

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: June 8, 2021 Consent [X] Regular [ ]  
Public Hearing [ ]

Department: Water Utilities Department

I. EXECUTIVE BRIEF

**Motion and Title: Staff recommends motion to approve:** Consultant Services Authorization (CSA) No. 3 to the Consulting/Professional Services General Utility, Architectural and Value Engineering Services Contract (Contract) with Chen Moore and Associates, Inc. (Consultant) for the ISO 55001 Audits (Project) for a not to exceed amount of \$182,280.00

**Summary:** On December 15, 2020, the Board of County Commissioners approved the Palm Beach County Water Utilities Department (PBCWUD) Contract (R2020-1891) with Consultant. CSA No. 3 provides for professional consulting services relating to obtaining an International Organization for Standardization (ISO) 55001 certification for asset management. These services include reviewing PBCWUD documents and procedures, carrying out audit interviews, producing an audit report, identifying non-conformities, issuing a final certificate, and performing surveillance audits.

This Contract was procured under the requirements of the Equal Business Opportunity Ordinance. On October 2, 2019, the Goal Setting Committee applied an Affirmative Procurement Initiative (API) of a minimum mandatory 20% Small Business Enterprise (SBE) subcontracting goal and an evaluation preference for up to 15 points based upon the relative level of dollar participation by certified SBE firms were the API applied to the Contract. The Contract provides for 27.00% SBE participation which includes 17.00% M/WBE participation, 17.00% MBE (B). CSA No. 3 includes 0% SBE participation, which includes 0% M/WBE participation, 0% MBE (B). The cumulative SBE participation including CSA No. 3 is 0% SBE, which includes 0% M/WBE, 0% MBE (B). Consultant is headquartered in Fort Lauderdale, Florida, but maintains an office in Palm Beach County from which the majority of the work will be undertaken. The Project is included in the PBCWUD FY21 Budget. (PBCWUD Project No. 21-043) Countywide (MJ)

**Background and Justification:** PBCWUD has been striving to achieve best practices in asset management, including obtaining ISO 55001 certification. ISO 55001 is a global standard designed to provide structure and guidance to asset management systems. Having an ISO 55001 compliant asset management program will allow PBCWUD to optimize its diverse asset portfolio and improve financial performance, all in accordance with organizational and County strategic goals. This Project provides for the consulting services needed for PBCWUD to prepare for and obtain ISO 55001 certification.

**Attachments:**

1. Two (2) Originals of Consultant Services Authorization No. 3
2. Location Map
3. Certificate of Liability Insurance

Recommended By: Ali Bayat 5/11/21  
Department Director Date

Approved By: [Signature] 5/17/21  
Assistant County Administrator Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2021	2022	2023	2024	2025
Capital Expenditures	<u>\$182,280</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
External Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Program Income (County)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
In-Kind Match County	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>NET FISCAL IMPACT</b>	<b><u>\$182,280</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
 # ADDITIONAL FTE POSITIONS (Cumulative)	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>

**Budget Account No.:** Fund 4001 Dept 720 Unit 2324 Object 3120

Is Item Included in Current Budget? Yes X No     

Does this item include the use of federal funds? Yes      No X

Reporting Category N/A

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

One (1) time expenditure from user fees, connection fees and balance brought forward.

**C. Department Fiscal Review:** \_\_\_\_\_ *GR*

**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Development and Control Comments:**

*Lisa Manta*  
\_\_\_\_\_  
OFMB *5/11/21* *BR SIII*

*A. J. Hancock*  
\_\_\_\_\_  
Contract Development and Control  
*5/14/21* *Tu*

**B. Legal Sufficiency:**

*[Signature]*  
\_\_\_\_\_  
Assistant County Attorney  
*5/18/21*

**C. Other Department Review:**

\_\_\_\_\_  
Department Director

This summary is not to be used as a basis for payment.

Palm Beach County Water Utilities Department  
Contract for Consulting/Professional Services  
General Utility, Architectural and Value Engineering Services  
Resolution No. R2020-1891 Contract Dated 12/15/2020

Project Title: ISO 55001 Audits

PBCWUD Project No.: 21-043

Consultant: Chen Moore and Associates, Inc.

Address: 500 Australian Avenue South, Suite 850, West Palm Beach, FL 33401

Budget Line Item No. 4001-720-2324-3120

District No.: Countywide

This Consultant Services Authorization provides for: an ISO 55001 Mock Audit, an ISO 55001 Certification Audit, and two annual ISO 55001 Surveillance Audits.

(See ATTACHMENT A for detailed scope of services)

The Contract provides for 27.00 % SBE participation which includes 17.00 % M/WBE participation, 17.00 % MBE ( B ). This Consultant Services Authorization includes 0.00 % SBE participation which includes 0.00 % M/WBE participation, 0.00 % MBE ( B ). The cumulative SBE participation, including this authorization is 0.00 % which includes 0.00 % M/WBE participation, 0.00 % MBE ( B ).

1. Services completed by the Consultant to date :

See ATTACHMENT B.

2. Consultant shall begin work upon receipt of Notice to Proceed correspondence.

3. The compensation to be paid to the Consultant for providing the requested services shall be:

A. Computation of time charges plus expenses, not to exceed \$ 182,280.00

B. Fixed price of \$

C. Total \$ 182,280.00

4. This Authorization may be terminated by the County without cause or prior notice. In the event of termination not the fault of the Consultant, the Consultant shall be compensated for all services performed through the date of termination, together with reimbursable expenses (if applicable) then due.

Palm Beach County Water Utilities Department  
Contract for Consulting/Professional Services  
General Utility, Architectural and Value Engineering Services  
Resolution No. R2020-1891 Contract Dated 12/15/2020

**Project Title:** ISO 55001 Audits

**PBCWUD Project No.:** 21-043

5. SBE participation is included in **ATTACHMENT C** under this Authorization. The attached Schedule 1 defines the SBE applied to this Authorization and Schedule 2 establishes the SBE contribution from each Sub-Consultant (Letter of Intent).
6. This Authorization does not amend, change, or modify the Contract dated December 15, 2020 which remains in full force and effect.
7. All Attachments to this Authorization are incorporated herein and made a part of this Consultant Services Authorization.

Palm Beach County Water Utilities Department  
Contract for Consulting/Professional Services  
General Utility, Architectural and Value Engineering Services  
Resolution No. R2020-1891 Contract Dated 12/15/2020

Project Title: ISO 55001 Audits

PBCWUD Project No.: 21-043

IN WITNESS WHEREOF, this Authorization is accepted, subject to the terms, conditions and obligations of the aforementioned Contract.

PALM BEACH COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA

Joseph Abruzzo, Clerk of the Circuit Court  
& Comptroller, Palm Beach County

Palm Beach County, Board  
of County Commissioners

ATTEST:

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_ *MM*  
Dave Kerner, Mayor

*A13*

Typed Name: \_\_\_\_\_  
Deputy Clerk

\_\_\_\_\_  
(Date)

Approved as to Form and Legal  
Sufficiency

CONSULTANT: Chen Moore and Associates, Inc.

Signed: \_\_\_\_\_

*CM*  
\_\_\_\_\_  
(Signature)

Typed Name: Michael W. Jones  
County Attorney

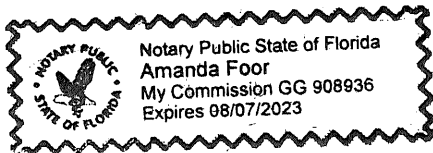
Cristobal Betancourt, RLA, AICP, Director  
(Name and Title)

4.15.2021  
\_\_\_\_\_  
(Date)

STATE OF FLORIDA  
COUNTY OF Palm Beach

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization,  
this 15<sup>th</sup> day of April, 2021, by Cristobal Betancourt who is  personally  
known to me or  has produced \_\_\_\_\_ as identification.

*[Signature]*  
\_\_\_\_\_  
(Signature of Notary Public - State of Florida)



Amanda Foor  
\_\_\_\_\_  
(Print, Type, or Stamp Commissioned Name of Notary Public)

Palm Beach County Water Utilities Department  
Contract for Consulting/Professional Services  
General Utility, Architectural and Value Engineering Services  
Resolution No. R2020-1891 Contract Dated 12/15/2020

### **LIST OF ATTACHMENTS**

<b>ATTACHMENT A</b>	Scope of Services
<b>ATTACHMENT B</b>	Summary and Status of Consultant Services Authorizations
<b>ATTACHMENT C</b>	OEBO Schedules 1 and 2
<b>ATTACHMENT D</b>	Project Schedule
<b>ATTACHMENT E</b>	Budget Summary
<b>ATTACHMENT F</b>	Summary of SBE-M/WBE Business Tracking
<b>ATTACHMENT G</b>	Location Map

# ATTACHMENT A

## SCOPE OF SERVICES

PBCWUD Project No.: 21-043

Project Title ISO 55001 Audits

### INTRODUCTION

Palm Beach County Water Utilities Department (PBCWUD) has been striving to achieve best practices in asset management, including obtaining International Organization for Standardization (ISO) 55001 certification. ISO 55001 is a global standard designed to provide structure and guidance to asset management systems. Having an ISO 55001-compliant asset management program will allow PBCWUD to optimize its diverse asset portfolio and improve financial performance, all in accordance with organizational and County strategic goals. This project provides for consulting services needed for PBCWUD to prepare for and obtain ISO 55001 certification.

### SCOPE OF SERVICES

CONSULTANT shall coordinate with SUBCONSULTANT, UMS Group Inc., to conduct audits using a system that has been approved by the Institute of Asset Management (IAM) and used for similar audits around the world. The audits will focus on determining the maturity of PBCWUD's asset management system and on confirming compliance with ISO 55001 certification requirements and confirmation that conditions for certification continue over the three (3) year certification period.

The mock audit and certification audit will be full audits of the asset management system. The subject of these reviews is to ensure conformity with the requirements of the ISO 55001 standard, as well as the conformity of the system to PBCWUD's documentation. In the subsequent surveillance phase, the asset management system will be partially checked for each monitoring audit, so that all elements of ISO 55001 are monitored at least once by the end of the cycle.

The main tasks in this approach are described below and will be executed by experienced, IAM-approved assessors. Note that the same cycle of tasks applies for all of the audits.

#### **Task 1: Mock Audit:**

##### **1.1 Kick-off Meeting**

This task consists of preparatory work to ensure that CONSULTANT and PBCWUD personnel have a common understanding of the project scope and expected outcomes, and to confirm details regarding on-site interviews and required documents/information to support the project.

A kick-off meeting will take place two weeks prior to the commencement of each audit (mock, certification, and surveillance). The purpose of the kick-off meeting will be to prepare for the audit. During the kick-off meeting, the CONSULTANT audit team will be introduced and will

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explain the audit methodology, the scope of the audit, and the documentation requirements. The PBCWUD team will provide an overview of their asset management system.

As part of this meeting, the combined team will discuss the specific documents to be delivered by PBCWUD, the schedule for document delivery, and the functions and specific personnel to be audited. The end result will be a requested document list and an interview schedule.

### **1.2 Document Review**

Prior to holding interviews with PBCWUD personnel, CONSULTANT will examine the documentation provided to confirm that the asset management system contains all the documentation elements required by the ISO standard. The document review will also serve to inform the content of our questions during the audit interviews.

### **1.3 Audit Interviews**

The purpose of the audit interviews is to test whether the implementation of the asset management system is in alignment with the documentation and is working effectively. The effectiveness of the asset management system in terms of policies, plans, processes and systems is examined through these interviews with employees which may also require presentation/demonstration of asset management activities.

To identify the interviewees, CONSULTANT will start with an organization chart and work with PBCWUD's internal project lead to identify the appropriate personnel for each domain to be assessed. The interviews may need to take place at the respective workstations of the interviewees or at a location where interviewees can access documents or work product that may need to be reviewed by the auditors.

It is important to note that CONSULTANT does not evaluate individual performance of employees, but rather checks the implementation of the asset management system. Following the document review and audit interviews, CONSULTANT may identify areas in that require additional examination. For those situations, CONSULTANT will request individual interviews or additional documentation.

### **1.4 Audit Report**

Once the document review and interviews have been completed, the auditors will assess the information against the requirements of ISO 55001 and provide a written audit report. This assessment will determine if the requirements of competence (i.e., the level needed for all requirements to be certified) have been achieved. This element-by-element assessment will be detailed in an audit report accompanied by a management summary and a recommendation for resolving non-conformities, if any are found.

The audit report will be submitted in writing, as well as presented in a management review session, so that the audit results can be discussed with PBCWUD to ensure understanding of any non-conformities and the requirements needed to resolve them.

### **Task 1 Deliverables:**

- Meeting Minutes
- Mock Audit Report

### **Task 2: Certification Audit:**

Subtasks 2.1 through 2.3 conducted under this task will match subtasks 1.1 through 1.3 under Task 1.

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## **2.4 Issuance of Certificate**

Major non-conformities with the ISO 55001 requirements must be resolved before a certificate can be issued and require a follow-up audit to verify their resolution. For minor non-conformities, a certificate will be issued as long as a viable correction and improvement plan is developed and deemed acceptable by the auditors. Any minor non-conformities that have been identified and have a correction plan will be reviewed during the ensuing surveillance audit to ensure that they have been resolved.

After the audit report has been issued and conformity with all the requirements of the ISO 55001 standard has been established, a certificate will be issued. The certificate will accurately describe the activities to which the approval relates and is valid for three years, subject to interim follow-up visits.

If desired, CONSULTANT will make a formal presentation of the certificate to PBCWUD. This provides an opportunity for recognition and celebration of the achievement.

### **Task 2 Deliverables:**

- Meeting Minutes
- Certification Audit Report
- Certificate

### **Task 3: Surveillance Audit 1:**

Subtasks 3.1 through 3.4 conducted under this task will match subtasks 1.1 through 1.4 under Task 1.

This surveillance audit is required to maintain the ISO 55001 certification. The audit will include on-site interviews and a surveillance report.

### **Task 3 Deliverables:**

- Meeting Minutes
- Surveillance Audit Report

### **Task 4: Surveillance Audit 2:**

Subtasks 4.1 through 4.4 conducted under this task will match subtasks 1.1 through 1.4 under Task 1.

This surveillance audit is required to maintain the ISO 55001 certification. The audit will include on-site interviews and a surveillance report.

### **Task 4 Deliverables:**

- Meeting Minutes
- Surveillance Audit Report

**ATTACHMENT B**

**SUMMARY AND STATUS OF CONSULTANT SERVICES AUTHORIZATIONS**

Auth. No.	PBCWUD Project No.	Title	Status	Project Total Amount	SBE Total Amount	SBE Participation %	Approved	
							By	Date
1	21-017	Satellite Leak Detection Study	Approved	\$93,268.00	\$0.00	0.00%	CRC	3/3/2021
2	21-042	WTP No. 11 Energy Isolation and Safety Procedures	Pending	\$82,752.00	\$28,000.00	33.83%	CRC	TBD
3	21-043	ISO 55001 Audits	Pending	\$182,280.00	\$0.00	0.00%	BCC	TBD
4	21-055	Utility Locating Services	Pending	\$48,604.00	\$40,000.00	82.29%	PBCWUD	TBD

**ATTACHMENT C**

**OEBO SCHEDULE 1**

**Office of Equal Business Opportunity Compliance Programs**

# OEBO SCHEDULE 1

## LIST OF PROPOSED CONTRACTOR/CONSULTANT AND SUBCONTRACTOR/SUBCONSULTANT PARTICIPATION

SOLICITATION/PROJECT/BID NAME: ISO 55001 Audits  
 NAME OF PRIME RESPONDENT/BIDDER: Chen Moore and Associates, Inc.  
 CONTACT PERSON: Suzanne Dombrowski, P.E.  
 SOLICITATION OPENING/SUBMITTAL DATE: N/A

SOLICITATION/PROJECT/BID No.: 21-043  
 ADDRESS: 500 Australian Avenue South, Suite 850, West Palm Beach, FL 33401  
 PHONE NO.: 561-746-6900x1035 E-MAIL: sdombrowski@chenmoore.com  
 DEPARTMENT: Palm Beach County Water Utilities Department

**PLEASE LIST THE DOLLAR AMOUNT OR PERCENTAGE OF WORK TO BE COMPLETED BY THE PRIME CONTRACTOR/CONSULTANT ON THIS PROJECT. PLEASE ALSO LIST THE DOLLAR AMOUNT OR PERCENTAGE OF WORK TO BE COMPLETED BY ALL SUBCONTRACTORS/SUBCONSULTANTS ON THE PROJECT.**

Name, Address and Phone Number	(Check all Applicable Categories)			DOLLAR AMOUNT OR PERCENTAGE OF WORK				
	Non-SBE	M/WBE	SBE	Black	Hispanic	Women	Caucasian	Other (Please Specify)
		Minority/Women Business	Small Business					
1. Chen Moore and Associates, Inc. 500 Australian Ave. South #850 West Palm Beach, FL 33401 561-746-6900	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____	\$11,280.00	_____
2. UMS Group Inc. Morris Corporate Center1 300 Interpace Pkwy, C380 Parsippany, NJ 07054 (973) 335-3555	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____	\$171,000.00	_____
3.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____	_____	_____
4.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____	_____	_____
5.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____	_____	_____

(Please use additional sheets if necessary)

	Total	\$182,280.00
Total Bid Price \$ <u>\$182,280.00</u>	Total SBE - M/WBE Participation	<u>\$0.00 / 0.00%</u>

I hereby certify that the above information is accurate to the best of my knowledge: \_\_\_\_\_  
Signature Cristobal Betancourt, Director  
Title

- Note:**
1. The amount listed on this form for a Subcontractor/subconsultant must be supported by price or percentage listed on the properly executed Schedule 2 or attached signed proposal.
  2. Firms may be certified by Palm Beach County as an SBE and/or an M/WBE. If firms are certified as both an SBE and/or M/WBE, please indicate the dollar amount under the appropriate category.
  3. Modification of this form is not permitted and will be rejected upon submittal.

**ATTACHMENT C**

**OEBO SCHEDULE 2**

**Office of Equal Business Opportunity Compliance Programs**

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**OEBO LETTER OF INTENT – SCHEDULE 2**

A completed Schedule 2 is a binding document between the Prime Contractor/consultant and a Subcontractor/subconsultant (for any tier) and should be treated as such. The Schedule 2 shall contain bolded language indicating that by signing the Schedule 2, both parties recognize this Schedule as a binding document. All Subcontractors/subconsultants, including any tiered Subcontractors/subconsultants, must properly execute this document. Each properly executed Schedule 2 must be submitted with the bid/proposal.

SOLICITATION/PROJECT NUMBER: WUD No. 21-043

SOLICITATION/PROJECT NAME: ISO 55001 Audits

Prime Contractor: Chen Moore and Associates, Inc. Subcontractor: UMS Group Inc.

**(Check box(s) that apply)**

SBE  WBE  MBE  M/WBE  Non-S/M/WBE Date of Palm Beach County Certification (if applicable): N/A

The undersigned affirms they are the following (select one from each column if applicable):

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<input type="checkbox"/> Male <input checked="" type="checkbox"/> Female	<input type="checkbox"/> African-American/Black <input type="checkbox"/> Asian American <input checked="" type="checkbox"/> Caucasian American	<input type="checkbox"/> Supplier
	<input type="checkbox"/> Hispanic American <input type="checkbox"/> Native American	

**S/M/WBE PARTICIPATION** – S/M/WBE Primes must document all work to be performed by their own work force on this form. Failure to submit a properly executed Schedule 2 for any S/M/WBE participation may result in that participation not being counted. Specify in detail, the scope of work to be performed or items supplied with the dollar amount and/or percentage for each work item. S/M/WBE credit will only be given for the areas in which the S/M/WBE is certified. A detailed proposal may be attached to a properly executed Schedule 2.

Line Item	Item Description	Unit Price	Quantity/ Units	Contingencies/ Allowances	Total Price/Percentage
	ISO 55001 COMPLIANCE ASSISTANCE		1		\$171,000

The undersigned Subcontractor/subconsultant is prepared to self-perform the above-described work in conjunction with the aforementioned project at the following total price or percentage: \$171,000

If the undersigned intends to subcontract any portion of this work to another Subcontractor/subconsultant, please list the business name and the amount below accompanied by a separate properly executed Schedule 2.

Name of 2<sup>nd</sup>/3<sup>rd</sup> tier Subcontractor/subconsultant \_\_\_\_\_ Price or Percentage: \_\_\_\_\_

Chen Moore and Associates, Inc.

Print Name of Prime

By: \_\_\_\_\_

*[Signature]*  
Authorized Signature

Cristobal Betancourt, RLA, AICP

Print Name

Director

Title

Date: 4.16.21

UMS Group Inc.

Print Name of Subcontractor/subconsultant

By: \_\_\_\_\_

*[Signature]*  
Authorized Signature

Steven Morris

Print Name

Vice President

Title

Date: 4-15-21

# ATTACHMENT D

## PROJECT SCHEDULE

The completion dates for this work will be as follows (starting from CONSULTANT'S receipt of Notice-to-Proceed).

<u>Engineering Services</u>	<u>Completion Date from Notice to Proceed</u> (Calendar Days)
• Task 1: Mock Audit	70
1.1 Kick-off Meeting	
1.2 Document Review	
1.3 Audit Interviews	
1.4 Audit Report	
• Task 2: Certification Audit	180
2.1 Kick-off Meeting	
2.2 Document Review	
2.3 Audit Interviews	
2.4 Issuance of Certificate	
• Task 3: Surveillance Audit 1	545
3.1 Kick-off Meeting	
3.2 Document Review	
3.3 Audit Interviews	
3.4 Audit Report	
• Task 4: Surveillance Audit 2	910
4.1 Kick-off Meeting	
4.2 Document Review	
4.3 Audit Interviews	
4.4 Audit Report	

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**ATTACHMENT E  
BUDGET SUMMARY**

Palm Beach County Water Utilities Department  
 Contract for General Utility, Architectural and Value Engineering Services  
 Construction Service Authorization: 3  
 Consultant: Chen Moore and Associates, Inc.  
 Project Name: ISO 55001 Audits  
 WUD Project No.: 21-043

Resolution No.: R2020-1891 Contract Dated: 12/15/2020

Task No.	Task Description	Labor Classification and Hourly Rate													CMA Total Hours	Sub-Consultant Services	Total Costs
		Principal	Project Director	Senior Project Manager	Project Manager	Senior Engineer	Senior Const Specialist	Project Engineer	Associate Engineer	Senior Designer	Engineer	Senior Technician	Clerical	Engineering Intern			
	Labor Raw Costs	\$120.00	\$94.00	\$94.00	\$69.00	\$65.00	\$40.00	\$50.00	\$40.00	\$43.00	\$34.00	\$30.00	\$31.00	\$17.00			
Task 1	Mock Audit																
1.1	Kick-off Meeting		0	2											2	\$ 4,000.00	\$ 4,564.00
1.2	Document Review			2											2	\$ 12,000.00	\$ 12,564.00
1.3	Audit Interviews			2											2	\$ 20,000.00	\$ 20,564.00
1.4	Audit Report			4											4	\$ 14,000.00	\$ 15,128.00
	Subtotal Task 1	0	0	10	0	0	0	0	0	0	0	0	0	0	10	\$ 50,000.00	\$ 52,820.00
Task 2	Certification Audit																
2.1	Kick-off Meeting			2											2	\$ 4,000.00	\$ 4,564.00
2.2	Document Review			2											2	\$ 12,000.00	\$ 12,564.00
2.3	Audit Interviews			2											2	\$ 20,000.00	\$ 20,564.00
2.4	Issuance of Certificate			4											4	\$ 14,000.00	\$ 15,128.00
	Subtotal Task 2	0	0	10	0	0	0	0	0	0	0	0	0	0	10	\$ 50,000.00	\$ 52,820.00
Task 3	Surveillance Audit 1																
3.1	Kick-off Meeting			2											2	\$ 2,000.00	\$ 2,564.00
3.2	Document Review			2											2	\$ 6,000.00	\$ 6,564.00
3.3	Audit Interviews			2											2	\$ 10,000.00	\$ 10,564.00
3.4	Audit Report			4											4	\$ 7,000.00	\$ 8,128.00
	Subtotal Task 3	0	0	10	0	0	0	0	0	0	0	0	0	0	10	\$ 25,000.00	\$ 27,820.00
Task 4	Surveillance Audit 1																
4.1	Kick-off Meeting			2											2	\$ 2,000.00	\$ 2,564.00
4.2	Document Review			2											2	\$ 6,000.00	\$ 6,564.00
4.3	Audit Interviews			2											2	\$ 10,000.00	\$ 10,564.00
4.4	Audit Report			4											4	\$ 7,000.00	\$ 8,128.00
	Subtotal Task 4	0	0	10	0	0	0	0	0	0	0	0	0	0	10	\$ 25,000.00	\$ 27,820.00
	Project Total	0	0	20	0	0	0	0	0	0	0	0	0	0	40	\$ 150,000.00	\$ 161,280.00
	Labor Subtotal Hours	0	0	10	0	0	0	0	0	0	0	0	0	0			
	Labor Raw Costs	\$120.00	\$94.00	\$94.00	\$69.00	\$65.00	\$40.00	\$50.00	\$40.00	\$43.00	\$34.00	\$30.00	\$31.00	\$17.00			
	Labor Multiplier	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00			
	Labor Sub Total	\$0.00	\$0.00	\$2,820.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
	Labor Total (Fixed Price)	\$11,280.00															
	Sub Consultant Labor Total	\$150,000.00															
	Sub Consultant Multiplier	1.0															
	Subconsultant Total (Not to Exceed Price)	\$150,000.00															
	Reimbursable Expenses (UMS Group Inc.)	\$21,000.00															
	Project Total	\$182,280.00															





**UMS Group Inc.**

Corporate Headquarters  
Morris Corporate Center 1  
300 Interpace Pkwy, C380  
Parsippany, NJ 07054 USA

Phone +(1) 973-335-3555  
Fax +(1) 973-335-7738

**NP8975**

April 14, 2021

Melody Tungol  
Manager, Asset Management  
Palm Beach County Water Utilities Dept.

Subject: Proposal to Conduct ISO 55001 Mock, Certification, and Surveillance Audits

Dear Melody,

UMS Group is pleased to have the opportunity to assist Palm Beach County Water Utilities Department (PBCWUD) on its journey to ISO 55001 Certification. I am pleased to submit this proposal to perform an ISO 55001 Mock Audit, an ISO 55001 Certification Audit, and two annual ISO 55001 Surveillance Audits. Our approach will use our IAM-approved and endorsed ISO 55001 assessment methodology and will be performed by IAM-approved Assessors.

We will devote our best professional efforts to this project. Our findings, conclusions and recommendations and all written material that we provide will represent our best professional judgment, based on the information available to us at the time. We warranty the quality of our services and will continue to work to ensure complete client satisfaction. Our professional liability will be limited to professional fees paid.

I will follow up with you in a few days to ensure that our proposed approach is aligned to your expectations. In the meantime, should you have any questions or issues requiring clarification, please do not hesitate to contact me at (303) 619-3313 or [smorris@umsgroup.com](mailto:smorris@umsgroup.com).

We are looking forward to working with you on this important priority.

Sincerely,

A handwritten signature in black ink that reads 'Steven J. Morris'.

Steven J. Morris  
Vice President  
UMS Group Inc.

*This proposal is Confidential and intended for the sole use of Palm Beach County Water Utilities and its Staff. The information and methodologies outlined herein are Proprietary and their expression in this document is Copyrighted, with all Rights Reserved to UMS Group Inc. Copying or distributing this material other than for the use intended without prior written permission is strictly prohibited.*

## **Proposal Contents**

- I. Our Understanding of Your Requirements
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## **OUR UNDERSTANDING OF YOUR REQUIREMENTS**

Palm Beach County Water Utilities Department (PBCWUD) provides a reliable supply of superior quality drinking water to approximately 578,000 residents in the central and south-central unincorporated areas of the County and the western communities. PBCWUD maintains over \$1.3 billion in assets of which a large portion are underground and out of sight. PBCWUD has been working to establish an effective, ISO 55001-compliant asset management program to operate and maintain these assets and to prioritize its investment and resources to repair and replace aging infrastructure over the coming decades.

In order to assist PBCWUD, UMS Group proposes to perform a complete three-year certification cycle for ISO 55001 including the following activities:

- A mock certification audit (est. mid-2021)
- A certification audit (est. late 2021)
- Two surveillance audits at 1-year intervals following certification (est. late 2022 and late 2023)

## **PROJECT APPROACH**

UMS Group proposes to conduct the Audits using a proven, systematic approach that has been approved by the IAM and used for similar audits around the world. The audits will be focused on determining the maturity of the asset management system of PBCWUD to confirm compliance with ISO 55001 requirements for certification, the issuance of a certificate, and confirmation of maintenance of the maturity level over the course of the 3-year certification period to prove that the conditions for the certificate continue.

The mock audit and certification audit will be full audits of the asset management system. The subject of these reviews is to ensure conformity with the requirements of the ISO 55001 standard, as well as conformity of the implementation and use of the system with PBCWUD's own documentation. In the subsequent surveillance phase, the asset management system will be partially checked for each monitoring audit, so that all elements of ISO 55001 are monitored at least once by the end of the cycle.

The main tasks in this approach are described below and will be executed by experienced, IAM-approved assessors. Note, that the same cycle of tasks applies for all of the audits.

### **Task 1: Kick-off Meeting**

This Task consists of preparatory work to ensure that UMS consultants and PBCWUD personnel have a common understanding of the project scope and expected outcomes, and to confirm details regarding on-site interviews and required documents/information to support the project.

A kick-off meeting will take place two weeks prior to the commencement of each audit (mock, certification, and surveillance). The purpose of the kick-off meeting will be to prepare for the audit. During the kick-off meeting, the UMS audit team will be introduced and will explain the audit methodology, the scope of the audit, and the documentation requirements. The PBCWUD team will provide an overview of their asset management system.

As part of this meeting, the combined team will discuss the specific documents to be delivered by PBCWUD, the schedule for document delivery, and the functions and specific personnel to be audited. The end result will be a requested document list and an interview schedule.

## **Task 2: Document Review**

Prior to holding interviews with PBCWUD personnel, UMS will examine the documentation provided to confirm that the asset management system contains all the documentation elements required by the ISO standard. The document review will also serve to inform the content of our questions during the audit interviews.

## **Task 3: Audit Interviews**

The purpose of the audit interviews is to test whether the implementation of the asset management system is in alignment with the documentation and is working effectively. The effectiveness of the asset management system in terms of policies, plans, processes and systems is examined through these interviews with employees which may also require presentation/demonstration of asset management activities.

To identify the interviewees, UMS would start with an organization chart and work with PBCWUD's internal project lead to identify the appropriate personnel for each domain to be assessed. The interviews may need to take place at the respective workstations of the interviewees or at a location where interviewees can access documents or work product that may need to be reviewed by the auditors.

It is important to note that UMS Group does not evaluate individual performance of employees, but rather checks the implementation of the asset management system.

Following the document review and audit interviews, UMS may identify areas in which it requires additional understanding. For those situations, UMS will request individual interviews or additional documentation.

## **Task 4: Audit Report**

Once the document review and interviews have been completed, the auditors will assess the information against the requirements of ISO 50001 and provide a written audit report. This assessment will determine if the requirements for competence (i.e., the level needed for all requirements to be certified) have been achieved. This element-by-element assessment will be detailed in an audit report accompanied by a management summary and a recommendation for resolving non-conformities, if any are found.

The audit report will be submitted in writing, as well as presented in a Management Review session, so that the audit results can be discussed with PBCWUD to ensure understanding of any non-conformities and the requirements needed to resolve them.

*FOR THE CERTIFICATION AUDIT ONLY* - After the audit report has been issued and conformity with all the requirements of the ISO 55001 standard has been established, a certificate will be issued. The certificate will accurately describe the activities to which the approval relates and is valid for three years, subject to interim follow-up visits.

Major non-conformities with the ISO 55001 requirements must be resolved before a certificate can be issued and require a follow-up audit to verify their resolution. For minor non-conformities, a certificate will be issued as long as a viable correction and improvement plan is developed and deemed acceptable by the auditors. Any minor non-conformities that have been identified and have a correction plan will be reviewed during the ensuing surveillance audit to ensure that they have been resolved.

If desired, UMS will make a formal presentation of the Certificate to PBCWUD. This provides an opportunity for recognition and celebration of the achievement.

**PROJECT SCHEDULE**

UMS can perform the mock audit and the certification audit each over an 8-week period as shown below. This schedule provides 2 weeks for PBCWUD to provide the requested documentation and any delay in delivery will impact the rest of the schedule.

	Week Beginning							
	Wk. 1	Wk. 2	Wk. 3	Wk. 4	Wk. 5	Wk. 6	Wk. 7	Wk. 8
<b>Kick-off Meeting</b>								
<b>PBCWUD Gathers Documents</b>								
<b>Document Review</b>								
<b>Interviews and Observation</b>								
<b>Assessment and Report</b>								
<b>Management Review</b>								

The surveillance audits are focused on target areas and cover approximately half of the asset management system each, so can be performed over a 5-week period.

	Week Beginning				
	Wk 1	Wk 2	Wk 3	Wk 4	Wk 5
<b>Kick-off Meeting</b>					
<b>PBCWUD Gathers Documents</b>					
<b>Document Review</b>					
<b>Interviews and Observation</b>					
<b>Assessment and Report</b>					
<b>Management Review</b>					

**PROJECT COST**

For the mock audit and certification audit, UMS will use a 2-person audit team which it expects to perform a combined 200 person-hours of work for each audit.

	Mock Audit			Certification Audit		
	Lead Auditor	Support Auditor	Total	Lead Auditor	Support Auditor	Total
Kick-off Meeting	8	8	16	8	8	16
Document Review	24	24	48	24	24	48
Audit Interviews	40	40	80	40	40	80
Audit Report	<u>28</u>	<u>28</u>	<u>56</u>	<u>28</u>	<u>28</u>	<u>56</u>
Total Hours	100	100	200	100	100	200

For the mock audit and certification audit, the fees are estimated to be \$50,000 each with the fee breakdown by task as follows:

	Mock Audit			Certification Audit		
	Lead Auditor	Support Auditor	Total	Lead Auditor	Support Auditor	Total
Kick-off Meeting	\$ 2,400	\$ 1,600	\$ 4,000	\$ 2,400	\$ 1,600	\$ 4,000
Document Review	\$ 7,200	\$ 4,800	\$ 12,000	\$ 7,200	\$ 4,800	\$ 12,000
Audit Interviews	\$ 12,000	\$ 8,000	\$ 20,000	\$ 12,000	\$ 8,000	\$ 20,000
Audit Report	\$ 8,400	\$ 5,600	\$ 14,000	\$ 8,400	\$ 5,600	\$ 14,000
Total Fees	\$ 30,000	\$ 20,000	\$ 50,000	\$ 30,000	\$ 20,000	\$ 50,000

Any direct expenses incurred for on-site work (i.e., travel, accommodations and subsistence) will be as incurred at cost (i.e., no administrative markup) with a not to exceed amount of \$6000 each (i.e., \$6000 for the Mock Audit and \$6000 for the Certification Audit). The estimated expenses for each of the mock audit and certification audit are shown below.

	Mock Audit			Certification Audit		
	Lead Auditor	Support Auditor	Total	Lead Auditor	Support Auditor	Total
Air Transportation	\$ 1,000	\$ 1,000	\$ 2,000	\$ 1,000	\$ 1,000	\$ 2,000
Hotel	\$ 1,200	\$ 1,200	\$ 2,400	\$ 1,200	\$ 1,200	\$ 2,400
Meals	\$ 500	\$ 500	\$ 1,000	\$ 500	\$ 500	\$ 1,000
Ground Transport	\$ 300	\$ 300	\$ 600	\$ 300	\$ 300	\$ 600
Total Est. Expenses	\$ 3,000	\$ 3,000	\$ 6,000	\$ 3,000	\$ 3,000	\$ 6,000

Professional Fees and Expenses will be invoiced on a T&E basis for each of the Tasks.

For the surveillance audits, UMS will similarly use a 2-person audit team which it expects to perform a combined 100 person-hrs. of work for each audit.

	Surveillance Audit 1			Surveillance Audit 2		
	Lead Auditor	Support Auditor	Total	Lead Auditor	Support Auditor	Total
Kick-off Meeting	4	4	8	4	4	8
Document Review	12	12	24	12	12	24
Audit Interviews	20	20	40	20	20	40
Audit Report	<u>14</u>	<u>14</u>	<u>28</u>	<u>14</u>	<u>14</u>	<u>28</u>
Total Hours	50	50	100	50	50	100

For the surveillance audits, the fees are estimated to be \$25,000 each with the fee breakdown by task as follows:

	Surveillance Audit 1			Surveillance Audit 2		
	Lead Auditor	Support Auditor	Total	Lead Auditor	Support Auditor	Total
Kick-off Meeting	\$ 1,200	\$ 800	\$ 2,000	\$ 1,200	\$ 800	\$ 2,000
Document Review	\$ 3,600	\$ 2,400	\$ 6,000	\$ 3,600	\$ 2,400	\$ 6,000
Audit Interviews	\$ 6,000	\$ 4,000	\$ 10,000	\$ 6,000	\$ 4,000	\$ 10,000
Audit Report	\$ 4,200	\$ 2,800	\$ 7,000	\$ 4,200	\$ 2,800	\$ 7,000
<b>Total Fees</b>	<b>\$ 15,000</b>	<b>\$ 10,000</b>	<b>\$ 25,000</b>	<b>\$ 15,000</b>	<b>\$ 10,000</b>	<b>\$ 25,000</b>

Any direct expenses incurred for on-site work (i.e., travel, accommodations and subsistence) will be as incurred at cost (i.e., no administrative markup) with a not to exceed amount of \$4,500 for each surveillance audit. The estimated expenses for the Surveillance audits are shown below.

	Surveillance Audit 1			Surveillance Audit 2		
	Lead Auditor	Support Auditor	Total	Lead Auditor	Support Auditor	Total
Air Transportation	\$ 1,000	\$ 1,000	\$ 2,000	\$ 1,000	\$ 1,000	\$ 2,000
Hotel	\$ 750	\$ 750	\$ 1,500	\$ 750	\$ 750	\$ 1,500
Meals	\$ 300	\$ 300	\$ 600	\$ 300	\$ 300	\$ 600
Ground Transport	\$ 200	\$ 200	\$ 400	\$ 200	\$ 200	\$ 400
<b>Total Est. Expenses</b>	<b>\$ 2,250</b>	<b>\$ 2,250</b>	<b>\$ 4,500</b>	<b>\$ 2,250</b>	<b>\$ 2,250</b>	<b>\$ 4,500</b>

Professional Fees and Expenses will be invoiced on a T&E basis for each of the Tasks.

All invoices will specify net 30 days for payment with offer of an early payment discount for 15 days of 1% percent.

## **ABOUT UMS GROUP**

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UMS Group was founded in 1989 to provide strategic consulting services to an increasingly dynamic and changing utility services industry. Our staff of dedicated, highly energized professionals has many years of operational and consulting experience across a wide range of utility management functions. Our organizational improvement services span a broad range of management needs, including corporate and functional level business planning, benchmarking and best practices assessments, performance management tools and approaches, performance measurement and incentive programs, operational excellence, process reengineering and installation, and change management.

With respect to Asset Management, UMS Group has performed over 200 utility projects covering the full gamut of Asset Management since the early 1990s. Our position as an industry leader is evidenced by our designation as an endorsed assessor and trainer by the Institute of Asset Management, the professional body of those involved in the acquisition, operation and care of physical assets – particularly critical infrastructure.



UMS Group has been a leading provider of Utility Asset Management services for almost 25 years now. We published our first report on this topic – the ISAM Report (“International Strategic Asset Management”) in 1992 after conducting a worldwide search for best practices in Utility Asset Management. In the decades since we have developed and continually adapted our methodologies to align them with emerging industry standards, while retaining and refining our proprietary tools and delivery systems.

Since the 2004 release of PAS 55 (and subsequent update in 2008 and issuance of the ISO 55000 series, of which UMS Group was an active participant), UMS Group has adapted its methodologies to align them with these standards; while retaining our proprietary tools and delivery systems. In assisting utilities in meeting the relevant aspects of PAS 55/ISO 55001 we provide added assurance that they have the programmatic elements in place to manage their assets, and most importantly, manage all known and implied risks, thus creating superior lifecycle value from their owned and/or operating asset base.

In August 2010, UMS Group, as one of the first 11 firms so named, was appointed an Endorsed Assessor by the Institute of Asset Management (IAM). The Endorsed Assessor designation followed a rigorous IAM review of the expertise, practices, tools and techniques which UMS Group applies to Asset Management compliance assessments. As an Endorsed Assessor, UMS Group has provided assessments and certification audits for municipal and utility organizations in both North America, Europe, and the Middle East.

In assisting our clients in meeting the relevant aspects of the international standard, ISO 55001 (management systems focus) and the former UK based standard, PAS 55 (asset specific focus), we provide added assurance that they have all the programmatic elements in place to manage their assets, and importantly, to manage all known and implied risks, thus creating superior lifecycle value from their owned and/or operated asset base. And, we bridge the gap between theoretical knowledge and practical application.

UMS Group has extensive experience in leading and facilitating major Strategic Asset Management transformations – perhaps more than any other global consultancy dedicated to the utility infrastructure market. The Major Strategic Asset Management Transformations facilitated by UMS Group for 24 separate major clients are credited with achieving significant cost reductions/productivity improvements, process efficiency and effectiveness improvements,



system reliability and customer satisfaction improvements and OpEx and CapEx optimization. In addition, this practice competency has given rise to a number of asset management decision support tools and a corporate performance dashboard design and implementation practice.

## ATTACHMENT F

**Palm Beach County Water Utilities Department  
Contract for Consulting/Professional Services  
General Utility, Architectural and Value Engineering Services**

Resolution No.  R2020-1891  Contract Dated  12/15/2020

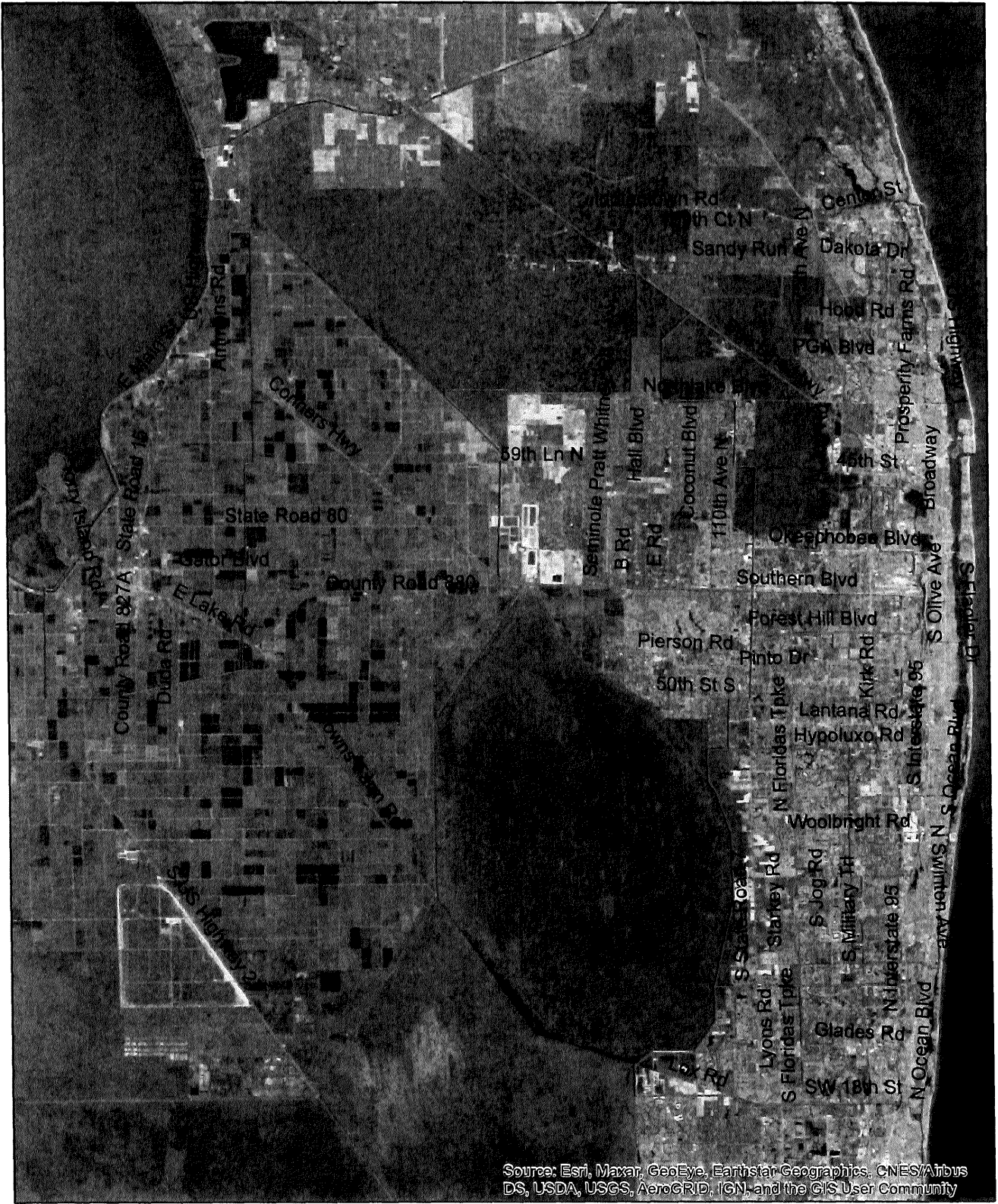
### SUMMARY OF SBE-M/WBE BUSINESS TRACKING

Master Contract Goals	SBE: 27%	M/WBE: 17%	MBE (B): 17%
<b>Current Proposal</b>			
Value of Authorization No. <u> 3 </u>	<b>\$182,280.00</b>		
Value of SBE-M/WBE Letters of Intent	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Actual Percentage	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>Signed/Approved Authorizations</b>			
Total Value of Authorizations	<b>\$93,268.00</b>		
Total Value of SBE-M/WBE Signed Subcontractors	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Actual Percentage	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>Signed/Approved Authorizations Plus Current Proposal</b>			
Total Value of Authorization	<b>\$275,548.00</b>		
Total Value of Subcontractors & Letters of Intent	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Actual Percentage	<b>0%</b>	<b>0%</b>	<b>0%</b>

Revised 02/11/2021

Attachment G: Location Map  
 CSA 3: ISO 55001

N.T.S.



Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

WUD 21-043

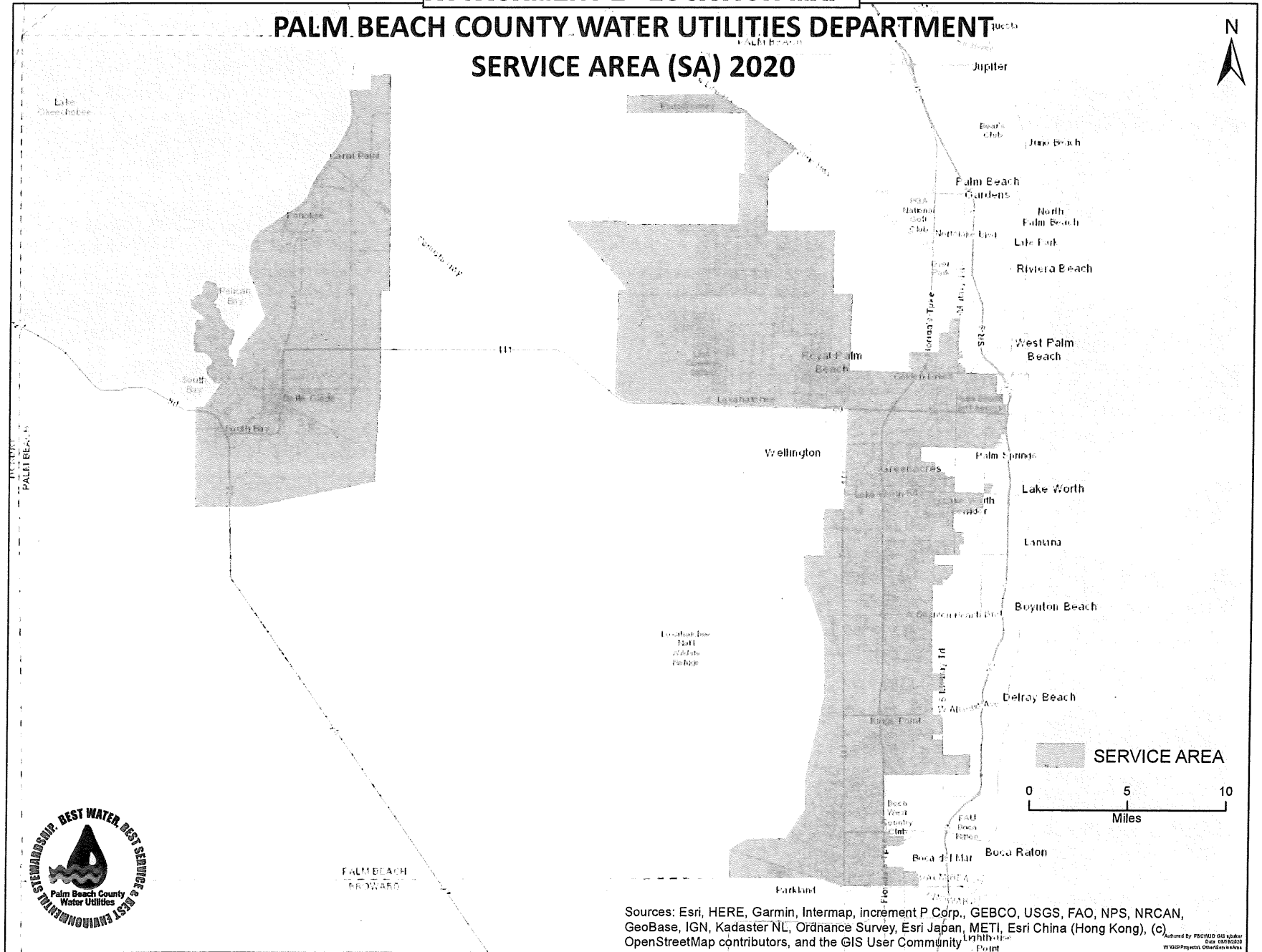
Legend

PBCWUD Service Area (Project Location)



**ATTACHMENT 2 - LOCATION MAP**

**PALM BEACH COUNTY WATER UTILITIES DEPARTMENT  
SERVICE AREA (SA) 2020**



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

Approved by FACVUD GIS 6/24/14  
Date: 05/16/2010  
W:\GIS\Projects\04\0401\0401.mxd



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/21/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement.

PRODUCER: Lassiter-Ware Insurance, 1300 N. Westshore Blvd., Suite 110, Tampa, FL 33607
INSURED: Chen Moore & Associates, Inc., 500 W. Cypress Creek Road, Suite 630, Fort Lauderdale, FL 33309
CONTACT NAME: Wendy Tyree, PHONE: (800)845-8437, FAX: (888)883-8680, E-MAIL: wendyt@lassiterware.com
INSURER(S) AFFORDING COVERAGE: INSURER A: Crum & Forster Specialty Insurance Co. (NAIC # 44520), INSURER B: Old Dominion Insurance Co. (NAIC # 40231)

COVERAGES CERTIFICATE NUMBER: 21-22 Cert REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES.

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL INSD, SUBR WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include Commercial General Liability, Automobile Liability, Umbrella/Excess Liability, Workers Compensation, and Professional Liability.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Re: WUD Project #19-077R - Reference #DX00001236
Palm Beach County Board of County Commissioners are included as additional insured under the terms and conditions of the attached forms on the General Liability policy...

CERTIFICATE HOLDER: Palm Beach County Insurance Compliance, P.O. Box 100085 - DX, Duluth, GA 30096
CANCELLATION: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE: [Signature]