chairman Robinson called the meeting to order at 4:06pm (ET) once a quorum had been attained. Attendees as above.

Agenda Item #2 – Public Comment

There were no public comments.

Agenda Item #3a and 3b– Approval of the minutes from the September 12, 2018 and November 7 Executive Committee Meeting

Chairman Robinson presented the minutes from the September 12, 2018 and November 7 Executive Committee Meetings for approval. Commissioner Chris Constance motioned to approve the minutes as presented, second by Commissioner Jack Mariano. All in favor.

Executive Committee Approved

Agenda Item #4a – Manager’s Report- Status of Stand-up State Expenditure Plan

Valerie Seidel gave an update on the status of the SSEP. Significant progress had been made toward Implementation, policy Reviews were completed with Coordinators and RESTORE Council –with helpful feedback from Coordinators. OSAs and Audits were obtained from each County and a review of OSA and Audit findings from each County were completed to be summarized to identify action items required for discussion with Council. Training has been scheduled with RESTORE Coordinators for 11/29, 11/30 and 12/3. Several calls with Council were completed to discuss policies and approval processes. No one was available for the November meeting, but going forward Council should be able to provide a report at future board meetings. There was a contract with Leon County included in the agenda packet which adds a layer of compliance assurances and Balmoral was in discussion with scientific staff at NERRs for BAS, monitoring reviews. Due to the first grant bundle being concept design, there is still time to finalize. Next, Valerie spoke about the other manager issues which included a Dashboard updated online with all the project data to make the SEP accessible and easy to reference. Dan would be talking to at his agenda item. There were fewer procurements anticipated than originally thought, contract due dates were on the website prominently and some changes had been made in the staffing on the contract to address communication shortfalls. There were no questions on this item. No action was necessary.

Agenda Item #4b – Planning Grant Update: Status of Planning Grant Award and Work Orders

Valerie Seidel gave an update on the Planning Grant. There was one final progress report due on November 30th. To date 17 payment request totaling 2,735,183 had been submitted to Council and paid. There were no questions on this item. No action was necessary.

Agenda Item #4c – Manager’s Report - Financials

Valerie Seidel gave an update on the financial statements which were attached in the agenda packet and updated through September 2018. A net income of 49,000 was shown to date. There were no questions on this item. No action was necessary.

Agenda Item #5 – Status of Bucket 2 Projects

Dan Dourte noted that this Agenda Item was a placeholder for the November board meeting where Phil would give a status update on Bucket 2 projects.

Agenda Item #6a – 2019 Officer Election Briefing

Lynn Hoshihara reminded the board of the voting process for the 2019 calendar year. The election will be held at the first meeting of 2019 which was currently scheduled for January 31, 2019. Nominations would need to be by January 10, 2019. No action was required at this time. Another reminder would be sent out in January. Chairman Robinson noted that he would not be running for chair this time.

Agenda Item #6b – Termination of ESA’s Agreement for Consultant Services

Lynn Hoshihara brought to the Executive Committee consideration a request to terminate ESAs Agreement for Consultant Services. ESA had requested in writing for their agreement to be terminated which was set to expire on December 31, 2018. There were two remaining items to be completed pursuant to their agreement which included the delivery of up to 50 hard and electronic copies of the final SEP and to transfer all of public records in ESA’s possession. ESA had committed to provide them by next Tuesday and Lynn recommended approval of contract determination contingent upon receipt of the final two deliverables. Commissioner Constance asked if there was a question that only ESA could answer would ESA be precluded from answering it? Lynn answered that it was up to Lynn if it was a 5-minute question if they wanted to address it or not and if it was clarification of previous work that they had done. It would be a case by case basis and ultimately RESTORE would have to approve any type of agreements that dealt with Pot 3 money. Commissioner Constance asked if Lynn could provide a white paper of do’s and don’ts regarding conflict of interests with ESA. Lynn agreed to provide. Commissioner Chris Constance made the motion to approve the Termination of ESA’s agreement to the full board, Yeager second. All in favor.

Executive Committee Approved

Agenda Item #6c– Review of The Balmoral Group’s Agreement for Management Services

Lynn Hoshihara brought The Balmoral Group’s contract up for discussion as per board request at the board meeting in September. Balmoral’s contract was set to expire on April 31, 2019 with one year extensions automatic unless provided written notice of non-renewal to TBG no less than 30 days prior to the expiration date. Commissioner Chris Constance made the motion to move forward to the full board of 23 counties to debate and discuss at the November 29th Board Meeting. Commissioner Jack Mariano second. All in favor.

Executive Committee Approved

Agenda Item #7– Grant Preparation and Submission – project milestones and timing

Dan Dourte brought to the board the request for Executive Committee approval of candidate project milestones for Year 1 of SEP implementation. He said that they worked from the sequencing that was approved from the SEP which resulted in 123 project milestones, across 23 counties for a total Pot 3 cost of \$79,000. A list of these projects was included in the agenda packet as well as the web interface. Dan laid

out quarterly cutoffs for the Grants about one month before GC board meetings which would allow time for proposal review so they can be reviewed at the Gulf Consortium Board Meetings. Commissioner Jack Mariano asked if they were able to pull a project out of the DEP and shift the money to an existing SEP. Dan answered that it would normally entail an SEP amendment with narrative about the project that they wanted to drop and they were expecting to do an SEP amendment in March 2019 where these types of project changes could be submitted together. Changes in timing may not require an amendment. Commissioner Mariano made the motion to approve the candidate project milestones for Year 1 of SEP implementation, Commissioner Constance second. All in favor.

Executive Committee Approved

Agenda Item #8– Amendment to Interlocal Agreement

Valerie Seidel presented to the committee a contract amendment with Leon County for Fiscal Agent Services. Leon county was contracted to provide Fiscal Agent Services by The Gulf Consortium in 2014. The proposed amendment provides for compensation Leon County at cost of up to an estimated ten basis points. This was allowed for during budgeting. Leon County had previously been performing the services at no cost. Chairman Robinson noted that it was a good deal which Commissioner Jack Mariano agreed with. Warren Yeager made the motion to approve the Leon County contract amendment, second by Commissioner Jack Mariano. All were in favor.

Executive Committee Approved

Agenda Item #9– Gulf Consortium Policies and Procedures for RESTORE council review

Valerie Seidel presented the full policy document and a memorandum from General Council stating the policies had been reviewed for legal sufficiency as well as a summary of major changes to the policies during the review process. She informed the committee that the policy document would be provided to the full board in the packet on November 16, 2018. Commissioner Jack Mariano asked about the highlighted text in the definitions section. Dan answered that minor edits were still in process including some more items that would be coming from Council but these would be addressed before sending the document out. Commissioner Jack Mariano questioned about the use of “periodically” on page 73 and asked for something more firm. Valerie said typically they were annually but they could use quarterly. Commissioner Jack Mariano asked if there was any cost to that in which Valerie replied that there was not. Commissioner Jack Mariano replied that annually would be good but remediation should happen quickly if required. Valerie noted that they would make the change. No action was required on this item at this time.

Executive Committee Approved

Agenda Item #10 – Public Comment

None

Agenda Item #11 - Adjournment

There being no further business, the Committee adjourned at 4:44 pm.

Respectfully submitted,

Grover Robinson
Chairman

AGENDA ITEM 4

**Gulf Consortium Executive Committee
January 17, 2019**

**Agenda Item 4
Discussion of Officer Elections for 2019**

Executive Summary:

Discussion of the election of Gulf Consortium officers and the Executive Committee positions for 2019.

Background:

The elections of 2019 officers will be held at the Consortium's Board meeting on January 31, 2019. The three elected offices include: Chair, Vice Chair and Secretary/Treasurer. The following is a summary of the election process as adopted by the Board:

- Self-nomination for one or more of the offices sought;
- Notification to the Consortium Manager by January 10, 2019;
- Written approval by the respective Board of County Commissioners of the Director's candidacy provided to the Manager prior to the election;
- Re-election of an incumbent officer allowed;
- Election by written ballot, with a majority vote required of the Directors present and voting; and,
- Newly elected officers take office immediately and serve until the election of new officers in 2020.

The three newly-elected elected officers are required to select two additional Directors to serve as "at large," voting members of the Executive Committee.

Analysis:

The Interlocal Agreement establishes the following elected officers: Chairman, Vice-Chairman and Secretary-Treasurer. These officers must be Directors and shall each serve a one-year term, unless reelected. The duties of the Chairman include signing documents, calling meetings of the Board and taking such other actions and having such other powers as provided by the Board. See, Sec. 3.04, 3.05, 3.07. The Vice-Chairman is authorized to act in the absence or otherwise inability of the Chairman to act. Sec. 3.05. The Secretary-Treasurer is responsible for the minutes of the meetings and shall have other powers approved by the Board. Sec. 3.05. The Interlocal Agreement also provides that the Chairman, Vice-Chairman and Secretary-Treasurer shall select two other Directors who, together with the elected officers, shall constitute an Executive Committee.

Pursuant to the procedure adopted by the Board in November 2012 (copy attached), the Board is required to annually elect three officers from among the Directors at the first meeting of the year.

The nomination period for election to the Executive Committee closed on January 10, 2019. The following individuals have self-nominated and are running for the offices indicated in 2019:

<u>Candidate</u>	<u>County</u>	<u>Office(s) Sought</u>
Director name	County	Office(s) Sought
Warren Yeager	Gulf	Chair
Wayne Dukes	Hernando	Vice Chair
Joseph "Smokey" Parrish	Franklin	Secretary/Treasurer
Chris Constance	Charlotte	Chair, Vice Chair, or Secretary/Treasurer
Scott Carnahan	Citrus	Chair, Vice Chair, or Secretary/Treasurer
John Meeks	Levy	Chair, Vice Chair, or Secretary/Treasurer
Jack Mariano	Pasco	Chair, Vice Chair, or Secretary/Treasurer
David Edwards	Wakulla	Chair, Vice Chair, or Secretary/Treasurer

Options:

Discussion only; voting at January 31 Board meeting

Prepared by:

Dan Dourte
The Balmoral Group
January 11, 2019

Gulf Consortium Process for Election of the Chairman, Vice Chairman and Secretary-Treasurer

Adopted by the Board of Directors in November 2012.

Commencing with the elections in 2013 and applicable annually thereafter, the following election process is approved:

- **Date of Election.** Election of officers shall be held annually at the Board's first meeting of the calendar year (the "Election Meeting").
- **Term of Office.** An officer shall take office immediately upon election. The term of office shall end upon the election of the officer at the following year's Election Meeting of the Board
- **Self Nomination and Notification; Timelines.--** Any Director wishing to run for an elected office shall formally declare his/her candidacy by the Qualifying Date which is either December 15 of the year before the term begins, or such other date, as set by the Manager, that is not less than 20 days prior to the Election Meeting. The Manager shall provide notice to each Director of the Qualifying Date at least 45 days before the Election Meeting. The Director's declaration of candidacy must be in writing, stating the office or offices sought, and be received by the Manager on or before the Qualifying Date. The Director shall send the declaration of candidacy to the Manager by either (a) express delivery, return receipt requested, or (b) via electronic mail (email). The Manager shall acknowledge receipt of emails declaring candidacy within 24 hours of receipt. However, it shall be the responsibility of the Director declaring his or her candidacy to assure that the email has been received by the Manager on or before the qualifying date.
- **Board of County Commissioners Approval.--** On or before the Election Meeting, a Director who is a candidate for office shall cause to be delivered a letter or resolution to the Manager from that Director's board of county commissioners stating its support for that Director's candidacy for an officer of the Gulf Consortium.
- **Order of Election and Written Ballot.--** At the Election Meeting of the Board of Directors, the Manager shall conduct the election of the offices for the Chairman, Vice-Chairman and Secretary-Treasurer in that order. Qualified candidates shall be given an opportunity to address the Directors for three minutes each. After the candidates' presentation for the respective office, the Interim Manager shall issue a written ballot for each Director to vote his or her preference for that office.
- **Majority Vote Requirements.--** A majority vote of the Directors present shall be required for the election of the officer. Voting shall continue until a majority vote of the Directors present is achieved for a candidate for the office. In case of a tie, the Interim Manager shall call for another vote for those tied until the office is filled by a majority vote of the Directors present.

AGENDA ITEM 5

**Gulf Consortium Executive Committee Meeting
January 17, 2019**

**Agenda Item 5
Gulf Consortium History and Status**

Summary:

A request was made to provide some basic background information on the history and current status of the Gulf Consortium. A short presentation was prepared to help new or returning Directors familiarize themselves with the Consortium. **No action required.**

Attachment:

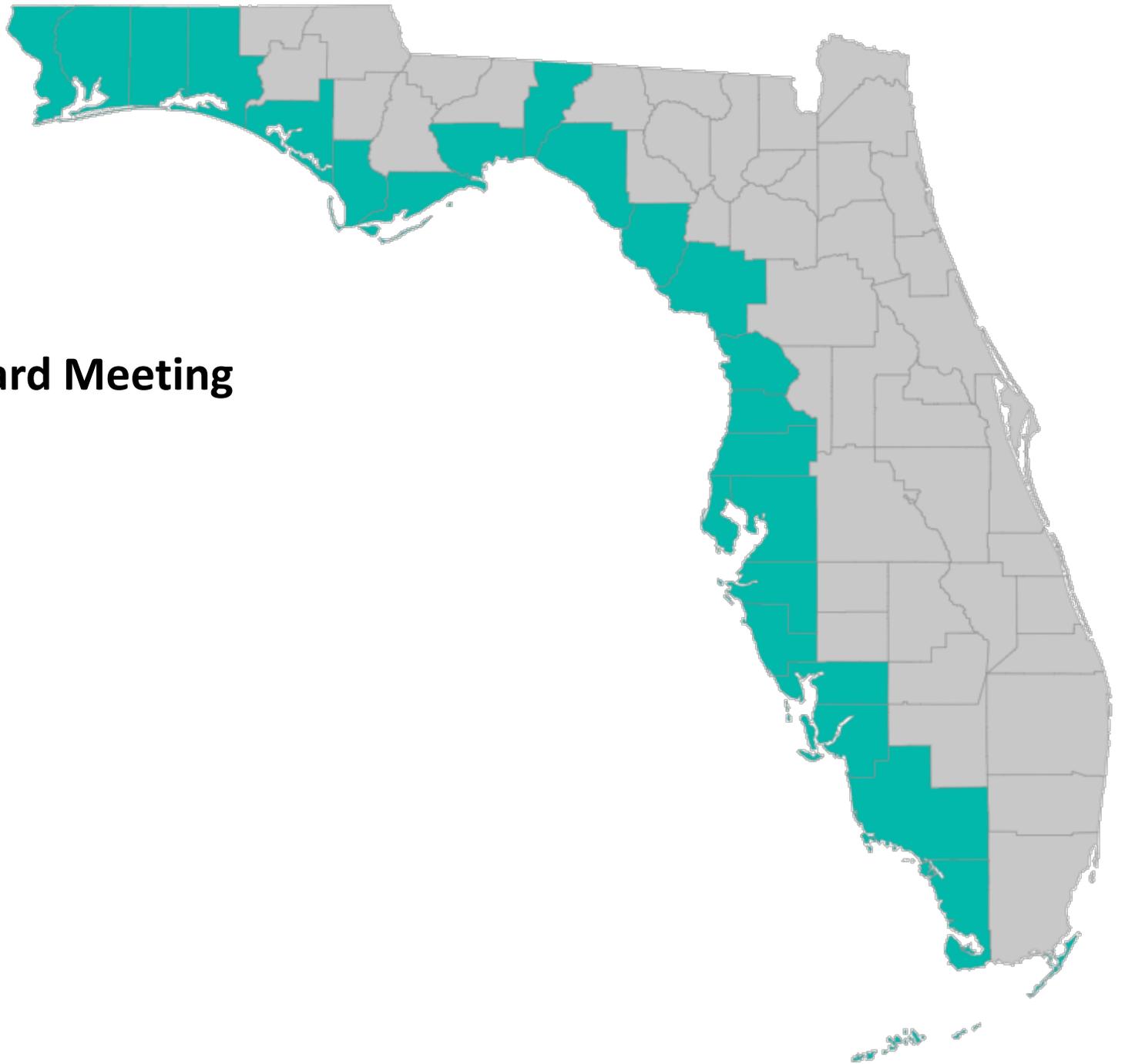
Gulf Consortium - history and status - Jan 2019

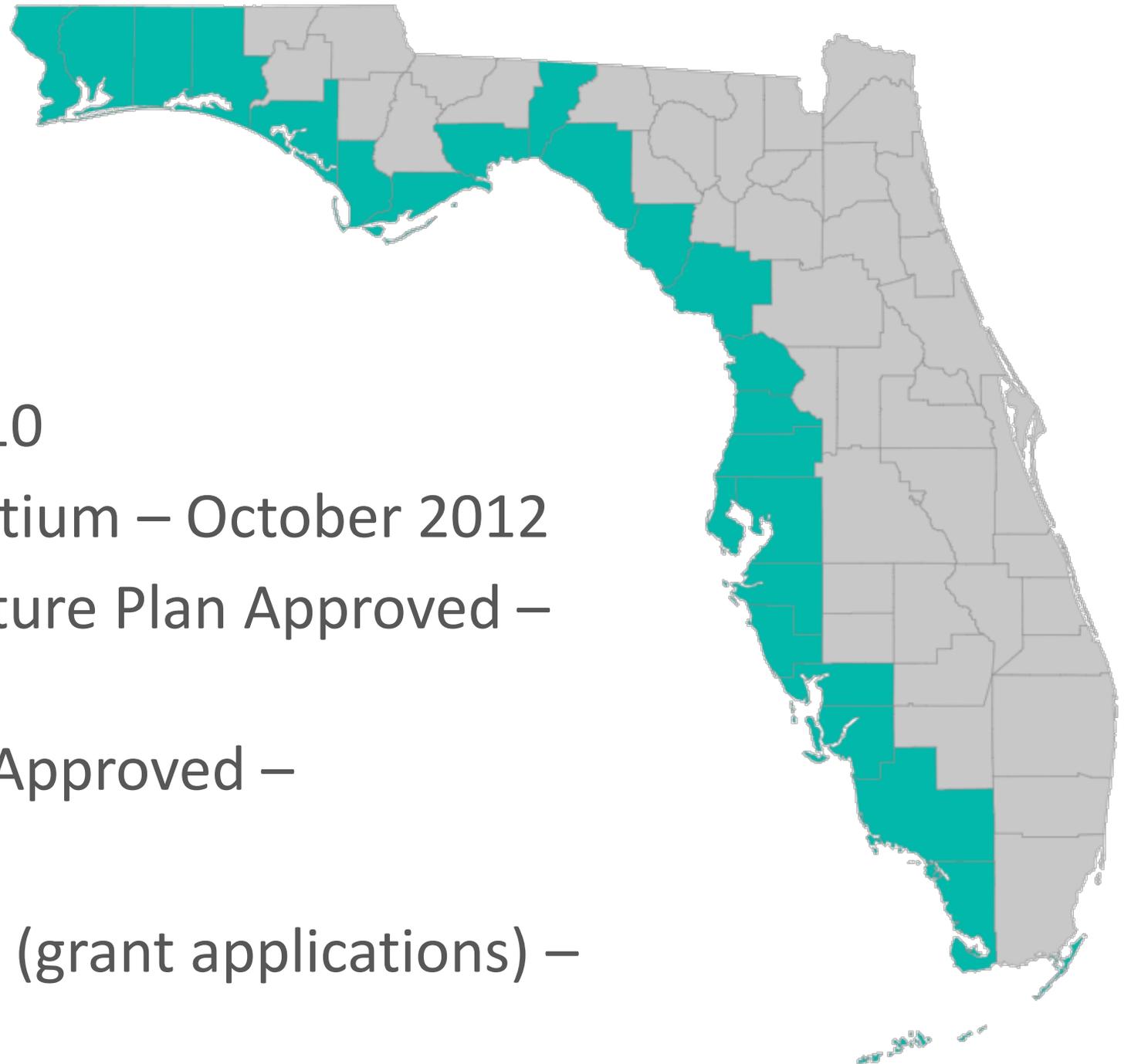
Prepared by:

Dan Dourte
The Balmoral Group, Manager
On: January 11, 2019



- History and Current Status
January 31, 2019 Consortium Board Meeting





Key dates

- DWH oil spill – April 2010
- Established Gulf Consortium – October 2012
- Stand-up State Expenditure Plan Approved – Apr 23, 2018
- State Expenditure Plan Approved – Sep 27, 2018
- Project Implementation (grant applications) – in progress

Establishment of Gulf Consortium

- Special district created by Inter-local Agreement among Florida's 23 Gulf Coast counties – October 2012
- Charge: plan for and implement the projects funded by the Spill Impact Component (Pot 3)
- FAC agrees to provide interim management services until management firm is procured

- Decision to distribute Florida’s Spill Impact Component funds equally among the 23 member counties, and to implement a “county-driven” approach whereby each of the counties would self-determine their priority projects
- Feb 2015 to Sep 2018
- <https://www.gulfconsortium.org/state-expenditure-plan>
- Prepared by the Gulf Consortium for the State of Florida with assistance from Environmental Science Associates, Langton Consulting, Brown and Caldwell, and Research Planning, Inc.

Implementation Readiness – stand-up activities

- The Balmoral Group was hired to provide management services – April 2016
- Preparing the Gulf Consortium for project implementation
 - Updating the Organizational Self Assessment
 - Developing policies and procedures
 - Subrecipient training
 - Grant management capacity building
- Feb 2018 to Present
- Guidance material on grant applications:
<https://www.gulfconsortium.org/grant-resources>
- Policies and procedures
<https://www.gulfconsortium.org/policies-and-procedures>

Project Implementation and Management

- Preparation/oversight/management of project implementation grants
- 2019 – 2034
- Gulf Consortium management in collaboration with County personnel
- Possible Consortium-procured consultants to assist Counties with implementation (engineering, feasibility, etc.)





AGENDA ITEM 6

**Gulf Consortium Executive Committee
January 17, 2019**

**Agenda Item 6
Manager's Report**

Statement of Issue:

Presentation of the Manager's report. For information only; no action is required.

Background:

The Manager's report will be given verbally at the Executive Committee meeting on January 17, 2019.

Attachments:

- 6a. None
- 6b. Planning Grant Status Update
- 6c. Financial Statements
- 6d. Bank Signature Card resolution

Prepared by:

The Balmoral Group, Manager
On: January 11, 2019

AGENDA ITEM 6b

**Gulf Consortium Executive Committee
January 17, 2019**

**Agenda Item 6b
Manager's Report
Planning Grant Update: Status of Planning Grant Award and
Work Orders**

Statement of Issue:

Presentation of Work Orders approved to-date and a comparison of the amount encumbered with respect to the Planning Grant Award. The Planning Grant expired on June 30, 2018, prior to approval of the final SEP, and a No-Cost Time Extension was filed with RESTORE Council to accommodate payment of costs incurred subsequent to the Grant expiration date. For information only; no action is required.

Status of Payments to Date:

To date, eighteen payment requests for all consulting services totaling \$2,875,522 have been submitted to Council and paid.

The Consortium submitted its most recent Planning Grant Financial Progress Report on, April 30, 2018. The next, and final, Financial Progress Report is expected to be submitted by February 9, 2019.

Out of the grant award, the Consortium can pay for some of the costs it incurs for its meetings: Audio-Visual, Information Technology, meeting space, etc. These costs are incurred on a meeting-by-meeting basis.

Meeting AV/IT Reimbursements **\$29,651**
(Incurred between 8/22/14 – 11/9/18)

The Planning Grant also provided for auditor expenses at \$25,000 per year, of which \$6,000 was expended under the grant. The following table summarizes the grant budget as compared to Consortium-approved and grant-fundable contracts and payments to date:

	Grant Award	ESA Contract From Grant	NGN Contract from Grant	TBG Contract from Grant	Auditor	AV / IT
Contract Amounts	\$4,640,675	\$2,722,780	\$180,000	\$120,000	\$ 50,000	\$72,000
Work Orders Approved		\$2,600,598	--	--	\$18,000	--
Payments to Date	\$2,875,522	\$2,600,454	\$157,980	\$81,437	\$6,000	\$29,651
Invoices Pending		--	--	--	--	--
Balance to be returned to funding pool	\$1,765,153	\$144	\$23,795	\$38,563	\$44,000	\$45,431

The Balance line in the table describes the remaining, unencumbered funds in the Planning Grant which will revert to the Consortium's general pool of funding for SEP project implementation.

The Current Balance of the Trust Fund is \$74,182,249, which represents the Available Trust Funds of \$77,057,771 less Planning Grant funds of \$2,875,522. The next payment of \$16,713,931 is expected to be deposited into the Trust Fund by April 4, 2019.

Prepared by:

William Smith

The Balmoral Group, Manager

On: January 13, 2019

**Gulf Consortium Executive Committee
January 17, 2019**

**Agenda Item 6c
Manager's Report -- Financials**

Statement of Issue:

Presentation of the Manager's report. For information only; no action is required.

Background:

The Manager's report will be given verbally at the Executive Committee meeting on January 17, 2018.

Attachments:

Financial Statements through December 31, 2018.

Prepared by:

William Smith
The Balmoral Group, Manager
On: January 14, 2019

Gulf Consortium
Balance Sheet
As of December 31, 2018

	Dec 31, 18
ASSETS	
Current Assets	
Checking/Savings	
Seaside Bank (Operating)	210,295.94
Wells Fargo Account (Grant)	354.08
Total Checking/Savings	210,650.02
Accounts Receivable	
Gen - Fund Accounts Receivable	16,540.00
Planning Grant Receivable	141,631.25
Total Accounts Receivable	158,171.25
Total Current Assets	368,821.27
TOTAL ASSETS	368,821.27
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable - Grant	140,338.75
Accounts Payable	105,772.70
Total Accounts Payable	246,111.45
Total Current Liabilities	246,111.45
Total Liabilities	246,111.45
Equity	
Unrestricted Net Assets	132,345.78
Net Income	-9,635.96
Total Equity	122,709.82
TOTAL LIABILITIES & EQUITY	368,821.27

Gulf Consortium
Profit & Loss
 October through December 2018

	<u>General Fund</u>	<u>SSEP Grant</u>	<u>TOTAL</u>
Income			
County Dues Funding	70,025.00	0.00	70,025.00
Total Income	70,025.00	0.00	70,025.00
Expense			
Legal	11,660.30	39,875.00	51,535.30
Management Fees	24,651.25	0.00	24,651.25
Meeting Expense	2,676.03	0.00	2,676.03
Bank Service Charges	623.38	0.00	623.38
Special District Fees	175.00	0.00	175.00
Total Expense	39,785.96	39,875.00	79,660.96
Net Income	<u><u>30,239.04</u></u>	<u><u>-39,875.00</u></u>	<u><u>-9,635.96</u></u>

AGENDA ITEM 6d

RESOLUTION 2019 - ____

**A RESOLUTION OF THE GULF CONSORTIUM
RELATING TO SIGNATURE AUTHORITY ON THE GULF
CONSORTIUM'S EXISTING BANK ACCOUNTS WITH
WELLS FARGO AND SEASIDE NATIONAL BANK &
TRUST; AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, the Gulf Consortium ("Consortium") has established bank accounts with Wells Fargo and Seaside National Bank & Trust, with signature authority on such accounts vested in the Chairman of the Consortium Board of Directors ("Board") and members of the Balmoral Group ("TBG"); and

WHEREAS, the Board is required to hold an annual election of officers each year in January; and

WHEREAS, the Board finds it necessary to adopt this Resolution updating the list of persons authorized to act as signatories for the transfer of Consortium funds from the above-listed accounts to reflect the Board's election of a new Chairman at its January 2019 Board meeting.

NOW THEREFORE, be it resolved by the Consortium, as follows:

Section 1. Authorized Signers on Consortium Bank Accounts.

The Consortium hereby approves the following individuals as authorized signers on its accounts:

Wells Fargo Account and Seaside National Bank & Trust Account

- Valerie Seidel
- Craig Diamond
-

Section 2. Effective Date.

This Resolution shall take effect immediately upon adoption.

**ADOPTED BY THE GULF CONSORTIUM, THIS 31ST DAY OF JANUARY,
2019.**

GULF CONSORTIUM

ATTEST:

CHAIRMAN

SECRETARY

AGENDA ITEM 7

Gulf Consortium Executive Committee
January 17, 2019

Agenda Item 7
SEP Project Implementation Update

Summary:

Progress has been made to advance the Gulf Consortium to be ready for project implementation. Some key items are listed below:

- Policies and procedures delivered to RESTORE Council
- Updated OSA delivered to RESTORE Council
- Grant management system selection/purchase
- Coordination with RESTORE Council and County personnel on grant application requirements: presentations and phone calls
- Prepared draft SEP amendment for Manatee County project changes
- Improved guidance materials and resources
<https://www.gulfconsortium.org/grant-resources>
- Improved project data dashboard
<http://datavisual.balmoralgroup.us/GulfConsortiumProjects>
- First project implementation grants received

Background:

At the November 29, 2018 Consortium Board meeting, a schedule and process was proposed for which projects can proceed toward implementation. These guidelines for project implementation were improved. The summary above (and the slides attached) document the progress of SEP project implementation.

Attachment:

SEP Project Implementation Update - attached

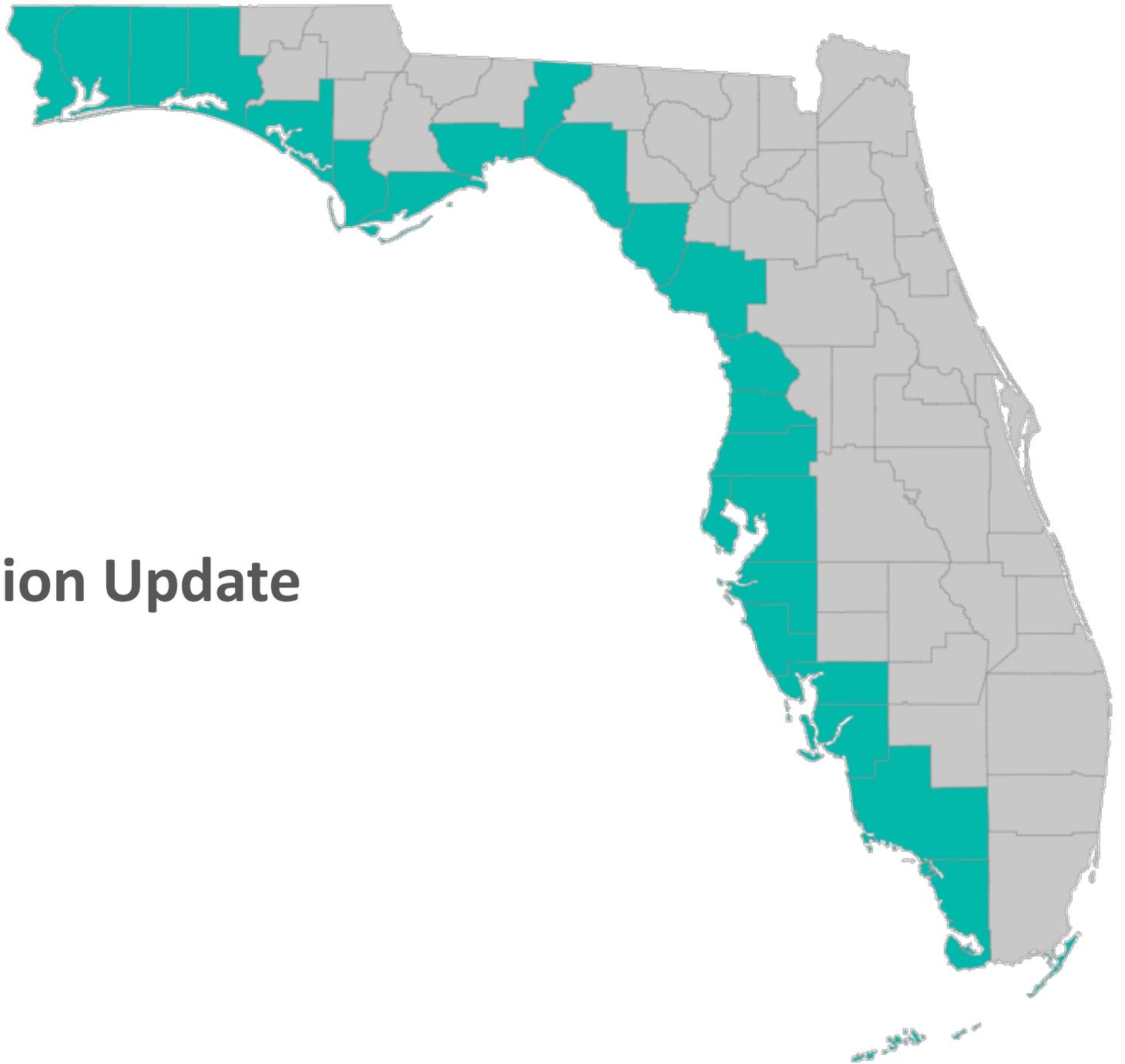
Prepared by:

Dan Dourte
The Balmoral Group
On: January 11, 2019



SEP Project Implementation Update

January 31, 2019 Board Meeting



Progress

- Policies and procedures delivered to RESTORE Council
- Updated OSA delivered to RESTORE Council
- Grant management system selection/purchase
- Coordination with RESTORE Council and County personnel on grant application requirements: presentations and phone calls
- Prepared draft SEP amendment for Manatee County project changes

Progress

- Improved guidance materials and resources
<https://www.gulfconsortium.org/grant-resources>
- Improved project data dashboard
<http://datavisual.balmoralgroup.us/GulfConsortiumProjects>
- First project implementation grants received

Grant Application Requirements and Submission

<https://www.gulfconsortium.org/grant-resources>

Guidance Documents

[Draft SEP Project Grant Application Guidance Document](#)

[Grant Application Checklist](#)

[Frequently Ask Questions](#)

[Data Management Plan Guidance with examples](#) - from RESTORE Council

[Observation Data Plan Guidance with examples](#) - from RESTORE Council

[Metrics Choices Table](#) - from RESTORE Council

SEP Project Data Dashboard

<http://datavisual.balmoralgroup.us/GulfConsortiumProjects>

Presentations

[Best Available Science and DMP and ODP training slides](#) - from RESTORE Council

[Gulf Consortium - SEP Implementation - DMP and ODP - 12/19/2018](#)

[Gulf Consortium - SEP Projects - Grant Application Guidance and Timelines - 12/3/2018](#)

Subaward Application for Florida SEP Projects

This form collects information on projects in Florida's State Expenditure Plan

County

Escambia

County point of contact name *

First

Last

County point of contact email *

County point of contact phone *

- -

###

###

####

Address *

Street Address

Address Line 2

City

State / Province / Region

Postal / Zip Code

United States

Country

Project Information

Project Name *

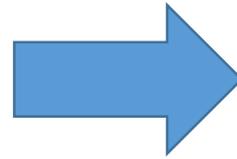
Project Number in approved SEP *

Dashboard for Project Data

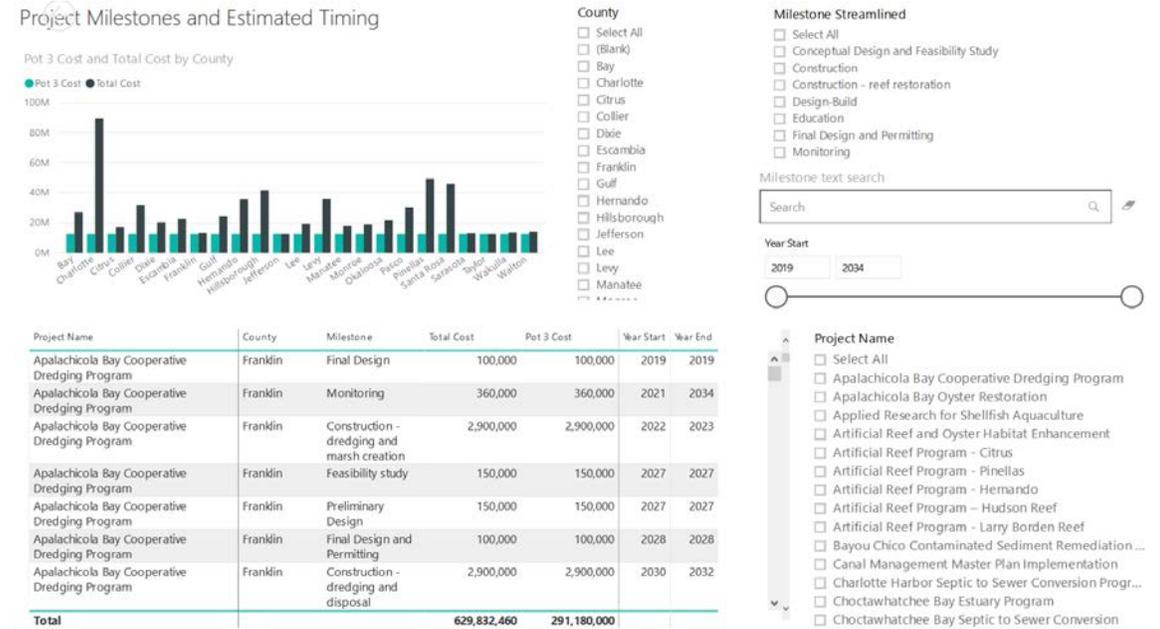
State of Florida

STATE EXPENDITURE PLAN

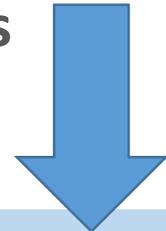
milestones, start years, cost, goals,
funding sources



<http://datavisual.balmoralgroup.us/GulfConsortiumProjects>



Interface for project details



GOAL:
Efficient, accurate grant preparation

- Better, faster decisions on grant timing, readiness, bundling
- Transparent tracking of progress and changes

AGENDA ITEM 8

**Gulf Consortium Executive Committee
January 17, 2019**

**Agenda Item 8
Amended FY 19 Budget for the Gulf Consortium**

Summary:

Request for the Board to approve an Amended FY 18-19 Budget reflecting a higher dollar amount for project funding.

Background:

On September 27, 2018, the operating budget for Fiscal year 2018-2019 was approved based on initial year draw requests and SEP estimates. During the SSEP Grant application process, information received from Council indicated that full project grants, rather than milestone draws reflected in sequencing, should be included in grant application packages. Based on the new information, Board approval was granted on November 29, 2018 to submit up to \$79.8 million in grant applications to Council. To ensure the Consortium's grant application effort is reflected in the approved fiscal operating budget, the budget should be revised to reflect the higher project grant funding. No other change is proposed.

Analysis:

Table 1 reflects the budget approved at the September 2018 board meeting and the proposed revision to reflect costs.

Table 1. Budget Summary by cost category.

Cost Category	Approved 2018-19 Budget	Amended 2018-19 Budget
SSEP - One Time Expense	221,038	221,038
SEP Expenses (project funding)	10,357,470	79,783,376
General fixed and variable Operating Expenses	225,070	225,070
Total	10,803,578	80,229,484

Funding sources are summarized in Table 2.

Table 2. Budget Summary by Funding Category

Funding Source	Approved 2018-19 Budget	Amended 2018-19 Budget
Stand-Up SEP Grant	221,038	221,038
Florida SEP Grant	10,477,540	79,783,376
County Funding	70,025	70,025
Total	10,768,603	80,074,439

Options:

Option #1, Approve the Amended FY 19 Budget
Option #2, Board Direction

Recommendation:

Board Approval of Option #1.

Attachment:

None.

Prepared by:

William Smith
The Balmoral Group, Manager
On: January 4, 2019

AGENDA ITEM 9

Gulf Consortium Executive Committee
January 17, 2019

Agenda Item 9
Release SEP amendment for public comment

Summary:

An amendment to the SEP was prepared to accommodate a new project in Manatee County.

Background:

An amendment is required for State Expenditure Plans for if there is a new project being proposed. A new SEP project (Kingfish Boat Ramp) was proposed by Manatee County. Project description and rationale have been prepared by county personnel. A standalone SEP amendment was prepared which describes only this project and the necessary adjustments in costs and timing of remaining Manatee County projects.

Analysis:

A new project is proposed for inclusion in the Florida SEP: Kingfish Boat Ramp in Manatee County. The expected Pot 3 funding request is \$4.5M. Two projects in Manatee County are proposed to be removed from the SEP: project 18-3 Preserve Management Plans and project 18-8 Coastal Watershed Management Plans. The Pot 3 cost requests of 4 of the original SEP projects in Manatee County have been revised lower to accommodate the cost of the Kingfish Boat Ramp. Costs and timing tables are detailed in the attached SEP amendment.

An SEP amendment is required if there is either a change in scope (i.e., new project activity or increased size of project) or there are revisions requiring an increase in funds for a new activity or bigger project.

The following describes the general process for an SEP amendment:

- 1) Prepare the project narrative with sections corresponding to those in the SEP, and identify the projects proposed to be removed from the SEP, along with a brief discussion of the rationale for the change,
- 2) Obtain approval from County BOCC for the proposed SEP project changes,
- 3) Provide the SEP amendment to RESTORE Council for preview (optional),
- 4) Present the SEP amendment to the Gulf Consortium with a request for action to make the SEP amendment available for public review,
- 5) Make the SEP amendment public with a forum to receive comments for a 45-day period,
- 6) Submit the SEP amendment to RESTORE Council after the 45-day comment period; this will include a statement of public participation and any necessary edits or responses to comments,
- 7) After RESTORE Council reviews and approves the SEP amendment, the applications for funding can be submitted – grant application materials can be developed while Council review proceeds.

Options:

Option #1, Approve the SEP amendment to be reviewed by the full Board for consideration to release for the 45-day comment period

Option #2, Executive Committee Direction

Recommendation:

Option #1.

Attachment:

Florida SEP Amendment 1 for Kingfish Boat Ramp - attached

Prepared by:

Dan Dourte

The Balmoral Group

On: January 11, 2019

State of Florida

STATE EXPENDITURE PLAN – amendment 1 (January 2019)

Submitted Pursuant to the Spill Impact
Component of the RESTORE Act
33 U.S.C. § 1321(t)(3)



Executive Summary

This first amendment to the State Expenditure Plan (SEP) for the State of Florida, prepared by the Gulf Consortium (Consortium) in collaboration with Manatee County describes a new, proposed project not presented in the original SEP. This project, Kingfish Boat Ramp, will improve recreational access and community resilience. Additionally, two projects are being removed from the original SEP to allow for sufficient funding for the Kingfish Boat Ramp. Project 18-3 Preserve Management Plans and project 18-8 Coastal Watershed Management Plans are being withdrawn from the SEP. These will be funded by other means outside of Spill Impact Component funds.

State Certification of RESTORE Act Compliance

In accordance with Section 5.2.2 of the SEP Guidelines provided by the Council, the Gulf Consortium hereby certifies the following:

- All projects, programs, and activities included in the Florida SEP amendment are eligible activities as defined by the RESTORE Act.
- All projects, programs, and activities included in the Florida SEP amendment contribute to the overall economic and/or ecological recovery of the Gulf Coast.
- The FL SEP amendment takes into consideration the Comprehensive Plan and is consistent with the goals and objectives of the Comprehensive Plan.
- Issues crossing Gulf State boundaries have been evaluated to ensure that a comprehensive, collaborative ecological and economic recovery is furthered by the Florida SEP.
- All projects, programs, and activities included in the SEP are based on and/or informed by the Best Available Science as defined in the RESTORE Act.

Public Participation Statement

To be completed following public comment period

Financial Integrity

The Consortium is the legal entity in Florida responsible for implementation of this Florida SEP amendment, and will be the direct recipient of grant funds disbursed by the Council to the State of Florida pursuant to the Spill Impact Component of the RESTORE Act. The full SEP (<https://www.gulfconsortium.org/state-expenditure-plan>) should be referred to for additional detail on the financial integrity of the Gulf Consortium.

Overall Consistency with the Goals and Objectives of the Comprehensive Plan

The process for goal development and the consistency of Florida SEP activities with the Council Comprehensive Plan is described in detail in the Florida SEP. This SEP amendment is fully consistent with, and furthers, the Council's Comprehensive Plan. The projects, programs, and activities proposed in this Florida SEP amendment were nominated through a county-driven process.

MANATEE COUNTY

Kingfish Boat Ramp Renovation and Expansion Project

PROJECT NO. 18-10

Proposed Projects, Programs, and Activities

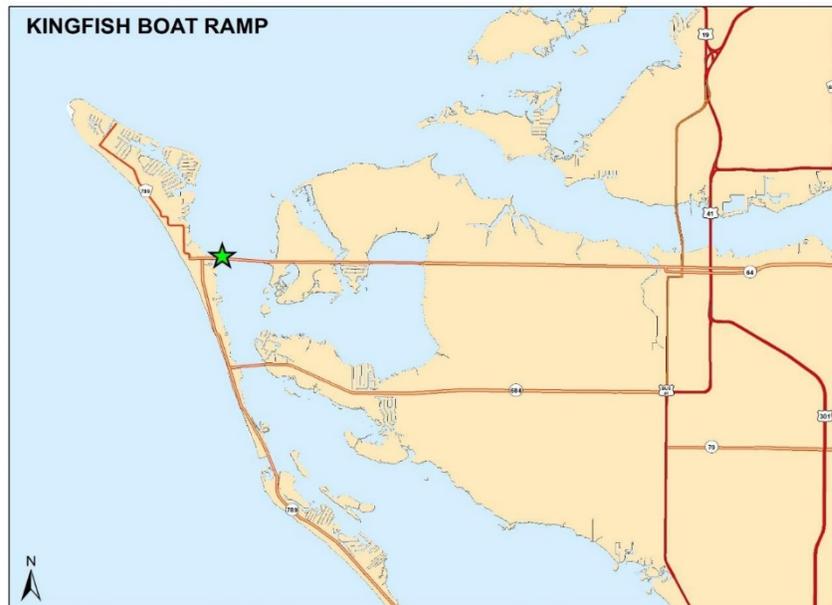
PROJECT DESCRIPTION

Overview and location

This project involves the complete renovation and expansion of the existing Kingfish Boat Ramp facility located on the north side of Manatee Avenue on the western landing of the Anna Maria Bridge in Manatee County. Location shown below.

Need and Justification

Kingfish Boat Ramp is the most heavily utilized boat ramp in Manatee County. The facility's popularity is due, in large part, to its ideal location on Anna Maria Sound in addition to trailer parking capacity and suitability for larger vessels. Kingfish Boat Ramp has served the steadily increasing number of boaters in Manatee County since the 1960's. Major structural components of the facility include over 600-feet of concrete seawall, 350-feet of wooden docks and a 55-foot wide concrete launch ramp comprised of 3 launch lanes and a floating finger dock; all of which are nearing the end of their serviceable lifespan. Emergency repairs at the Manatee County Kingfish boat ramp have uncovered severe structural deficiencies in the existing infrastructure and a decision has been made to commit to proceed toward a total rebuild and capacity expansion of the ramp in the estimated cost range of \$4.5million



Purpose and Objectives

The main objective of this project is the improvement of coastal access, tourism promotion and recreational fishing. This proposal involves the expansion of Manatee County's Kingfish Boat Ramp

facility to meet required needs of extended infrastructure lifespan, operational efficiency and capacity to meet the objective goals. Increased operational efficiency will be achieved through a four single-lane design to shorten launching and landing time for vessels.

Project Components

The project is currently about to enter the engineered design phase, which will involve further refinement of the conceptual plan to expand the current three lane launch to four individual lanes, each separated by a finger dock. Individual launch lanes increase capacity and efficiency by allowing boaters to launch and land vessels separately without being affected by other vessels or vehicles.

The docks will be constructed with durability and longevity in mind, utilizing concrete piling and composite decking. The project also involves planning for the eventual expansion of trailer parking to the east. Manatee County is currently coordinating with the Florida Department of Transportation on plans for this expansion when the western landing of the new Anna Maria/Manatee Avenue Bridge is shifted to the south.

The plans also call for the resurfacing of the parking lot to better control stormwater runoff and reduce maintenance.

Contributions to the Overall Economic and Ecological Recovery of the Gulf

The Kingfish Boat Ramp facility plays a significant role in the water-access based economy of Manatee County and is heavily utilized used by local residents, neighboring county residents, tourists and various commercial operations offering charter fishing, eco-tourism, recreational boat rental, sightseeing, kayak rental and other services. Kingfish Boat Ramp is strategically located and provides easy access to many desirable destinations including the Gulf of Mexico, Tampa Bay, Manatee River, Intracoastal Waterway, Palma Sola Bay and Sarasota Bay.

Eligibility and Statutory Requirements

This project is consistent with, and addresses, the following RESTORE Act eligible activities:

- Eligible Activity 6: Infrastructure projects benefitting the economy or ecological resources, including port infrastructure.
- Eligible Activity 10: Promotion of Tourism in the Gulf Coast Region, including recreational fishing (primary).

Comprehensive Plans Goals and Objectives

This project is consistent with, and addresses, the following Comprehensive Plan Goals:

- Goal 5: Restore and Revitalize the Gulf Economy (primary)
 - Goal 3: Restore and Protect Living Coastal and Marine Resources

This project is consistent with, and addresses, the following Comprehensive Plan Objectives:

- Objective 8: Restore, Diversify, and Revitalize the Gulf Economy with Economic and Environmental Restoration Projects (primary)
- Objective 3: Protect and Restore Living Coastal and Marine Resources

Implementing Entities

Manatee County will be the sole implementing entity and grant sub-recipient responsible for the design, construction, and success monitoring of the project.

Best Available Science and Feasibility Assessment

As discussed, the Kingfish Boat Ramp facility has existed since the 1960’s as an extremely popular and heavily utilized public water access point.

A Best Available Science (BAS) review is required for programs and projects that would restore and protect the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches, coastal wetlands and economy of the Gulf Coast. The primary goal of this program is recreational use and tourism promotion; therefore, BAS is not applicable. Any impacts associated with the construction of recreational amenities will be addressed during regulatory permitting. This project is considered feasible with respect to the ability to: (1) secure necessary property agreements and permits (2) construct the proposed recreational improvements; and (3) operate and maintain the improved infrastructure over the long term.

Risks and Uncertainties

No significant risks or uncertainties have been identified that would preclude conducting the project. Coastal park and recreational amenities are at risk for damage by tropical storms and sea-level rise; however, the proposed recreational improvements will consider coastal storm hazards as appropriate.

Success Criteria and Monitoring

As this project addresses improvement of boater access to both the internal waterways of Manatee County and the Gulf of Mexico, success criteria will be developed for the following:

- Recreational amenities improved

In the project grant request, a monitoring plan to document, describe and quantify the improvement will be provided with the as-built drawings.

Milestones and Schedules

	2019	2020	2021	2022
Kingfish Boat Ramp (\$4.5M)	1	2	3	4
Engineering, Design & Permitting				
Construction		4,500,000		
Success Monitoring				

Budget and Funding Sources

Manatee County has developed a preliminary cost estimate for this project of \$4,500,000. Manatee County is committed to allocating \$4,500,000 of its share of the Florida Spill Impact Component to this project.

Engineering, design and permitting costs will be funded by the County's Florida Boating Improvement Program (FBIP), which results from the collection of vessel registration fees. The total costs of these efforts are not yet known.

Implementation

The newly proposed SEP project 18-10 Kingfish Boat Ramp is expected to proceed with implementation beginning in 2019. Project 18-3 Preserve Management Plans and project 18-8 Coastal Watershed Management Plans are being withdrawn from the SEP to allow for sufficient funding. Additionally, Spill Impact Component funding requests for several projects in the original SEP have been revised to lower amounts to accommodate the Kingfish Boat Ramp project. The complete changes in funding amounts and estimated timing are provided in the following table.

	YEARS FROM SEP APPROVAL																REVISED SEP project total	Original SEP project total
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16		
Total Allocation \$12,660,000																		
Kingfish Boat Ramp (\$4.5M) - 18-10																		
Engineering, Design & Permitting (local funding)																		
Construction		4,500,000																
Success Monitoring (local funding)																		
Palmetto Green Bridge Fishing Pier Replacement - 18-5																		
Preliminary Design (local funding)																		
Final Design and Permitting (local funding)																		
Demolition of the old bridge					1,950,000													
Construction					1,156,698													
Monitoring							25,000	25,000										
																	\$	3,156,698
Applied Research for Shellfish Aquaculture - 18-6																		
Planning and research priorities																		
Design experiments			100,000															
Collect and analyze data			50,000	50,000														
Technology transfer				25,000	25,000													
Monitoring					25,000	25,000												
																	\$	300,000
Portosueno Park Living Shoreline - 18-2																		
Preliminary Design		30,000																
Final Design and Permitting			45,000	45,000														
Construction				530,000														
Monitoring																		
																	\$	650,000
Manatee River Oyster Restoration Project - 18-1																		
Preliminary Design	20,000								214,545									
Final Design and Permitting	60,000									114,545	114,545							
Construction - restoration/berge shelling												300,000	235,000	235,000	250,000	250,000		
Monitoring										15,000	15,000	15,000	15,000	15,000	15,000	15,000		
																	\$	1,898,635
Artificial Reef Program-- Borden Reef - 18-4																		
Collect, prepare, and stage reef materials									75,000	75,000	200,000							
Transport material to permitted reef sites										732,500	200,000							
Monitoring										12,500	12,500	12,500						
																	\$	1,320,000
Coastal Preserve Trail and Boardwalk Enhancements - 18-7																		
Preliminary Design									60,000									
Final Design and Permitting										50,000	50,000	60,917	30,000	30,000	30,000	30,000		
Construction												3,150	3,150	3,150	3,150	3,150		
Monitoring																		
																	\$	356,667
Urban Park Stormwater Improvements - GT Bray Park - 18-9																		
Feasibility study and primary design												200,000						
Final Design and Permitting													25,500	25,500	25,500	25,500		
Construction														42,000	42,000	42,000		
Monitoring															25,000	25,000		
																	\$	478,000
Revised cumulative 4 year totals				5,455,000				8,686,698				11,219,400				12,660,000	\$	12,660,000
Original SEP 4 year totals				4,433,253				8,296,982				10,360,047				12,660,000	\$	12,660,000
Projects not funded using Pot 3 allocations																		
Preserve Management Plans (\$280k) - 18-3																		\$ 280,000
Coastal Watershed Management Plans (\$1.2M) - 18-8																		\$ 1,275,243

AGENDA ITEM 10

AGENDA ITEM 10a

**Gulf Consortium Executive Committee
January 17, 2019**

**Agenda Item 10a
Contract Amendment for General Manager**

Summary:

This agenda item requests Board approval of an Amendment to the Agreement between the Consortium and The Balmoral Group (TBG) for General Management Services to: (1) renew the Agreement for an additional one year term through April 30, 2020; and (2) establish the terms pursuant to which TBG may be compensated for certain grant eligible services from grant funds. The Amendment is attached hereto as Attachment "1."

Background:

At the November 30, 2018 Board Meeting, the Board reviewed TBG's current Agreement for General Management Services ("Agreement"), which was scheduled to expire on April 30, 2019.

At such Board Meeting, General Counsel also informed the Board that following discussions with RESTORE Council staff, it was determined that the compensation structure of the Agreement was likely insufficient to fund TBG's efforts related to the SSEP and "standing up" the Consortium as a grant-eligible entity, and further would likely not be sufficient to allow TBG to effectively oversee, manage, and administer the SEP project implementation grants moving forward.

After Board discussion of several options, the Board directed General Counsel to prepare an Amendment extending the Agreement through April 30, 2020.

Analysis:

The Agreement currently provides for monthly fees not-to-exceed \$8,588. Based on an anticipated reduction in administrative efforts following the initial two year term of the Agreement, the Agreement provides for monthly fees not-to-exceed \$7,642 in subsequent years should the Agreement be renewed. As described above, this fee structure is insufficient to fund all efforts associated with "standing up" the Consortium and managing and overseeing more than \$280,000,000 in Federal grant funds moving forward. The proposed Amendment addresses this issue by creating a separate fee structure governing grant-eligible services performed by TBG.

The Agreement retains the reduced monthly not-to-exceed amount of \$7,642 for TBG's performance of all "general administrative services" that are not eligible for grant reimbursement, to be billed at a rate of \$170 per hour.

Additionally, separate and apart from the compensation structure for general administrative services, the Amendment authorizes TBG to be compensated for grant-eligible management services it performs. TBG would be compensated at a rate of \$170

per hour for all grant eligible services it performs, subject to an annual not-to-exceed amount of \$299,880.

However, this annual not-to-exceed amount would not apply to grant reimbursable services provided by TBG related to costs in the amount of \$221,038 that were previously approved by the Board for TBG and NGN to begin work on preparing the SSEP Grant Application and implementing SSEP activities (e.g. preparation of the Gulf Consortium Policies and Procedures Handbook distributed at the November Board meeting). A breakdown of such costs related to SSEP activities is provided below:

	Initial Board approved amt	Approved Operating Budget Amount	Actual Costs incurred	Notes
	2/8/2018	9/27/2018		
Pre-Award Costs	\$ 45,100	\$ 39,770	\$ 39,770	<i>1st Pre Award completed before September board mtg; substituted actual costs</i>
Grant Management Platform	\$ 17,500	\$ 30,183		<i>2nd Pre Award approved by Council for \$44,280; letter requesting recategorization between line items has been sent to Council</i>
Subaward protocol and conditions development	\$ 47,175	\$ 70,110		
Services procurement and related contract activities	\$ 76,313	\$ 30,750		
Grant bundling and administration	\$ 34,950	\$ 50,225		
SSEP Total	\$ 221,038	\$ 221,038		

**Note some items were re-categorized per Council guidance*

For these previously approved SSEP-related costs, a separate not-to-exceed amount of \$169,226 is provided.¹

The proposed compensation structure is similar to the existing contract between the Consortium and NGN, which contains a not-to-exceed amount related to non-grant eligible general counsel services and a separate not-to-exceed amount for legal services rendered that are eligible for grant reimbursement. Additionally, the Amendment is designed to further the Consortium’s desire to maximize the use of available Federal funds for the payment of management services, as is currently recognized in the Agreement.

Fiscal Analysis

Under the proposed Amended Agreement, even if the maximum “not-to-exceed” amounts were expended each year, the total amount of grant funds to be paid to TBG would be less than 1% of approved grant application totals. It is important to note that all fee amounts include a “not-to-exceed” cap, and actual costs may be less than the approved amounts.

Further, the Balmoral Group’s audited overhead rates are currently lower than the rate included in the Planning Grant (which was \$205), and the proposed amendment reflects an updated hourly rate of \$170.

The proposed Amendment reflects the work effort associated with the Board’s approvals of the SSEP Grant application (931 hours), Pre-Award costs (436 hours of the 931 hours), and Initial year grant submittals of up to \$79.8 million to process an estimated 49 grant

¹ This amount reflects that a portion of the \$221,038 budgeted for SSEP costs was also intended to cover NGN’s work effort and software costs associated with the SSEP.

applications. The initial year of implementation is projected to include a high level of grant submittal activity, based on feedback from the Consortium and the member counties. However, the amount of grant applications *actually* received is wholly dependent on the member counties, and may be as few as a dozen. To calculate the annual “not-to exceed” cap, an upper bound of 49 projected grant applications was utilized so as not to underestimate the potential work effort involved.

Based on approximately 36 hours per grant application, an upper bound for the annual grant-eligible costs associated with ongoing implementation is estimated at 1,764 hours for SEP implementation (49 x 36). However, it should be noted that at time of preparation of this agenda item, fewer than ten grant applications and one SEP amendment have been identified for processing in the first fiscal year of SEP implementation, which would result in actual fees based on this estimate of closer to 360 hours (10 x 36).

No fiscal impact beyond that already approved by the Board is included in this item; the proposed amendment memorializes expenditures already included in the Operating Budget. Table 1 provides reference.

Operating Budget Line Item	Operating Budget Line Item Amount	Related Contract Amendment Amount
SSEP	\$221,038	Up to \$169,226
Project Grant Funds	\$79,783,376	Up to \$299,880
County Funds	\$70,025	Up to \$40,000

Options:

- Option #1, Approve the Contract Amendment
- Option #2, Executive Committee Direction

Recommendation:

- Option #1.

Attachment:

1. Third Amendment to the Agreement for Management Services Between the Gulf Consortium and the Balmoral Group, LLC

Prepared by:

Evan Rosenthal,
 Assistant General Counsel
 William Smith
 The Balmoral Group, Manager
 On: January 10, 2019

**THIRD AMENDMENT TO THE AGREEMENT FOR MANAGEMENT SERVICES
BETWEEN THE GULF CONSORTIUM AND THE BALMORAL GROUP, LLC.**

This Third Amendment to the Agreement for Management Services is entered into by and between the **Gulf Consortium**, 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**, whose business address is 165 Lincoln Avenue, Winter Park, Florida 32789 (the "Contractor"), which parties may hereinafter collectively be referred to as the "Parties."

WHEREAS, the Consortium and the Contractor initially entered into an Agreement for Management Services, dated April 6, 2017, as subsequently amended (the "Agreement"); and

WHEREAS, the Agreement authorizes the term to be extended for two additional one-year periods; and

WHEREAS, in recognition of the Consortium's desire to maximize the use of available Federal funds in performing its responsibilities related to the development and implementation of the Florida State Expenditure Plan, the Parties wish to amend the Agreement to establish the terms and conditions pursuant to which Contractor shall be compensated for certain grant eligible services provided in furtherance of the implementation of the Stand-Up State Expenditure Plan and Florida State Expenditure Plan.

NOW THEREFORE, in consideration of the mutual covenants herein and other good and valuable consideration, the parties hereby agree to amend the Agreement as follows:

(stricken words indicate deletions, underlined words indicate additions)

1. Section 1 of the Agreement is hereby amended as follows:

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 was attached to the Agreement as Exhibit A, to the extent that the RFP is not inconsistent with this ~~Agreement~~ Amendment; and
- B. The Contractor's submissions to the RFP, which was attached to the Agreement as Exhibit B, to the extent that the submission is not inconsistent with this ~~Agreement~~ Amendment or with Exhibit A; and
- C. The Stand-Up State Expenditure Plan (SSEP) Grant Application/Agreement; and
- D. Subsequent Florida State Expenditure Plan (SEP) project implementation grant applications/agreements approved by RESTORE Council.

2. Section 3 of the Agreement is hereby amended as follows:

TERM OF AGREEMENT

~~This 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. This Agreement shall be extended for a one-year term commencing May 1, 2019 and shall continue until April 31, 2020. The term may thereafter be extended by mutual agreement of the parties.~~

3. Section 4 of the Agreement is hereby amended as follows:

COMPENSATION

~~(A) 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 General Administrative Services (i.e., non-grant eligible services) for subsequent years shall be charged at an hourly rate of ONE HUNDRED SEVENTY DOLLARS (\$170) not to exceed SEVEN THOUSAND SIX HUNDRED FORTY TWO DOLLARS (\$7,642) per month. The compensation shall include all services to be provided, including expenses such as copying, long distance phone, travel, and general overhead.~~

~~(B) Separate from the amount due under Section 4(A), it is recognized that certain management services may be eligible for grant reimbursement ("Grant Eligible Services"). In the event Federal funds or other funds become available to pay for such Grant Eligible Services, Contractor shall be paid a fee of ONE HUNDRED SEVENTY DOLLARS (\$170) per hour for providing such services. However, the Consortium shall not be obligated to pay Contractor more than TWO HUNDRED NINETY NINE THOUSAND EIGHT HUNDRED AND EIGHTY DOLLARS (\$299,880) per fiscal year from grant funds, with the exception of any amounts that may be paid to Contractor from grant funds pursuant to previously approved SSEP costs addressed in paragraph (C) of this Section. All services provided that do not qualify for grant reimbursement under paragraph (B) or (C) of this Section shall be considered General Administrative services payable as set forth in Section (4)(A).~~

1. Grant-eligible costs incurred to prepare, submit, manage and close out grants will be included as contractual services within grant application submittals to RESTORE Council. For each grant submittal, Consortium approval of pre-award costs will be obtained prior to incurring expense.

(C) The Consortium previously approved SSEP costs in the amount of TWO HUNDRED TWENTY ONE THOUSAND AND THIRTY EIGHT DOLLARS (\$221,038) for Contractor and the Consortium's General Counsel to begin work on preparing the SSEP Grant Application and implementing SSEP activities. This amount was included in the Consortium's FY 18-19 operating budget and the SSEP itself, and some or all of such SSEP costs may constitute Grant Eligible Services, as defined above. As individual line items within the approved operating budget vary from the original estimates provided within the SSEP, notification to RESTORE Council has been sent. However, remaining activity will be completed within the approved budget and the total amount of approved SSEP costs remains unchanged.

4. All other provisions of the Agreement shall remain in full force and effect.

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

GULF CONSORTIUM

THE BALMORAL GROUP, LLC.

By: _____
_____, **Chairman**

By: _____
Valerie Seidel, President

Date: _____

Date: _____

By: _____
John Meeks, Secretary

Date: _____

AGENDA ITEM 10b

**Gulf Consortium Executive Committee Meeting
January 17, 2019**

**Agenda Item 10b
SEP Planning Consultants – Conflict of Interest**

Executive Summary:

At the November 2018 Gulf Consortium Board Meeting, it was requested that the Board revisit the Conflict of Interest (COI) clause agreed to by ESA and its subcontractors that currently prohibits ESA and its subcontractors from working on implementation of the SEP for the Consortium and the 23 member counties. Such COI clause was originally proposed by ESA, and was developed primarily in order to comply with Treasury regulations prohibiting conflicts of interest in the development and implementation of the SEP and was included within the SEP itself. It provides as follows:

The Consultant agrees to recuse itself from all participation in any projects, programs, and activities ultimately included in the State Expenditure Plan. Attached as composite Exhibit E is a copy of each Consultant's agreements with its named team partner firms and individuals regarding such firms recusal from all participation in any projects, programs, and activities ultimately included in the State Expenditure Plan.

State Expenditure Plan at Page 20.

It is important to note that the COI clause only extends to projects that were ultimately included in the SEP. ESA and its subcontractors are free to work on Pot 1 and Pot 2 projects as well as any other projects not related to SEP implementation for the Consortium and the member counties.

Because the COI clause was included within the SEP, any adjustment of the COI clause would require an SEP amendment, which must be approved by the RESTORE Council prior to taking effect. Further, even if changes to the COI clause were to be approved by the RESTORE Council, a future audit could nonetheless determine that a conflict of interest exists, thus potentially resulting in the clawback of grant funds awarded to the Consortium and/or the denial of subsequent reimbursement requests. Because relaxing the COI clause results in increased risk to the Consortium at a time when the Consortium is simultaneously seeking to overcome its "high risk" designation, I recommend the Board leave the existing COI language in place.

Analysis:

It is the responsibility of all public officers, employees and consultants to ensure the integrity and impartiality of the Consortium's procurement process. Fair and open competition is a basic tenet of public procurement. Such competition reduces the

appearance and opportunity for favoritism and inspires public confidence that contracts are awarded equitably and economically and helps to establish public confidence in the process by which services are procured.

To that end, the COI clause was put in place to provide sufficient control to prevent conflicts in the development and implementation of the SEP as required by Treasury. ESA agreed to this restriction when it first contracted with the Consortium and spent the last 3+ years working closely with the 23 counties on the development of the projects ultimately included in the SEP.

Under federal law, the Consortium is required to safeguard against conflicts of interests in administering federal funds. The Consortium should consider the following guiding principles related to competitive procurements and COI:

Federal Law

- The U.S. Department of Treasury Regulation requires the SEP to “describe the processes used to prevent conflicts of interests in the development and implementation of the plan.” §34.503(b)(3), 31 CFR Part 34.
- “In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements.” §200.319(a), 2 CFR Part 200.

RESTORE Council

- The Council has adopted a Code of Conduct which requires the Consortium to maintain written standards of conduct regarding conflicts of interest. The provision includes a conflict certification form that requires the Consortium to “establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain in the administration of this award.” *Form SF-424B, Section N, Restore Council Financial Assistance Standard Terms and Conditions.*

Florida Law

- “A person who receives a contract that has not been procured pursuant to subsections (1) - (3) to perform a feasibility study of the potential implementation of a subsequent contract, who participates in the drafting of a solicitation or who develops a program for future implementation, is not eligible to contract with the agency for any other contracts dealing with that specific subject matter.” §287.057(17)(c), F.S.

The COI clause was originally offered by ESA during the procurement process in response to the Consortium’s request for best and final offer. ESA voluntarily contracted with the Consortium to serve as the planning consultant responsible for development of

the SEP and has reaped the benefits thereof. The COI clause is reasonable, serves a legitimate public interest and is limited solely to the projects included in the SEP. ESA is free to work on Pot 1 projects, Pot 2 projects, Triumph projects or any other individual counties' projects.

Concerns in Amending the COI Clause:

- The Consortium, which has been flagged as a “high-risk” entity by the RESTORE Council, is in the process of “standing up” the administrative structure required to enable it to obtain grant funding from the RESTORE Council and implement the projects contained within the SEP. This process includes the completion of an organizational self-assessment (OSA). Submission of a proposed SEP amendment seeking to relax ethical restrictions that were included in the SEP intended to comply with Treasury Regulations relating to conflicts of interest in the development and implementation of the SEP may undermine these efforts.
- While ESA has previously contended that the COI clause became obsolete after the Consortium shifted to the “Even-Steven” approach whereby each county would receive equal funding, even under the Even-Steven approach, ESA has had a significant role in the characterization and refinement of projects in the SEP. Over the last 2.5 years, ESA and its subcontractors have met with individual counties and may be deemed as having an “unfair advantage” over other future bidders as they are in a position to have more information about timing, costs, leveraging and inner-project needs.
 - A state agency may not enter into a contract if a conflict of interest is based upon the vendor gaining an unfair competitive advantage. §287.057(16), F.S.
 - An “unfair competitive advantage” exists when the vendor has obtained:
 - a) Access to information that is not available to the public and would assist the vendor in obtaining the contract; or
 - b) Source selection information that is relevant to the contract but is not available to all competitors and that would assist the vendor in obtaining the contract.
- A concern may be raised as to the integrity of the original selection process as other consulting firms may have decided not to bid on the development of the SEP to remain eligible to compete on implementation.
- Future bidders may be discouraged from competing on implementation based on a perception of favoritism towards ESA and its subcontractors.
- The ultimate determination as to whether a conflict of interest exists could be raised in an audit, which may result in financial repercussions.

Conclusion:

Pursuing an amendment to the SEP that relaxes the existing COI clause results in increased risks to the Consortium at a time when the Consortium is seeking to overcome its “high risk” designation and obtain approval from the RESTORE Council of

the Consortium's ability to oversee and manage nearly \$300 million in federal grant funds. Therefore, I recommend the Board leave the COI clause as written.

Should the Consortium seek to amend the COI clause contained within the SEP, such amendment will be subject to approval by the RESTORE Council prior to taking effect in accordance with federal grant law and Council rules.

Options:

Option #1, Accept General Counsel's recommendation to leave existing COI clause in place.

Option #2, Seek an amendment to the SEP revising the existing COI clause.

Option #3, Board direction.

Prepared by:

Evan Rosenthal

Nabors, Giblin & Nickerson, P.A.

Assistant General Counsel

January 7, 2019

AGENDA ITEM 11

**Gulf Consortium Executive Committee Meeting
January 17, 2019**

**Agenda Item 11
Triumph 15 Planning Discussion**

Summary:

It was suggested that the Gulf Consortium or some of its members could pursue the Triumph funds currently being distributed to the State. The options for how to proceed to achieve a county-led process in terms of project planning and implementation will be discussed.

Prepared by:

Dan Dourte
The Balmoral Group, Manager
On: January 11, 2019