

RESOLUTION NO. 12-007

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, APPROVING A ONE-YEAR EXTENSION TO THE "MASTER AGREEMENT TO FURNISH FINANCIAL CONSULTING SERVICES" BETWEEN THE CITY AND CAMP, DRESSER, & MCKEE, INC., NOW KNOWN AS CDM SMITH, INC.; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, in Resolution 09-183, the City Commission approved a three year Agreement with an option for two one-year renewals; and

WHEREAS, the contractor has requested, and staff has recommended, approval of the first of the one-year renewals; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That the attached "Master Agreement to Furnish Financial Consulting Services to the City of Key West" is hereby renewed for a period of one-year.

Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.


Passed and adopted by the City Commission at a meeting held  
this 3rd day of January, 2012.

Authenticated by the presiding officer and Clerk of the  
Commission on January 10, 2012.

Filed with the Clerk January 10, 2012.

  
\_\_\_\_\_  
CRAIG GATES, MAYOR

ATTEST:

  
\_\_\_\_\_  
CHERYL SMITH, CITY CLERK



1715 North Westshore Boulevard Suite 875  
Tampa, Florida 33607  
tel: 813 281-2900  
fax: 813 288-8787

RECEIVED

JAN 09 2012

City Attorney's Office

December 28, 2011

Jay Gewin  
Utilities Manager  
City of Key West  
3140 Flagler Ave  
Key West, FL 33040

Dear Mr. Gewin:

On February 25, 2011, Camp Dresser & McKee Inc. (CDM) and Wilbur Smith Associates combined to expand our global, full-service capabilities in water, environment, transportation, energy and facilities. Over the course of 2011, we have worked to integrate our employees, systems and operations into a single firm dedicated to the continued delivery of exceptional client service and technical excellence.

In December 2011, based on the approval of our shareholders to amend the firm's Articles of Organization, we have officially changed the legal name of the company from Camp Dresser & McKee Inc. to CDM Smith Inc. This name change became effective on December 9, 2011.

This letter is to request your help in updating your contractual files to reflect the new name of the company, as well as your accounting records to reflect that all future payments should be made to CDM Smith Inc. Your assistance is very much appreciated in making these necessary changes.

As always, our unwavering focus remains on providing our clients with exceptional service and creating innovative, sustainable solutions that improve environmental value, quality of life and economic prosperity.

Please let me know if you have any questions or require any further information about this change. I look forward to our continued work together.

Very truly yours,

Daniel E. Strobridge, QEP  
Vice President  
CDM Smith Inc.



832235

Florida Department of State  
Division of Corporations  
Electronic Filing Cover Sheet

Note: Please print this page and use it as a cover sheet. Type the fax audit number (shown below) on the top and bottom of all pages of the document.

((H11000294005 3)))



H110002940053ABCW

Note: DO NOT hit the REFRESH/RELOAD button on your browser from this page. Doing so will generate another cover sheet.

To: Division of Corporations  
 Fax Number : (850)617-6380

From: Account Name : C T CORPORATION SYSTEM  
 Account Number : FCA000000023  
 Phone : (850)222-1092  
 Fax Number : (850)878-5368

FILED  
2011 DEC 15 PM 4:05  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

\*\*Enter the email address for this business entity to be used for future annual report mailings. Enter only one email address please.\*\*

Email Address: \_\_\_\_\_

COR AMND/RESTATE/CORRECT OR O/D RESIGN  
CAMP DRESSER & MCKEE INC

Certificate of Status	0
Certified Copy	0
Page Count	03
Estimated Charge	\$35.00

RECEIVED  
11 DEC 15 PM 8:36  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

DR  
12/15/11

**COVER LETTER**

**TO:** Amendment Section  
Division of Corporations

**SUBJECT:** Camp Dresser & McKee Inc.  
Name of Corporation

**DOCUMENT NUMBER:** 832235

The enclosed Amendment and fee are submitted for filing.

Please return all correspondence concerning this matter to the following:

Patricia Wilson

Name of Contact Person

CDM Smith Inc.

Firm/Company

One Cambridge Place, 50 Hampshire Street

Address

Cambridge, MA 02139

City/State and Zip Code

wilsonpa@cdm.com

E-mail address: (to be used for future annual report notification)

For further information concerning this matter, please call:

Name of Contact Person

at (            )

Area Code & Daytime Telephone Number

Enclosed is a check for the following amount:

\$35.00 Filing Fee

\$43.75 Filing Fee &  
Certificate of Status

\$43.75 Filing Fee &  
Certified Copy  
(Additional copy is  
enclosed)

\$52.50 Filing Fee,  
Certificate of Status &  
Certified Copy  
(Additional copy is  
enclosed)

**Mailing Address:**  
Amendment Section  
Division of Corporations  
P.O. Box 6327  
Tallahassee, FL 32314

**Street Address:**  
Amendment Section  
Division of Corporations  
Clifton Building  
2661 Executive Center Circle  
Tallahassee, FL 32301

**PROFIT CORPORATION**  
**APPLICATION BY FOREIGN PROFIT CORPORATION TO FILE AMENDMENT TO**  
**APPLICATION FOR AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA**  
(Pursuant to s. 607.1504, F.S.)

**SECTION I**  
(1-3 MUST BE COMPLETED)

832235

(Document number of corporation (if known))

1. Camp Dresser & McKee Inc.  
(Name of corporation as it appears on the records of the Department of State)

2. Massachusetts  
(Incorporated under laws of)

3. 04/23/1974  
(Date authorized to do business in Florida)

FILED  
2011 DEC 15 PM 4:05  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

**SECTION II**  
(4-7 COMPLETE ONLY THE APPLICABLE CHANGES)

4. If the amendment changes the name of the corporation, when was the change effected under the laws of its jurisdiction of incorporation? 12/09/2011

5. CDM Smith Inc.  
(Name of corporation after the amendment, adding suffix "corporation," "company," or "incorporated," or appropriate abbreviation, if not contained in new name of the corporation)

(If new name is unavailable in Florida, enter alternate corporate name adopted for the purpose of transacting business in Florida)

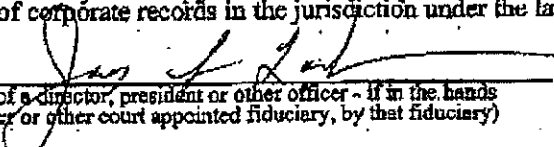
6. If the amendment changes the period of duration, indicate new period of duration.

\_\_\_\_\_  
(New duration)

7. If the amendment changes the jurisdiction of incorporation, indicate new jurisdiction.

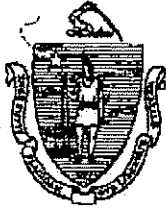
\_\_\_\_\_  
(New jurisdiction)

8. Attached is a certificate or document of similar import, evidencing the amendment, authenticated not more than 90 days prior to delivery of the application to the Department of State, by the Secretary of State or other official having custody of corporate records in the jurisdiction under the laws of which it is incorporated.

  
(Signature of a director, president or other officer - if in the hands of a receiver or other court appointed fiduciary, by that fiduciary)

James S. Lackman  
(Typed or printed name of person signing)

Secretary  
(Title of person signing)



William Francis Galvin  
Secretary of the  
Commonwealth

*The Commonwealth of Massachusetts*  
*Secretary of the Commonwealth*  
*State House, Boston, Massachusetts 02138*

December 12, 2011

TO WHOM IT MAY CONCERN:

I hereby certify that

**CAMP DRESSER & MCKEE INC**

appears by the records of this office to have been incorporated under the General Laws of this Commonwealth on December 29, 1970.

I also certify that by Articles of Amendment filed here December 9, 2011, the name of said corporation was changed to

**CDM SMITH INC.**

I also certify that so far as appears of record here, said corporation still has legal existence.



Processed By sam

In testimony of which,  
I have hereunto affixed the  
Great Seal of the Commonwealth  
on the date first above written.

*William Francis Galvin*  
Secretary of the Commonwealth



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

**EXECUTIVE SUMMARY**

**TO:** Jim Scholl, City Manager  
E. David Fernandez, Asst. City Manager - Operations

**FROM:** Jay Gewin, Utilities Manager

**DATE:** October 27, 2011

**RE:** Approval of a 1-Year Contract Extension with Camp, Dresser, and McKee to Serve as Financial Consultants to the City.

**ACTION STATEMENT:**

This resolution will approve a one year extension to the City's financial services consulting contract with Camp, Dresser, and McKee (CDM). The City Commission approved the original 3-year contract via City Commission Resolution 09-183.

The duration of this contract is three years, with an option, maintained by the City, to renew the contract on a yearly basis for up to two years. This would represent the first of the two one-year extensions allowed by the contract.

**BACKGROUND:**

The City has a need of financial consulting services to assist us as we create our rate models for utility budgets in sewer, stormwater, and solid waste. Financial consulting firms help staff analyze rates, revenues, capital expenditures, budgetary planning, projections, along with other tasks. They also assist with the utility budget presentations to the City Commission.

A Financial consulting firm under contract can also assist the City if there is a need for consulting in areas such as capital financing support, financial and compliance reporting support, special rate determination assistance (stormwater), and operations benchmarking.

As the City has multiple projects of all sizes and disciplines simultaneously, it typically contracts with multiple consultants to handle the workload.

Staff has reviewed the performance of CDM, and determined that they are a qualified financial consultant with a beneficial historical knowledge of City budgeting and operations. The City Commission selected this firm from a shortlist

*Key to the Caribbean - Average yearly temperature 77° F.*

M E M O R A N D U M



at its May 19, 2009 meeting, and authorized a contract to be negotiated. The contract was approved in July, 2009.

## **PURPOSE AND JUSTIFICATION**

This consultant has unique expertise in financial areas that can provide very beneficial information and knowledge for the City as we move forward on our annual utility budgets and other financial needs. CDM can also provide resources and manpower to meet tight budgetary schedules.

CDM has staff with experience working with City utility budgets in the past. This background knowledge facilitates the completion of the rate model in a timely fashion.

## **OPTIONS / ADVANTAGES / DISADVANTAGES:**

1. The City Commission can decline hiring financial consultants. This option is not recommended by staff. Utilizing consulting contracts with multiple firms has been one of the key ingredients in the City's ability to complete multiple large and small tasks simultaneously. Without the assistance of a financial consultant, the amount of City staff time required to complete the utility rate models independently would greatly inhibit our ability to manage other projects running concurrently.
2. The City Commission can approve this contract extension with CDM. Having several firms on contract assures that plenty of qualified resources are available regardless of project size or scope, without having to advertise a separate RFQ for every individual project. This makes project management much more efficient for the City saving much time, resources and money. It also provides the City with financial expertise in utility rate models that is of tremendous benefit.
3. The City can go out for bid for financial services consulting. This option is not recommended by staff, as the existing contract allows for two one-year extensions at the City's discretion. Staff is pleased with the level of service we have received in the past for financial consulting with CDM, and believes that the City is best served extending the existing contract for another year.

## **FINANCIAL IMPACT:**

Although there is no direct cost related to contracting this firm, having multiple firms under contract has helped the City complete projects in a timely manner. No tasks or minimum amount of work will have to be assigned under the contract. The cost of services for any particular project will be based on the amount of effort to complete the task assigned and the contract Per Diem Rates.

In past years, the utility rate models for sewer, stormwater, and solid waste have each been below \$20,000. Any task order created for one of these financial consultants that would surpass \$20,000 would require approval from the City Commission. Other task orders will be budgeted within whichever City Department that may be seeking financial consulting assistance.

Staff has analyzed the hourly rates that CDM will be billing the City, and have determined that they are reasonable rates for the industry.

**RECOMMENDATION:**

Staff recommends that the City Commission select option 2, the approval of a one year extension to the City's financial consulting contract with CDM.



1715 North Westshore Boulevard, Suite 875  
Tampa, Florida 33607  
tel: +1 813 281-2900  
fax: +1 813 288-8787

September 26, 2011

Mr. Jay Gewin  
Utilities Manager  
City of Key West  
P.O. Box 1409  
Key West, FL 33041-1409

Subject: Request to Extend Financial Consultant Agreement

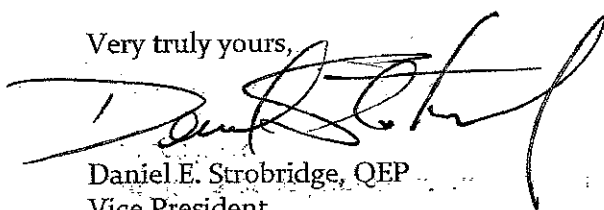
Dear Mr. Gewin:

As you are aware, CDM presently has a Financial Consulting Agreement with the City of Key West dated July 22, 2009. The Agreement has a term of 3 years with 2 yearly renewal options maintained by the City. CDM is requesting the City to exercise its first option year. This will benefit the City in the following ways:

- The expiration of the Agreement would occur during the utility rate adoption period for the City. The possibility of having two rate consultants during the development and adoption of utility rates will not be economically efficient. Extending our Agreement will make this a moot issue.
- The City can defer, for up to two years, the expense and staff time required to conduct a procurement process for replacement Financial Consultant(s).
- The billing rates currently in effect under the existing agreement will remain in effect. Entering into new agreements will likely cost the City more money because the private sector, to remain competitive in the labor market place, has had to give employees raises even in these economic hard times. Consequently, new Agreements will likely include higher billing rates.

CDM respectfully requests that the City grant a one year extension, in accordance with Section 6.1 A, of our current Agreement with the City so that we may continue to provide the high level of financial consulting service and expertise that the City receives and has come to expect from CDM.

Very truly yours,

  
Daniel E. Strobridge, QEP  
Vice President  
Camp Dresser & McKee Inc.

cc: Dan Anderson, CDM



RESOLUTION NO. 09-183

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, APPROVING A 3-YEAR CONTRACT WITH CAMP, DRESSER, & MCKEE, INC. TO SERVE AS FINANCIAL CONSULTANTS TO THE CITY OF KEY WEST; PROVIDING FOR AN EFFECTIVE DATE

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

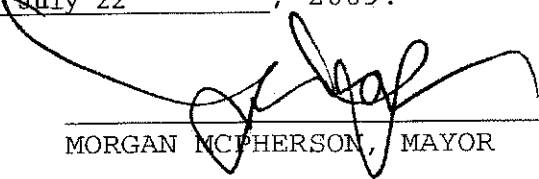
Section 1: That the attached agreement for Financial Consulting Services between the City of Key West and Camp, Dresser & McKee, Inc. is hereby approved.

Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this 21st day of July, 2009.

Authenticated by the presiding officer and Clerk of the Commission on July 22, 2009.

Filed with the Clerk July 22, 2009.

  
MORGAN MCPHERSON, MAYOR

ATTEST:

  
CHERYL SMITH, CITY CLERK



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

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## EXECUTIVE SUMMARY

**TO:** Jim Scholl, City Manager  
E. David Fernandez, Asst. City Manager - Operations

**FROM:** Gary W. Bowman, General Services Dept. Director

**DATE:** June 29, 2009

**RE:** **Approval of a 3-Year Contract with Camp, Dresser, & McKee, Inc. to Serve as Financial Consultants to the City.**

### ACTION STATEMENT:

This resolution will approve a financial services consulting contract with Camp, Dresser, & McKee Inc (CDM). This was one of three firms the City Commission selected from a shortlist, and the Commission authorized staff to negotiate this contract at its May 19<sup>th</sup>, 2009 meeting. (Resolution 09-123)

The duration of this contract will be three years, with an option, maintained by the City, to renew the contract on a yearly basis for up to two years.

### BACKGROUND:

The City has a need of financial consulting services to assist us as we create our rate models for utility budgets in sewer, stormwater, and solid waste. Financial consulting firms help staff analyze rates, revenues, capital expenditures, budgetary planning, along with other tasks. They also assist with the utility budget presentations to the City Commission.

A Financial consulting firm under contract would also be available should the City decide there is a need for financial consulting in areas such as capital financing support, financial and compliance reporting support, special rate determination assistance, and operations benchmarking.

As the City has multiple projects of all sizes and disciplines simultaneously, it typically contracts with multiple consultants to handle the workload.

Staff has reviewed the submittal of CDM, Inc. and determined that they are a qualified financial consultant. The City Commission selected this firm from a shortlist at its May 19, 2009 meeting, and authorized a contract to be negotiated.

Both the General Services Dept. and Legal Dept. have reviewed this contract and are recommending approval.

### **PURPOSE AND JUSTIFICATION**

This consultant has unique expertise in financial areas that can provide very beneficial information and knowledge for the City as we move forward on our annual utility budgets and other financial needs. CDM can also provide resources and manpower to meet tight budgetary schedules.

CDM has experience working with City solid waste budgets in the past. This background knowledge facilitates the completion of the rate model in a timely fashion.

### **OPTIONS / ADVANTAGES / DISADVANTAGES:**

1. The City Commission can decline hiring financial consultants. This option is not recommended by staff. Utilizing consulting contracts with multiple firms has been one of the key ingredients in the City's ability to complete multiple large and small tasks simultaneously. Without the assistance of a financial consultant, the amount of City staff time required to complete the utility rate models independently would greatly inhibit our ability to manage other projects running concurrently.
2. The City Commission can approve this contract with CDM, Inc. Having several firms on contract assures that plenty of qualified resources are available regardless of project size or scope, without having to advertise a separate RFQ for every individual project. This makes project management much more efficient for the City saving much time, resources and money. It also provides the City with financial expertise in utility rate models that is of tremendous benefit.

### **FINANCIAL IMPACT:**

Although there is no direct cost related to contracting this firm, having multiple firms under contract has helped the City complete projects in a timely manner. No tasks or minimum amount of work will have to be assigned under the contract. The cost of services for any particular project will be based on the amount of effort to complete the task assigned and the contract Per Diem Rates.

In past years, the utility rate models for sewer, stormwater, and solid waste have each been below \$20,000. Any task order created for one of these financial consultants that would surpass \$20,000 would require approval from the City Commission. Other task orders will be budgeted within whichever City Department that may be seeking financial consulting assistance.

Staff has analyzed the hourly rates that CDM will be billing the City, and have determined that they are reasonable rates for the industry.

### **RECOMMENDATION:**

Staff recommends that the City Commission select option 2, the approval of a financial consulting contract with CDM, Inc.

CITY OF KEY WEST

MASTER AGREEMENT TO FURNISH  
FINANCIAL CONSULTING SERVICES  
TO THE  
CITY OF KEY WEST

June 2009

Financial Consultants:

# **Master Agreement to Furnish Financial Consulting Services to the City of Key West**

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This AGREEMENT made and entered into by and between the City of Key West, a municipal corporation of the State of Florida, whose address is 525 Angela Street, Key West, Florida 33040, hereafter referred to as the "CITY" and Camp, Dresser, & McKee, Inc., a corporation authorized to do business in the State of Florida, whose address is 1715 N. Westshore Blvd., Suite 875, Tampa, Florida 33607, hereafter referred to as the "CONSULTANT". This agreement shall be effective on the date of execution of the last party to sign the AGREEMENT for the term specified in Paragraph 6.1.

## **Article 1. Scope of Services**

The CONSULTANT'S primary responsibilities include, but are not limited to, providing financial consulting assistance in the creation of stormwater, sewer, and solid waste annual rate studies. Additional work may include capital financing support, financial and compliance reporting support, marinas economic consulting operations benchmarking or other consulting services which the CONSULTANT is qualified to provide and which the CITY authorizes the CONSULTANT to undertake in connection with the CITY'S present and planned activities in the areas identified below. The specific services, which the CONSULTANT agrees to furnish, are set forth as follows:

- 1.1 Provide comprehensive financial consulting services that may include preparing utility rate models, budgets, and City Commission presentation documents, capital financing support, financial and compliance reporting support, special rate determination assistance (stormwater), operations benchmarking, auditing, analyzing City expenditures and resources, and assisting the CITY with other projects where financial consulting assistance is needed.

CONSULTANT shall provide the above-mentioned Scope of Services as tasked by the CITY for the projects specifically identified in RFQ No. 09-001, RFQ submission/proposal, and any other tasks as assigned under this scope. The terms that the CONSULTANT agrees to follow are set forth as follows:

- 2.1 The specific services to be provided by the CONSULTANT and the compensation for such services will be as mutually agreed to in separate Task Orders to this AGREEMENT. Each Task Order when fully executed shall become a supplement to and a part of this AGREEMENT.
- 2.2 Unless otherwise indicated in a Task Order, execution of a Task Order by the CITY shall constitute authorization for the CONSULTANT to proceed with the services enumerated in the Task Order. Each Task Order will be supported by appropriate cost and pricing data and such other documentation as required by the CITY.
- 2.3 Task Orders shall be numbered consecutively. Each Task Order shall include a description of the scope of services, time of completion, total estimated costs of



services, and method of compensation. Additional information shall be provided to the CITY if required. Amended Task Orders shall include substantially the same information and be submitted to the CITY for approval.

2.4 The CITY may make or approve changes within the general Scope of Services in any Task Order. If such changes affect the CONSULTANT'S cost of or time required for performance of the services, an equitable adjustment will be made through an amendment to the Task Order.

2.5 A task order may be terminated at any time, with or without cause, by the CITY upon thirty (30) days written notice to CONSULTANT. No further work will be performed by CONSULTANT upon receipt of this notice unless specifically authorized by the General Services Dept. Director of the City of Key West.

On termination, the CONSULTANT will be paid for all authorized services performed up to the termination date plus, if terminated for the convenience of the CITY, reasonable expenses incurred during the close-out of the Task Order. The CITY will not pay for anticipatory profits.

2.6 The CONSULTANT will provide ADDITIONAL SERVICES mutually agreed to and authorized by the CITY in writing but not specifically described and authorized by a Task Order.

## **Article 2. Compensation**

As consideration for providing the services enumerated in Article 1 and supplemental Task Orders, the CITY shall pay the CONSULTANT fees as defined in each Task Order.

Field rates as identified in Exhibit A shall be applicable when the CONSULTANT'S employees are assigned to a field location for a continuous period exceeding 90 calendar days. Field location is defined as office space which is made available to CONSULTANT'S employees by the CITY at no cost to the CONSULTANT. Field rates shall be applied on the first day the CONSULTANT employee is assigned to a field location. Should the CONSULTANT'S employee assignment not exceed 90 continuous calendar days, CONSULTANT shall be permitted to retroactively reinvoice for the applicable field rate charges but based upon the CONSULTANT'S per diem rates.

The types of compensation methods which shall be used to pay for the CONSULTANT'S services are limited to the following:

2.1 Lump sum payment, which includes compensation for all the CONSULTANT'S salaries, general overhead costs, direct expenses, and profit.

A. The lump sum is based on immediate authorization to proceed and timely completion of the PROJECT. If the PROJECT timing deviates from the assumed schedule for causes beyond CONSULTANT'S control, CONSULTANT and/or the CITY reserves the right to request renegotiation of those portions of the lump sum affected by the time change.

B. In the event of a change of scope, an appropriate decrease or increase in compensation will be authorized in writing.

- C. Monthly invoicing will be based on an estimate of the percent complete at the end of the preceding month.
- D. The CONSULTANT shall submit wage rates and other actual unit costs supporting the compensation. The CONSULTANT shall submit a Truth in Negotiation Certificate stating that all data supporting the compensation is accurate, complete, and current at the time of contracting.

2.2 Cost Reimbursable-Per Diem (Time and Expenses)

- A. Hourly Per Diem Rates are provided in Exhibit A to this Agreement. Per Diem Rates are those hourly rates charged for work performed on the PROJECT by CONSULTANT'S employees of the indicated classifications and include all salaries, overheads, and profit, but do not include allowances for Direct Expenses. These rates are subject to fiscal year adjustments and shall be based on the Data Resources, Inc. (DRI) forecast of wage and price escalation. There shall be no rate increase until October 1, 2010.
- B. A budgetary amount will be established for each Task Order. This budgetary amount shall not be exceeded unless prior written approval is provided by the CITY. CONSULTANT will make reasonable efforts to complete the work within the budget and will keep CITY informed of progress toward that end so that the budget or work effort can be adjusted if found necessary.
- C. CONSULTANT is not obligated to incur costs beyond the indicated budgets, as may be adjusted, nor is CITY obligated to pay CONSULTANT beyond these limits.
- D. When any budget has been increased, CONSULTANT'S excess costs expended prior to such increase will be allowable to the same extent as if such costs had been incurred after the approved increase.
- E. The CITY shall pay for reimbursable expenses invoiced at the actual cost of expenditures incurred by the CONSULTANT. Direct expenses are those necessary costs and charges incurred for the PROJECT including, but not limited to: 1) the costs of express courier charges, mail, supplies and field equipment incurred directly for the PROJECT, printing and reproduction of drawings, documents, and other material, , and subcontracts and other outside services; and 2) CONSULTANT'S standard project charges for computing services, special health and safety requirements of OSHA and telecommunication services; and 3) the costs of travel, including the use of CONSULTANT'S vehicles, subsistence, lodging and related expenses of personnel while traveling in connection with the PROJECT in accordance with CITY policy and Florida Statute FS 112.061. Required Documentation: All requests for travel reimbursement must provide enough detail to clearly indicate the reason (s) for travel, date (s) of travel, exact time (s) of travel, and mode (s) of travel. If travel is by privately owned vehicle, exact mileage traveled with odometer readings must be submitted. All receipts for which reimbursement is requested are subject to Florida Statute rates applicable at the time of travel. CONSULTANT is obligated to minimize all expenses incurred in the execution of this AGREEMENT and subsequent Task

Orders. There shall be no markup on expenses reimbursed under this agreement.

- F. All reimbursement requested must be supported by a receipt except where a receipt could not be obtained such as an unattended toll booth or parking meters. In those situations where receipts cannot be obtained, reimbursement requested must be supported by documents that show dates, parking meter numbers and locations, toll booth locations, and signature of employee. Travel, in connection with the work and for convenience of CONSULTANT (to make use of talent not located in Monroe County), shall be included in CONSULTANT's Task Order. Travel requested by CITY'S AUTHORIZED REPRESENTATIVE and travel associated with permitting and grants, as required by state and federal agencies, will be reimbursed in accordance with this section.
- G. Transportation by passenger vehicles supplied by CONSULTANT in connection with the work will be reimbursed in accordance with Florida Statute 112.061. Required Documentation: Mileage log stating point of departure, point of destination, and odometer reading for both.

### **Article 3. Invoicing and Payment**

Monthly invoices will be issued by CONSULTANT for all work performed during the preceding month under this AGREEMENT, as prescribed in Article 2. Invoices are to be submitted and paid in accordance with the Florida Prompt Payment Act.

### **Article 4. Obligations of the Consultant**

#### **4.1. General**

- A. The CONSULTANT will serve as CITY'S professional representative under this AGREEMENT, providing professional financial and related consulting advice and furnish customary services incidental thereto.

#### **4.2. Standard of Care**

- A. The standard of care applicable to CONSULTANT'S services will be the degree of skill and diligence normally employed by financial and other related consultants performing the same or similar services at the time said services are performed. The CONSULTANT will perform any services not meeting this standard without additional compensation.

#### **4.3. Opinions of Cost, Financial Considerations, and Schedules**

- A. In providing opinions of construction cost, financial analyses, economic feasibility projections, and schedules for design projects, the CONSULTANT has no control over cost or price of labor and materials; unknown or latent conditions of existing equipment or structures that may affect operation or maintenance costs; competitive bidding procedures and market conditions; time or quality of performance by third parties; quality, type, management, or direction of operating personnel; and other economic and operational factors that may materially affect the ultimate PROJECT cost or schedule. Therefore, the CONSULTANT makes no warranty that the CITY'S actual PROJECT costs, financial aspects, economic feasibility or schedules will not vary from the CONSULTANT'S opinions, analyses, projections, or estimates.

- B. If CITY wishes greater assurance as to any element of PROJECT cost, feasibility, or schedule, CITY will employ an independent cost estimator, contractor, or other appropriate advisor.

#### 4.4 CONSULTANT'S Insurance

- A. The CONSULTANT will maintain throughout this AGREEMENT the following insurance:

1. Worker's Compensation – statutory – in compliance with the compensation law of the State of Florida.
2. Commercial General Liability insurance with a minimum limit of liability per occurrence of one million (\$1,000,000) dollars with an annual aggregate of no less than two million (\$2,000,000) dollars. Evidence of any and all pending claims which may exhaust the aggregate may be requested.
3. Business Automobile Liability insurance with a minimum limit of liability per occurrence of one million (\$1,000,000) dollars for bodily injury and property damage unless otherwise indicated in the contract specifications. This insurance shall include for bodily injury and property damage the following coverage:
  - Owned automobiles
  - Hired automobiles
  - Non-owned automobiles
4. Professional Liability/Errors & Omissions insurance with a minimum limit of one million (\$1,000,000) dollars.

- B. In addition, it is understood if at any time any of the policies required by the City shall become unsatisfactory to the City as to form or substance, or if a company issuing any such policy shall become unsatisfactory to the City, the CONSULTANT shall obtain a new policy, submit the same to the City for approval and submit a certificate of insurance as which may be required by the contract. It is understood that upon failure of the CONSULTANT to furnish, deliver, and maintain such insurance as above provided, the contract at the election of the City may be declared suspended, discontinued or terminated. Further, failure of the CONSULTANT to take out and/or maintain any required insurance shall not relieve the CONSULTANT from any liability under the contract, nor shall the insurance requirements be construed to conflict with the obligations of the CONSULTANT concerning indemnification.

#### 4.5 Subconsultants

- A. The CONSULTANT may not assign or subcontract its obligations under this AGREEMENT without the written consent of the CITY.

#### 4.6 Licenses

- A. The CONSULTANT will be required to obtain a local required license prior to performing any work for the CITY. This license will be a Business Tax Receipt at a cost not to exceed \$98.70.

## **Article 5. Obligations of the City**

### **5.1. Authorization to Proceed**

- A. Authorization to proceed will be considered to be given upon execution of each Task Order by the CITY.

### **5.2. City-Furnished Data**

- A. The CITY will provide to the CONSULTANT all data in the CITY'S possession relating to the CONSULTANT's services on the PROJECT including, but not limited to, information on any pre-existing. CONSULTANT will reasonably rely upon the accuracy, timeliness, and completeness of the information provided by the CITY.

### **5.3. Access to Facilities and Property**

- A. The CITY will make its facilities accessible to CONSULTANT as required for CONSULTANT's performance of its services and will provide labor and safety equipment as required by CONSULTANT for such access. CITY will be responsible for all acts of CITY'S personnel.

### **5.4. Timely Review**

- A. The CITY will examine the CONSULTANT's studies, reports, and other documents; obtain advice of an attorney, insurance counselor, accountant, auditor, bond and financial advisors, and other consultants as CITY deems appropriate; and render in writing decisions required of CITY in a timely manner.

### **5.5. Prompt Notice**

- A. The CITY will give prompt written notice to CONSULTANT whenever CITY observes or becomes aware of any development that affects the scope or timing of CONSULTANT's services, or any defect in the work of the CONSULTANT.

### **5.6. Litigation Assistance**

- A. The Scope of Services does not include costs of CONSULTANT for required or requested assistance to support, prepare, document, bring, defend, or assist in litigation undertaken or defended by CITY. All such services required or requested of CONSULTANT by CITY, except for suits or claims between the parties to this AGREEMENT, will be reimbursed as mutually agreed in a separate Task Order, and payment for such services shall be in accordance with Article 3, unless and until there is a finding by a court or arbitrator that CONSULTANT's sole negligence caused CITY's damage.

## Article 6. General Legal Provisions

### 6.1 Agreement Period

- A. The duration of the agreement shall be three (3) years commencing from the date this Agreement was entered into, with an option, maintained by the CITY, to renew the contract on a yearly basis for up to two (2) years.

### 6.2 Reuse of Project Documents

- A. Reports, documents and other deliverables of the CONSULTANT, whether in hard copy or in electronic form, are instruments of service for the project of the CITY. All documents shall be made available on re-writable CD and are the property of the City of Key West. Reuse, change, or alteration on another project, by the CITY or by others acting on behalf of the CITY of any such instruments of service without the written permission of the CONSULTANT will be at the CITY's sole risk. Nothing herein shall constitute a waiver of City's sovereign immunity rights, including, but not limited to, those expressed in Section 768.28, Florida Statutes.

### 6.3 Ownership of Work Product and Inventions

- A. All of the work product of CONSULTANT in executing a Project under this contract shall become the property of the CITY. The City may use the deliverables solely for the purpose for which they were intended.

### 6.4 Force Majeure

- A. The CONSULTANT is not responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents, or other events beyond the control of the CONSULTANT.
- B. In the event of a delay that results in additional costs to the CONSULTANT, an appropriate increase in compensation and schedule will be authorized in writing.

### 6.5 Termination

- A. This agreement may be terminated at any time, with or without cause, by the CITY upon thirty (30) days written notice to CONSULTANT. No further work will be performed by CONSULTANT upon receipt of this notice unless specifically authorized by the General Services Department Director of the City of Key West.
- B. On termination, the CONSULTANT will be paid for all authorized services performed up to the termination date plus, if terminated for the convenience of the CITY, reasonable expenses incurred during the close-out of the AGREEMENT. The CITY will not pay for anticipatory profits.

### 6.6 Suspension, Delay, or Interruption of Work

- A. The CITY may suspend, delay, or interrupt the services of the CONSULTANT for the convenience of the CITY. In the event of such suspension, delay, or interruption, or any other act or neglect of CITY or CITY's subcontractors, CITY will pay CONSULTANT for work performed to date. An equitable adjustment

in the PROJECT'S schedule and CONSULTANT's compensation will be made as agreed to by both parties.

- B. In the event delays to the project are encountered for any reason, the parties agree to undertake reasonable steps to mitigate the effect of such delays.

#### 6.7 Third Party Beneficiaries

- A. This Agreement gives no rights or benefits to anyone other than the CITY and CONSULTANT and has no third party beneficiaries. CONSULTANT's services are defined solely by this proposed scope of services, and not by any other contract or agreement that may be associated with the Project.

All work products will be prepared for the exclusive use of CITY for specific application as described in the proposed scope of services. No warranty, expressed or implied, is made. There are no beneficiaries of the work products other than CITY, and no other person or entity is entitled to rely upon the work products without the written consent of CONSULTANT. Any unauthorized assignment of related work product shall be void and unenforceable.

#### 6.8 Indemnification

- A. Consultant agrees to protect, defend, indemnify, save and hold harmless The City of Key West, all Departments, Agencies, Boards, and Commissions, its officers, agents, servants and employees, including volunteers, from and against any and all claims, demands, expense and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur or in any way grow out of any act or omission of the CONSULTANT, its agents, servants, and employees, or any and all costs, expense and/or attorney fees incurred by the CONSULTANT as a result of any claim, demands, and/or causes of action except of those claims, demands, and/or causes of action arising out of the negligence of the City of Key West, all Departments, Agencies, Boards and Commissions, its officers, agents, servants and employees. The CONSULTANT agrees to investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at its sole expense and agrees to bear all other costs and expenses related thereto, even if it (claims, etc.) is groundless, false or fraudulent.
- B. This indemnification shall survive the expiration or termination of this Agreement. In the event that any action or proceeding is brought against the CITY by reason of such claim or demand, CONSULTANT shall, upon written notice from the CITY, resist and defend such action or proceeding by counsel satisfactory to the CITY. The CONSULTANT shall defend at its own expense to and through appellate, supplemental or bankruptcy proceeding, or to provide for such defense, at the CITY's option, any and all claims of liability and all suits and actions of every name and description covered above which may be brought against the CITY whether performed by CONSULTANT, or by persons employed or used by CONSULTANT.
- C. In no event shall CONSULTANT, its affiliated corporations, officers, employees, or any of its subcontractors be liable for any incidental, indirect, special, punitive, economic or consequential damages, including but not limited to loss of revenue

or profits, suffered or incurred by CITY or any of its agents, including other contractors engaged at the project site, as a result of this Agreement or CONSULTANT's performance or non-performance of services pursuant to this Agreement. Limitations of liability provided in this paragraph apply whether the liability is claimed to arise in contract, tort (including negligence), strict liability, or otherwise.

6.9 Limitation of Liability

- A. CONSULTANT's services shall be governed by the negligence standard for professional services, measured as of the time those services are performed.
- B. This Provision takes precedence over any conflicting Provision of this Agreement or any document incorporated into it or referenced by it.
- C. This limitation of liability will apply whether CONSULTANT'S liability arises under breach of contract or warranty; tort; including negligence; strict liability; statutory liability; or any other cause of action, and shall include CONSULTANT's officers, affiliated corporations, employees, and subcontractors.

6.10 Assignment

- A. Consultant shall not assign all or any part of this Agreement without the prior consent of the CITY by Resolution of the Key West City Commission.

6.11 Jurisdiction

- A. The law of the state of Florida and Monroe County will govern the validity of this AGREEMENT, its interpretation and performance, and any other claims related to it.

6.12 Severability and Survival

- A. If any of the provisions contained in this AGREEMENT are held for any reason to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will affect any other provision, and this AGREEMENT will be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
- B. ARTICLES 4, 5, and 6 will survive termination of this AGREEMENT for any cause.

6.13 Dispute Resolution

- A. The parties will use their best efforts to resolve amicably any dispute, including the use of alternative dispute resolution options.
- B. Unless otherwise agreed in writing, the CONSULTANT shall continue the Work and maintain the approved schedules during any arbitration proceedings. If the engineer continues to perform, CITY shall continue to make payments in accordance with this Agreement.



**Article 7. Schedules, and Signatures**

This AGREEMENT, including its Schedules, constitutes the entire AGREEMENT, supersedes all prior written or oral understandings, and may only be changed by a written amendment executed by both parties.

IN WITNESS WHEREOF, the parties execute below:

For the CITY, \_\_\_\_\_

Dated this 22 day of July, 2009.

By: J. K. Schell CITY MANAGER  
Name Title

By: \_\_\_\_\_  
Name Title

By: \_\_\_\_\_  
Name Title

For the CONSULTANT,

Dated this 22nd day of June, 2009.

By: [Signature]  
Daniel E. Strobridge, QEP Vice President

**ATTACHMENT A**  
**SCHEDULE OF HOURLY BILLING RATES**  
 June 2009-September 2010

PROFESSIONAL SERVICES		HOURLY RATE (\$)
Officer		\$240.00
Principal / Associate		\$195.00
Senior Professional		\$170.00
Professional II		\$130.00
Professional I		\$110.00
PROFESSIONAL SUPPORT SERVICES		
Senior Support Services		\$112.00
Staff Support Services		\$83.00
PROJECT SUPPORT SERVICES		
Project Administration		\$78.00
Outside Professional Services	Cost X 1.1	
Other Direct Costs	At Cost	

## LABOR CATEGORY DESCRIPTION

Officer – Degreed professional with a minimum of 20 years experience; is titled in CDM as Vice President, Senior Vice President, Executive Vice President or President

Principal/Associate – Is titled as either a Principal or Associate in CDM and is a Degreed professional with a minimum of 12 years of professional experience.

Senior Professional – minimum combination of Bachelors Degree and 10 years experience or Masters Degree and eight years experience

Professional II – minimum combination of Bachelors Degree and 5 years experience or Masters Degree and 4 years professional experience.

Professional I - Bachelors and /or Masters Degree and less than 4 years professional experience

Senior Support Services - Technical training and/or Associates/Bachelors Degree and 10 years professional experience.

Staff Support Services – Technical training and less than 10 years professional experience.

Project Administration – Possesses general accounting and /or office skills.