Welcome to the City of Treasure Island Commission Meeting. If you wish to speak on a topic which is on today’s agenda, a speaker’s form [available in the rear of the room] must be completed and given to the City Clerk. Please do not address the Commission from your seat, but rather from the podium where your comments can be heard by all and recorded as required by Florida law. Unscheduled topics may be presented under the Public Comments section of the agenda.

A. PLEDGE OF ALLEGIANCE

B. ROLL CALL

Larry Lunn           Mayor
Deborah Toth        Commissioner, District 1
Tyler Payne         Commissioner, District 2
Saleene Partridge  Commissioner, District 3
Heidi Horak         Commissioner, District 4

C. APPROVAL OF REGULAR AND WORKSHOP AGENDAS

D. PROCLAMATIONS, RECOGNITIONS, CERTIFICATES OF APPRECIATION

E. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

F. APPROVAL OF MINUTES

1. Approval of July 16, 2019 Board of Commissioners Regular Meeting Minutes
2. Approval of July 16, 2019 Board of Commissioners Regular Workshop Minutes

G. CONSENT AGENDA

1. Approve Purchase and Installation of Additional Parking Pay Stations and Meters from Flowbird in the amount of $40,705.

H. ITEMS OF BUSINESS

1. 2nd Reading/Public Hearing Ordinance 2019-09, Purchasing Ordinance
2. Approve Purchase and Sale Agreement for the property located at 10451 Gulf Blvd. in Treasure Island to be used as City of Treasure Island City Hall

I. ADJOURNMENT

For any person desiring to appeal any decision made by the board, agency, or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be
based [F.S. 286.0105]. NOTE: Any transcript shall be requested and made by the individual requesting same at his or her own expense. Therefore, a court reporter may be desired or required accordingly.

Any person with a disability who needs any accommodation in order to participate in this proceeding is entitled to assistance at no cost. Please contact the Office of the City Clerk in writing at 120 108th Avenue, Treasure Island, FL, 33706 or by phone at (727) 547-4575 at least two working days prior to the meeting to advise what assistance is needed.
The meeting was called to order at 6:00 PM by Mayor Larry Lunn

A. PLEDGE OF ALLEGIANCE
Mayor Lunn led those in attendance in the Pledge of Allegiance.

B. ROLL CALL

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<th>Attendee Name</th>
<th>Title</th>
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<td>Larry Lunn</td>
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<td>Deborah Toth</td>
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<td>Saleene Partridge</td>
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<td>Heidi Horak</td>
<td>Commissioner, District 4</td>
<td>Present</td>
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C. APPROVAL OF REGULAR AND WORKSHOP AGENDAS
Commission consensus was to accept the agendas as presented for tonight’s meeting and workshop.

D. PROCLAMATIONS, PRESENTATIONS, RECOGNITIONS, CERTIFICATES OF APPRECIATION

1. Proclamation - Parks & Recreation
Mayor Lunn read a proclamation, proclaiming the month of July Park and Recreation Month in the City of Treasure Island. Dakota Priest accepted the proclamation on behalf of the Recreation Department.

RESULT: NO ACTION NECESSARY

2. Presentation - New Flood Maps
The presentation that was given has been permanently attached to the official copy of these minutes. Individuals can locate their property at pinellascounty.org/flooding; zoom in and see the difference between the current flood zone and what will be on the new map. Others resources are also available on the county’s web page.

RESULT: NO ACTION NECESSARY

E. PUBLIC COMMENTS FOR NON-AGENDA ITEMS
Dominique Reiter announced that there is a group of resident who are helping the Police Chief obtain a 1953 Pontiac Chieftain. 46% of the funds were raised at the most recent fundraiser. Another fundraiser will take place Sunday July 21st from 1 p.m. to 4 p.m. at Gator’s.

Missy Hahn invited folks to attend the Chamber’s Annual Casino Fundraiser. Registration is available online or at the Chamber. The event will take place at the Bilmar Beach Resort on August 10, 2019.
F. APPROVAL OF MINUTES

1. Approval of June 4, 2019 Board of Commissioners Regular Meeting Minutes

RESULT: ACCEPTED [UNANIMOUS]
MOVER: Deborah Toth, Commissioner, District 1
SECONDER: Tyler Payne, Commissioner, District 2
AYES: Lunn, Toth, Payne, Horak
ABSENT: Partridge

2. Approval of June 4, 2019 Board of Commissioners Regular Workshop Minutes

RESULT: ACCEPTED [UNANIMOUS]
MOVER: Deborah Toth, Commissioner, District 1
SECONDER: Tyler Payne, Commissioner, District 2
AYES: Lunn, Toth, Payne, Horak
ABSENT: Partridge

3. Approval of June 18, 2019 Board of Commissioners Regular Meeting Minutes

RESULT: ACCEPTED [UNANIMOUS]
MOVER: Deborah Toth, Commissioner, District 1
SECONDER: Tyler Payne, Commissioner, District 2
AYES: Lunn, Toth, Payne, Horak
ABSENT: Partridge

4. Approval of June 18, 2019 Board of Commissioners Regular Workshop Minutes

RESULT: ACCEPTED [UNANIMOUS]
MOVER: Deborah Toth, Commissioner, District 1
SECONDER: Tyler Payne, Commissioner, District 2
AYES: Lunn, Toth, Payne, Horak
ABSENT: Partridge

G. CONSENT AGENDA

1. Authorization of Ranking Approval and Permission to Enter Into Contract Negotiations with the Top Three Ranked Firms for Disciplines 1, 2 and 4 under RFQ 18-19-07

RESULT: APPROVED [UNANIMOUS]
MOVER: Deborah Toth, Commissioner, District 1
SECONDER: Tyler Payne, Commissioner, District 2
AYES: Lunn, Toth, Payne, Horak
ABSENT: Partridge

2. Authorization of City Manager Purchasing Authority with Dura-Cast Products, Inc. for residential waste cans in the total amount of $16,000 for FY 2019.
H. ITEMS OF BUSINESS

1. 2nd Reading/Public Hearing - Ordinance 2019-07: Amending Section 6-37 “Running at Large – Prohibited” and Section 6-38 “Leash Required” of the Code of Ordinances

City Attorney Jennifer Cowan provided a second reading of Ordinance 2019-07. Mayor Lunn opened a public hearing at 6:32 p.m. 3 residents spoke in favor of the adoption of the proposed ordinance. The public hearing closed at 6:36 p.m.

RESULT: APPROVED [UNANIMOUS]
MOVER: Deborah Toth, Commissioner, District 1
SECONDER: Tyler Payne, Commissioner, District 2
AYES: Lunn, Toth, Payne, Horak
ABSENT: Partridge

2. 2nd Reading/Public Hearing - Ordinance 2019-08: Extending the Hours Which Alcohol Can be Sold in Treasure Island

City Attorney Jennifer Cowan provided a second reading of Ordinance 2019-08. Mayor Lunn opened the public hearing at 6:37 p.m. and closed at 6:38 p.m. with no comments. Commissioners Payne and Horak expressed their support and appreciation for the passing of this Ordinance.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Deborah Toth, Commissioner, District 1
SECONDER: Tyler Payne, Commissioner, District 2
AYES: Lunn, Toth, Payne, Horak
ABSENT: Partridge

I. ADJOURNMENT

The meeting adjourned at 6:39 PM.
The meeting was called to order at 6:50 PM by Mayor Larry Lunn

I. CITY MANAGER AND CITY ATTORNEY REPORT

The City Attorney had no report.

The City Manager announced that the FY 2020 Budget Workshop will take place tomorrow, July 18, 2019 from 4 p.m. to 8 p.m.

Commissioner Horak announced the Sea Oat Planting that will take place on Saturday, July 20, 2019. Planting begins at 7 a.m. Bring your gloves, hat and sunglasses.

II. DISCUSSION

1. Ordinance 2019-09; Amending Purchasing Policy and Ordinance

Mike Munger told how one of the first projects assigned to him when he was hired was to review and provide an update of the Purchasing Policy. He explained that the proposed changes will go into effect October 1, 2019. These changes are intended to open city business to more vendors.

Commission consensus was to move this item forward to the Regular Agenda of the next regularly scheduled meeting for a 1st Reading.

RESULT: MOVED TO FUTURE MEETING Next: 7/23/2019 6:00 PM

2. FY 2020 Dental, Life and Long Term Disability Insurance Renewal with Lincoln Financial Group

Human Resources Director Tiffany Makras explained that Life and Long Term Disability benefits are available for employees only, not dependents. The City offers employees one dental plan and pays 100% for the employee dental premium and 25% of dependent dental coverage costs.

Ms. Makras informed the City Commission that the FY 2020 dental renewal rate is 3% which is an approximate increase of $700.00. The life and long term disability insurance renewals are flat with no increase in premium amounts. The approximate total cost is $71,770 of which the City will pay $48,105; the remaining amount, $23,575 will be paid by staff who elect a combination of either dependent dental coverage and/or voluntary life insurance.

Commission consensus was to move this item forward to the Consent Agenda of the next regularly scheduled Commission Meeting.

RESULT: MOVED TO FUTURE MEETING Next: 7/23/2019 6:00 PM

3. FY 2020 Group Health Insurance Renewal with Public Risk Management

Human Resources Director Tiffany Makras told how the City currently offers medical and vision insurance to full time employees through a group health insurance pool with Public Risk Management. The City has been offering medical and vision insurance through the PRM pool since FY 2010. The City offers
employees three health plan options and there is one voluntary vision plan. Employees who elect vision coverage are responsible for 100% of the premium.

The FY 2020 health insurance and vision renewal rate is flat with no increase in premium amounts.

Commission consensus was to move this item forward to the Consent Agenda of the next regularly scheduled City Commission meeting.

RESULT: MOVED TO FUTURE MEETING Next: 7/23/2019 6:00 PM

4. Non-Exclusive License Agreement with Ice Depot

Recreation Director Cathy Hayduke spoke of the opportunity to enter into a Non-Exclusive License Agreement with The Ice Depot LLC. Recreation staff have reviewed high volume public locations with the necessary utilities needed for the ice vending machine operations and decided that Gulf Front Park and the Beach Pavilion would provide suitable locations.

Ms. Hayduke spoke of the specifications of the ice vending machines and participated in a conversation with the Commission about the design of the wraps for the machines.

Commission consensus was to move this item forward to the Regular Agenda of the next regularly scheduled Commission Meeting.

RESULT: MOVED TO FUTURE MEETING Next: 7/23/2019 6:00 PM

5. Award of Contract with Waste Pro of Florida, Inc. for Compactor Services and Execution of three Non-Exclusive License Agreements each with Ricky T’s Bar & Grille, VIP Lounge & Mexican Restaurant, and CJ’s on the Island for Compactor Services

Assistant Public Works Director Stacy Boyles explained that Ricky T’s, VIP and CJ’s are lacking the necessary space to provide adequate waste capacity to serve their businesses. This will become more of an issue in October when the Sunday waste collection service ends. Ms. Boyles asked the Commission to please consider approving a contract to lease a compactor and to enter into non-exclusive service agreements with the three downtown businesses for the use of the compactor. Utilizing the compactor will bring these businesses back into compliance with the City’s Recycling and Waste Management Ordinance.

Waste-Pro was selected as the most cost-effective service provider. The compactor will be placed inside a six-foot tall fence which will have a gate code for secured access.

Commission consensus was to move this item forward to the Consent Agenda of the next regularly scheduled City Commission Meeting.

RESULT: MOVED TO FUTURE MEETING Next: 7/23/2019 6:00 PM

6. Execution of a “Piggy Back” Contract to Ajax Paving Industries of Florida, LLC using an Annual Asphalt Pavement Rehabilitation Contract from Pasco County in the total amount of $2,046,310.00

Public Works Director Mike Helfrich informed the City Commission that the City budgets approximately $300,000 per year on roadway improvements. The City has not had a contract available to provide roadway restoration services since January 2017. The Public Works Department have been searching for a viable “Piggy Back” contract for Citywide Roadway Rehabilitation. Ajax Paving Industries, LLC
presented the Pasco County Annual Asphalt Pavement Rehabilitation Contract. The proposed unit prices are in line with our original estimates for our roadway projects.

Mr. Helfrich told of 16 proposed projects that are planned for this contract, including the Dolphin Drive Road and Drainage Rehabilitation Project.

Commission consensus was to move this item forward to the Consent Agenda of the next regularly scheduled Commission Meeting.

RESULT: MOVED TO FUTURE MEETING

Next: 7/23/2019 6:00 PM

7. Execution of a Contract to Right of Way Contracting, LLC for the 125th Avenue Drainage Improvements and Beautification in the amount of $143,482.45 to include $20,000 in Contingency.

Public Works Director Mike Helfrich explained that there are nine streets that are included in the plan to provide drainage improvements and end street beautification. Four of the nine end streets have been completed.

Four bids were submitted in response to an Invitation to Bid for the 125th Avenue Drainage Improvements and Beautification. After review of the bids, it was determined that ROW Contracting, LLC was the lowest bidder.

Commission consensus was to move this item forward to the Consent Agenda of the next regularly scheduled Commission Meeting.

RESULT: MOVED TO FUTURE MEETING

Next: 7/23/2019 6:00 PM

8. Execution of a Work Authorization with Advanced Engineering & Design, Inc. for the design of the East Causeway Roadway and Stormwater Improvements in the amount of $193,700 for a total amount of $243,700 for FY 2019

Assistant Public Works Director Stacy Boyles spoke to the Commission briefly reviewing the background of the East Causeway Roadway and Drainage Project. Ms. Boyles requested the Commission approve an expenditure of $193,700 for the design of the Project. Advanced Engineering & Design is one of the City’s continuing engineering service providers and their staff are intimately familiar with this project and its constraints.

Commission consensus was to move this item forward to the Consent Agenda of the next regularly scheduled Commission Meeting.

RESULT: MOVED TO FUTURE MEETING

Next: 7/23/2019 6:00 PM

III. OLD BUSINESS

None

IV. CITY COMMISSION REPORTS

Commissioner Toth reminded folks to please come out and help us plant us Sea Oats on Saturday and raise funds for the Chieftain at Gator’s on Sunday.
Commissioner Payne told how he was recently in downtown St. Pete and noticed that some of their utility boxes are either painted or wrapped. He noted that it would be interesting if we could do that here in Treasure Island and mentioned that the two boxes coming into the Isle of Palms would be great candidates.

Commissioner Horak agreed with Commissioner Toth and encouraged folks to participate in activities on Saturday and Sunday.

V. PUBLIC COMMENT

Ross Sanchez resides on Dolphin Drive. He thanked the Commission for approving the work that needs to be done on Dolphin Drive, stating that the residents along that street have been waiting a long time for this work to get done.

VI. ADJOURN

The Workshop adjourned at 7:49 PM.
DATE:

TO: Garry Brumback, City Manager

FROM: Amy Davis, Finance Director / Assistant City Manager

SUBJECT: Approve purchase and installation of additional parking pay stations and meters from Flowbird (previously CALE) in the amount of $40,705

BACKGROUND AND ANALYSIS

The City currently has 430 metered parking spaces, with 78 of those added in an expansion effort referred to as Phase I in FY 2017 which has resulted in an increase in our parking revenue. Staff is recommending an additional four parking areas to metered, which will add 42 spaces for a total of 472 metered parking spaces city-wide.

The City has a 3-year contract for the purchase and software support with Flowbird (previously CALE) that resulted from request for proposal in FY 2017. Flowbird has offered a refurbished pay station with their new touch-pad screen, walk-up solar-powered light bar, and installation cost per unit at $6,640. Because our experience with pay station is much better than the individual meters, we are recommending whenever possible to install pay stations. These refurbished pay stations are used casing that has been re-powder coated with all new insides utilizing the latest technology that is now the new standard in the Flowbird pay stations.

POLICY / PURPOSE

To purchase additional pay stations and meters to expand the number of metered parking spaces in the City for revenue generating purposes.

STRATEGIC PLAN RELEVANCE

This item will serve to fulfil Goal 2 of the Strategic Plan: Create and maintain functional and cost-effective City facilities and grounds to serve the needs of the community. This purchase fulfils a specific Action Plan and Objective by expanding and enhancing parking opportunities, thereby improving overall parking efficiency.

FUNDING
There is $28,400 budgeted in the Penny for Pinellas Fund, however, the purchase of the Rescue vehicle resulted in $8,400 of savings that will be able to cover the shortage of the budget versus total purchase cost. The remainder of the funding will come from the general fund account for parking program improvement account (001-5410-63000) where $25,000 is budgeted to make the necessary improvements to the parking areas.

123-5300-63000 Penny budget for Paystations $28,400
123-5300-64200 Penny budget for Rescue (savings) $  8,400
001-5410-63000 General Fund/Muni Svcs $  3,905
Total $40,705

This purchase authority is for the purchase for the recommended six (6) pay stations, plus the additional dual-meter that was purchased for 101st Ave. E. a few months ago, and some contingency for installation costs for a total purchase authority of $40,705.

RECOMMENDATIONS
Staff recommends metering the parking spaces located along:
- Kingfish Drive (27 metered spaces), 3 pay stations
- 127th Ave W. beach access (5 metered spaces), 1 pay station
- 102nd Ave E street end (5 metered spaces), 1 pay station
- 101st Ave W beach access (5 metered spaces), 1 pay station

Staff has noted some general and unique situations at these four locations that warrant adding metered parking at this time. Kingfish Drive-in the area around Gator’s Café-has had structured City parking for many years, albeit un-metered. There are numerous cars parked in the area on weekdays and weekends for traffic crossing over the bridge to walk to John’s Pass Village. The State recently installed “No Parking” signs adjacent to the southeast side of the bridge abutment in their right-of-way, moving those cars to the public spots directly in front of Gators. Additionally, this pan would refurbish the parking at Kingfish Park adding a marked accessible parking spot.

At the remaining three sites, the primary concern is overcrowded and unorganized parking especially on busy weekends. Given the very confined dimensions at these sites, there is little space available to build parking spots to acceptable standards. It is believed there is unacceptable overcrowding at these locations because they are currently un-metered lots adjacent to lots that are metered. Structuring these locations should adequately redistribute peak parking and minimize public safety and liability concerns.

RECOMMENDATIONS
Staff the metering parking spaces located along Kingfish Drive, 127th Ave W. beach access, 102nd Ave E street end, and 101st Ave W beach access.

Staff recommends the purchase authorization of up to $40,705 with Flowbird for the purchase of pay stations and/or meters.

MOTIONS
I move to approve and authorize metering parking spaces located along Kingfish Drive, 127th Ave W. beach access, 102nd Ave E street end, and 101st Ave W beach access.

I move to approve and authorize the City Manager Purchase Authority up to $40,705 for the purchase of pay stations and/or meters from Flowbird.

ATTACHMENTS

Maps (4) of proposed expansion of metered parking
DATE: July 16, 2019

TO: Garry Brumback, City Manager

FROM: Mike Munger, Purchasing Coordinator/Management Analyst

SUBJECT: Ordinance 2019-09: Amendments to Purchasing Ordinance

BACKGROUND

The City’s current Purchasing ordinance has not been substantively modified since October 2010. This is a request to amend, establish, and repeal sections of Chapter 2, Article VI, Division 1 and 2, Purchasing of the Code of Ordinances to update some regulations and increase purchasing thresholds.

POLICY / PURPOSE

To request that the City Commission adopt these changes and schedule a first and second reading of the ordinance on July 23, 2019 and August 6, 2019, respectively.

STRATEGIC PLAN RELEVANCE

These changes will support the City’s Goal 1 (Strengthen the financial stability of the City in an ever-changing economic environment) by making necessary changes to our policies to allow for better City and vendor relations while increasing the fiscal safeguards.

ANALYSIS / DISCUSSION

Staff has undergone a review process of the City’s current Ordinance and Administrative Policy governing the City’s purchasing and procurement activities. Certain aspects of both the Ordinance and Policy have begun to have an operational impact on City business by delaying the procurement of necessary goods and services, and discouraging vendor participation in City business. The proposed amendments to the Ordinance can largely be categorized as described below.

Sec. 2-276 “Purchasing Procedures for Goods, Materials, and Services” is requested to be amended to increase and standardize spending thresholds, and eliminate the provisions allowing for late bids.
Sec. 2-277 “Authorization of purchases; emergencies” is requested to be modified to clarify the language providing discretion to the City Manager in emergency situations, and the methods of reporting and retroactive spending authorization.

Sec. 2-278 “Governmental entity bids; purchases without bids” is requested to be modified to add language ensuring piggybacked contracts are sourced from an open competitive process.

Sec. 2-279 “Purchasing procedures” is requested to be added to codify the status and oversight of the Administrative Policy, and dictating what it must entail.

Division 2, “Construction Contracts and Materials” and Section 2-301 “Construction work and materials; form of notice for bids” are requested to be repealed from the ordinance, as oversight of such solicitations and contracts are proposed to be moved to the Administrative Policy.

The City has reviewed surrounding Cities’ thresholds and policies and have discovered that ours are out of line in comparison. In the nearly ten years since the thresholds, ordinance, or policy have been amended, the cost of routine goods and services have increased dramatically. This means that purchases that used to fall under the current $10,000 limit have now surpassed that threshold and require a much more cumbersome and lengthy process to procure. This lengthier and complex process of a formal solicitation requires that vendors submitting bids comply with a significant level of paperwork and documentation just to submit a small bid.

Such requirements are causing a number of unintended consequences. Vendors are showing hesitancy in bidding on these smaller projects as the administrative burden of compiling the required documentation is only economical if they win the bid. While staff has taken steps to streamline the process making it more user-friendly, there are certain necessary conditions the City must maintain for larger projects that are not as vital for smaller, routine procurements.

The request to accept these changes to the City’s Purchasing Ordinance corresponds with a significant overhaul of the Administrative Policy for Purchasing (AP-26). Some of the ordinance changes repeal sections; these regulations and oversight will be moved to AP-26 where they can more easily be updated and modified as state and local laws may change. Additionally, the draft ordinance changes create Sec. 2-279 which mandates the essential contents of the Administrative Policy, and codifies the City Manager’s responsibility to maintain and enforce the policy. It is staff’s intent to have all of these changes be effective October 1, 2019 to coincide with the FY20 budget and to allow for necessary training before the end of the FY19.

Staff believes these ordinance and policy changes will: open up more City business to a greater number of potential vendors, allowing the City to potentially get better prices; make both the ordinance and administrative policy more user-friendly for both vendors and City departments; standardize and mandate documentation of quotes and solicitations; and ultimately increase the efficiency of City operations while maintaining or expanding the fiscal and ethical safeguards.

**FUNDING**

n/a

**RECOMMENDATIONS**

Staff recommends that the City Commission schedule Ordinance No. 2019-09 for 1st and 2nd Reading, with all required advertising.
ATTACHMENT(S)

- DRAFT Ordinance 2019-09
- Comparison of Purchasing Thresholds for Other Communities
- REVISED Administrative Policy for Procurement and Purchasing (AP-26)

MOTION

I move to approve and adopt Ordinance No. 2019-09 amending, establishing, and repealing sections of Chapter 2, Article VI, Division 1 and 2, Purchasing of the Code of Ordinances.
STATE OF FLORIDA } ss
COU NTY OF Pinellas County

Before the undersigned authority personally appeared Jill Harrison
who on oath says that he/she is Legal Clerk of the Tampa Bay
Times a daily newspaper printed in St. Petersburg, in Pinellas
County, Florida; that the attached copy of advertisement, being a
Legal Notice in the matter RE: ORD 2019-09 was published in
Tampa Bay Times: 7/26/19. in said newspaper in the issues of St
Pete Times Beaches

Affiant further says the said Tampa Bay Times is a newspaper
published in Pinellas County, Florida and that the said newspaper
has heretofore been continuously published in said Pinellas County,
Florida, each day and has been entered as a second class mail mat-
ter at the post office in said Pinellas County, Florida for a period of
one year next preceding the first publication of the attached copy of
advertisement, and affiant further says that he/she neither paid not
promised any person, firm or corporation any discount, rebate, com-
mission or refund for the purpose of securing this advertisement for
publication in the said newspaper.

______________________________
Signature of Affiant

Sworn to and subscribed before me this 07/26/2019.

______________________________
Signature of Notary Public

Personally known ___________ or produced identification

Type of identification produced __________________________

Notary Public State of Florida
David Kersey
My Commission GG 282146
Expires 12/09/2022

THE CITY OF TREASURE ISLAND, FLORIDA
NOTICE OF PUBLIC HEARING

The City Commission of the City of Treasure Island, Florida proposes to
adopt the following Ordinance, which is applicable citywide:

ORDINANCE NO. 2019-09

AN ORDINANCE OF THE CITY OF TREASURE ISLAND,
FLORIDA, AMENDING THE CODE OF ORDINANCES OF THE
CITY OF TREASURE ISLAND, FLORIDA, BY AMENDING
ARTICLE VI "PURCHASING" DIVISION 1 "GENERALLY"
BY AMENDING SECTION 2-276 "PURCHASING
PROCEDURES FOR GOODS, MATERIALS AND SERVICES"
TO REFLECT NEW EXPENDITURE THRESHOLDS,
ALTERNATIVE PROCUREMENT METHODS AND REMOVE
ACCEPTANCE OF LATE BIDS; AMENDING SECTION 2-277
"AUTHORIZATION OF PURCHASES; EMERGENCIES" TO
CLARIFY THE PROCUREMENT PROCESS; AMENDING
SECTION 2-278 "GOVERNMENTAL ENTITY BIDS;
PURCHASES WITHOUT BIDS" TO REFLECT USE OF
COMPETITIVE SOLICITATION; ESTABLISHING
SECTION 2-279 "PURCHASING PROCEDURES" TO PROVIDE THE
CITY MANAGER WITH DIRECTION AND AUTHORITY
TO ESTABLISH PROCUREMENT PROCEDURES; AND
REPEALING DIVISION 2 "CONSTRUCTION CONTRACTS
AND MATERIALS" BY REPEALING SECTION 2-301
"CONSTRUCTION WORK AND MATERIALS; FORM OF
NOTICE FOR BIDS"; PROVIDING FOR SEVERABILITY;
CONFLICT; CODIFICATION; AND AN EFFECTIVE DATE.

The 2nd reading and public hearing of this ordinance will be held
Tuesday, August 6, 2019 at 6:00 PM in the Treasure Island City Hall
Auditorium, 120 108th Avenue, Treasure Island, Florida 33706.

Interested parties may appear at this hearing and be heard with respect
to the proposed ordinance. A copy of this ordinance is available for
inspection in the Office of the City Clerk between the hours of 8:00 AM
and 4:30 PM Monday through Friday.

For an person desiring to appeal any decision made by the board,
agency or commission with respect to any matter considered at such
meeting or hearing, he or she will need a record of the proceeding,
and that, for such purpose, he or she may need to ensure that a verbatim
record of the proceedings is made, which is to based [F.S. 286.0105).
NOTE: Any transcript shall be requested and made by the individual
requesting same at his or her own expense. Therefore, a court reporter
may be desired or required accordingly.

Any person with a disability who needs any accommodation in order to
participate in this proceeding is entitled to assistance at no cost. Please
contact the Office of the City Clerk in writing at 120 108th Avenue,
Treasure Island, FL 33705 or by phone at (727) 547-4575 at least two
working days prior to the meeting to advise what assistance is needed.

7/26/2019
ORDINANCE NO. 2019-09

AN ORDINANCE OF THE CITY OF TREASURE ISLAND, FLORIDA, AMENDING THE CODE OF ORDINANCES OF THE CITY OF TREASURE ISLAND, FLORIDA, BY AMENDING ARTICLE VI “PURCHASING” DIVISION 1 “GENERALLY” BY AMENDING SECTION 2-276 “PURCHASING PROCEDURES FOR GOODS, MATERIALS AND SERVICES” TO REFLECT NEW EXPENDITURE_THRESHOLDS, ALTERNATIVE PROCUREMENT_METHODS AND REMOVE ACCEPTANCE OF LATE BIDS; AMENDING SECTION 2-277 “AUTHORIZATION OF PURCHASES; EMERGENCIES” TO CLARIFY THE PROCUREMENT PROCESS; AMENDING SECTION 2-278 “GOVERNMENTAL ENTITY BIDS; PURCHASES WITHOUT BIDS” TO REFLECT USE OF COMPETITIVE SOLICITATION; ESTABLISHING SECTION 2-279 “PURCHASING PROCEDURES” TO PROVIDE THE CITY MANAGER WITH DIRECTION AND AUTHORITY TO ESTABLISH PROCUREMENT PROCEDURES; AND REPEALING DIVISION 2 “CONSTRUCTION CONTRACTS AND MATERIALS” THROUGH REPEALING SECTION 2-301 “CONSTRUCTION WORK AND MATERIALS; FORM OF NOTICE FOR BIDS”; PROVIDING FOR SEVERABILITY; CONFLICT; CODIFICATION; AND AN EFFECTIVE DATE.

WHEREAS, pursuant to the authority of the City’s Charter and its home rule powers, the City Commission of the City of Treasure Island, Florida possesses the power to amend the Code of Ordinances for the City of Treasure Island, Florida; and

WHEREAS, the City desires that Section 2-276, “Purchasing procedures for goods, materials and services”, of the Code of Ordinances of the City of Treasure Island, Florida, be amended to: (i) reflect new expenditure_thresholds; (ii) allow alternative procurement_methods for expenses between $2,500 and $25,000; and (iii) remove acceptance of late_bids; and

WHEREAS, the City desires that Section 2-277, “Authorization of purchases; emergencies”, of the Code of Ordinances of the City of Treasure Island, Florida, be amended to clarify process of authorizing emergency_purchases; and

WHEREAS, the City desires that Section 2-278, “Governmental entity bids; purchases without bids”, of the Code of Ordinances of the City of Treasure Island, Florida, be amended to reflect the use of competitive_solicitation; and

WHEREAS, the City desires to establish Section 2-279, “Purchasing procedures”, in the Code of Ordinances of the City of Treasure Island, Florida, to provide the City Manager with authority and direction to establish purchasing procedures; and

WHEREAS, the City desires that Division 2, “Construction Contracts and Materials”, Section 2-301, “Construction work and materials; form of notice for bids”, be repealed from the Code of Ordinances of the City of Treasure Island, Florida; and
NOW, THEREFORE, THE CITY OF TREASURE ISLAND DOES ORDAIN:

SECTION 1. The recitals set forth in the “Whereas” clauses above are ratified and confirmed as true and correct, and are hereby adopted as legislative findings by the City Commission of the City of Treasure Island, Florida for the adoption of this Ordinance.

SECTION 2. Section 2-276 “Purchasing procedures for goods, materials and services” of the Code of Ordinances of the City of Treasure Island, Florida, is hereby amended to read as follows:

Sec. 2-276. – Purchasing procedures for goods, materials and services.

(a) *Expenditures up to $10,000.00 $25,000.00.* The city manager is authorized to approve expenditures up to $10,000.00 $25,000.00 without prior approval of the city commission for the purchase of goods, materials, equipment or services, upon receipt of at least two written bids, telephone quotes or proposals, provided sufficient funding is available in the approved city budget. The $25,000 City Manager’s expenditure authority is not exceeded when budgeted individual identical items are purchased throughout a fiscal year, each costing less than $25,000.00 individually, even if cumulatively those items total more than $25,000.00.

(b) *Expenditures in excess of $10,000.00 $25,000.00.* The city commission may authorize an expenditure in excess of $10,000.00 $25,000.00 for goods, materials, equipment or services after the issuance of a request for proposal or bid and the receipt of sealed bids or proposals, which shall be publicly opened in a manner set forth in an administrative policy established by the city manager for bidding expenditures in excess of $10,000.00 a public, formal, sealed-bid solicitation process or any other procurement method so authorized.

(c) *Exceptions.* The requirements of subsection (b) are not intended to apply to routine operating expenses such as salaries, utilities, and supplies, and medical payments as required by law for which budget appropriations have been made. Performance bonds and bid bonds may be required if deemed necessary by the city manager.

(d) *Award of contract.* The city commission shall award the contract to the lowest responsive and responsible bidder. For the purpose of determining the lowest responsive and responsible bidder, the city commission may consider factors including the cost of the product or service; qualifications of the bidder; prior experience of the bidder in similar activities; prior work performed by the bidder on behalf of the city or other units of government or their agencies; and any other factors deemed relevant by the city commission in its sole discretion. If the city manager recommends the acceptance of a bid other than the bid with the lowest total price, the reason for the recommendation shall be given.

(e) *Rejection.* The city commission may reject any or all bids if it is deemed in the best interests of the city to do so, and to rebid the proposed purchase. All bid proposals submitted to the city must address and conform to the bid specifications and the scope of the work to be performed. Any deviations or substitutions from the bid specifications or the scope of work must be identified with a written explanation. Failure to comply with the provisions of the bid specification may result in a rejection of the bid proposal. Incomplete bid proposals may be rejected by the city. The city reserves the right to waive minor technical defects in a bid submittal as determined in its sole discretion.
late-filed bid may be accepted if it has been postmarked, dropped off with a delivery service or otherwise placed in transit to the city prior to the time of bid opening so that the city is reasonably certain that the prices contained within the bid could not have been altered as a result of the opening of the bids that had been submitted by the time established for bid opening.

(g) **Applicability.** The bid requirements set forth in this section shall not apply to professional services covered by the Florida Consultant’s Competitive Negotiations Act which services shall be obtained following the procedures set forth by state statute. To the extent the monetary amounts or subject matters set forth in the Consultant’s Competitive Negotiations Act are inapplicable to a proposed service agreement, the city shall follow the procedures set forth in this section. The requirements of this division may be waived by the city manager when purchasing used or surplus equipment provided that such a purchase is in the best interest of the city.

(hf) **Exemptions.** Unless otherwise prohibited by law, the following situations are exempted or modified from the competitive bid requirements of this section:

1. **Professional services.** Contracts for professional services involving peculiar skill, ability, experience or expertise, which are in their nature unique and not subject to competitive bidding, are exempt from the competitive bidding requirements of this section; however, a formal, written contract, approved by the city commission, shall be required for all such contracts in excess of $20,000.00, and any applicable state law, such as the Consultant’s Competitive Negotiation Act shall be followed.

2. **Noncompetitive supplies.** Noncompetitive supplies, available only from one source, such as unique, patented or franchised supplies are exempt for the competitive requirements of this section. The city manager is authorized to purchase and contract for noncompetitive supplies up to $10,000.00, provided authorized funds are available in the annual budget. The city commission must approve purchases in excess of $10,000.00.

3. **No bid received.** Where no bid has been received after publication of a bid/proposal; however, such purchases in excess of $20,000.00 require a formal, written contract approved by the city commission.

4. **Unique circumstances.** Where the city commission finds unique circumstances to establish that competitive bidding is not in the best interest of the city; however, such purchases in excess of $20,000.00 require a formal, written contract approved by the city commission. The city commission, upon request by the city manager, may waive the requirement for a formal written contract when such a contract would not be in the best interest of the city.

5. **Bids and contracts from other entities.** The city manager is authorized to use competitive bids and formal contracts from other entities as provided in section 2-278.

**SECTION 3.** Section 2-277 “Authorization of purchases; emergencies” of the Code of Ordinances of the City of Treasure Island, Florida, is hereby amended to read as follows:
Sec. 2-277. – Authorization of purchases; emergencies.

In case of an actual or impending emergency that requires the immediate purchase of supplies, repairs or contractual services, the city manager may, without prior city commission approval, secure, by open market procedure at the lowest obtainable price, any supplies or services not exceeding $25,000.00. A full report of the circumstances of all emergency purchases that exceed the City Manager’s expenditure authority shall be filed with the city commission by the city manager at its next regular or special meeting. In the event an emergency requires the expenditure of more than $25,000.00, the city manager may approve the purchase and shall bring the expenditure to the city commission for ratification at the next regular, special or emergency meeting of the city commission.

SECTION 4. Section 2-278 “Governmental entity bids; purchases without bids” of the Code of Ordinances of the City of Treasure Island, Florida, is hereby amended to read as follows:

Sec. 2-278. – Governmental entity bids; purchases without bids.

Nothing in this division shall prohibit the city manager or city commission from utilizing approved bid lists resulting from an open, competitive solicitation established by federal, state, county, municipal or other governmental bodies, or government-, educational- or nonprofit-oriented associations or purchasing cooperatives, such as the Florida Sheriffs Association or the Florida Police Chiefs Association and the U.S. Communities Government Purchasing Alliance (U.S. Communities).

SECTION 5. The Code of Ordinances of the City of Treasure Island, Florida, is hereby amended by adding a section, to be numbered, Section 2-279 “Purchasing Procedures”, which said section reads as follows:

Sec. 2-279. – Purchasing procedures.

(a) The City Manager shall develop purchasing procedures that shall apply to all personnel involved in the purchasing process. Such procedures shall be in the form of administrative code and shall be effective upon issuance by the city manager.

(b) The purchasing procedures shall include provisions dealing with recommended competitive procurement methods, fiscal controls, dollar limitations on purchasing authority of the various city officials, protest procedures, and shall be subject to modification, amendment, or expansion as necessary.

SECTION 6. Division 2, “Construction Contracts and Materials”, Section 2-301, “Construction work and materials; form of notice for bids”, of the Code of Ordinances of the City of Treasure Island, Florida, is hereby repealed from the Code of Ordinances:

DIVISION 2. – CONSTRUCTION CONTRACTS AND MATERIALS

Sec. 2-301. – Construction work and materials; form of notice for bids.

(a) Each bid greater than $100,000.00 must be accompanied by a certified check or bidder’s bond executed by the bidder in a sum equal to ten percent of the amount of the bid. The bond is required as a guarantee that if the bid is accepted a contract will

Packet Pg. 24
be entered into within ten consecutive calendar days after written notification has been given of the award of the contract. The city commission may waive the requirement for a bid bond.

(b) The successful bidder will be required to execute a performance bond acceptable to the city manager and finance director for contracts over $500,000.00, except for emergency construction or repairs, in the amount of 100 percent of the contract price. The performance bond shall be provided to the city within two business days upon issuance of a "notice to proceed" for the project.

(c) All bids must be plainly marked (description of the work to be done and materials to be furnished), and in a sealed envelope.

(d) The city reserves the right to reject any or all bids and to waive any formalities.

SECTION 7. SEVERABILITY. It is declared to be the intent of the City Commission that, if any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

SECTION 8. CONFLICT. This action supersedes all codes and ordinances of the City or portions of, in conflict with or inconsistent with this ordinance, to the extent of such inconsistency or conflict.

SECTION 9. CODIFICATION. Sections 2, 3, 4, 5 and 6 of this Ordinance shall be codified in the Code of Ordinances for the City of Treasure Island, Florida. The codifier is authorized to renumber or reclassify such other provision of the Code of Ordinance to accomplish such intention. The codifier is authorized to make editorial changes not affecting the substance of this Ordinance in the substitution of article, ordinance, section, paragraph, or such other appropriate word or phrase in order to accomplish such intention.

SECTION 10. EFFECTIVE DATE. This Ordinance shall take effect on October 1, 2019.

FIRST READING:

PUBLISHED:

SECOND READING AND PUBLIC HEARING:

PUBLISHED: ___________________________, 2019, Tampa Bay Times

______________________________
Lawrence Lunn, Mayor

______________________________
Ruth Nickerson, City Clerk
## PURCHASING SPENDING THRESHOLDS FOR AREA CITIES AND THE COUNTY

<table>
<thead>
<tr>
<th>CITY</th>
<th>NO QUOTES</th>
<th>QUOTES</th>
<th>BIDS</th>
<th>AWARD BY COUNCIL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indian Rocks Beach</td>
<td>under $5,000</td>
<td>$5,000 – $10,000</td>
<td>over $10,000</td>
<td>over $10,000</td>
</tr>
<tr>
<td>Madeira Beach</td>
<td>under $1,000</td>
<td>$1,000 – $15,000</td>
<td>over $15,000</td>
<td>over $15,000</td>
</tr>
<tr>
<td>St Pete Beach</td>
<td>under $2,500</td>
<td>$2,500 – $25,000</td>
<td>over $25,000</td>
<td>over $10,000</td>
</tr>
<tr>
<td>Oldsmar</td>
<td>under $2,000</td>
<td>$2,000 – $25,000</td>
<td>over $25,000</td>
<td>over $25,000</td>
</tr>
<tr>
<td>South Pasadena</td>
<td>under $5,000</td>
<td>$5,000 – $25,000</td>
<td>over $35,000</td>
<td>over $35,000</td>
</tr>
<tr>
<td>Pinellas Park</td>
<td>under $5,000</td>
<td>$5,000 – $35,000</td>
<td>over $35,000</td>
<td>over $35,000</td>
</tr>
<tr>
<td>Largo</td>
<td>under $2,500</td>
<td>$2,500 – $50,000</td>
<td>over $50,000</td>
<td>over $50,000</td>
</tr>
<tr>
<td>Clearwater</td>
<td>under $2,500</td>
<td>$2,500 – $50,000</td>
<td>over $50,000</td>
<td>over $50,000</td>
</tr>
<tr>
<td>Pinellas County</td>
<td>under $5,000</td>
<td>$5,000 – $100,000</td>
<td>over $100,000</td>
<td>over $100,000</td>
</tr>
<tr>
<td><strong>Treasure Island</strong></td>
<td>under $500</td>
<td>$500 – $10,000</td>
<td>over $10,000</td>
<td>over $10,000</td>
</tr>
</tbody>
</table>

I would recommend the following limits for the City of Treasure Island and using a minimum of three quotes between $2,500 and $25,000:

<table>
<thead>
<tr>
<th>Treasure Island</th>
<th>Under $2,500</th>
<th>$2,500 - $25,000</th>
<th>Over $25,000</th>
<th>Over $25,000</th>
</tr>
</thead>
</table>

Note: St Pete Beach allows quote up to $25,000 but any quote over $10,000 needs to be awarded by the City Council.

- Contract Involved
- Business Friendly
- Cumbersome and Costly
- Legal Review
- Advertise
- Limits Responses
CITY OF TREASURE ISLAND
ADMINISTRATIVE POLICY

DATE OF ISSUE: [DATE], 2019 NO.: AP - 26
EFFECTIVE DATE: October 1, 2019
SUBJECT: Procurement and Purchasing Policy

APPROVED: ___________________________ Revision Date: ____________

Garry Brumback, City Manager

I. PURPOSE & INTENT

The purpose of this policy is to establish the manner in which the City of Treasure Island will purchase materials, supplies, equipment, and various contractual services; and maintain a high ethical standard for all officers and employees of the City in connection therewith. It is the stated goal of the City that all purchases are executed in the most responsible manner possible taking into account initial cost, long-term value, local and broad impact and sustainability, and an overall duty to public stewardship.

II. POLICY & PROCEDURES

These policies are established for purchasing supplies, materials, services, or commodities necessary for the operation of the City and are consistent with the requirements of Chapter 2, Article VI, Divisions 1 and 2, City of Treasure Island Code of Ordinances.

This policy shall apply to all employees and departments for the expenditure of funds authorized by the City Commission or budget.

This policy shall apply to the purchase of goods and/or services, unless the Purchasing Procedures, the City Commission, or any applicable Federal, State or local law specifically makes that purchase exempt.

A. RESPONSIBILITIES

1. The City Manager is responsible for ensuring that the purchasing policy is applied uniformly and consistently in all City offices and departments. The City Manager or designee is responsible for establishing administrative guidelines for the purchase of commodities, materials, equipment and services for City agencies, departments and offices. Shall also be the party responsible for effective and beneficial negotiations of solicitations, where applicable.

2. The Finance Director shall provide assistance and advice, as necessary, in the administration of, and compliance with, the purchasing policies and procedures.

3. Department Directors—or designee—are responsible for ensuring employees in their department with purchasing authority are fully familiar with and properly trained on federal, state, and local laws, including City policies, regulations and procedures.
regarding the purchase of commodities, materials, equipment and services. All employees shall comply with the provisions of said laws, policies, regulations and procedures.

4. The department director, or their designee, of each department shall be responsible for the following:

   a. Determining the quality and quantity of supplies or services needed and the delivery date required.

   b. Providing specific requisition requirements. Give accurate part numbers and descriptions of articles required in sufficient time to purchase supplies or services on a competitive basis.

   c. Receiving and inspecting items delivered by vendors and reject shipments that fail to meet purchase order requirements. The Purchasing Coordinator should be immediately notified of any problems if items are accepted without inspection.

   d. Obtaining approval for emergency purchases.

   e. Cooperating with the Purchasing Coordinator in establishing standards and specifications.

   f. Ensuring there are adequate funds available for any procurement.

5. The Purchasing Coordinator is responsible for the direction and management of the City’s procurement processes and operations. Also responsible for assisting Departments in preparing specifications for competitive bids to ensure appropriate boilerplate and safeguards are added to avoid challenges to the bidding process, specifications, and award/rejection. This also includes ensuring departments place appropriate legal advertisements, conducting bid openings, and tabulating bids.

6. The Purchasing Coordinator will also propose administrative policies and procedures regarding purchasing; coordinate the sale and disposal of surplus property. The Coordinator will assist departments with obtaining quotes, bids and proposals for the purchase of equipment, supplies and services; reviews and processes requisitions for purchase and checks for accuracy and conformance with the City purchasing policy. The Coordinator will help Departments find prices, available products, and sources of supply; maintain vendor files; and act as the City’s representative with various purchasing Cooperatives.

B. GOVERNING DIRECTIVES

The rules and guidelines established within this Administrative Policy are duly authorized by Chapter 2, Articles II and VI, of the City of Treasure Island Code of Ordinances. (See Appendix 2.) Further, the City of Treasure Island will strive for equitable competition among all vendors regardless of race, color, religion, sex, national origin, gender, sexual orientation, marital status, age, genetic information, or disability.
C. UNAUTHORIZED PURCHASES

Purchases required for the operation of the City are to be coordinated with the Purchasing Coordinator and Finance Director, unless specifically exempt. Any transaction, purchase, or procurement that is $2,500 or more requires a Purchase Order—unless preapproved by the Finance Department—and must be authorized before any City monies can be spent. Unauthorized purchases made by City employees—without obtaining prior appropriate approval—may be subject to cancellation and the employee may be subject to disciplinary action as specified by the Personnel Manual.

D. GENERAL PURCHASING STANDARDS

1. The Purchasing Coordinator shall be the primary conduit for communication between departments and potential vendors immediately before and during a formal solicitation process. This reliance will ensure that purchasing policies and principles are being upheld, and to minimize any appearance of a conflict of interest among the parties.

2. The preparation of specifications for technical equipment, plans, or designs is primarily the responsibility of the requesting department; while the Purchasing Coordinator will be primarily responsible for the final consolidation, review, and publication of solicitations.

3. Unless otherwise exempted, Purchase Orders are required for expenditures of funds of $2,500.00 or more.

4. Purchase Orders are not required for local utility services for City owned or operated facilities, postage expense, City Attorney billing, or non-competitive tangible goods, or other similar routine operating expenses as deemed appropriate by the Finance Director or City Manager.

5. Descriptions or specifications should be written to preclude limiting purchases to a specific brand name which can restrict competition and result in higher price. If the specifications of a brand name and/or model are being used or recommended, the term phrase “or equivalent” is to be included. If the “or equivalent” designation may not be acceptable, the department must submit justification for City Manager consideration.

6. In certain circumstances, the City Manager or City Commission may determine that it is in the best interest of the City to standardize the brand of certain equipment purchased, even though the bid submitted for the equipment is not the lowest. Standardizing can be advantageous to the City in that parts may be interchangeable with other units, the cost of training for the operation, repair and maintenance of the equipment can be reduced, and savings on the inventory of parts for the equipment can be achieved. See Life Cycle Costs in the Glossary section.

7. Where possible, a Department purchasing goods and services commonly required by more than one department should seek to establish an annual contract, utilizing a formal solicitation with the assistance of the Purchasing Coordinator. These contracts, featuring predetermined vendors, terms and conditions, and favorable, consolidated pricing, allow departments to utilize their personnel to accomplish other departmental duties by reducing the necessity for those personnel to perform separate, redundant, and conflicting procurement activities. Annual contracts should be utilized whenever the contract goods and services are appropriate to the needs of the user departments.
E. ETHICAL STANDARDS

1. The avoidance of actual or apparent conflicts of interest is a prime requisite to the efficient and sound operation of government and maintenance of the public trust.

2. All City employees who participate in the purchasing program shall abide by the highest of ethical standards. A special responsibility is imposed on employees who are entrusted with the disposition of City funds. They must therefore adhere to the ethical standards contained in Section 112.313 of the Florida Statutes.

3. Any City employee serving on an evaluation committee must complete the Statement of Non-Conflict indicating that neither they nor any immediate family member could stand to financially benefit directly or indirectly from any given outcome of the solicitation in question.

F. VENDOR RELATIONSHIPS

1. All vendors will be afforded equal opportunity to submit bids and/or quotations and to compete on equal terms.

2. The City will buy from suppliers who have adequate financial strength, high ethical standards, a record of adhering to specifications, maintaining shipping promises, and giving a full measure of service. The City will seek to buy at the lowest and best cost consistent with the quality needed to meet the requirements of the City, taking all life cycle costs into consideration.

3. The City recognizes the goals for Equal Employment Opportunity, Affirmative Action, Americans with Disabilities, Minority Business Enterprises (MBE), Women Business Enterprises (WBE) and other classifications that may be considered Disadvantaged Business Enterprises (DBE) and will encourage such entities to provide goods and services to the City.

4. The City strives to maintain relationships with vendors of proven ability. To accomplish this, purchasing activities will be conducted in such a matter that vendors will place a high value on City business and make every effort to meet these requirements on the basis of quality, service and price. All departments will strive to keep competition open and fair, and specifications clear and concise.

5. It is essential to develop and maintain goodwill between the City and its suppliers. The reputation of the City can be enhanced and promoted by:

   a. Affording all representatives, a full, fair, prompt, and courteous hearing.
   b. Keeping competition open and fair.
   c. Keeping specifications fair, accurate and clear.
   d. Maintaining consistent buying policies and principles.
   e. Observing strict truthfulness in all transactions and correspondence.
   f. Keeping free from any obligation to any vendor.

6. The City should not purchase any goods or services from any City Commission member or City employee, or any business in which a city employee or City Commission member has or may have a financial or beneficial interest except during an emergency situation.
G. THRESHOLDS & APPROVALS

1. Competition requirements for commodities, services, construction, and equipment:
   
a. Less than $2,500
   Approved by the Department Head or designated representative.
   The Department should shop around and solicit quotes regularly to ensure the City is getting the best prices. However, there is no specific requirement to get any set number of quotes for requisitions less than $2,500. Where practical, Purchase Orders should be utilized for greater transparency, but the use of purchasing cards is acceptable.

b. $2,500 - $10,000
   The Department Director shall coordinate the collection of at least two (2) quotes using the most appropriate means necessary. Approval shall be made by the Department Director with concurrence by the Purchasing Coordinator and Finance Director. A purchase order shall be prepared for the purchase.

c. $10,000 - $25,000
   The Department Director should coordinate with the Purchasing Coordinator in the collection of at least three (3) written quotes using a standardized method and/or online portal or platform. The goods/services sought should be specifically itemized so that submitted quotes are as similar as possible. Approval/Rejection of the Quotes shall be made by the City Manager before a purchase order can be finalized.

d. More than $25,000
   Unless otherwise noted, all purchases over this threshold must go through a formal solicitation process (e.g. ITB, RFP, etc.). Approval/Rejection of the bid or proposal shall be made by the City Commission before a purchase order can be finalized.

2. The purchase of services for temporary labor shall have the approval of the City Manager before a purchase order/contract is issued.

3. Personnel authorized to purchase commodities/services shall document procurement transactions to provide a basis for audit and compliance reviews and to establish a written record of the purchasing activity.

4. Required documentation includes the request for quotations, quotations, analysis of the quotations, memos on negotiations, amendments to purchase orders, revisions in specifications, quantities, or delivery and all other pertinent correspondence.
H. SOLICITATION TYPES & PROCEDURES

The following flow chart is provided to provide a visual overview of the most appropriate solicitation based on the circumstances of the procurement. What follows after are the steps and procedures necessary for each type of solicitation. Departments should use this flowchart when they anticipate a procurement to be more than $2,500 and would not be specifically exempted by this policy. All of the following purchases and procurements described below require sufficient funding being available in the approved city budget. These flowcharts are provided as guidance and the ultimate procurement avenue is dictated by federal or state law, local ordinance, or City Manager determination.

1. Is the procurement related to an immediate emergency?
   - YES: Refer to section below on Emergency Procurement
   - NO: Is the good or service provided by only one vendor?
     - YES: Refer to section below on Sole Source Procurement
     - NO: Is this procurement for a tangible good being purchased from a competitively awarded contract from another public entity in Florida?
       - YES: Refer to section below on Contract Price Procurement
       - NO: Is the good or service estimated to cost more than the City Manager’s limit?
         - YES: Refer to the next page for further information...
         - NO: Refer to section below on Quotes
Purchases over City Manager Limit

Is this a service that is being procured under an existing contract with a public entity in Florida that was the result of a public, competitive solicitation?

YES
Refer to section below: Piggyback Procurement

NO

Does this procurement have a finite, exact, and well defined scope of services or bid schedule with a basic 'lowest cost' test for evaluation? (e.g. paving project or residential waste containers)

YES
Refer to section below: Invitations to Bid

NO

Is this procurement for architecture, professional engineering, landscape architecture, or registered surveying and mapping services; or where the City desires to pursue qualified vendors first, before evaluating pricing?

YES
Refer to section below: Request for Qualifications (see also, CCNA)

NO

Is this procurement for a good or service where a certain outcome is desired, but there is not a well-defined or scope of work, and where the evaluation will involve quality and price simultaneously? (e.g. enterprise software or consulting services)

YES
Refer to section below: Invitation to Negotiate

NO

Is this procurement for a good or service that does not fit into the above categories and where the vendor responses will involve a 'best value' determination? (e.g. fireworks or banking services)

YES
Refer to section below: Request for Proposals
General Solicitation Guidelines

The following items are provided to document overall guidance and requirements:

- **Solicitation Evaluation**
  - For most of the solicitation types outlined below, the City’s stated policy is to award solicitations to the vendor that meets the stated qualifications and offers the lowest overall purchase price.
  - For other types as described below, the City’s goal is to execute a “best value” evaluation to determine the vendor that can offer the best product for the lowest overall life cycle cost.
  - If the City recommends the acceptance of a bid other than the bid with the lowest total price, the reason for the recommendation shall be given.

- **Appropriations Requirements**
  - No purchases shall be made, contract executed, or obligation incurred for any item or service that shall exceed the current budget appropriations without a supplemental appropriation by the city commission.

- **External Purchasing Requirements**
  - The City shall follow other Federal, State, and local laws, statutes, ordinances, directives and policies as they apply to local government purchasing.
  - Standards and processes external purchasing requirement adherence will be crafted and maintained by the Purchasing Coordinator and may be amended at any time with the approval of the City Manager.

- **Advertisement of Bids**
  - State law dictates how certain solicitations must be advertised; the most common instance the City will face is any construction project estimated to exceed $200,000.
  - Optionally, departments—with the advice of the Purchasing Coordinator—can choose to advertise, if they have the budget allocated to do so.
  - All formal solicitations will be posted on the City’s website and on the most appropriate online purchasing portal being utilized by the City.

- **Miscellaneous**
  - When possible the City shall utilize an “e-bidding” option to encourage paperless submission of solicitation responses.
  - A tabulation of bids received and those in attendance shall be made publically available for each formal solicitation.
  - Failure by a vendor to properly complete a solicitation response may have it invalidated rendering it noncompliant. Such bids may still be considered if the deficiency is deemed by the Purchasing Coordinator to be minor and not affecting the result of the response.
  - Contracts for the acquisition of multiyear service agreements should not have an initial term of more than three (3) years with a renewal option not to exceed two (2) years; the City Manager can authorize an initial term of up to five (5) years with a two (2) year renewal option, if the services to be acquired are deemed essential and vital to City operations or where public health or safety may be jeopardized in the absence of a contract for the respective services.
  - Once a solicitation is advertised, a “cone of silence” is in place. This means potential bidders may only communicate with the Purchasing Coordinator regarding any information in a given solicitation until the solicitation is closed.
  - The City will follow Florida Statute 287.087 (Drug-Free Workplace) in case of identically-priced bid submissions. When bidders with a Drug-Free Workplace certificate submit identical bids, the City will defer to the most-local vendor starting with city, county, state, and national tests in that order. The City reserves the right to implement any other tie-breaker based on the uniqueness of the solicitation; such modifications will supersede these rules.
Emergency Procurement (EP)

Certain situations may arise as part of City operations when the regulations of this policy cannot be strictly followed due to an imminent or active emergency event, which is a circumstance in which one of the following conditions exists:

1. Critical City operations will be affected in an adverse situation.
2. An emergency creates a threat to public health, welfare or safety.
3. A delay in the procurement of goods/services is against the public interest.

If any of these conditions are present, the City Manager and departments are permitted to take any and all necessary measures to procure the goods/services required to address the imminent emergency only. The City Manager and departments are urged to pursue the best prices possible in these situations, bearing in mind the public health and safety concerns. If the emergency occurs and must be addressed outside of normal operating hours, the respective Department Director is authorized to make all necessary purchases, in lieu of City Manager authority; it is the Department Director’s responsibility to justify any emergency purchases. If the totality of the Emergency Procurement is greater than the City Manager’s purchasing threshold, the department director must get City Manager approval and a full report of the circumstances shall be filed with the City Commission by the City Manager at its next regular meeting of the City Commission.

Procedures:
1. An incident or occurrence arises that meets the definition of an “emergency” as indicated above, and that requires an immediate City response and spending.
2. The City (City Manager and/or Department Director) authorize the expenditure of funds to purchase the necessary services or supplies required to address the emergency, making all due effort to get the best price possible based on the severity of the emergency.
3. All direct expenses related to the emergency response will be detailed and serve as backup to the report that will be presented to the City Commission at the next regular meeting.

Sole Source Procurement (SS)

The City may procure certain goods or services which may only be purchased from or serviced by one vendor. These Sole Source goods/services—such as unique, patented, or franchised supplies—are exempt from the requirements within this policy, except as described in this section. Such purchases in excess of the City Manager’s threshold require approval by the City Commission, unless an emergency exists as defined in this policy.

Procedures:
1. Department Directors, with the guidance of the Purchasing Coordinator, will complete a Statement of Sole Source Determination form to detail the specifics of the project.
2. Justification shall contain the following information as a minimum:
   a. How a determination was made that the goods/services being purchased are only available from one source.
   b. The contacts (if any) made in an attempt to identify alternate sources.
   c. The rationale that the goods/services being purchased cannot be substituted with similar goods/services from other sources.
3. The City Manager is authorized to approve the request directly if the cost is less than or equal to the City Manager thresholds.
4. If the costs are anticipated to be greater than the City Manager’s threshold and the City Manager agrees with the Sole Source determination, the City will agenda an item for City Commission consideration.
**Contract Price Procurement (CP)**

Often the City will need to acquire goods or supplies that are routinely purchased by other public entities in Florida. When the Departments or Purchasing Coordinator can find competitive pricing from existing contracts from other Florida public entities that meet the City’s needs, Departments are permitted to acquire goods or supplies at or less than the pricelist provided in the source entity’s approved contract. **The procurement of contractual or professional services is not allowed under this section—see Piggyback Procurements.** Unless specifically exempted by ordinance (specifically Sec. 2-276a), or this policy (Emergency Procurements), Contract Price Procurements must be approved by the Commission if greater than the City Manager’s approved threshold.

**Procedures:**

1. Upon discovery of a contract that a department may wish to pursue, the department and Purchasing Coordinator will work together to gather the following requirements:
   a. A copy of the original solicitation from the contracting public entity or consortium. This ensures the scope of work, bid schedule, terms & conditions, etc. are all in compliance with City standards and conforming to the goods or supplies required.
   b. A complete copy of the awarded vendor’s response to the original solicitation. This provides the pricing in the submitted solicitation response that produced the winning bid.
   c. A finalized and executed copy of the contract between the vendor and public entity, to ensure the contract was appropriately approved and has not expired.
   d. Communication from the vendor confirming they are willing to extend the prices in the original contract to the City, if not specifically allowed in the original contract.

2. Department or Purchasing Coordinator drafts a memo to the City Manager/City Commission detailing the procurement and requesting permission to pursue pre-negotiated prices.

3. If the goods or supplies acquired are estimated to be less than the City Manager’s threshold, the department can create a Purchase Order with City Manager approval to acquire the products.

4. If the goods or supplies identified are estimated to be more than the City Manager’s threshold, the department must get purchase authorization by the City Commission before a Purchase Order can be issued.

5. Any final Purchase Order must be submitted to the vendor with the approved Purchase Order Terms & Conditions which are required in lieu of a contract with the vendor.

**Piggyback Procurement (PB)**

Often the City will need to acquire services that are also purchased by other public entities in Florida. When the Departments or Purchasing Coordinator can find competitive pricing from existing contracts between from other Florida public entities that meet the City’s needs, Departments are permitted to enter into a Piggyback contract at or less than the pricelist provided in the original approved contract. Piggyback Procurements are primarily used for the acquisition of professional or contractual services, where a signed contract or agreement is preferred due to the extended and or recurrent nature of the relationship with the vendor.

**Procedures:**

1. Upon discovery of a contract that a department may wish to pursue, the department and Purchasing Coordinator will work together to gather the following:
   a. Copy of the original solicitation from the contracting public entity. This ensures the scope of work, bid schedule, terms & conditions, etc. are all in compliance with City standards and conforming to the services required.
   b. Complete copy of the awarded vendor’s response to the original solicitation. This provides the pricing in the submitted solicitation response that produced the winning bid.
c. Finalized and executed copy of the contract between the vendor and public entity, to ensure the contract was appropriately approved and has not expired.

d. Proof of communication from the vendor confirming they would extend the prices in the original contract to the City, if not specifically allowed in the contract.

2. Department and/or Purchasing Coordinator draft a memo to the City Manager/City Commission detailing the procurement and requesting permission to pursue already-negotiated prices.

3. The Purchasing Coordinator will send a Piggyback contract to the vendor for their signature.

4. If the services acquired are estimated to be less than the City Manager’s threshold, the department can create a Purchase Order with City Manager approval to procure the services once the Piggyback agreement is appropriately executed.

5. If the services acquired are estimated to be more than the City Manager’s threshold, the department must get purchase authorization and Piggyback agreement approval by the City Commission before a Purchase Order can be issued.

Invitations to Bid (ITB)

When the City needs to solicit interest for a project that is finite and well-defined with a specific scope of work and/or bid schedule, an Invitation to Bid is the most appropriate solicitation. The evaluation of the responses to an ITB is solely based on the lowest price submitted, assuming the vendor meets the minimum qualifications as a vendor and submits a compliant bid.

Procedures:
1. The department works with the Purchasing Coordinator to craft a scope of work and bid schedule that will be included in the ITB document.

2. The sections in the ITB will typically consist of the following, but may vary based on unique needs of the project or solicitation:
   a. Cover sheet: includes title, solicitation number, and dates
   b. Statement of No Bid: included to capture vendor responses should they choose not to submit a solicitation response
   c. Scope of Work: customized for each solicitation to convey the specifics of the project and all necessary info for vendors to submit a compliant response
   d. General Instructions: generally, boilerplate section with a restatement of dates
   e. Bid Forms: standardized documents that get the basic information of the vendor; also includes Drug-Free Workplace Certificate
   f. General Conditions: standard information that doesn’t generally change but may be customized based on the needs of the solicitation; **also contains the specific Insurance Requirements for a given solicitation**
   g. Bid Schedule: the section that changes with each ITB as it is the form that itemizes the project and will be used to determine lowest bid
   h. Additional Exhibits: it may be common to add site plans, Maintenance of Traffic documents, technical specifics, pictures, bonding, or any other files that may assist vendors in formulating the best responses
   i. Contract: the draft contracts in the solicitation templates are reflective of contracts approved by the City Attorney and signed by the Commission; can be modified based on the uniqueness of a solicitation but may require legal review if the Purchasing Coordinator or Finance Director determines the change may have legal ramifications
   j. Checklist: provided to assist the vendors as a final check to increase the chances of submissions being complaint with the requirements of the ITB; items listed on this checklist but not provided by a bidder may render the bid noncompliant

3. The ITB is posted online utilizing the City’s website and online purchasing portal after being reviewed as follows:
a. **Department**: review technical details and any other department-based info  
b. **Risk Management**: verifies the Insurance Requirements in the ITB  
c. **Purchasing Coordinator**: overall quality and document control, policy/ordinance compliance assurance, and the specific solicitation process  

4. Where advisable or requested by the departments, the solicitation may advertise a pre-bid meeting for potential vendors.  
a. **Mandatory**: such pre-bid meetings are required to be attended by at least one member of each potentially bidding firm; failure to attend a mandatory pre-bid meeting prevents a vendor from submitting a response to the solicitation  
b. **Non-Mandatory**: used when it may be advisable for vendors to have an opportunity to meet with City staff or representatives during the solicitation process  

5. The Purchasing Coordinator, in conjunction with the respective department, will respond to submitted questions in the form of addenda which will be posted for public consumption in the same manner in which the solicitation was advertised.  

6. When the solicitation closes, the Purchasing Coordinator—with another witness from the City—will publicly open all submission and post a corresponding bid tabulation. Staff will review the lowest bid response to determine if it is effectively compliant with the requirements within the solicitation. The Bid Tabulation document will be posted in a manner so that any respondent may access it. For ITB solicitations the Bid Tabulation shall by default also serve as a Recommendation of Award and Intent to Award.  

7. The department will draft an agenda memo to place the approval of the contract at a future regular meeting of the Commission, and—upon approval—communicate a notice to proceed with the vendor and any necessary purchase orders.  

8. Upon final Commission approval, the Purchasing Coordinator will post an Award Document to close out the solicitation.  

**Request for Qualifications (RFQ)**  

When the City desires to procure professional services—specifically those identified in the CCNA statute—a Request for Qualifications solicitation should be utilized. This type of solicitation by definition removes any pricing considerations during the initial evaluation and review process, ensuring the City reviews the vendor submissions based on ability and qualifications rather than any lowest bid criteria. The City will follow the requirements of the CCNA statute when required and will use the same guidelines even when not required so as to maintain continuity and minimize any potential protests.  

**Procedures:**  
The steps and requirements detailed under the ITB will be followed, except as indicated below.  

1. The sections in the RFQ will typically follow those in the ITB, but may vary as follows:  
a. **Selection Process**: details the specific steps in the particular procurement process including dates and meetings; lists the proposed evaluation committee members; provides evaluation criteria for each phase of the solicitation evaluation process, including scoring methodology; and eventual contract negotiation criteria. Should follow or fall within the Scope of Work section.  

2. The Purchasing Coordinator will post notices of evaluation committee decisions which may include bid tabulation of all submissions, shortlisting of respondents invited to make presentations, ranking of firms after the evaluation of presentations, recommendation of award (which serves as the negotiation ranking), and intent to award (which lists the vendors the City desires to contract with).  

3. For CCNA solicitations, the City must reasonably exhaust all efforts to have compliant submissions from at least three respondents, per the requirements of state law.
4. The department will draft an agenda memo to place the final ranking of firms before the City Commission and request authorization to enter into negotiations with each of the firms in ranked order. The Purchasing Coordinator will draft an Intent to Award document and post it publically.

5. Once satisfactory prices are negotiated between the City and ranked firms, the department will draft an agenda memo to place the contract and respective negotiated pricelists before the City Commission for approval.

**Invitation to Negotiate (ITN)**

The City may experience opportunities where it may be advantageous to negotiate directly with vendors to achieve the best value. The process provides an opportunity to interact with vendors that have passed an initial review of qualifications in order to cooperatively develop competitive pricing. Due to the exposure of City officials to vendor representatives and because other types of solicitations are often more appropriate, these types of solicitations are rare but still a vital tool. Negotiations with qualified vendors can occur consecutively or concurrently as detailed below.

**Procedures:**
The steps and requirements detailed under the ITB will be followed, except as indicated below.

1. The department and Purchasing Coordinator work together to develop a scope of work that details the desired outcome and a list of required qualifications.

2. The sections in the ITN will typically consist of the following, but may vary based on unique needs of the project or solicitation:
   a. **Letter of Invitation**: since these type of solicitations will likely focus specifically on a few providers within a small market of vendors, it is advisable to include a personalized memo specifically inviting each identified vendor to respond
   b. **Scope of Work**: will detail the ultimate goal of the process and the minimum qualifications required to be considered; describe if the City will negotiate consecutively or concurrently; whether or not with City reserves the right to enter into multiple agreements with more than one vendor

3. Once the solicitation closes, the Purchasing Coordinator will review submissions to check for response completeness and vendor qualifications.

4. The department will draft an agenda memo to place the list of qualified firms before the City Commission and request authorization to enter into negotiations based on the specifications in the advertised ITN document.

5. Negotiations
   a. **Consecutive**: if the City wishes to negotiate with one qualified vendor at a time, the advertised ITN document must list criteria by which vendors will be ranked before negotiations can begin; the City can only move onto the next qualified vendor when the parties fail to reach amicable services and terms and cannot return to the previous vendor
   b. **Concurrent**: when the City wishes to negotiate with all qualified vendors, it must implement safeguards to ensure all qualified vendors are treated equally; such safeguards may include simultaneous communications between the City and the vendors, definitive deadlines for responses, and randomization of in-person negotiations

6. When the City and vendor(s) have reached amicable terms, the department will draft an agenda memo to place the list of qualified firms before the City Commission and request approval of the contract(s) and any corresponding pricelists. The Purchasing Coordinator will draft an Intent to Award document and post it publically.
Request for Proposals (RFP)

For all other formal solicitations that do not fit into any of the types herein, the City will utilize an RFP. This solicitation type is used when the City has an intended type of product or service outcome is desired, but does not desire to be prescriptive as to detailed specifics. While price is a primary factor, the City may also consider best value in terms of life cycle costs, history with a particular brand or vendor, or any other considerations that may be specified in an individual RFP document. Any advertised RFP needs to specify what the City intends to consider in its deliberation so vendors know how to tailor their responses; such review criteria must be well thought out adhered to during the process so as to minimize the chance of bid protests.

Procedures:
The steps and requirements detailed under the ITB will be followed, except as indicated below.

1. The sections in the RFQ will typically follow those in the ITB, but may vary as follows:
   a. Selection Process: must provide the evaluation criteria and any considerations the City may contemplate during the review process. Should follow or fall within the Scope of Work section.

2. After the RFP closes and the City desires to avail itself of the option of negotiating with any of the submitting vendor(s), it can only discuss and negotiate within the constraints of the criteria disclosed in the RFP.
   a. Such negotiations must be confined to unit or extended prices, scale of the project being solicited, terms of the proposed contract, product specifications and equivalents, or any other considerations disclosed in the RFP.
   b. Services or products not included in the original RFP but offered by a vendor during negotiations cannot be accepted without providing an opportunity for other qualified vendors to make comparable revised offers.
   c. The City must also begin any negotiations with the qualified vendor submitting the lowest-priced RFP-conforming proposal and receive any counteroffer from said vendor before it can move onto another vendor.

3. Once a final agreement is finalized the department will draft an agenda memo to place the final agreement(s) and contract(s) before the City Commission. The Purchasing Coordinator will draft an Intent to Award document and post it publically.

Quotes

When a department has an anticipated expenditure estimated to be between $2,500 and $25,000, Quotes should be sought. Departments shall select supplies based on total cost, which considers delivery, freight costs, prices, quality, life cycle costs, warranty, services, and terms and conditions. Within these thresholds is an intermediate threshold of $10,000 that determines the sub-requirements of the Quotes process.

Procedures:
   a. Less than $10,000: the department will create a list of the goods or services required and distribute it to a list of known vendors; if there are no known vendors, the department will work with the Purchasing Coordinator to identify vendors; at least two (2) valid responses are required but departments are strongly encouraged to obtain three (3) to five (5); responses may be written or verbal but must be documented on the Quotes Form; once an acceptable price is obtained and all documentation is complete, the department will submit a Purchase Order to acquire the goods or services.
b. **Greater than $10,000**: the department will need to create a formal itemized inventory of goods or services desired; the department works with the Purchasing Coordinator to reach out to known vendors, post the quotes to the City’s online quotes portal, or both; the department must obtain three (3) to five (5) quotes but more are acceptable; document all responses on the Quotes Form; once an acceptable price is obtained and all documentation is complete, the department will submit a Purchase Order to acquire the goods or services.

**Remedies for Solicitation Unresponsiveness**

When the City follows all of the prescribed steps based on the solicitation type and fails to get the requisite number of responses, steps must be taken to exhaust all options before moving onto other procurement opportunities.

For formal failed solicitations the City should follow the steps below:

1. Consult any submitted Statements of No Bid to determine if the solicitation should be adjusted to encourage greater vendor interest.
2. Re-advertise the solicitation for at least two (2) weeks, but four (4) weeks is preferred.
   a. Compile a list of known or possible vendors and submit the solicitation to them directly during this re-advertising period.
3. If after the re-advertisement the City cannot get any valid responses, the Purchasing Coordinator and/or Department Director will communicate to the City Manager a determination of solicitation unresponsiveness.
4. If Statements of No Bid or any other information gathered during the solicitation process indicates an inability within the economic market to meet the scope of work in the solicitation, the City may wish to delay the solicitation until such time would allow for competitive responses.
5. If the City chooses to continue immediately in the solicitation process, the department should work with the Purchasing Coordinator to transform the formal solicitation to move onto the Quotes process—see Quotes section above.
6. Once all options have been exhausted, the City should cancel the solicitation and develop a strategy to reengage in the solicitation process from the beginning based on the information learned during the first attempt.

**I. BLANKET PURCHASE ORDERS (BPO)**

1. Blanket purchase orders may be established for departments to facilitate order placement and reduce the administrative overhead inherent in repetitive price comparison and order placement. Blanket purchase orders (BPO's) should be used when departments purchase repetitive specified goods or services from the same vendor that requires numerous orders/shipments over specified periods of time. BPOs may be used to consolidate similar orders by various departments (such as office supplies), to allow periodic payments for an on-going service (such as extermination services or maintenance contracts), or to allow for various small equipment repairs (such as electronics, lawn mowers, etc.).

2. A request for Purchase Orders should be prepared by applicable departments at the beginning of each fiscal year, requesting the amount and account for encumbering funds on the Blanket Purchase Order. The Blanket PO shall be reviewed and approved by the Purchasing Coordinator and Finance Director.
3. Ordering against Blanket Purchase Orders:
   a. When a department wants to order against a Blanket Purchase Order, the designated employee will contact the vendor, place the order and notify the Finance Director or designee.
   b. When the material or service is received, the department signs the packing slip and/or invoice and the Blanket Purchase Order slip and forwards it to the Finance Director or designee.

J. CHANGE ORDER

1. A Change Order may not substantially alter the character of the work contracted for and does not vary so substantially from the original specifications as to constitute a new undertaking. Such changes must be reasonably and conscientiously viewed as being in fulfillment of the original scope of the contract. Further, such changes when viewed against the background of the work described in the contract and the language used in the specifications, must clearly be directed either to the achievement of a more satisfactory result or the elimination of work not necessary to the satisfactory completion of the contract.

2. The City Manager is hereby authorized to approve and initiate work on the following types of change orders determined in his/her judgment to be in the public interest, as follows:
   a. All change orders decreasing the cost of the contract to the City; providing, however such decrease does not materially alter the scope of the work defined by the Contract.
   b. Change orders increasing the total cost of the contract by up to 10% with an aggregate maximum of $25,000, provided sufficient documentation is provided. The increase shall not materially alter the scope of work defined by the contract and must have sufficient budgeted funds to cover any overage.

3. All other change orders, unless specifically authorized by the City Commission, must be formally approved by the City Commission before work may be authorized to begin or continue.

4. Change orders shall not be artificially distributed or divided so as to bring the amount within the approval level of the City Manager and any such proposed change order shall include within it all logically connected work required to be done at the time of proposal.

K. SERVICES PERFORMED ON CITY PROPERTY

Vendors performing work on City Property are required to:

1. Be properly licensed under existing Federal, State and City laws.

2. Provide all required Certificates of Insurance with the City named as an additional insured. Evidence of Named Additional Insured status may be provided with a policy declaration page or policy endorsement. This includes insurance for any sub-contractor being utilized.

3. Obtain all permits required, for the nature of the work. Fees may be waived if City funds are being used to procure the services.
L. RECEIVING

1. It is the responsibility of each department to inspect all goods/services received to determine their conformance with the specifications set forth in the contract.

2. If goods/services are not acceptable, the user shall contact the vendor to resolve the problem.

3. If goods/services are acceptable, a receiving report shall be forwarded to the Finance Department immediately in order to authorize payment to the vendor.

M. PROTEST BY VENDORS

1. Bidders or respondents who do not agree with the City’s recommendation for award shall be afforded the opportunity to protest the recommendation by submitting written notice to the Purchasing Coordinator.

2. Such notice shall be given to the Purchasing Coordinator within five (5) working days after notice of award or of the date the petitioner could reasonably be expected to have known of the City’s recommendation.

3. The protest shall state the grounds for the protest and the action requested.

4. Bids or proposals not meeting the minimum published requirements—including specifications, scope of service, or insurance—are not subject to protest. The Department Director with the assistance of the Purchasing Coordinator shall prepare and submit a written determination to the City Manager recommending either approval or disapproval of the petition. The petitioner shall be furnished a copy of the written determination and recommendation.

5. The City Manager shall review and either approve or disapprove the recommendation of the Director. The petitioner shall be furnished a copy of such action.

6. The City Manager may employ any reasonable means to reach the decision on the petition.

7. Decisions of the City Manager may be appealed to City Commission by submission to the City Clerk of a written request for hearing within five (5) working days from the date of the City Manager’s written decision. The written request shall state the grounds for the appeal and the action requested of the City Commission.

8. A final decision under this section shall be conclusive and represent the position of the City.

9. In the event of a timely protest and/or appeal, the City shall not proceed further with the award unless the City Manager can justify such action as protecting the public health, welfare, or safety of the City.
N. BONDS

1. There are three (3) major types of bonds used by the City in the competitive procurement process. Those bonds, along with their utilization, are summarized below.

   a. Bid Bonds are used when bid security is required to ensure that the vendor awarded a contract will subsequently enter into a contract with the City. When deemed necessary, bidder’s security may be required in an amount described in the notices inviting bids. Bidders shall be entitled to return of bid security, provided that the successful bidder does not refuse or fail to execute a contract. The City may, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest bidder. The lowest bidder’s security shall be applied by the City to the contract price differential between the lowest bid and the second lowest bid, and the surplus, if any, shall be returned to the lowest bidder.

      i. Solicitations estimated at greater than $100,000 should include a requirement of a bid bond in a sum equal to 10% of the bid.

      ii. The City may require a bid bond for solicitations less than $100,000.

      iii. The City Manager may waive the bid bond requirement, provided they draft a memo stating their reasons why.

   b. Performance Bonds are used when a guarantee is required to ensure that a vendor that has entered into a contract with the City will complete the project within the terms of the agreement. Performance Bonds are typically required in construction projects greater than $200,000 or for other similar contracts where such protections are advisable. If required, the form and amount of the bond shall be described in the notice inviting bids. Contractors should provide a 100% performance bond after the Notice to Proceed is issued.

   c. Payment Bonds for Labor and Material are used to ensure the payment of all indebtedness incurred for labor furnished, materials, equipment or supplies used or consumed in connection with, or in or about, the construction, improvements or repairs. If required, payment bonds are normally written in an amount equal to one hundred percent (100%) of the award amount.

2. Cashier’s Checks, Certified Checks or other security deposits, (i.e. irrevocable letter of credit) may be considered in lieu of a bond, if acceptable to the Finance Director and the City Attorney.

3. Bond Requirements:

   A payment and performance bond with a surety insurer authorized to do business in Florida as surety shall be provided to the City pursuant to Florida State Statute 255.05 for the pursuit and completion of a public work, or for repairs upon a public building or public work.
O. INSURANCE

1. Certificates of insurance shall be provided by the successful bidder to assure that the City's insurance program will not be called upon to respond to losses from, and that the contractor is financially capable of responding to, claims resulting from the contractor's operations, activities or services for the City. Further, the Contractor agrees to hold harmless and indemnify the City for any claims that may arise as a result of the Contractor's actions.

2. Non-routine solicitations with unique circumstances, may require insurance coverages and limits that deviate from typical requirements. It is best practice to have the City's Risk Manager review any solicitation that based on a determination of the department, Purchasing Coordinator, or City Manager may benefit from additional coverage.

3. Construction and service contractors shall provide evidence of commercial general liability, property damage, worker's compensation and automobile liability coverage. Limits of coverage may vary based on the scope of work.
   
   a. Professional services and environmental contractors should provide evidence of professional liability, commercial general liability, worker's compensation, automobile liability coverage, and any other coverage Risk Management deems necessary.
   
   b. The certificate of insurance shall be issued to:

   City of Treasure Island
   c/o Purchasing Coordinator
   120 108th Avenue
   Treasure Island, FL 33706

   c. The certificate shall evidence thirty (30) day cancellation clause and the inclusion of the City of Treasure Island, Florida, as additional insured where applicable.

   d. Depending on the services requested in the procurement, additional or specialty coverages or specific limits of coverage may be required at the discretion of the City Manager. The amounts and types of insurance required will be detailed in the bidding or purchase document.
P. AUTHORIZATION FOR DISBURSEMENT AND PURCHASING CARDS

1. Purpose of Authorization for Disbursement and Purchasing Cards permits purchasing of goods and services when the total expenditure is less than $2,500. This allows for efficient day-to-day procurement of small dollar value requirements.

2. The Authorization for Disbursement or use of a Purchasing Card is a legally binding contract to procure goods or services for the issuing department. The City’s funds will be committed to pay for such items. Care must be taken when committing City funds to obtain the best possible price. Use of Authorization for Disbursement or Purchasing Cards

   a. Internal Control: Each department shall establish internal controls to insure, whenever possible and practical:

      i. That commodities are obtained at competitive prices;
      ii. That competing vendors are provided equal opportunity to quote on City requirements; and,
      iii. That like requirements are combined to obtain prices favorable to the City.

   b. The Department Director, or designated representative, may issue and approve Authorizations for Disbursement or utilize Purchasing Cards, and shall establish Authorization for Disbursement/Purchasing Card files for internal audit review as required. At a minimum, files shall contain:

      i. The document(s), which established the requirement(s) for purchase (e.g., work order, requisition);
      ii. A copy of the Authorization for Disbursement, charge ticket or receipt and a copy of the vendor’s sales slip, invoice, or delivery ticket as evidence of receipt.
      iii. If telephone quotes were obtained, a copy of the quotations should also be included. Invoice processing and payment procedures for all purchase made by Authorization for Disbursement/Purchasing Cards shall be prescribed by Finance.

3. Even though purchases of $2,500 or less are exempt from competitive bidding, the Department Director may require written, sealed, or competitive quotes whenever it is in the best interest of the City. In those instances, the department or Purchasing Coordinator should conduct the solicitation of quotations.

4. Recurring Requirements for identical or similar items should not be repetitively purchased on Authorizations for Disbursement or with Purchasing Cards. Rather, recurring requirements should be described, estimated in quantity and submitted to the Purchasing Coordinator for bid/quote processing and award of a blanket purchase order.

5. Splitting Orders to avoid exceeding the $2,500 limit is also prohibited. This will be a subject for continuing review by both the Finance Department and the annual audit. Department Directors are requested to give this area special attention.
III. **GLOSSARY**

1. **Award**: means the acceptance of a bid or proposal; the presentation of a purchase agreement to a bidder.

2. **Best Bid**: means a bid which is not necessarily the lowest, but rather best fits the needs and interest of the City when taking into account the responsibility of the bidders.

3. **Best Interest of the City**: means a term granting a purchasing official the authority to use discretion to take action felt to be the most advantageous to the City, including award of a contract to the lowest best bid.

4. **Bid**: means an offer, as a price, whether for payment or acceptance, given to the City by a bidder on a City contract; see also *Response* and *Statement(s) of Qualification*.

5. **Bid Bond**: means an insurance agreement in which a third party surety agrees to be liable to pay a certain amount of money in the event that the bidder’s bid is accepted by the City and the bidder fails to accept the contract as awarded and approved as to form by the City Attorney.

6. **Brand Name or Equal Specification**: means a specification that cites brand names, model numbers, or other identifications as representing quality or performance called for, when inviting bids on comparable items or products of any manufacturer.

7. **Competitive Consultant’s Negotiation Act (CCNA)**: included in Section 287.055 of Florida Statutes and governs the procurement of professional individuals/firms for architectural, engineering, landscape architecture, land survey, and mapping services; almost always procured using an RFQ solicitation.

8. **Change order**: means a modification to an executed contract, due to unanticipated conditions or developments relating to that contract.

9. **City Manager**: chief executive of the City; shall include any duly authorized designee.

10. **Cooperative procurement**: the combining of the requirements of two or more public entities to obtain the advantages of volume purchases, improved specifications, reduced administrative costs, and increased intergovernmental cooperation.

11. **Emergency**: A situation or occurrence of a serious nature involving urgent matters of public health; safety and welfare of employees and/or the citizens of the City or for the safeguard of City assets. An emergency purchase may be made without following the normal purchasing procedures in order to obtain goods or services to meet an urgent and unexpected requirement.

12. **Environmentally preferable goods**: Products or services that have a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. This includes products that contain recycled material, reduce toxicity and pollution, conserve energy, conserve water and prevent waste.

13. **Formal Solicitation**: any procurement process that involves the compiling, publication, and broadcast of bid documentation for broad public consumption and vendor response; consists of but not limited to ITB, ITN, RFP, and RFQ processes.
14. **Informal Solicitation:** any procurement process that involves the distribution of a scope of work, bid schedule, or equivalent to known vendors and providers in order to elicit a certain number of quotes as required herein; also known as *Quotes.*

15. **Intangible Good:** a product, often digital in nature, that typically has per-unit pricing for a finite product; (example: site licenses to access proprietary software would be considered “intangible goods,” but a contract to perform maintenance on that same software would be a “professional service.”)

16. **Invitation to Bid (ITB):** are written documents issued by the City inviting potential vendors to submit sealed, written pricing for specific goods and/or services in conformance with specifications, terms, conditions and other requirements described in the bid documents.

17. **Invitation to Negotiate (ITN):** are written documents for competitive sealed replies to select one or more vendors with which to commence negotiations for the procurement of commodities or contractual services; used when a certain outcome is desired without any particular chosen path to get there; can be thought of “design/build” contracts for certain professional services or the delivery of intangible goods.

18. **Life Cycle Cost:** A procurement technique that takes into account demonstrable and documented operating maintenance, the cost of money, other cost of ownership and usage and resale or residual value in addition to acquisition price in making an award on low total cost.

19. **Lowest Responsible Bidder:** The bidder submitting the lowest initial price that has a reputation based on past performance and financial capabilities sufficient to demonstrate an ability to perform the required work.

20. **Lowest Responsive Bidder:** means the bidder submitting the lowest bid that meets all the basic, essential requirements of the solicitation.

21. **Non-Competitive Purchase (Sole Source):** the award of contracts for goods or services available from only one source, such as: unique, patented, proprietary, or franchised supplies; or by the unique nature of the requirement, the vendor, the impracticality of obtaining competition or market conditions.

22. **Noncompliant (bid or solicitation response):** any response to a solicitation which is significantly and substantively deficient based on the stated requirements within the respective solicitation.

23. **Procurement:** an expenditure of City funds for goods or services after conducting any of the specified solicitation types described and regulated within this policy (e.g. Quotes, ITB, Piggyback); such transactions must utilize Purchase Orders; see *Purchase.*

24. **Professional Services:** means those services which are essentially intellectual in character and which include analysis, evaluation, prediction, planning, or recommendation. Professional services involve extended analysis, the exercise of discretion and independent judgment in their performance, and an advanced, specialized type of knowledge, expertise, or training customarily acquired either by a prolonged course of study or equivalent experience in the field. Professional services include, but are not limited to, services performed by accountants, auditors, analysts, consultants, lawyers, physicians, planners, artists, engineers, and architects. Preferred method of procurement of Professional Services is using RFQs (CCNA) or RFPs.
25. **Property**: Tangible property of a non-consumable nature, with a value of five-thousand dollars ($5,000) or more and normal expected life of one (1) year or more; also called “Fixed Assets.”

26. **Proprietary**: refers to goods and services owned by a private individual or corporation under a trademark or patent.

27. **Project**: a planned set of tasks with a desired outcome that has a finite and defined end date; the estimated cost of a project—barring any special determination within this policy—dictates the steps and requirements for procurement.

28. **Protest**: means a written statement concerning an unresolved disagreement or controversy arising out of the solicitation or award of a contract.

29. **Purchase**: any expenditure related to an irregular, ad hoc acquisition of goods/services that does not fit well into a strategic procurement process and has a total project cost of less than the threshold for Quotes; chiefly for the acquisition of Routine Operating Expenses.

30. **Purchase Order**: The City's official legal record of contract between the City and vendor, issued separately or in conjunction with other documents, which delineates the responsibilities of both parties in the provision of and payment for goods and services required by the City. The purchase order also is the mechanism by which budgetary and cash balances are encumbered in the City's accounting system.

31. **Purchase Requisition**: means any communication whereby a department requests that a purchase be made or contract be entered into for a specific need; may include the description of a request item, delivery schedule, transportation data, criteria evaluation, suggested source of supply, and information supplied for the making of a written determination.

32. **Purchasing Cooperative**: any public organization or entity that develops solicitations, pricelists, and contracts for commonly purchased goods or supplies (i.e. vehicles); examples include the Florida Sheriffs Association, the Florida Police Chiefs Association, and the U.S. Communities Government Purchasing Alliance.

33. **Request for Proposals (RFP)**: the solicitation document used for competitive proposals, the customary method used for the purchase of professional services, and other goods or services when there is an uncertainty of the exact product or service that is required. The Request for Proposal allows for negotiations after proposal(s) have been opened to allow clarification and changes in the proposal.

34. **Request for Qualifications (RFQ)**: the solicitation document used for the procurement of certain services as dictated by the CCNA, or in any other instance where it would be advantageous for the City to specifically pursue a level of quality before negotiating pricing among the qualified respondents; “quality before price.”

35. **Routine Operating Expenses**: for the purposes of this policy, is defined as salaries, utilities, goods, and supplies for which budget appropriations have been made; generally, exempt from the regulations in this policy except for those goods and supplies that have a specific procedure for procurement in this policy or where better pricing may be obtained from a formal or informal solicitation.
36. **Services, Contractual:** includes but is not limited to printing; custodial services; purchase, installation, rental, repair and maintenance of equipment, machinery, and other personal property; lease of real property and office space by the City; and all other contractual supplies, materials, equipment and services not specifically excluded from these procedures.

37. **Strategic Procurement (solicitation):** a formalized purchasing process specifically guided by the rules within this policy and which is largely differentiated based on the estimated costs of a given project; can be used when it may be economical to obtain bulk tangible goods or recurring contractual services.

38. **Supplies:** includes all physical materials and equipment other than property.

39. **Tangible Goods:** the umbrella definition for the terms *Property* and *Supplies*.

40. **Transaction:** any one-time exchange of City monies for goods/services; there may be multiple transactions per project, purchase, or procurement; all transactions for a project must be calculated cumulatively to determine the requirements for acquisition per this policy.

### IV. ADDITIONAL INFORMATION, REQUIREMENTS AND RESPONSIBILITY

It shall be the responsibility of the City Manager to keep this policy current.

AP-26, Purchasing Policy revised [DATE]
APPENDIX 1

Purchasing – Code of Ordinances

The section of the City’s Code of Ordinances are included below for reference. The language below is reflective of the ordinance as of October 1, 2019. Any subsequent modifications to the ordinance will supersede any language below as this Appendix is being provided for convenience.

Sec. 2-276. – Purchasing procedures for goods, materials and services.

(a) Expenditures up to $25,000.00. The city manager is authorized to approve expenditures up to $25,000.00 without prior approval of the city commission for the purchase of goods, materials, equipment or services, provided sufficient funding is available in the approved city budget. The $25,000 City Manager’s expenditure authority is not exceeded when budgeted individual identical items are purchased throughout a fiscal year, each costing less than $25,000.00 individually, even if cumulatively those items total more than $25,000.00.

(b) Expenditures in excess of $25,000.00. The city commission may authorize an expenditure in excess of $25,000.00 for goods, materials, equipment or services after a public, formal, sealed-bid solicitation process or any other procurement method so authorized.

(c) Exceptions. The requirements of subsection (b) are not intended to apply to routine operating expenses such as salaries, utilities, supplies, and medical payments as required by law for which budget appropriations have been made.

(d) Award of contract. The city commission shall award the contract to the lowest responsive and responsible bidder. For the purpose of determining the lowest responsive and responsible bidder, the city commission may consider factors including the cost of the product or service; qualifications of the bidder; prior experience of the bidder in similar activities; prior work performed by the bidder on behalf of the city or other units of government or their agencies; and any other factors deemed relevant by the city commission in its sole discretion. If the city manager recommends the acceptance of a bid other than the bid with the lowest total price, the reason for the recommendation shall be given.

(e) Rejection. The city commission may reject any or all bids if it is deemed in the best interests of the city to do so, and to rebid the proposed purchase. All bid proposals submitted to the city must address and conform to the bid specifications and the scope of the work to be performed. Any deviations or substitutions from the bid specifications or the scope of work must be identified with a written explanation. Failure to comply with the provisions of the bid specification may result in a rejection of the bid proposal. Incomplete bid proposals may be rejected by the city. The city reserves the right to waive minor technical defects in a bid submittal as determined in its sole discretion.

(f) Exemptions. Unless otherwise prohibited by law, the following situations are exempted or modified from the competitive bid requirements of this section:

(1) Professional services. Contracts for professional services involving peculiar skill, ability, experience or expertise, which are in their nature unique and not subject to competitive bidding, are exempt from the competitive bidding requirements of this section; however, a formal, written contract, approved by the city commission, shall be required for all such
contracts in excess of $25,000.00, and any applicable state law, such as the Consultant's Competitive Negotiation Act shall be followed.

(2) **Noncompetitive supplies.** Noncompetitive supplies, available only from one source, such as unique, patented or franchised supplies are exempt for the competitive requirements of this section. The city manager is authorized to purchase and contract for noncompetitive supplies up to $25,000.00, provided authorized funds are available in the annual budget.

(3) **No bid received.** Where no bid has been received after publication of a bid/proposal; however, such purchases in excess of $25,000.00 require a formal, written contract approved by the city commission.

(4) **Unique circumstances.** Where the city commission finds unique circumstances to establish that competitive bidding is not in the best interest of the city; however, such purchases in excess of $25,000.00 shall require a formal, written contract approved by the city commission. The city commission, upon request by the city manager, may waive the requirement for a formal written contract when such a contract would not be in the best interest of the city.

(5) **Bids and contracts from other entities.** The city manager is authorized to use competitive bids and formal contracts from other entities as provided in section 2-278.

**Sec. 2-277. – Authorization of purchases; emergencies.**

In case of an actual or impending emergency that requires the immediate purchase of supplies, repairs or contractual services, the city manager may, without prior city commission approval, secure, by open market procedure at the lowest obtainable price, any supplies or services. A full report of the circumstances of all emergency purchases that exceed the City Manager's expenditure authority shall be filed with the city commission by the city manager at its next regular meeting of the city commission.

**Sec. 2-278. – Governmental entity bids; purchases without bids.**

Nothing in this division shall prohibit the city manager or city commission from utilizing approved bid lists resulting from an open, competitive solicitation established by federal, state, county, municipal or other governmental bodies, or government-, educational- or nonprofit-oriented associations or purchasing cooperatives.

**Sec. 2-279. – Purchasing procedures.**

(a) The City Manager shall develop purchasing procedures that shall apply to all personnel involved in the purchasing process. Such procedures shall be in the form of administrative code and shall be effective upon issuance by the city manager.

(b) The purchasing procedures shall include provisions dealing with recommended competitive procurement methods, fiscal controls, dollar limitations on purchasing authority of the various city officials, protest procedures, and shall be subject to modification, amendment, or expansion as necessary.
APPENDIX 2

The Consultants Competitive Negotiations Act (CCNA), Chapter 287 FS, applies to contracts awarded to Architects, Engineers, Surveyors, and Landscape Architects. The CCNA lists five purchasing categories or thresholds amount:

Category One: $20,000
Category Two: $35,000
Category Three: $65,000
Category Four: $195,000
Category Five: $325,000

A Request for Qualifications (RFQ) is required when professional services must be purchased in conjunction with a project where the construction cost is estimated by the agency to exceed the threshold amount provided in Category Five ($325,000) and for all planning or study activities where the fee is for professional services exceeds the threshold amount in Category Two ($35,000). The exception to this is in cases of valid public emergencies certified by the head of the municipal government or agency. The public notice must include a general description of the project and must indicate how interested consultants may apply for consideration.

In response to the published RFQ, the City will receive Proposals or Statements of Qualifications (SOQ) from the interested professional firms. Based upon their SOQ, the profession firms are evaluated on their qualifications, which include an analysis of their capabilities, adequacy of personnel, past record, experience, whether the firm is a certified minority business enterprise as defined by the Florida Small and Minority Business Assistance Act, and other factors determined by the City to be applicable to the particular project requirements.

A chosen number of professional firms, usually 5 to 7, are then selected for interview by staff. From the interview, the top three (3) firms are tentatively ranked and an item is placed on the Commission Workshop to authorize the staff to attempt to negotiate a contract beginning with the highest ranked firm and execute same once agreement is reached.

The City’s continuing contracts with professional Engineering, Surveying, Architecture or Landscape Architecture firms, are not restricted to the requirements listed above. In summary, projects that fall beneath the thresholds required for compliance with CCNA are as follows:

1. A professional services contract for Engineering, Surveying, Architecture or Landscape Architecture for projects with an estimated construction cost of up to $325,000 or a planning or study activity up to $35,000; and
2. Under an existing continuing contract Engineering, Surveying, Architecture or Landscape Architecture services for projects with an estimated construction cost up to $2 million or a planning or study activity up to $200,000.

Upon meeting either of these two conditions, the City must comply only with the municipal or agency purchasing policy.
BACKGROUND AND ANALYSIS

Last year, the Facilities Plan Project was put on hold after feedback from the City Commission and residents opposing several of the conceptual ideas presented for new City Facilities. One of the major items of concern was having the City Facilities placed within the Community Center Park. The City Commission challenged staff to come up with alternative ideas for consideration and as a result, the project was placed on hold indefinitely. Of additional concern was the estimated cost for new facilities which was estimated to be over $21 million.

Since that time, the potential to purchase an existing property with a building that is large enough and can be renovated to serve the purpose of a City Hall has presented itself. The City Manager and the property owner representatives have tentatively agreed on the purchase price of $6,350,000 to purchase the property/building located at 10451 Gulf Blvd and the contiguous vacant lot (parking lot) located on 105th Avenue.

The property is 1.42 acres of land, zoned PD-MU (Planned Redevelopment - Mixed Use) and an office building was constructed in 1982 with approximately 18,995 of usable square feet and 82 parking spaces. Currently, the building is an office-condominium building and is owner-occupied. The building is largely already suited for office use, however, there would have to be renovations to build a Commission Chambers and community spaces in addition to upgrading the technology and phone system. The property offers twice the amount of parking the current City Hall location has (82 versus 41 parking spaces).

Prior to agreeing to a purchase price staff obtained two appraisals from state certified appraisers. The appraisers selected after evaluation quotes and methodologies were: Valbridge Property Advisors and Tobias Realty Advisors. Valbridge Property Advisors appraised the property as of March 6, 2019 at $6,800,000 using two approaches to determine the value: Sales Comparison and Income approach. Tobias Realty Advisors appraised the property as of March 26, 2019 at $4,960,000 deeming the highest and best use was to demolish the existing facility
and redeveloping the land as a major mixed-use project incorporating retail, restaurants, bars, entertainment venues and transient lodging units.

The purchase and sale agreement is contingent upon a successful bond validation, obtaining external financing and commission approval. The closing date targeted is December 28, 2019, however, it can be extended by the seller as outlined in the agreement and the City as the buyer will have up to January 31st to meet all of the closing requirements.

Per State Statutes, approval of a property acquisition where the purchase price is greater than the average of two appraisals requires a super majority affirmative vote (4 out of 5). The average appraised value of the two appraisals is $5,880,000 and the tentatively agreed upon purchase price is $6,350,000.

Currently, the property generates $39,856 in property taxes, however, if the City purchases the property, it would be removed from the tax rolls.

**POLICY / PURPOSE**

To approve the purchase agreement presented for the purchase of the property located at 10451 Gulf Boulevard and the contiguous vacant lot (parking lot) located on 105th Avenue for $6,350,000 to be used as the City of Treasure Island’s City Hall.

**STRATEGIC PLAN RELEVANCE**

Goal 2: Create and maintain functional and cost-effective City facilities and grounds to serve the needs of the community.

**FUNDING**

Staff proposes the purchase and renovation of this property and adjacent property be funded through the issuance of tax-exempt debt through a bank loan.

Ordinance No. 2019-06 approved by the City Commission on June 6, 2019 authorized the issuance of a note and a bond validation process for an amount not to exceed $8,000,000, to include the purchase price, renovation and debt issuance costs. There will be a supplemental resolution to this Ordinance to approve a bank and note (projected to be in November/December), with an anticipated closing immediately following.

Debt service on the note will be payable through a covenant of the City to budget and appropriate legally available non-ad valorem revenues. It is anticipated that no more than a recurring revenue increase the equivalent of 0.0761 mil will be necessary to replace the non-ad valorem revenues currently meeting non-debt service expenses that will need to be re-directed to pay the debt service obligations of the new loan. This financing scenario is included in the Proposed FY 2020 City Budget.

**RECOMMENDATIONS**
Staff recommends the approval of the purchase and sale agreement for the purchase of the property located at 10451 Gulf Blvd, Treasure Island and adjacent vacant lot located on 105th Avenue in the amount of $6,350,000 to be used as City of Treasure Island City Hall.

**MOTION**

I move to approve and authorize the City Manager to execute the purchase and sale agreement for the purchase of the property located at 10451 Gulf Blvd, Treasure Island and adjacent vacant lot located on 105th Avenue in the amount of $6,350,000 to be used as City of Treasure Island City Hall.

**ATTACHMENTS**

Purchase and Sale Agreement
Appraisals are available in the Commission Conference Room
PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (the "Agreement") is made and entered into as of the Effective Date (hereinafter defined), by and between the CITY OF TREASURE ISLAND, FLORIDA, a municipal corporation organized and existing under the Laws of Florida, whose address is 120 – 108th Avenue, Treasure Island, Florida 33706 (the "PURCHASER") and T.H.E. Insurance Company, a Louisiana insurance corporation, having an address of 10451 Gulf Boulevard, Treasure Island, Florida 33706 authorized to do business in the State of Florida, (the "SELLER"), (PURCHASER and SELLER collectively referred to as the “Parties”).

In consideration of the mutual covenants and agreements set forth in this Agreement, the Parties agree as follows:

1. PURCHASE AND SALE/PROPERTY. SELLER agrees to sell and convey to PURCHASER, and PURCHASER agrees to purchase and acquire from SELLER, on the terms and conditions set forth in this Agreement, the property located in Pinellas County, Florida (the “Property”) and more particularly described as follows:

Parcel 1 (parking lot parcel):
Lot 4, Block 3, City of Treasure Island (Block 1, 3, 5, 6, 7 and 8), according to the plat thereof recorded in Plat Book 27, Pages 2 through 4, of the Public Records of Pinellas County, Florida, together with Lots 5 and 6, Block 27, Section A, Division 2, Treasure Island, according to the plat thereof recorded in Plat Book 18, Page 48, of the Public Records of Pinellas County, Florida, also together with that part of the alley Easterly thereof, replatted in said Plat Book 27, less that part deeded to the State of Florida for road purposes as recorded in Deed Book 1280, Page 289, the foregoing explicitly described as follows:

Beginning at the Northwest corner of Lot 5 of Block 3 of said City of Treasure Island, and proceed thence South 19° 36' 57" East, a distance of 130.00 feet to the Southeast corner of Lot 4, Block 3 of said City of Treasure Island Blocks 1, 3, 5, 6, 7 and 8; thence North 89° 49' 27" West, a distance of 120.00 feet to the Southwest corner of said Lot 4, Block 3, on a curve, concave Northeasterly, having a radius of 1,860.08 feet, and a central angle of 04° 00' 19", thence on the arc of said curve a distance of 130.03 feet, said arc subtended by a chord which bears North 19° 36' 57" West, a distance of 130.00 feet to the curves end on the South right of way line of 105th Avenue and the North boundary of the aforesaid Lot 6, thence on said right of way and North boundary South 89° 49' 27" East, a distance of 120.00 feet to the POINT OF BEGINNING.

Parcel ID Number: 23-31-15-91836-003-0040

Seller Initials ______________
Buyer Initials ______________
Parcel 2 (condominium parcel):
Suite No(s) 201, 202, 203, 204, 205, 301, 302, 303, 304, 305, 401, 402, 403, 404, 405, 501, 502, 503, 504 and 505, Jirgens Executive Center, a Condominium, according to the plat thereof recorded in Condominium Plat Book 53, Pages 80 through 83, together with all common areas, and being further described in that certain Declaration of Condominium recorded in OR Book 5236, Pages 1329 through 1374, inclusive, all of the Public Records of Pinellas County, Florida.

Parcel ID Numbers
23-31-15-44070-000-0001 (Common areas)
23-31-15-44070-000-2010 (Unit 201)
23-31-15-44070-000-2020 (Unit 202)
23-31-15-44070-000-2030 (Unit 203)
23-31-15-44070-000-2040 (Unit 204)
23-31-15-44070-000-2050 (Unit 205)
23-31-15-44070-000-3010 (Unit 301)
23-31-15-44070-000-3020 (Unit 302)
23-31-15-44070-000-3030 (Unit 303)
23-31-15-44070-000-3040 (Unit 304)
23-31-15-44070-000-3050 (Unit 305)
23-31-15-44070-000-4010 (Unit 401)
23-31-15-44070-000-4020 (Unit 402)
23-31-15-44070-000-4030 (Unit 403)
23-31-15-44070-000-4040 (Unit 404)
23-31-15-44070-000-4050 (Unit 405)
23-31-15-44070-000-5010 (Unit 501)
23-31-15-44070-000-5020 (Unit 502)
23-31-15-44070-000-5030 (Unit 503)
23-31-15-44070-000-5040 (Unit 504)
23-31-15-44070-000-5050 (Unit 505)

together with all of SELLER's right, title and interest in and to the following property and rights: (i) the Property, together with all easements, privileges, rights-of-way, riparian and other water rights, lands underlying any adjacent streets or roads, and appurtenances pertaining to or accruing to the benefit of the Property; (ii) all deposits, licenses, permits, authorizations, approvals, contract and general intangible rights pertaining to ownership, development and/or operation of the Property; and (iii) the development rights.

2. PURCHASE PRICE AND PAYMENT. The Purchase Price will be paid to the SELLER for the Property in the amount of SIX MILLION THREE HUNDRED FIFTY THOUSAND and 00/100 Dollars ($6,350,000.00) ("Purchase Price"), subject to pro-rations and adjustment as hereinafter provided, and will be paid in cash, by wire transfer of United States Dollars at the Closing (hereinafter defined) to an account designated by SELLER. The Purchase Price and other consideration being given by the PURCHASER under this Agreement constitutes the total consideration to be paid to SELLER in connection with the acquisition of the Property.
3. ESCROW AGENT. PURCHASER and SELLER authorize LEWIS, LONGMAN & WALKER, P.A. to act as Escrow Agent (the “Escrow Agent”). The Escrow Agent will receive, deposit and hold funds in escrow and, subject to clearance, disburse them upon proper authorization and in accordance with Florida law and the terms of this Agreement. The parties agree that Escrow Agent will not be liable to any person for misdelivery of escrowed items to PURCHASER and SELLER, unless the misdelivery is due to Escrow Agent’s willful breach of this Agreement or gross negligence. If Escrow Agent interpleads the subject matter of the escrow, Escrow Agent will pay the filing fees and costs, and will recover reasonable attorney’s fees and costs to be paid from the escrowed funds which are charged and awarded as court costs in favor of the prevailing party. All claims against Escrow Agent will be arbitrated, so long as Escrow Agent consents to arbitrate.

4. EFFECTIVE DATE. The effective date of this Agreement shall be the date upon which the last of SELLER and PURCHASER shall have signed this Agreement (“Effective Date”).

5. CLOSING. The purchase and sale transaction contemplated in this Agreement will close on or before ten (10) days following the satisfaction of the Conditions to Closing (hereinafter defined in Section 8 below) (the “Closing”), unless extended by paragraph 13 of this Agreement or by written agreement, signed by all parties, extending the Closing. Notwithstanding anything herein to the contrary, SELLER shall have the right to extend the Closing by two (2) periods of sixty (60) days each upon written notice to other party at least fifteen (15) days prior to the then scheduled Closing.

6. TITLE TO BE CONVEYED. At Closing, SELLER will convey to PURCHASER, by Warranty Deed of valid, good, marketable, and insurable title in fee simple to the Property, free and clear of any and all liens, encumbrances, conditions, easements, assessments, restrictions and other conditions, except only the following (collectively, the “Permitted Exceptions”): (a) general real estate taxes and special assessments for the year of Closing and subsequent years not yet due and payable; (b) covenants, conditions, easements, dedications, rights-of-way and matters of record included on the Title Commitment or shown on the Survey (defined in Section 7), to which PURCHASER fails to object, or which PURCHASER agrees to accept, pursuant to Section 7.1 and Section 7.2 of this Agreement.

7. FEASIBILITY PERIOD. The PURCHASER, and its designees will have ninety (90) days from the Effective Date of this Agreement (“Feasibility Period”), at PURCHASER’s expense, to make inquiries to determine if the Property is suitable for its intended use and to enter upon the Property, at any time and from time to time with at least two (2) business days’ notice to SELLER and so long as said investigations do not result in a business interruption, to perform any and all physical tests, inspections, valuation appraisals and investigations of the Property, including but not limited to Environmental Phase I and Phase II investigations, which PURCHASER may deem reasonably necessary. PURCHASER shall obtain the prior written consent of SELLER prior to conducting any invasive testing of the Property, which consent shall not be unreasonably withheld, conditioned or delayed. During this Feasibility Period, PURCHASER may elect, in PURCHASER’s sole and absolute discretion, to terminate this Agreement. If PURCHASER elects to terminate this Agreement in accordance with this Section, PURCHASER will: (i) leave the Property in substantially the condition existing on the Effective Date; (ii) will repair and restore any damage caused to the Property by PURCHASER’s testing

Seller Initials ________________
Buyer Initials ________________
and investigation; and (iii) release to SELLER, at no cost, all reports and other work generated as a result of the PURCHASER's testing and investigation. SELLER agrees to indemnify and hold PURCHASER harmless from and against all claims, losses, expenses, demands and liabilities, including, but not limited to, attorney's fees, for nonpayment for services rendered to SELLER or for damage to persons or property (subject to the limitation on practicability provided above) arising out of PURCHASER's investigation of the Property. SELLERS' obligations under this Section will survive the termination, expiration or Closing of this Agreement. PURCHASER agrees that it shall not disclose to third parties results of such reviews, inspections, or tests, as well as the contents of any of the Documents (hereinafter defined), except as may be necessary in order to effectuate the Closing of this transaction or upon lawful order of a governmental authority or as otherwise may be required by law.

7.1 Title Review. On or before thirty (30) days from the Effective Date, PURCHASER will obtain, at the PURCHASER's expense, from a title company chosen by PURCHASER (the "Title Company"), an ALTA title insurance commitment ("Title Commitment"), covering the Property and proposing to insure PURCHASER in the amount of the Purchase Price subject only to the Permitted Exceptions, together with complete and legible copies of all instruments identified as conditions or exceptions in Schedule B of the Title Commitment. Any and all assessments, outstanding utility charges, liens and other matters not constituting Permitted Exceptions must be cleared by SELLER prior to or at Closing. PURCHASER will examine the Title Commitment and deliver written notice to SELLER no later than forty-five (45) days after the Effective Date notifying SELLER of any objections PURCHASER has to the condition of title (the "Title Objections"). If PURCHASER fails to deliver the Title Objections to SELLER within the aforesaid review period, title will be deemed accepted subject to the customary conditions set forth in the Title Commitment. If PURCHASER timely delivers the Title Objections, then SELLER shall then have a period of ten (10) days after its receipt of PURCHASER's Title Objections ("Response Deadline") within which to notify PURCHASER ("Seller's Notice") if SELLER has elected, in SELLER's sole discretion, to attempt to cure the Title Objections, subject to the terms and conditions of this Section 7. If SELLER fails to deliver a Seller's Notice by the Response Deadline, SELLER shall be deemed to have not elected to cure or otherwise resolve any matter set forth in PURCHASER's notice of Title Objections. If SELLER elects to attempt to cure the Title Objections, SELLER shall have until 5 days prior to Closing (the "Cure Period") to attempt to cure the Title Objections to PURCHASER's reasonable satisfaction. If SELLER notifies PURCHASER in Seller's Notice that SELLER will not attempt to cure the Title Objections, or if SELLER elects to attempt to cure the Title Objections but does not do so to PURCHASER's reasonable satisfaction during the Cure Period, PURCHASER may elect, on or before five (5) business days after expiration of the Response Deadline with respect to matters that SELLER has elected (or is deemed to have elected) not to cure, or prior to expiration of the Cure Period for those matters SELLER has elected to attempt to cure, as the case may be, to either: (i) accept title subject to the Title Objections raised by PURCHASER which remain uncured without an adjustment in the Purchase Price, in which event such Title Objections shall be deemed to be waived for all purposes and shall be deemed to be Permitted Exceptions hereunder; or (ii) terminate this Agreement upon written notice to SELLER and Escrow Agent, whereupon this Agreement shall be of no further force and effect, except those provisions that survive termination.

Prior to the Closing, PURCHASER has the right to cause the Title Company to issue an updated Title Commitment ("Title Update") covering the Property. If any Title Update

[Signatures]

Seller Initials
Buyer Initials
contains any conditions which did not appear in the Title Commitment, and such items render title
unmarketable, PURCHASER will have the right to object to such new or different conditions in
writing prior to Closing. All rights and objections of the Parties with respect to objections arising
from the Title Update will be the same as objections to items appearing in the Title Commitment,
subject to the provisions of this Section.

7.2. Survey Review. On or before thirty (30) days following the Effective Date,
PURCHASER, at PURCHASER’s expense, may obtain a current boundary survey (the “Survey”)
of the Property, indicating the number of acres comprising the Property to the nearest 1/100th of
an acre. If the Survey discloses encroachments on the Property or that improvements located
thereon encroach on setback lines, easements, lands of others or violate any restrictions, covenants
of this Agreement, or applicable governmental regulations, the same will constitute a title defect
and be governed by the provisions of Section 7.1 concerning title objections.

7.3 SELLER DELIVERIES.

SELLER will deliver to PURCHASER the following documents and instruments
within ten (10) days of the Effective Date of this Agreement, except as specifically indicated:

7.3.1 Copies of any reports or studies (including engineering,
environmental, soil borings, and other physical inspection reports), in SELLER’s possession with
respect to the physical condition or operation of the Property, if any.

7.3.2 Copies of all licenses, variances, waivers, permits (including, but
not limited to, all surface water management permits, wetland resource permits, consumptive use
perms and environmental resource permits), authorizations, and approvals required by law or by
any governmental or private authority having jurisdiction over the Property, or any portion thereof
(the “Governmental Approvals”), which are material to the use or operation of the Property and
are in SELLER’s possession, if any, and any notices of violations of Governmental Approvals by
any governmental or private authority having jurisdiction over the property or which are material
to the use and operation of the Property and are in the SELLER’s possession.

7.3.3 Thirty (30) days before Closing, SELLER will execute and deliver
a recorded Termination of the Jirgens Executive Center Condominium Association, Inc., to
ESCROW AGENT, pursuant to Chapter 718, Florida Statutes and Paragraph 16 of the Declaration
of Condominium of Jirgens Executive Center, a Condominium, recorded OR Book 5236, Page
1329, Public Records of Pinellas County, Florida. The Termination must include a joinder of any
and all institutional mortgagees holding mortgages on the Property. Upon the recording of the
Condominium Association Termination for Jirgens Executive Center Condominium Association,
Inc., the SELLER will immediately submit a Parcel Consolidation Request to the Pinellas County
Property Appraiser for the Property, and will provide a copy to ESCROW AGENT.

7.3.4 At Closing, SELLER will execute and deliver to PURCHASER an
assignment of any Governmental Approvals that are applicable to the Property. SELLER warrants
that to its actual present knowledge and at the time of Closing, there are no unrecorded instruments
affecting the title to the Property, including, but not limited to any conveyances, easements,
licenses or leases.

Seller Initials ______________
Buyer Initials ______________
Notwithstanding anything herein to the contrary, SELLER makes no representations or warranties as to the truth, accuracy or completeness of any of the documents delivered to PURCHASER pursuant to Sections 7.3.1 and 7.3.2 above ("Documents"). It is the parties’ express understanding and agreement that such Documents are provided only for PURCHASER’s convenience in making its own examination and determination as to whether it wishes to purchase the Property and, in doing so, PURCHASER shall rely exclusively on its own independent investigation and evaluation of every aspect of the Property and not on any of the Documents supplied by SELLER. PURCHASER expressly disclaims any intent to rely on any such Documents provided to it by SELLER in connection with its inspection and agrees that it shall rely solely on its own independently developed or verified information.

8. CONDITIONS TO CLOSING. PURCHASER will not be obligated to close on the purchase of the Property unless each of the following conditions (collectively, the “Conditions to Closing”) are either fulfilled or waived by PURCHASER in writing:

8.1. Representations and Warranties. All of the representations and warranties of SELLER contained in this Agreement are true and correct as of Closing.

8.2. Condition of Property. The physical condition of the Property is the same on the date of Closing as on the Effective Date, reasonable wear and tear excepted.

8.3. Bond Validation. Pursuant to the terms and conditions contained in this Agreement, the Parties agree that the sale and purchase of the Property is contingent on a successful PURCHASER-initiated bond validation process under Chapter 75, Florida Statutes, including any appeals, together with the passage of any resolution or ordinance creating and authorizing the issuance of the bond.

8.4. External Financing. Pursuant to the terms and conditions contained in this Agreement, the Parties agree that the sale and purchase of the Property is contingent on the PURCHASER’s securing external financing based on commercially reasonable terms for the completion of the subject purchase through with the passage of any resolution or ordinance creating and authorizing such financing.

8.5. Commission Debt Approval. The Parties agree that the sale and purchase of the Property is contingent on the City Commission for the City of Treasure Island, Florida’s approval of any debt and/or financing by PURCHASER in accordance with the City Charter, together with the passage of any resolution or ordinance approving same.

8.6. Pending Proceedings. At Closing, there is no litigation or administrative agency or other governmental proceeding of any kind whatsoever, pending or threatened that would impair SELLER’s rights and obligations under this Agreement, which has not been disclosed, prior to closing, and accepted by PURCHASER.

PURCHASER shall use its good faith best efforts to satisfy the Conditions to Closing on or before December 18, 2019, and keep SELLER reasonably informed as to the status of PURCHASER’s efforts. If any of the Conditions to Closing are not satisfied on or before January
31, 2020, either PURCHASER or SELLER shall have the right to terminate this Agreement upon written notice to the other, whereupon this Agreement shall be of no further force or effect except those provisions that survive termination.

8.7 Compliance with Laws and Regulations. To the best of the SELLER's knowledge, the Property is in compliance with all applicable federal, state and local laws, ordinances, rules, regulations, codes, requirements, licenses, permits and authorizations as of the date of Closing.

9. CLOSING DOCUMENTS. The PURCHASER will prepare, or cause to be prepared, the Closing documents set forth in this Section ("Closing Documents"), except for documents prepared by the SELLER. At Closing, SELLER and/or PURCHASER, as applicable, will execute and deliver, or cause to be executed and delivered to PURCHASER the following documents and instruments:

9.1. Deed. SELLER will execute a Warranty Deed (the "Deed") conveying to PURCHASER valid, good, marketable and insurable fee simple title to the Property free and clear of all liens, encumbrances and other conditions of title other than the Permitted Exceptions.

9.2 Seller's Affidavits. SELLER will furnish to PURCHASER an owner's affidavit attesting that, to the best of its knowledge, no individual or entity has any claim against the Property under the applicable construction lien law; and that there are no parties in possession of the Property other than SELLER. SELLER will also furnish to PURCHASER a non-foreign affidavit with respect to the Property. In the event SELLER is unable to deliver its affidavits referenced above, the same is deemed an uncured title objection.

9.3. Closing Statement. A closing statement setting forth the Purchase Price, all credits, adjustments and prorations between PURCHASER and SELLER, all costs and expenses to be paid at Closing, and the net proceeds due SELLER, which PURCHASER will also execute and deliver at Closing.

9.4. Corrective Documents. Documentation required to clear title to the Property of all liens, encumbrances and exceptions, if any, other than Permitted Exceptions.

9.5. Additional Documents. PURCHASER AND SELLER shall also execute and provide at Closing such other documents as Title Company may reasonably request that SELLER or PURCHASER execute and deliver, and any other documents required by this Agreement or reasonably necessary in order to close this transaction and effectuate the terms of this Agreement.

10. PRO RATAIons, CLOSING COSTS AND CLOSING PROCEDURES.

10.1. Prorations. Assessments, real estate taxes, interest, insurance and other expenses of the Property will be prorated through the day before Closing. PURCHASER will have the option of taking over existing policies of insurance, if assumable and at no cost to SELLER, in which event premiums will be prorated. Cash at Closing will be increased or decreased as may be required by prorations to be made through the day prior to Closing. Taxes will be prorated based
upon the current year's tax with due allowance made for maximum allowable discount.

10.2 **Special Assessment Liens and Judgments.** Certified, confirmed and ratified special assessment liens imposed by public bodies as of Closing are to be paid by SELLER on or before Closing. SELLER will obtain or cause to be obtained, satisfaction or release of all judgments applicable to and encumbering the Property. SELLER is unaware of any potential outstanding liens that could be assessed against the Property and any existing judgements that could be enforced against the Property.

10.3 **Closing Costs.** SELLER will be responsible for all documentary stamps on the deed. PURCHASER will be responsible for recording the deed, title insurance premiums and related charges, and all general closing expenses (settlement fee, courier fees, overnight package, etc.). SELLER and PURCHASER are each responsible for their own legal fees. All other costs of Closing will be borne by PURCHASER.

10.4 **Closing Procedure.** PURCHASER will fund the Purchase Price subject to the credits, offsets and prorations set forth in this Agreement. SELLER and PURCHASER (as applicable) will execute and deliver to Escrow Agent the Closing Documents. The Escrow Agent will, at Closing: (i) disburse the sale proceeds to SELLER by wire transfer; (ii) deliver the Closing Documents and a “marked-up” Title Commitment to PURCHASER, and promptly thereafter, record the Deed and other recordable Closing Documents in the Public Records of Pinellas County, Florida.

11. **Occupancy and Possession.** SELLER will, at Closing, deliver occupancy and possession of the Property to PURCHASER free of tenants, occupants and future tenancies. Also, at Closing, SELLER will have removed all personal items and trash from the Property and will deliver all keys, access devices and codes, as applicable to PURCHASER, unless otherwise specified in this Agreement.

12. **Representations, Covenants and Warranties.** To induce PURCHASER to enter into this Agreement, SELLER makes the following representations, all of which, to the best of its knowledge, in all material respects and except as otherwise provided in this Agreement (i) are now true, and (ii) is true as of the date of the Closing unless SELLER receives information to the contrary, and (iii) will survive the Closing. In that event, PURCHASER will be provided immediate notice as to the change to the following representations:

12.1 At all times from the Effective Date until prior to Closing, SELLER shall maintain the Property in the same condition as it is as of the date of EFFECTIVE DATE and in accordance with all requirements of any governmental authority, reasonable wear and tear excepted.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED FOR IN THIS AGREEMENT OR IN THE CLOSING DOCUMENTS, SELLER HAS NOT, DOES NOT AND WILL NOT MAKE ANY REPRESENTATIONS OR WARRANTIES, OF ANY KIND, ORAL OR WRITTEN, EXPRESS OR IMPLIED, CONCERNING THE PROPERTY, INCLUDING, WITHOUT LIMITATION THE VALUE, CONDITION, MERCHANTABILITY, HABITABILITY, PROFITABILITY,
SUITEABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE OF THE PROPERTY. PURCHASER ACKNOWLEDGES THAT THE PROPERTY AND ANY PERSONAL PROPERTY CONVEYED WITH THE PROPERTY WILL BE CONVEYED TO PURCHASER IN ITS “AS-IS, WHERE-IS” CONDITION AND “WITH ALL FAULTS,” EXCEPT AS OTHERWISE SPECIFICALLY SET FORTH HEREIN. SELLER HAS NOT MADE AND WILL NOT MAKE AN INVESTIGATION OF THE PROPERTY. PURCHASER AGREES THAT SELLER HAS NO DUTY TO UNDERTAKE AN INVESTIGATION TO DISCOVER DEFECTIONS, CONDITIONS OR OTHER PHYSICAL MATTERS. THIS PARAGRAPH SURVIVES THE CLOSING.

12.2 SELLER has no actual knowledge nor has SELLER received any notice of any litigation, claim, action or proceeding, actual or threatened, against SELLER related to the Property by any organization, person, individual or governmental agency which would affect (as to any threatened litigation, claim, action or proceeding, in a materially adverse fashion) the use, occupancy or value of the Property or any part thereof or which would otherwise relate to the Property.

12.3 SELLER has full power and authority to enter into this Agreement and to assume and perform its obligations under this Agreement. SELLER does not and will not conflict with or result in the breach of any condition or provision, or constitute a default under, or result in the creation or imposition of any lien, charge, or encumbrance upon any of the Property or assets of the SELLER by reason of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which the SELLER is a party of which is or purports to be binding upon the SELLER or which affects the SELLER; no action by any federal, state or municipal or other governmental department, commission, board, bureau or instrumentality is necessary to make this Agreement a valid instrument binding upon the SELLER in accordance with its terms. The execution and delivery of this Agreement by SELLER and the consummation by SELLER of the transaction contemplated by this Agreement are within SELLER’S capacity and all requisite action has been taken to make this Agreement valid and binding on SELLER in accordance with its terms. The person executing this Agreement on behalf of SELLER has been duly authorized to act on behalf of and to bind SELLER, and this Agreement represents a valid and binding obligation of SELLER.

12.4 SELLER represents that SELLER will not, between the date of this Agreement and the Closing, without PURCHASER’S prior written consent, which consent will not be unreasonably withheld or delayed, except in the ordinary course of business, create any encumbrances on the Property that will not be terminated or satisfied at or before Closing. For purposes of this provision the term “encumbrances” will mean any liens, claims, options, or other encumbrances, encroachments, rights-of-way, leases, easements, covenants, conditions, restrictions, agreements, concessions, licenses, judgments, leases or other third party rights or with any mortgage or other monetary lien or encumbrance. Any judgments, leases and third-party rights shall be terminated and/or released at or prior to Closing to PURCHASER’S reasonable satisfaction.

12.5 SELLER will not list or offer the Property for sale or solicit, negotiate, or contract with others for the purchase of the Property while this Agreement is in effect.

12.6 SELLER represents that it has neither actual knowledge nor received any notice, other than the information provided to the PURCHASER pursuant to section 7.3 above,
that the Property has been, is presently or is contemplated to be utilized as a reservoir of hazardous material. As used in this Agreement, the term “Hazardous Material” means any substance, water or material which has been determined by any state, federal or local government authority to be capable of posing a risk of injury to health, safety and property, including, but not limited to, all of those materials, wastes and substances designated as hazardous or toxic by the U.S. Environmental Protection Agency, the U.S. Department of Labor, the U.S. Department of Transportation, and/or any other state or local governmental agency now or hereafter authorized to regulate materials and substances in the environment (collectively “Governmental Authority(ies)”).

12.7 Between the date of this Agreement and the date of closing, SELLER will not file any application for a change of the present zoning classification of the Property.

12.8 Title. SELLER is and will be on the Closing Date, the owner of valid, good, marketable and insurable fee simple title to the Property, free and clear of all liens, encumbrances and restrictions of any kind, except the Permitted Exceptions (and encumbrances of record which will be discharged at Closing).

12.9 Additional Warranties and Representations of SELLER. As a material inducement to PURCHASER entering into this Agreement, SELLER, to the best of SELLER’S information and belief, represents and warrants the following:

12.9.1 Unless otherwise specified in this Agreement, there are no pending applications, permits, petitions, contracts, approvals, or other proceedings with any governmental or quasi-governmental authority, including but not limited to, PURCHASER, municipalities, counties, districts, utilities, and/or federal or state agencies, concerning the use or operation of, or title to the Property or any portion thereof, and SELLER has not granted or is not obligated to grant any interest in the Property to any of the foregoing entities.

12.9.2 To the best of SELLER’S knowledge, the Property and the use and operation thereof are in compliance with all applicable county and governmental laws, ordinances, regulations, licenses, permits and authorizations, including, without limitation, applicable zoning and environmental laws and regulations.

13. DEFAULT.

13.1 PURCHASER’s Default. In the event that this transaction fails to close due to the PURCHASER’S wrongful refusal to perform under this Agreement, subject to the provisions of Paragraph 13.3 below, notwithstanding anything to the contrary contained in this Agreement, SELLER may, at its option: (1) declare PURCHASER in default under this Agreement by notice delivered to PURCHASER, in which event SELLER may terminate this Agreement and neither Party will have any further rights under this Agreement, or (2) seek specific performance of this Agreement, without waiving any action for damages.

13.2 SELLER’s Default. In the event that SELLER fails to fully and timely
perform any of its obligations or covenants under this Agreement or if any of SELLER'S representations are untrue or inaccurate, then, notwithstanding anything to the contrary contained in this Agreement, and subject to Paragraph 13.3 below, PURCHASER may, at its option: (1) declare SELLER in default under this Agreement by notice delivered to SELLER, in which event PURCHASER may terminate this Agreement subject to an action for damages not to exceed $25,000.00, and neither Party will have any further rights under this Agreement, or (2) seek specific performance of this Agreement, without waiving any action for damages not to exceed $25,000.00.

13.3. Notice of Default. Prior to declaring a default and exercising the remedies described in this Agreement, the non-defaulting Party will issue a notice of default to the defaulting Party describing the event or condition of default in sufficient detail to enable a reasonable person to determine the action necessary to cure the default. The defaulting Party will have ten (10) days from delivery of the notice during which to cure the default, provided, however, that as to a failure to close, the cure period will only be three (3) business days from the delivery of notice. Both parties agree that if an extension is requested, such extension will not be unreasonably withheld. If the default has not been cured within the aforesaid period, the non-defaulting Party may exercise the remedies described above.

13.4. Survival. The provisions of this section will survive the termination of this Agreement.

14. NOTICES. All notices required in this Agreement must be in writing and will be considered delivered when received by certified mail, return receipt requested, or personal delivery to the following addresses:

If to Seller:  
T.H.E. Insurance Company  
c/o XL Global Services, Inc.  
Peter Chin, Senior Vice President  
70 Seaview Avenue  
Stamford, CT 06902  
E-mail: peter.chin@axaxl.com

With a copy to:  
Johnson, Pope, Bokor, Ruppel & Burns, LLP  
Attn. Steven A. Williamson, Esq.  
911 Chestnut Street  
Clearwater, FL 33756  
Telephone No. (727) 461-1818  
Email: stevew@jpfirm.com

If to Purchaser:  
Garry Brumback, City Manager  
City of Treasure Island, Florida  
120 – 108th Avenue  
Treasure Island, Florida 33706

With a copy to:  
Jennifer R. Cowan, Esq.  
Lewis, Longman & Walker, PA
15. **BINDING OBLIGATION/ASSIGNMENT.** The terms and conditions of this Agreement are made binding on, and inure to the benefit of the successors and permitted assigns of the Parties to this Agreement. **SELLER** may not assign its interest in this Agreement. **PURCHASER** may not assign its interest in this Agreement without the prior written consent of **SELLER**, which will not be unreasonably withheld.

16. **BROKER FEES.** The **SELLER** and **PURCHASER** state that they have not dealt with a real estate broker in connection with the transaction contemplated by this Agreement except Weir Real Estate, LLC ("Broker"), who shall be paid a commission by Seller pursuant to a separate agreement and **PURCHASER** is not liable for a sales commission. **SELLER** will indemnify, defend and hold harmless the **PURCHASER** from and against any and all claims, losses, damages, costs or expenses (including, without limitation, attorney’s fees) of any kind or character arising out of or resulting from any agreement, arrangement or understanding alleged to have been made by **SELLER** on its behalf with any broker or finder in connection with this Agreement. The provisions of this Section will survive Closing or termination of this Agreement.

17. **ENVIRONMENTAL CONDITIONS.**

17.1. For purposes of this Agreement, pollutant (the "Pollutant") means any hazardous or toxic substance, material, or waste of any kind or any contaminant, pollutant, petroleum, petroleum product or petroleum by-product as defined or regulated by environmental laws. Disposal (the "Disposal") means the release, storage, use, handling, discharge, or disposal of such Pollutants. Environmental laws (the "Environmental Laws") means any applicable federal, state, or local laws, statutes, ordinances, rules, regulations or other governmental restrictions. This section 16 will survive termination of this Agreement and the Closing.

17.1.1 As a material inducement to **PURCHASER** entering into this Agreement, **SELLER** warrants and represents to its actual present knowledge without investigation or inquiry, and except as otherwise set forth in the Documents, the following, as applicable:

1. **SELLER** and occupants of the Property have obtained and are in full compliance with any and all permits regarding the Disposal of Pollutants on the Property or contiguous property owned by **SELLER**.

2. **SELLER** is not aware nor does it have any notice of any past, present or future events, conditions, activities or practices which may give rise to any liability or form a basis for any claim, demand, cost or action relating to the Disposal of any Pollutant on the Property. **SELLER** is not aware nor does it have any actual notice of any past, present or future events, conditions, activities or practices on contiguous property that is owned by **SELLER** which may give rise to any liability or form a basis for any claim, demand, cost or action relating to the Disposal of any Pollutant affecting the **SELLER**'S property.

3. There is no civil, criminal or administrative action, suit, claim, demand, investigation or notice of violation pending or, to the best of that entity's knowledge,
threatened against SELLER or the Property relating in any way to the Disposal of Pollutants on the Property, any portion thereof, or on any contiguous property owned by SELLER.

18. PUBLIC RECORDS. PURCHASER is a public agency subject to Chapter 119, Florida Statutes. The SELLER is notified that the PURCHASER is required by law, pursuant to Chapter 119, to maintain and disclose upon request all records deemed public under the statute including this Agreement and some or all of the documents necessary to consummate the transaction set forth in this Agreement. To the extent that any litigation should be instituted by SELLER, either directly or as a third party, to prevent or prohibit PURCHASER from disclosing or providing documents involving this Agreement or the transaction set forth in the Agreement pursuant to a public records request submitted under Chapter 119, SELLER agrees that PURCHASER may either: 1) defend the claim up to and including final judgment, or 2) interplead the challenged documents into the court. In either event, SELLER agrees to pay PURCHASER's reasonable attorneys' fees and costs, both trial and appellate.

19. MISCELLANEOUS.

19.1. General. This Agreement, and any amendment to this Agreement, may be executed in any number of counterparts, each of which is deemed to be an original and all of which will, together, constitute one and the same instrument. The section and paragraph headings contained in this Agreement are for the purposes of identification only and will not be considered in construing this Agreement. Reference to a Section is deemed to be a reference to the entire Section, unless otherwise specified. No modification or amendment of this Agreement will be of any force or effect unless in writing executed by the Parties. This Agreement sets forth the entire agreement between the Parties relating to the Property and all subject matter in this Agreement, and supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the Parties. This Agreement must be interpreted in accordance with the laws of the State of Florida. The Parties agree that jurisdiction of any litigation brought arising out of this Agreement is in the Sixth Judicial Circuit, in and for Pinellas County, Florida, or, should any cause of action be limited to federal jurisdiction only, in the United States District Court for the Middle District of Florida.

19.2. Computation of Time. Any time period provided for in this Agreement which ends on a Saturday, Sunday or legal holiday will extend to 5:00 p.m. on the next full business day. Time is of the essence in the performance of all obligations under this Agreement. Time periods commencing with the Effective Date will not include the Effective Date in the time calculation.

19.3. Waiver. Neither the failure of a party to insist upon a strict performance of any of the terms, provisions, covenants, agreements and conditions of this Agreement, nor the acceptance of any item by a party with knowledge of a breach of this Agreement by the other party in the performance of their respective obligations under this Agreement, will be deemed a waiver of any rights or remedies that a party may have or a waiver of any subsequent breach or default in any of such terms, provisions, covenants, agreements or conditions. This paragraph will survive termination of this Agreement and the Closing.

19.4. Construction of Agreement. The Parties to this Agreement, through

Seller Initials ____________
Buyer Initials ______________
counsel, have participated freely in the negotiation and preparation of this Agreement. Neither this
Agreement nor any amendment to this Agreement may be more strictly construed against any of
the Parties. As used in this Agreement, or any amendment to this Agreement, the masculine will
include the feminine, the singular will include the plural, and the plural will include the singular,
as the context may require. Provisions of this Agreement that expressly provide that they survive
the Closing will not merge into the Deed.

19.5. **Severability.** If any provision of this Agreement or the application of this
Agreement will, for any reason and to any extent, be invalid or unenforceable, neither the
remainder of this Agreement nor the application of the provision to other persons, entities or
circumstances will be affected thereby, but instead must be enforced to the maximum extent
permitted by law. The provisions of this Section will apply to any amendment of this Agreement.

19.6 **WAIVER OF JURY TRIAL.** AS AN INDUCEMENT TO PURCHASER
AGREEING TO ENTER INTO THIS AGREEMENT, PURCHASER AND SELLER WAIVE
TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT BY EITHER PARTY
AGAINST THE OTHER PARTY PERTAINING TO ANY MATTER WHATSOEVER ARISING
OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

19.7 **Binding Authority.** Each party represents and warrants to the other that
each person executing this Agreement on behalf of the PURCHASER and SELLER has full right
and lawful authority to execute this Agreement and to bind and obligate the party for whom or on
whose behalf he or she is signing with respect to all provisions contained in this Agreement.

19.8 **Recording.** This Agreement may not be recorded in the Public Records of
Pinellas County, Florida.

19.9 **Survival.** The covenants, warranties, representations, indemnities and
undertakings of SELLER set forth in this Agreement, will survive the Closing, the delivery and
recording of the SELLER’S Property Deed and PURCHASER’s possession of the Property.

19.10 **Attorneys’ Fees and Costs.** SELLER and PURCHASER acknowledge and
agree that SELLER and PURCHASER will be responsible for its own attorneys’ fees and all costs,
if any, incurred by SELLER and PURCHASER, as applicable, in connection with the transaction
contemplated by this Agreement.

19.11 **Execution by City Commission.** Notwithstanding any action taken on the
Agreement by the City Commission for the City of Treasure Island, Florida, or its agents or
employees, the Agreement shall not be enforceable against the City unless approved by the City
Commission and executed by the City Manager. If this Agreement is not approved by the City
Commission and executed by the City Manager on or before thirty (30) days after executed by
SELLER, unless otherwise agreed to by the parties, SELLER shall have the right to terminate this
Agreement upon written notice to PURCHASER, whereupon this Agreement shall be of no further
force or effect except those provisions that survive termination.
19.12 **Dispute Resolution.** This Agreement shall be governed by, and be construed in accordance with, the laws of the State of Florida. In the event any dispute arises concerning this Agreement, the Parties may agree to attempt to settle any dispute by mediation.

19.13 **No Third Party Beneficiaries.** This Agreement shall not be interpreted or construed to grant any rights to any third parties.

20. **RADON GAS AND ENERGY DISCLOSURES.**

20.1 Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

20.2 PURCHASER may have the energy efficiency rating of the buildings located on the Property being purchased determined. A copy of the brochure relating to this matter prepared by the State of Florida has been furnished by SELLER to PURCHASER.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective date.

"SELLER"

T.H.E. Insurance Company,
a Louisiana insurance corporation

By: __________________________
Printed Name: Andrew R. Will
Title: Vice President and Controller
Date: 7/22/19

"PURCHASER"

CITY OF TREASURE ISLAND, FLORIDA

By: __________________________
Printed Name: ____________________
Title: __________________________
Date: __________________________

"ESCROW AGENT"

LEWIS, LONGMAN & WALKER, P.A.

By: __________________________
Printed Name: ____________________
Title: __________________________
Date: __________________________

Attest:

Ruth Nickerson, City Clerk

Seller Initials ____________________
Buyer Initials ____________________
PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (the "Agreement") is made and entered into as of the Effective Date (hereinafter defined), by and between the CITY OF TREASURE ISLAND, FLORIDA, a municipal corporation organized and existing under the Laws of Florida, whose address is 120 – 108th Avenue, Treasure Island, Florida 33706 (the "PURCHASER") and T.H.E. Insurance Company, a Louisiana insurance corporation, having an address of 10451 Gulf Boulevard, Treasure Island, Florida 33706 authorized to do business in the State of Florida, (the "SELLER"), (PURCHASER and SELLER collectively referred to as the "Parties").

In consideration of the mutual covenants and agreements set forth in this Agreement, the Parties agree as follows:

1. PURCHASE AND SALE/PROPERTY. SELLER agrees to sell and convey to PURCHASER, and PURCHASER agrees to purchase and acquire from SELLER, on the terms and conditions set forth in this Agreement, the property located in Pinellas County, Florida (the "Property") and more particularly described as follows:

Parcel 1 (parking lot parcel):
Lot 4, Block 3, City of Treasure Island (Block 1, 3, 5, 6, 7 and 8), according to the plat thereof recorded in Plat Book 27, Pages 2 through 4, of the Public Records of Pinellas County, Florida, together with Lots 5 and 6, Block 27, Section A, Division 2, Treasure Island, according to the plat thereof recorded in Plat Book 18, Page 48, of the Public Records of Pinellas County, Florida, also together with that part of the alley Easterly thereof, replated in said Plat Book 27, less that part deeded to the State of Florida for road purposes as recorded in Deed Book 1280, Page 289, the foregoing explicitly described as follows:

Beginning at the Northwest corner of Lot 5 of Block 3 of said City of Treasure Island, and proceed thence South 19° 36' 57" East, a distance of 130.00 feet to the Southeast corner of Lot 4, Block 3 of said City of Treasure Island Blocks 1, 3, 5, 6, 7 and 8; thence North 89° 49' 27" West, a distance of 120.00 feet to the Southwest corner of said Lot 4, Block 3, on a curve, concave Northeasterly, having a radius of 1,860.08 feet, and a central angle of 04° 00' 19", thence on the arc of said curve a distance of 130.03 feet, said arc subtended by a chord which bears North 19° 36' 57" West, a distance of 130.00 feet to the curves end on the South right of way line of 105th Avenue and the North boundary of the aforesaid Lot 6, thence on said right of way and North boundary South 89° 49' 27 East, a distance of 120.00 feet to the POINT OF BEGINNING.

Parcel ID Number: 23-31-15-91836-003-0040

Seller Initials ______________
Buyer Initials ______________
Parcel 2 (condominium parcel):
Suite No(s) 201, 202, 203, 204, 205, 301, 302, 303, 304, 305, 401, 402, 403, 404, 405, 501, 502, 503, 504 and 505, Jirgens Executive Center, a Condominium, according to the plat thereof recorded in Condominium Plat Book 53, Pages 80 through 83, together with all common areas, and being further described in that certain Declaration of Condominium recorded in OR Book 5236, Pages 1329 through 1374, inclusive, all of the Public Records of Pinellas County, Florida.

Parcel ID Numbers
23-31-15-44070-000-0001 (Common areas)
23-31-15-44070-000-2010 (Unit 201)
23-31-15-44070-000-2020 (Unit 202)
23-31-15-44070-000-2030 (Unit 203)
23-31-15-44070-000-2040 (Unit 204)
23-31-15-44070-000-2050 (Unit 205)
23-31-15-44070-000-3010 (Unit 301)
23-31-15-44070-000-3020 (Unit 302)
23-31-15-44070-000-3030 (Unit 303)
23-31-15-44070-000-3040 (Unit 304)
23-31-15-44070-000-3050 (Unit 305)
23-31-15-44070-000-4010 (Unit 401)
23-31-15-44070-000-4020 (Unit 402)
23-31-15-44070-000-4030 (Unit 403)
23-31-15-44070-000-4040 (Unit 404)
23-31-15-44070-000-4050 (Unit 405)
23-31-15-44070-000-5010 (Unit 501)
23-31-15-44070-000-5020 (Unit 502)
23-31-15-44070-000-5030 (Unit 503)
23-31-15-44070-000-5040 (Unit 504)
23-31-15-44070-000-5050 (Unit 505)

The Purchase Price and Payment. The Purchase Price will be paid to the SELLER for the Property in the amount of SIX MILLION THREE HUNDRED FIFTY THOUSAND and 00/100 Dollars ($6,350,000.00) ("Purchase Price"), subject to pro-rations and adjustment as hereinafter provided, and will be paid in cash, by wire transfer of United States Dollars at the Closing (hereinafter defined) to an account designated by SELLER. The Purchase Price and other consideration being given by the PURCHASER under this Agreement constitutes the total consideration to be paid to SELLER in connection with the acquisition of the Property.
3. **ESCROW AGENT.** PURCHASER and SELLER authorize LEWIS, LONGMAN & WALKER, P.A. to act as Escrow Agent (the "Escrow Agent"). The Escrow Agent will receive, deposit and hold funds in escrow and, subject to clearance, disburse them upon proper authorization and in accordance with Florida law and the terms of this Agreement. The parties agree that Escrow Agent will not be liable to any person for misdelivery of escrowed items to PURCHASER and SELLER, unless the misdelivery is due to Escrow Agent’s willful breach of this Agreement or gross negligence. If Escrow Agent interpleads the subject matter of the escrow, Escrow Agent will pay the filing fees and costs, and will recover reasonable attorney’s fees and costs to be paid from the escrowed funds which are charged and awarded as court costs in favor of the prevailing party. All claims against Escrow Agent will be arbitrated, so long as Escrow Agent consents to arbitrate.

4. **EFFECTIVE DATE.** The effective date of this Agreement shall be the date upon which the last of SELLER and PURCHASER shall have signed this Agreement ("Effective Date").

5. **CLOSING.** The purchase and sale transaction contemplated in this Agreement will close on or before ten (10) days following the satisfaction of the Conditions to Closing (hereinafter defined in Section 8 below) (the "Closing"), unless extended by paragraph 13 of this Agreement or by written agreement, signed by all parties, extending the Closing. Notwithstanding anything herein to the contrary, SELLER shall have the right to extend the Closing by two (2) periods of sixty (60) days each upon written notice to other party at least fifteen (15) days prior to the then scheduled Closing.

6. **TITLE TO BE CONVEYED.** At Closing, SELLER will convey to PURCHASER, by Warranty Deed of valid, good, marketable, and insurable title in fee simple to the Property, free and clear of any and all liens, encumbrances, conditions, easements, assessments, restrictions and other conditions, except only the following (collectively, the "Permitted Exceptions"): (a) general real estate taxes and special assessments for the year of Closing and subsequent years not yet due and payable; (b) covenants, conditions, easements, dedications, rights-of-way and matters of record included on the Title Commitment or shown on the Survey (defined in Section 7), to which PURCHASER fails to object, or which PURCHASER agrees to accept, pursuant to Section 7.1 and Section 7.2 of this Agreement.

7. **FEASIBILITY PERIOD.** The PURCHASER, and its designees will have ninety (90) days from the Effective Date of this Agreement ("Feasibility Period"), at PURCHASER’s expense, to make inquiries to determine if the Property is suitable for its intended use and to enter upon the Property, at any time and from time to time with at least two (2) business days’ notice to SELLER and so long as said investigations do not result in a business interruption, to perform any and all physical tests, inspections, valuation appraisals and investigations of the Property, including but not limited to Environmental Phase I and Phase II investigations, which PURCHASER may deem reasonably necessary. PURCHASER shall obtain the prior written consent of SELLER prior to conducting any invasive testing of the Property, which consent shall not be unreasonably withheld, conditioned or delayed. During this Feasibility Period, PURCHASER may elect, in PURCHASER’s sole and absolute discretion, to terminate this Agreement. If PURCHASER elects to terminate this Agreement in accordance with this Section, PURCHASER will: (i) leave the Property in substantially the condition existing on the Effective Date; (ii) will repair and restore any damage caused to the Property by PURCHASER’s testing...
and investigation; and (iii) release to SELLER, at no cost, all reports and other work generated as a result of the PURCHASER’s testing and investigation. SELLER agrees to indemnify and hold PURCHASER harmless from and against all claims, losses, expenses, demands and liabilities, including, but not limited to, attorney’s fees, for nonpayment for services rendered to SELLER or for damage to persons or property (subject to the limitation on practicability provided above) arising out of PURCHASER’s investigation of the Property. SELLER’s obligations under this Section will survive the termination, expiration or Closing of this Agreement. PURCHASER agrees that it shall not disclose to third parties results of such reviews, inspections, or tests, as well as the contents of any of the Documents (hereinafter defined), except as may be necessary in order to effectuate the Closing of this transaction or upon lawful order of a governmental authority or as otherwise may be required by law.

7.1 Title Review. On or before thirty (30) days from the Effective Date, PURCHASER will obtain, at the PURCHASER’s expense, from a title company chosen by PURCHASER (the “Title Company”), an ALTA title insurance commitment (“Title Commitment”), covering the Property and proposing to insure PURCHASER in the amount of the Purchase Price subject only to the Permitted Exceptions, together with complete and legible copies of all instruments identified as conditions or exceptions in Schedule B of the Title Commitment. Any and all assessments, outstanding utility charges, liens and other matters not constituting Permitted Exceptions must be cleared by SELLER prior to or at Closing. PURCHASER will examine the Title Commitment and deliver written notice to SELLER no later than forty-five (45) days after the Effective Date notifying SELLER of any objections PURCHASER has to the condition of title (the “Title Objections”). If PURCHASER fails to deliver the Title Objections to SELLER within the aforesaid review period, title will be deemed accepted subject to the customary conditions set forth in the Title Commitment. If PURCHASER timely delivers the Title Objections, then SELLER shall then have a period of ten (10) days after its receipt of PURCHASER’s Title Objections (“Response Deadline”) within which to notify PURCHASER (“Seller’s Notice”) if SELLER has elected, in SELLER’s sole discretion, to attempt to cure the Title Objections, subject to the terms and conditions of this Section 7. If SELLER fails to deliver a Seller’s Notice by the Response Deadline, SELLER shall be deemed to have not elected to cure or otherwise resolve any matter set forth in PURCHASER’s notice of Title Objections. If SELLER elects to attempt to cure the Title Objections, SELLER shall have until 5 days prior to Closing (the “Cure Period”) to attempt to cure the Title Objections to PURCHASER’s reasonable satisfaction. If SELLER notifies PURCHASER in Seller’s Notice that SELLER will not attempt to cure the Title Objections, or if SELLER elects to attempt to cure the Title Objections but does not do so to PURCHASER’s reasonable satisfaction during the Cure Period, PURCHASER may elect, on or before five (5) business days after expiration of the Response Deadline with respect to matters that SELLER has elected (or is deemed to have elected) not to cure, or prior to expiration of the Cure Period for those matters SELLER has elected to attempt to cure, as the case may be, to either: (i) accept title subject to the Title Objections raised by PURCHASER which remain uncured without an adjustment in the Purchase Price, in which event such Title Objections shall be deemed to be waived for all purposes and shall be deemed to be Permitted Exceptions hereunder; or (ii) terminate this Agreement upon written notice to SELLER and Escrow Agent, whereupon this Agreement shall be of no further force and effect, except those provisions that survive termination.

Prior to the Closing, PURCHASER has the right to cause the Title Company to issue an updated Title Commitment (“Title Update”) covering the Property. If any Title Update

Seller Initials

Buyer Initials
contains any conditions which did not appear in the Title Commitment, and such items render title unmarketable, PURCHASER will have the right to object to such new or different conditions in writing prior to Closing. All rights and objections of the Parties with respect to objections arising from the Title Update will be the same as objections to items appearing in the Title Commitment, subject to the provisions of this Section.

7.2. **Survey Review.** On or before thirty (30) days following the Effective Date, PURCHASER, at PURCHASER’s expense, may obtain a current boundary survey (the “Survey”) of the Property, indicating the number of acres comprising the Property to the nearest 1/100th of an acre. If the Survey discloses encroachments on the Property or that improvements located thereon encroach on setback lines, easements, lands of others or violate any restrictions, covenants of this Agreement, or applicable governmental regulations, the same will constitute a title defect and be governed by the provisions of Section 7.1 concerning title objections.

7.3 **SELLER DELIVERIES.**

SELLER will deliver to PURCHASER the following documents and instruments within ten (10) days of the Effective Date of this Agreement, except as specifically indicated:

7.3.1 Copies of any reports or studies (including engineering, environmental, soil borings, and other physical inspection reports), in SELLER’s possession with respect to the physical condition or operation of the Property, if any.

7.3.2 Copies of all licenses, variances, waivers, permits (including, but not limited to, all surface water management permits, wetland resource permits, consumptive use permits and environmental resource permits), authorizations, and approvals required by law or by any governmental or private authority having jurisdiction over the Property, or any portion thereof (the “Governmental Approvals”), which are material to the use or operation of the Property and are in SELLER’s possession, if any, and any notices of violations of Governmental Approvals by any governmental or private authority having jurisdiction over the property or which are material to the use and operation of the Property and are in the SELLER’s possession.

7.3.3 Thirty (30) days before Closing, SELLER will execute and deliver a recorded Termination of the Jirgens Executive Center Condominium Association, Inc., to ESCROW AGENT, pursuant to Chapter 718, Florida Statutes and Paragraph 16 of the Declaration of Condominium of Jirgens Executive Center, a Condominium, recorded OR Book 5236, Page 1329, Public Records of Pinellas County, Florida. The Termination must include a joinder of any and all institutional mortgagees holding mortgages on the Property. Upon the recording of the Condominium Association Termination for Jirgens Executive Center Condominium Association, Inc., the SELLER will immediately submit a Parcel Consolidation Request to the Pinellas County Property Appraiser for the Property, and will provide a copy to ESCROW AGENT.

7.3.4 At Closing, SELLER will execute and deliver to PURCHASER an assignment of any Governmental Approvals that are applicable to the Property. SELLER warrants that to its actual present knowledge and at the time of Closing, there are no unrecorded instruments affecting the title to the Property, including, but not limited to any conveyances, easements, licenses or leases.

Seller Initials ________________
Buyer Initials ________________
Notwithstanding anything herein to the contrary, SELLER makes no representations or warranties as to the truth, accuracy or completeness of any of the documents delivered to PURCHASER pursuant to Sections 7.3.1 and 7.3.2 above ("Documents"). It is the parties’ express understanding and agreement that such Documents are provided only for PURCHASER’s convenience in making its own examination and determination as to whether it wishes to purchase the Property and, in doing so, PURCHASER shall rely exclusively on its own independent investigation and evaluation of every aspect of the Property and not on any of the Documents supplied by SELLER. PURCHASER expressly disclaims any intent to rely on any such Documents provided to it by SELLER in connection with its inspection and agrees that it shall rely solely on its own independently developed or verified information.

8. CONDITIONS TO CLOSING. PURCHASER will not be obligated to close on the purchase of the Property unless each of the following conditions (collectively, the "Conditions to Closing") are either fulfilled or waived by PURCHASER in writing:

8.1. Representations and Warranties. All of the representations and warranties of SELLER contained in this Agreement are true and correct as of Closing.

8.2. Condition of Property. The physical condition of the Property is the same on the date of Closing as on the Effective Date, reasonable wear and tear excepted.

8.3. Bond Validation. Pursuant to the terms and conditions contained in this Agreement, the Parties agree that the sale and purchase of the Property is contingent on a successful PURCHASER-initiated bond validation process under Chapter 75, Florida Statutes, including any appeals, together with the passage of any resolution or ordinance creating and authorizing the issuance of the bond.

8.4. External Financing. Pursuant to the terms and conditions contained in this Agreement, the Parties agree that the sale and purchase of the Property is contingent on the PURCHASER’s securing external financing based on commercially reasonable terms for the completion of the subject purchase through with the passage of any resolution or ordinance creating and authorizing such financing.

8.5. Commission Debt Approval. The Parties agree that the sale and purchase of the Property is contingent on the City Commission for the City of Treasure Island, Florida’s approval of any debt and/or financing by PURCHASER in accordance with the City Charter, together with the passage of any resolution or ordinance approving same.

8.6. Pending Proceedings. At Closing, there is no litigation or administrative agency or other governmental proceeding of any kind whatsoever, pending or threatened that would impair SELLER’s rights and obligations under this Agreement, which has not been disclosed, prior to closing, and accepted by PURCHASER.

PURCHASER shall use its good faith best efforts to satisfy the Conditions to Closing on or before December 18, 2019, and keep SELLER reasonably informed as to the status of PURCHASER’s efforts. If any of the Conditions to Closing are not satisfied on or before January

Seller Initials

Buyer Initials
31, 2020, either PURCHASER or SELLER shall have the right to terminate this Agreement upon written notice to the other, whereupon this Agreement shall be of no further force or effect except those provisions that survive termination.

8.7 Compliance with Laws and Regulations. To the best of the SELLER’s knowledge, the Property is in compliance with all applicable federal, state and local laws, ordinances, rules, regulations, codes, requirements, licenses, permits and authorizations as of the date of Closing.

9. CLOSING DOCUMENTS. The PURCHASER will prepare, or cause to be prepared, the Closing documents set forth in this Section (“Closing Documents”), except for documents prepared by the SELLER. At Closing, SELLER and/or PURCHASER, as applicable, will execute and deliver, or cause to be executed and delivered to PURCHASER the following documents and instruments:

9.1. Deed. SELLER will execute a Warranty Deed (the “Deed”) conveying to PURCHASER valid, good, marketable and insurable fee simple title to the Property free and clear of all liens, encumbrances and other conditions of title other than the Permitted Exceptions.

9.2 Seller’s Affidavits. SELLER will furnish to PURCHASER an owner’s affidavit attesting that, to the best of its knowledge, no individual or entity has any claim against the Property under the applicable construction lien law; and that there are no parties in possession of the Property other than SELLER. SELLER will also furnish to PURCHASER a non-foreign affidavit with respect to the Property. In the event SELLER is unable to deliver its affidavits referenced above, the same is deemed an uncured title objection.

9.3. Closing Statement. A closing statement setting forth the Purchase Price, all credits, adjustments and prorations between PURCHASER and SELLER, all costs and expenses to be paid at Closing, and the net proceeds due SELLER, which PURCHASER will also execute and deliver at Closing.

9.4. Corrective Documents. Documentation required to clear title to the Property of all liens, encumbrances and exceptions, if any, other than Permitted Exceptions.

9.5. Additional Documents. PURCHASER AND SELLER shall also execute and provide at Closing such other documents as Title Company may reasonably request that SELLER or PURCHASER execute and deliver, and any other documents required by this Agreement or reasonably necessary in order to close this transaction and effectuate the terms of this Agreement.

10. PRORATIONS, CLOSING COSTS AND CLOSING PROCEDURES.

10.1. Prorations. Assessments, real estate taxes, interest, insurance and other expenses of the Property will be prorated through the day before Closing. PURCHASER will have the option of taking over existing policies of insurance, if assumable and at no cost to SELLER, in which event premiums will be prorated. Cash at Closing will be increased or decreased as may be required by prorations to be made through the day prior to Closing. Taxes will be prorated based
upon the current year's tax with due allowance made for maximum allowable discount.

10.2 Special Assessment Liens and Judgments. Certified, confirmed and ratified special assessment liens imposed by public bodies as of Closing are to be paid by SELLER on or before Closing. SELLER will obtain or cause to be obtained, satisfaction or release of all judgments applicable to and encumbering the Property. SELLER is unaware of any potential outstanding liens that could be assessed against the Property and any existing judgments that could be enforced against the Property.

10.3 Closing Costs. SELLER will be responsible for all documentary stamps on the deed. PURCHASER will be responsible for recording the deed, title insurance premiums and related charges, and all general closing expenses (settlement fee, courier fees, overnight package, etc.). SELLER and PURCHASER are each responsible for their own legal fees. All other costs of Closing will be borne by PURCHASER.

10.4 Closing Procedure. PURCHASER will fund the Purchase Price subject to the credits, offsets and prorations set forth in this Agreement. SELLER and PURCHASER (as applicable) will execute and deliver to Escrow Agent the Closing Documents. The Escrow Agent will, at Closing: (i) disburse the sale proceeds to SELLER by wire transfer; (ii) deliver the Closing Documents and a “marked-up” Title Commitment to PURCHASER, and promptly thereafter, record the Deed and other recordable Closing Documents in the Public Records of Pinellas County, Florida.

11. OCCUPANCY AND POSSESSION. SELLER will, at Closing, deliver occupancy and possession of the Property to PURCHASER free of tenants, occupants and future tenancies. Also, at Closing, SELLER will have removed all personal items and trash from the Property and will deliver all keys, access devices and codes, as applicable to PURCHASER, unless otherwise specified in this Agreement.

12. REPRESENTATIONS, COVENANTS AND WARRANTIES. To induce PURCHASER to enter into this Agreement, SELLER makes the following representations, all of which, to the best of its knowledge, in all material respects and except as otherwise provided in this Agreement (i) are now true, and (ii) is true as of the date of the Closing unless SELLER receives information to the contrary, and (iii) will survive the Closing. In that event, PURCHASER will be provided immediate notice as to the change to the following representations:

12.1 At all times from the Effective Date until prior to Closing, SELLER shall maintain the Property in the same condition as it is as of the date of EFFECTIVE DATE and in accordance with all requirements of any governmental authority, reasonable wear and tear excepted.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED FOR IN THIS AGREEMENT OR IN THE CLOSING DOCUMENTS, SELLER HAS NOT, DOES NOT AND WILL NOT MAKE ANY REPRESENTATIONS OR WARRANTIES, OF ANY KIND, ORAL OR WRITTEN, EXPRESS OR IMPLIED, CONCERNING THE PROPERTY, INCLUDING, WITHOUT LIMITATION THE VALUE, CONDITION, MERCHANTABILITY, HABITABILITY, PROFITABILITY,
SUITABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE OF THE PROPERTY.
Purchaser acknowledges that the property and any personal property conveyed with the property will be conveyed to Purchaser in its "AS-IS, WHERE-IS" condition and "WITH ALL FAULTS," except as otherwise specifically set forth herein. Seller has not made and will not make an investigation of the property. Purchaser agrees that Seller has no duty to undertake an investigation to discover defects, conditions or other physical matters. This paragraph survives the closing.

12.2 Seller has no actual knowledge nor has Seller received any notice of any litigation, claim, action or proceeding, actual or threatened, against Seller related to the property by any organization, person, individual or governmental agency which would affect (as to any threatened litigation, claim, action or proceeding, in a materially adverse fashion) the use, occupancy or value of the property or any part thereof or which would otherwise relate to the property.

12.3 Seller has full power and authority to enter into this Agreement and to assume and perform its obligations under this Agreement. Seller does not and will not conflict with or result in the breach of any condition or provision, or constitute a default under, or result in the creation or imposition of any lien, charge, or encumbrance upon any of the property or assets of the Seller by reason of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which the Seller is a party of which is or purports to be binding upon the Seller or which affects the Seller; no action by any federal, state or municipal or other governmental department, commission, board, bureau or instrumentality is necessary to make this Agreement a valid instrument binding upon the Seller in accordance with its terms. The execution and delivery of this Agreement by Seller and the consummation by Seller of the transaction contemplated by this Agreement are within Seller's capacity and all requisite action has been taken to make this Agreement valid and binding on Seller in accordance with its terms. The person executing this Agreement on behalf of Seller has been duly authorized to act on behalf of and to bind Seller, and this Agreement represents a valid and binding obligation of Seller.

12.4 Seller represents that Seller will not, between the date of this Agreement and the Closing, without Purchaser's prior written consent, which consent will not be unreasonably withheld or delayed, except in the ordinary course of business, create any encumbrances on the Property that will not be terminated or satisfied at or before Closing. For purposes of this provision the term "encumbrances" will mean any liens, claims, options, or other encumbrances, encroachments, rights-of-way, leases, easements, covenants, conditions, restrictions, agreements, concessions, licenses, judgments, leases or other third party rights or with any mortgage or other monetary lien or encumbrance. Any judgments, leases and third-party rights shall be terminated and/or released at or prior to Closing to Purchaser's reasonable satisfaction.

12.5 Seller will not list or offer the Property for sale or solicit, negotiate, or contract with others for the purchase of the Property while this Agreement is in effect.

12.6 Seller represents that it has neither actual knowledge nor received any notice, other than the information provided to the Purchaser pursuant to section 7.3 above,
that the Property has been, is presently or is contemplated to be utilized as a reservoir of hazardous material. As used in this Agreement, the term "Hazardous Material" means any substance, water or material which has been determined by any state, federal or local government authority to be capable of posing a risk of injury to health, safety and property, including, but not limited to, all of those materials, wastes and substances designated as hazardous or toxic by the U.S. Environmental Protection Agency, the U.S. Department of Labor, the U.S. Department of Transportation, and/or any other state or local governmental agency now or hereafter authorized to regulate materials and substances in the environment (collectively "Governmental Authority(ies)").

12.7 Between the date of this Agreement and the date of closing, SELLER will not file any application for a change of the present zoning classification of the Property.

12.8 Title. SELLER is and will be on the Closing Date, the owner of valid, good, marketable and insurable fee simple title to the Property, free and clear of all liens, encumbrances and restrictions of any kind, except the Permitted Exceptions (and encumbrances of record which will be discharged at Closing).

12.9 Additional Warranties and Representations of SELLER. As a material inducement to PURCHASER entering into this Agreement, SELLER, to the best of SELLER'S information and belief, represents and warrants the following:

12.9.1 Unless otherwise specified in this Agreement, there are no pending applications, permits, petitions, contracts, approvals, or other proceedings with any governmental or quasi-governmental authority, including but not limited to, PURCHASER, municipalities, counties, districts, utilities, and/or federal or state agencies, concerning the use or operation of, or title to the Property or any portion thereof, and SELLER has not granted or is not obligated to grant any interest in the Property to any of the foregoing entities.

12.9.2 To the best of SELLER'S knowledge, the Property and the use and operation thereof are in compliance with all applicable county and governmental laws, ordinances, regulations, licenses, permits and authorizations, including, without limitation, applicable zoning and environmental laws and regulations.

13. DEFAULT.

13.1 PURCHASER'S Default. In the event that this transaction fails to close due to the PURCHASER'S wrongful refusal to perform under this Agreement, subject to the provisions of Paragraph 13.3 below, notwithstanding anything to the contrary contained in this Agreement, SELLER may, at its option: (1) declare PURCHASER in default under this Agreement by notice delivered to PURCHASER, in which event SELLER may terminate this Agreement and neither Party will have any further rights under this Agreement, or (2) seek specific performance of this Agreement, without waiving any action for damages.

13.2 SELLER's Default. In the event that SELLER fails to fully and timely
perform any of its obligations or covenants under this Agreement or if any of SELLER’S representations are untrue or inaccurate, then, notwithstanding anything to the contrary contained in this Agreement, and subject to Paragraph 13.3 below, PURCHASER may, at its option: (1) declare SELLER in default under this Agreement by notice delivered to SELLER, in which event PURCHASER may terminate this Agreement subject to an action for damages not to exceed $25,000.00, and neither Party will have any further rights under this Agreement, or (2) seek specific performance of this Agreement, without waiving any action for damages not to exceed $25,000.00.

13.3. **Notice of Default.** Prior to declaring a default and exercising the remedies described in this Agreement, the non-defaulting Party will issue a notice of default to the defaulting Party describing the event or condition of default in sufficient detail to enable a reasonable person to determine the action necessary to cure the default. The defaulting Party will have ten (10) days from delivery of the notice during which to cure the default, provided, however, that as to a failure to close, the cure period will only be three (3) business days from the delivery of notice. Both parties agree that if an extension is requested, such extension will not be unreasonably withheld. If the default has not been cured within the aforesaid period, the non-defaulting Party may exercise the remedies described above.

13.4. **Survival.** The provisions of this section will survive the termination of this Agreement.

14. **NOTICES.** All notices required in this Agreement must be in writing and will be considered delivered when received by certified mail, return receipt requested, or personal delivery to the following addresses:

If to Seller:  
T.H.E. Insurance Company  
c/o XL Global Services, Inc.  
Peter Chin, Senior Vice President  
70 Seaview Avenue  
Stamford, CT 06902  
E-mail: peter.chin@axaxl.com

With a copy to:  
Johnson, Pope, Bokor, Ruppel & Burns, LLP  
Attn. Steven A. Williamson, Esq.  
911 Chestnut Street  
Clearwater, FL 33756  
Telephone No. (727) 461-1818  
Email: stevew@jpfirm.com

If to Purchaser:  
Garry Brumback, City Manager  
City of Treasure Island, Florida  
120 – 108th Avenue  
Treasure Island, Florida 33706

With a copy to:  
Jennifer R. Cowan, Esq.  
Lewis, Longman & Walker, PA

Seller Initials  
Buyer Initials
100 Second Avenue South, Suite 501-S
St. Petersburg, FL 33701

15. BOUNDING OBLIGATION/ASSIGNMENT. The terms and conditions of this Agreement are made binding on, and inure to the benefit of the successors and permitted assigns of the Parties to this Agreement. SELLER may not assign its interest in this Agreement. PURCHASER may not assign its interest in this Agreement without the prior written consent of SELLER, which will not be unreasonably withheld.

16. BROKER FEES. The SELLER and PURCHASER state that they have not dealt with a real estate broker in connection with the transaction contemplated by this Agreement except Weir Real Estate, LLC ("Broker"), who shall be paid a commission by Seller pursuant to a separate agreement and PURCHASER is not liable for a sales commission. SELLER will indemnify, defend and hold harmless the PURCHASER from and against any and all claims, losses, damages, costs or expenses (including, without limitation, attorney’s fees) of any kind or character arising out of or resulting from any agreement, arrangement or understanding alleged to have been made by SELLER on its behalf with any broker or finder in connection with this Agreement. The provisions of this Section will survive Closing or termination of this Agreement.

17. ENVIRONMENTAL CONDITIONS.

17.1. For purposes of this Agreement, pollutant (the "Pollutant") means any hazardous or toxic substance, material, or waste of any kind or any contaminant, pollutant, petroleum, petroleum product or petroleum by-product as defined or regulated by environmental laws. Disposal (the "Disposal") means the release, storage, use, handling, discharge, or disposal of such Pollutants. Environmental laws (the "Environmental Laws") means any applicable federal, state, or local laws, statutes, ordinances, rules, regulations or other governmental restrictions. This section 16 will survive termination of this Agreement and the Closing.

17.1.1 As a material inducement to PURCHASER entering into this Agreement, SELLER warrants and represents to its actual present knowledge without investigation or inquiry, and except as otherwise set forth in the Documents, the following, as applicable:

(1) That SELLER and occupants of the Property have obtained and are in full compliance with any and all permits regarding the Disposal of Pollutants on the Property or contiguous property owned by SELLER.

(2) SELLER is not aware nor does it have any notice of any past, present or future events, conditions, activities or practices which may give rise to any liability or form a basis for any claim, demand, cost or action relating to the Disposal of any Pollutant on the Property. SELLER is not aware nor does it have any actual notice of any past, present or future events, conditions, activities or practices on contiguous property that is owned by SELLER which may give rise to any liability or form a basis for any claim, demand, cost or action relating to the Disposal of any Pollutant affecting the SELLER’S property.

(3) There is no civil, criminal or administrative action, suit, claim, demand, investigation or notice of violation pending or, to the best of that entity’s knowledge,
threatened against SELLER or the Property relating in any way to the Disposal of Pollutants on the Property, any portion thereof, or on any contiguous property owned by SELLER.

18. PUBLIC RECORDS. PURCHASER is a public agency subject to Chapter 119, Florida Statutes. The SELLER is notified that the PURCHASER is required by law, pursuant to Chapter 119, to maintain and disclose upon request all records deemed public under the statute including this Agreement and some or all of the documents necessary to consummate the transaction set forth in this Agreement. To the extent that any litigation should be instituted by SELLER, either directly or as a third party, to prevent or prohibit PURCHASER from disclosing or providing documents involving this Agreement or the transaction set forth in the Agreement pursuant to a public records request submitted under Chapter 119, SELLER agrees that PURCHASER may either: 1) defend the claim up to and including final judgment, or 2) interplead the challenged documents into the court. In either event, SELLER agrees to pay PURCHASER’s reasonable attorneys’ fees and costs, both trial and appellate.

19. MISCELLANEOUS.

19.1. General. This Agreement, and any amendment to this Agreement, may be executed in any number of counterparts, each of which is deemed to be an original and all of which will, together, constitute one and the same instrument. The section and paragraph headings contained in this Agreement are for the purposes of identification only and will not be considered in construing this Agreement. Reference to a Section is deemed to be a reference to the entire Section, unless otherwise specified. No modification or amendment of this Agreement will be of any force or effect unless in writing executed by the Parties. This Agreement sets forth the entire agreement between the Parties relating to the Property and all subject matter in this Agreement, and supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the Parties. This Agreement must be interpreted in accordance with the laws of the State of Florida. The Parties agree that jurisdiction of any litigation brought arising out of this Agreement is in the Sixth Judicial Circuit, in and for Pinellas County, Florida, or, should any cause of action be limited to federal jurisdiction only, in the United States District Court for the Middle District of Florida.

19.2. Computation of Time. Any time period provided for in this Agreement which ends on a Saturday, Sunday or legal holiday will extend to 5:00 p.m. on the next full business day. Time is of the essence in the performance of all obligations under this Agreement. Time periods commencing with the Effective Date will not include the Effective Date in the time calculation.

19.3. Waiver. Neither the failure of a party to insist upon a strict performance of any of the terms, provisions, covenants, agreements and conditions of this Agreement, nor the acceptance of any item by a party with knowledge of a breach of this Agreement by the other party in the performance of their respective obligations under this Agreement, will be deemed a waiver of any rights or remedies that a party may have or a waiver of any subsequent breach or default in any of such terms, provisions, covenants, agreements or conditions. This paragraph will survive termination of this Agreement and the Closing.

19.4. Construction of Agreement. The Parties to this Agreement, through
Purchase and Sale Agreement
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counsel, have participated freely in the negotiation and preparation of this Agreement. Neither this Agreement nor any amendment to this Agreement may be more strictly construed against any of the Parties. As used in this Agreement, or any amendment to this Agreement, the masculine will include the feminine, the singular will include the plural, and the plural will include the singular, as the context may require. Provisions of this Agreement that expressly provide that they survive the Closing will not merge into the Deed.

19.5. **Severability.** If any provision of this Agreement or the application of this Agreement will, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities or circumstances will be affected thereby, but instead must be enforced to the maximum extent permitted by law. The provisions of this Section will apply to any amendment of this Agreement.

19.6 **WAIVER OF JURY TRIAL.** AS AN INDUCEMENT TO PURCHASER AGREEING TO ENTER INTO THIS AGREEMENT, PURCHASER AND SELLER WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT BY EITHER PARTY AGAINST THE OTHER PARTY PERTAINING TO ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

19.7 **Binding Authority.** Each party represents and warrants to the other that each person executing this Agreement on behalf of the PURCHASER and SELLER has full right and lawful authority to execute this Agreement and to bind and obligate the party for whom or on whose behalf he or she is signing with respect to all provisions contained in this Agreement.

19.8 **Recording.** This Agreement may not be recorded in the Public Records of Pinellas County, Florida.

19.9 **Survival.** The covenants, warranties, representations, indemnities and undertakings of SELLER set forth in this Agreement, will survive the Closing, the delivery and recording of the SELLER'S Property Deed and PURCHASER's possession of the Property.

19.10 **Attorneys’ Fees and Costs.** SELLER and PURCHASER acknowledge and agree that SELLER and PURCHASER will be responsible for its own attorneys’ fees and all costs, if any, incurred by SELLER and PURCHASER, as applicable, in connection with the transaction contemplated by this Agreement.

19.11 **Execution by City Commission.** Notwithstanding any action taken on the Agreement by the City Commission for the City of Treasure Island, Florida, or its agents or employees, the Agreement shall not be enforceable against the City unless approved by the City Commission and executed by the City Manager. If this Agreement is not approved by the City Commission and executed by the City Manager on or before thirty (30) days after executed by SELLER, unless otherwise agreed to by the parties, SELLER shall have the right to terminate this Agreement upon written notice to PURCHASER, whereupon this Agreement shall be of no further force or effect except those provisions that survive termination.

Seller Initials ______
Buyer Initials ______
19.12 Dispute Resolution. This Agreement shall be governed by, and be construed in accordance with, the laws of the State of Florida. In the event any dispute arises concerning this Agreement, the Parties may agree to attempt to settle any dispute by mediation.

19.13 No Third Party Beneficiaries. This Agreement shall not be interpreted or construed to grant any rights to any third parties.

20. RADON GAS AND ENERGY DISCLOSURES.

20.1 Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

20.2 PURCHASER may have the energy efficiency rating of the buildings located on the Property being purchased determined. A copy of the brochure relating to this matter prepared by the State of Florida has been furnished by SELLER to PURCHASER.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective date.

"SELLER"

T.H.E. Insurance Company,
a Louisiana insurance corporation

By: __________________________
Printed Name: Andrew R. Will
Title: Vice President and Controller
Date: 7/22/19

"PURCHASER"

CITY OF TREASURE ISLAND, FLORIDA

By: __________________________
Printed Name: __________________
Title: _______________________
Date: _______________________

"ESCROW AGENT"

LEWIS, LONGMAN & WALKER, P.A.

By: __________________________
Printed Name: __________________
Title: _______________________
Date: _______________________

Ruth Nickerson, City Clerk

Seller Initials __________________
Buyer Initials ___________________