

MEMORANDUM

TO: MAYOR AND CITY COMMISSION

FROM: CITY ATTORNEY'S OFFICE

DATE: November 20, 2023

**RE: Agreement with Osmose Utility Services, Inc. for
Inspection and Treatment of Wood Utility Poles**

Attached hereto for your consideration is a proposed Agreement with Osmose Utility Services, Inc. (Osmose) for the inspection, supplemental treatment and reinforcement of wood power transmission and distribution poles. In accordance with an agreement with the Florida Public Service Commission, through the Florida Municipal Electric Association, all wood transmission and distribution poles are to be inspected on an eight (8) year cycle.

This Agreement will cover the inspection of approximately 7,800 of Lakeland Electric's nearly 60,000 wood poles. Selected poles less than ten (10) years old will only be visually inspected and reported if the visual inspection warrants no further action, while all other poles will be inspected above and below ground.

In January 2017, the City Commission approved an Agreement with Osmose pursuant to a piggyback agreement with Gainesville Regional Utilities' (GRU) contract #2016-038 dated October 1, 2016. The City is seeking to utilize the same piggyback agreement with GRU, which Osmose and GRU agreed to amend to provide an extension of the term through September 30, 2024. Accordingly, the City's Purchasing Department has approved Osmose to provide the necessary pole inspection services pursuant to the piggyback agreement with GRU.

Upon Commission approval, Osmose will begin pole inspections, which are anticipated to be completed by September 30, 2024. Work by Osmose will be performed pursuant to the terms/conditions contained in GRU's contract and in accordance with Osmose's proposal dated July 31, 2023. The total cost of services during the term of the Agreement is \$700,000, which is included in Lakeland Electric's FY24 budget.

It is recommended that the City Commission approve this Agreement with Osmose and authorize the appropriate City officials to issue a purchase order for the services, as well as execute all corresponding documents on behalf of the City.

Attachment

July 31, 2023

Ms. Phuong Tran
Energy Delivery Engineering Manager
Lakeland Electric
501 E. Lemon Street
Lakeland, FL 33801

RE: POLE INSPECTION, TREATMENT, & RESTORATION PRICING PROPOSAL – FY2024

Dear Ms. Tran:

At the request of our Director-Business Development, Mr. John Tessieri, we are submitting the attached unit prices (Price Schedules 1, 2, and 3) for your approval and acceptance. This pertains to the inspection, treatment, and restoration of distribution and transmission poles in your fiscal year 2024. Please note, these prices will be effective from October 1, 2023, through September 30, 2024.

Osmose will perform the work in accordance with the terms and conditions under Gainesville Regional Utilities' Contract # 2016-038 dated October 1, 2016, and the fourth Amendment to Contract # 2016-038 effective October 1, 2023.

Per the terms of the GRU contract, the attached price schedule reflects a 6.3% increase. We have attached the May "Table 3. Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, special aggregate indexes (Services)," for your reference.

We look forward to working with you on this important project. If this proposal is acceptable, *please issue a Purchase Order pursuant to Gainesville Regional Utilities' Contract # 2016-038 dated October 1, 2016,* so we can schedule crews to begin this project.

If you need further assistance or have any questions concerning this proposal, please do not hesitate to contact John Tessieri at (941) 915-0623.

Sincerely,



Francesco Zimbardi
VP-Contracts & Project Management

Attachment
FZ/mb

C: File
1040829-31

Price Schedule 1
Distribution Pole Inspection and Treatment
Effective 10/01/2023 – 09/30/2024

Line	Item	Price
1	EXTERNAL TREAT	\$ 36.13
2	EXCAVATED REJECT	\$ 34.76
3	REJECT WITH EXTERNAL TREAT	\$ 41.89
4	SOUND AND BORE	\$ 8.96
5	VISUAL INSPECTION	\$ 6.44
6	INTERNAL TREATMENT	\$ 14.95
7	FUMIGANT TREATMENT (MITC/TUBE)	\$ 9.06
8	PRIVATE PROPERTY	\$ 6.25
9	INSTALL POLE STENCILS	\$ 1.31
10	INSTALL OWNER-SUPPLIED GUY MKR	\$ 6.79
11	GROUNDWIRE REPAIR	\$ 16.16
12	REATTACH GROUNDWIRE MOLDING	\$ 5.02
13	RISERS	\$ 6.03
14	GPS COORDINATES	\$ 3.69
15	ONLINE DATA DELIVERY/MAP SVCS	\$ 0.89
16	LOAD CALC ASSESSMENT	\$ 8.11
17	DIGITAL IMAGE	\$ 3.83
18	NOT INSPECTED POLE	\$ N/C

Pricing Notes

Private Property: The Private Property rate will be applied when a crew attempts to access a pole that cannot be reached due to homeowner/business access restrictions or limitations.

Groundwire Repair: Please note, the groundwire repair item listed on the price schedule will be made from the groundline to a distance as high as Osmose field technicians can reasonably reach from the ground (typically 7'-0" to 8'-0").

GPS Data: The GPS data (per structure) item includes a GPS point with an accuracy level of one to ten meters (1-10 meters). One attempt will be made to collect the GPS point. Osmose will not charge for any unattainable data collection. If requested however, Osmose field technicians can return to any pole location, for an hourly rate, to recollect data.

Digital Image: One attempt will be made to collect the Digital Image. Customer understands that weather, vegetation, and physical obstructions may restrict the ability to capture the digital images. Osmose will not charge the Customer for any unattainable image collection. If requested however, Osmose field technicians can return to any structure location, for an hourly rate, to recollect data.

Not Inspected Pole: Poles "Not in Field", or any poles that are not accessible: "NI-Not accessible" will fall into this category. No other data or pole conditions will be reported on these poles. The specific reason the pole is recorded as "Not Inspected" will be noted in the pole record. These poles will not be tagged.

Price Schedule 2
Transmission Pole Inspection and Treatment
Effective 10/01/2023 – 09/30/2024

Line	Item	Price
1	EXTERNAL TREAT	\$ 36.13
2	EXCAVATED REJECT	\$ 34.76
3	REJECT WITH EXTERNAL TREAT	\$ 41.89
4	SOUND AND BORE	\$ 8.96
5	VISUAL INSPECTION	\$ 6.44
6	INTERNAL TREATMENT	\$ 14.95
7	FUMIGANT TRMT - MITC/TUBE	\$ 9.06
8	PRIVATE PROPERTY	\$ 6.25
9	INSTALL POLE STENCILS	\$ 1.31
10	INSTALL OWNER-SUPPLIED GUY MKR	\$ 6.79
11	GROUNDWIRE REPAIR	\$ 16.16
12	REATTACH GROUNDWIRE MOLDING	\$ 5.02
13	RISERS	\$ 6.03
14	GPS COORDINATES	\$ 3.69
15	ONLINE DATA DELIVERY/MAP SVCS	\$ 0.89
16	LARGE POLE ADDER	\$ 20.66
17	DIGITAL IMAGE	\$ 3.83
18	NOT INSPECTED POLE	\$ N/C

Pricing Notes

Private Property: The Private Property rate will be applied when a crew attempts to access a pole that cannot be reached due to homeowner/business access restrictions or limitations.

Groundwire Repair: Please note, the groundwire repair item listed on the price schedule will be made from the groundline to a distance as high as Osmose field technicians can reasonably reach from the ground (typically 7'-0" to 8'-0").

GPS Data: The GPS data (per structure) item includes a GPS point with an accuracy level of one to ten meters (1-10 meters). One attempt will be made to collect the GPS point. Osmose will not charge for any unattainable data collection. If requested however, Osmose field technicians can return to any pole location, for an hourly rate, to recollect data.

Digital Image: One attempt will be made to collect the Digital Image. Customer understands that weather, vegetation, and physical obstructions may restrict the ability to capture the digital images. Osmose will not charge the Customer for any unattainable image collection. If requested however, Osmose field technicians can return to any structure location, for an hourly rate, to recollect data.

Not Inspected Pole: Poles "Not in Field", or any poles that are not accessible: "NI-Not accessible" will fall into this category. No other data or pole conditions will be reported on these poles. The specific reason the pole is recorded as "Not Inspected" will be noted in the pole record. These poles will not be tagged.

Price Schedule 3
Pole Restoration
Effective 10/01/2023 – 09/30/2024

Line	Item	Price
1	19,100 FT/LBS 5100 X 10	\$ 620.29
2	37,200 FT/LBS (C2 3610)	\$ 687.85
3	49,600 FT/LBS (C2 4910)	\$ 764.95
4	56,400 FT/LBS (C2 5610)	\$ 778.55
5	71,700 FT/LBS (C2 7110)	\$ 879.47
6	76,900 FT/LBS (980 X 10)	\$ 915.98
7	94,900 FT/LBS (1080 X 11)	\$ 944.31
8	112,200 FT/LBS (1180 X 11)	\$ 1,011.02
9	129,400 FT/LBS (1280 X 11)	\$ 1,050.91
10	152,600 FT/LBS (1380 X 11)	\$ 1,108.19
11	170,200 FT/LBS (1480 X 13)	\$ 1,207.00
12	191,800 FT/LBS (1580 X 13)	\$ 1,297.36
13	211,100 FT/LBS (1680 X 13)	\$ 1,327.49
14	224,400 FT/LBS (2-1180 X 11)	\$ 1,516.55
15	258,800 FT/LBS (2-1280 X 11)	\$ 1,576.38
16	305,200 FT/LBS (2-1380 X 11)	\$ 1,662.32
17	340,400 FT/LBS (2-1480 X 13)	\$ 1,810.51
18	383,600 FT/LBS (2-1580 X 13)	\$ 1,946.03
19	PAINT TRUSS N/C	\$ N/C
20	COVER CAPS N/C	\$ N/C
21	UNDER GROUND CABLE EXCAVATE	\$ N/C
22	CONCRETE REPAIR N/C	\$ N/C
23	RISERS N/C	\$ N/C
24	VISUAL INSPECTION N/C	\$ N/C
25	PRIVATE PROPERTY N/C	\$ N/C
26	RE-DRIVE SINGLE TRUSS	\$ 462.75
27	REBAND, CAP & PAINT PREV TRUSS	\$ 190.14

Pricing Note

Private Property: The Private Property rate will be applied when a crew attempts to access a pole that cannot be reached due to homeowner/business access restrictions or limitations.



Resilient Grids. Strong Networks. Safe Energy.

ACCEPTANCE OF PROPOSAL

To accept the attached proposal as written and authorize the work to be performed, please issue a Purchase Order pursuant to Gainesville Regional Utilities' Contract # 2016-038 dated October 1, 2016, via email to OsmoseContracts@Osmose.com. This price proposal is valid for 120 calendar days from the date of the proposal.

OSMOSE CONTACT

If you have any questions or would like to discuss this proposal in more detail, please contact:

NAME	John Tessieri
TITLE	Director Business Development
PHONE	(941) 915-0623
JOB #	1040829-31
PROJECT DESCRIPTION	POLE INSPECTION, TREATMENT, & RESTORATION – FY2024

Table 3. Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, special aggregate indexes, May 2023

[1982-84=100, unless otherwise noted]

Special aggregate indexes	Relative importance Apr. 2023	Unadjusted indexes			Unadjusted percent change		Seasonally adjusted percent change		
		May 2022	Apr. 2023	May 2023	May 2022- May 2023	Apr. 2023- May 2023	Feb. 2023- Mar. 2023	Mar. 2023- Apr. 2023	Apr. 2023- May 2023
All items less food.....	86.564	290.760	300.552	301.327	3.6	0.3	0.1	0.4	0.1
All items less shelter.....	65.436	272.550	278.101	278.336	2.1	0.1	-0.2	0.3	-0.1
All items less food and shelter.....	51.999	264.868	267.358	267.496	1.0	0.1	-0.3	0.4	-0.2
All items less food, shelter, and energy.....	45.021	260.146	268.292	268.970	3.4	0.3	0.3	0.4	0.3
All items less food, shelter, energy, and used cars and trucks.....	42.348	261.361	272.145	272.328	4.2	0.1	0.3	0.2	0.1
All items less medical care.....	92.122	280.207	291.585	292.373	4.3	0.3	0.1	0.4	0.1
All items less energy.....	93.022	293.092	308.189	309.312	5.5	0.4	0.3	0.4	0.4
Commodities.....	38.515	223.076	224.216	224.515	0.6	0.1	-0.3	0.6	-0.2
Commodities less food, energy, and used cars and trucks.....	18.674	159.204	165.056	165.049	3.7	0.0	0.3	0.0	0.0
Commodities less food.....	25.079	187.042	182.309	182.475	-2.4	0.1	-0.5	0.9	-0.3
Commodities less food and beverages.....	24.243	183.797	178.713	178.852	-2.7	0.1	-0.6	0.9	-0.4
Services.....	61.485	359.566	380.990	382.233	6.3	0.3	0.3	0.2	0.3
Services less rent of shelter ¹	27.290	380.099	395.889	395.956	4.2	0.0	0.0	0.1	-0.2
Services less medical care services.....	55.062	341.776	364.698	366.070	7.1	0.4	0.4	0.4	0.3
Durables.....	12.547	128.122	127.406	128.059	0.0	0.5	0.4	0.8	0.3
Nondurables.....	25.968	271.921	274.743	274.606	1.0	0.0	-0.6	0.5	-0.6
Nondurables less food.....	12.532	246.034	235.504	234.724	-4.6	-0.3	-2.1	1.4	-1.4
Nondurables less food and beverages.....	11.696	244.396	232.501	231.597	-5.2	-0.4	-2.3	1.5	-1.5
Nondurables less food, beverages, and apparel.....	9.130	322.565	300.265	299.013	-7.3	-0.4	-2.8	1.8	-2.0
Nondurables less food and apparel.....	9.966	316.375	297.250	296.231	-6.4	-0.3	-2.5	1.7	-1.8
Housing.....	44.339	297.868	317.278	318.205	6.8	0.3	0.3	0.2	0.2
Education and communication ²	5.739	143.108	145.449	145.205	1.5	-0.2	0.2	0.0	-0.2
Education ²	2.236	279.356	288.606	288.843	3.4	0.1	0.5	0.2	0.1
Communication ²	3.503	75.341	75.662	75.415	0.1	-0.3	0.0	-0.1	-0.3
Information and information processing ²	3.430	71.053	71.256	71.022	0.0	-0.3	0.0	-0.1	-0.3
Information technology, hardware and services ³	1.783	7.250	7.130	7.120	-1.8	-0.1	0.3	-0.2	-0.1
Recreation ²	5.395	130.360	136.375	136.280	4.5	-0.1	0.1	0.5	-0.1
Video and audio ²	1.283	113.457	116.545	116.495	2.7	0.0	0.7	0.6	-0.1
Pets, pet products and services ²	1.237	199.268	219.264	219.876	10.3	0.3	0.7	1.8	0.3
Photography ²	0.061	80.455	84.137	84.267	4.7	0.2	-0.4	-0.1	0.3
Food and beverages.....	14.272	300.081	319.085	319.811	6.6	0.2	0.0	0.1	0.2
Domestically produced farm food.....	7.213	295.893	312.634	312.861	5.7	0.1	-0.2	0.2	0.1
Other services.....	9.417	386.219	403.162	402.996	4.3	0.0	0.2	0.5	0.0
Apparel less footwear.....	2.058	118.220	123.785	123.366	4.4	-0.3	0.5	0.2	0.4
Fuels and utilities.....	4.490	295.153	299.962	297.818	0.9	-0.7	-1.7	-1.1	-1.1
Household energy.....	3.432	250.594	251.991	249.289	-0.5	-1.1	-2.3	-1.6	-1.6
Medical care.....	7.878	543.488	547.219	547.420	0.7	0.0	-0.3	0.0	0.1
Transportation.....	17.112	274.282	267.402	268.862	-2.0	0.5	-0.5	1.2	-0.2
Private transportation.....	16.290	271.545	265.893	267.275	-1.6	0.5	-0.7	1.5	-0.2
New and used motor vehicles ²	8.073	127.847	128.294	129.619	1.4	1.0	0.2	1.2	1.2
Utilities and public transportation.....	7.662	250.991	254.346	253.643	1.1	-0.3	-0.8	-1.0	-1.1
Household furnishings and operations.....	5.285	142.736	149.650	148.667	4.2	-0.7	0.4	0.2	-0.6
Other goods and services.....	2.698	502.966	533.706	536.518	6.7	0.5	0.5	0.9	0.5
Personal care.....	2.203	256.147	272.037	273.439	6.8	0.5	0.4	1.1	0.5

¹ Indexes on a December 1982=100 base.

² Indexes on a December 1997=100 base.

³ Indexes on a December 1988=100 base.