



CH2M HILL
6410 5th Street
Suite 2-A
Key West, FL 33040-5835
Tel 305.294.1645
Fax 305.294.4913

Date: March 23, 2012

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

Subject: CH2M HILL Domestic Partner Benefit Compliance
Reference: **City Key West Ordinance 2-799**

Dear Jay,

Based on the recent City Commission approval of **City Ordinance Sec. 2-799, Requirements for City Contractors to Provide Equal Benefits for Domestic Partners** CH2M HILL is providing the attached documentation of our compliance with the ordinance.

Please use this documentation as a supplement to our existing Master Services Agreement dated August 2007, Resolution No. 07-331 then extended under Resolution No. 10-287. Please contact Andrew Smyth at 305-294-1645 or asmith@ch2m.com if you have any questions.

We at CH2M HILL appreciate the opportunities you have given our firm and look forward to serving your future project needs.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andrew H. Smyth".

Andrew H. Smyth, P.E.

Key West Office Manager
CH2M HILL

C: Sue Snider/City of Key West
Kim Ciomber/CH2M HILL
Joe Daniels/CH2M HILL
William Beddow/CH2M HILL
File

City of Key West
3140 Flagler Ave.
Key West, FL 33040

RE: Equal Benefits Compliance Declaration
Reference: City Key West Ordinance 2-799

Company: CH2M HILL Engineers Inc.
Address: 6410 5th Street, Suite 2-A
Key West, Florida 33040-5835
Phone: (305) 294-1645
Bus. Lic. No.: 12-00025857 (City of Key West)

Pursuant to City Ordinance Sec. 2-799, Requirements for City Contractors to Provide Equal Benefits for Domestic Partners CH2M HILL makes the following declaration:

CH2M HILL makes all benefits available on an equal basis to its employees with spouses and its employees with domestic partners, and to the spouse and the domestic partners of employees, in all Key West locations and in other locations where work on the contracts with the City of Key West is being performed, except where Federal law dictates otherwise. Benefits affected by such regulations include, but may not be limited to, family medical leave, Flexible Spending Accounts, and Health Savings Accounts. Further, the IRS dictates which of these benefits may be taxable under Section 125 of the IRC.

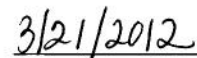
Please use this documentation as a supplement to our existing Master Services Agreement dated August 2007, Resolution No. 07-331 then extended under Resolution No. 10-287.

Please contact Andrew Smyth with any questions.

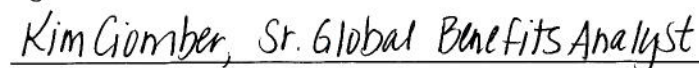
I declare under the penalty of perjury under the laws of the State of Florida that the foregoing is true and correct, and that I am authorized to bind this entity contractually.



Signature of Authorized Person



Date



Printed Name of Authorized Person

Domestic Partner Benefits

You now have the opportunity to enroll your domestic partner and your domestic partner's child(ren) in certain employee benefit programs.

WHO IS ELIGIBLE?

Active full-time and part-time employees who are covered under CH2M HILL's Domestic Benefit Program may enroll their domestic partners and the dependent children of their domestic partners in medical, dental and, for the domestic partner, supplemental life insurance.

Who Qualifies as a Domestic Partner?

CH2M HILL defines same or opposite sex domestic partners as two people in a spouse-like relationship who have met **all** of the following requirements **for at least the prior six (6) consecutive months**:

- Are both eighteen (18) years of age or older and mentally competent.
- Are not related by blood in a manner that would otherwise prohibit legal marriage in our state of residence.
- Share one another's lives in an intimate and committed relationship of mutual caring with the current intent to continue doing so indefinitely.
- Reside together, sharing the same permanent residence for at least six (6) consecutive months prior to enrollment for benefits coverage.
- Are jointly responsible for the other's basic living expenses and we agree that anyone owed these expenses can collect from either of us.
- Are each other's sole domestic partner; are not married to anyone nor have had another domestic partner within the prior six (6) months (this last condition does not apply if you had a partner who died).
- Are financially interdependent and are able to provide documentation of at least two of the following: joint bank accounts, joint credit cards, joint ownership of residence, shared household expenses, granting power of attorney, designating each other as primary beneficiary or executor, or evidence of other joint financial responsibilities.
- Understand that under applicable federal income tax law, payments for medical and dental coverage of a domestic partner may not be eligible for pre-tax treatment.
- Understand that in addition to CH2M HILL's eligibility requirements there are terms and conditions of coverage of certain insurance plans offered through CH2M HILL which we agree to be bound.
- Agree to file a Statement of Termination of Domestic Partnership with CH2M HILL should any of the declarations cease to be true.
- Understand that there may be legal consequences for employees to file an Affidavit of Domestic Partnership or register with an authorized registry in the event of the termination of the domestic partnership. We further understand that this domestic partnership may be regarded as a factor leading a court to treat our relationship as the equivalent to marriage for the purpose of establishing and dividing community property or for ordering payment of support.

For some non-CIGNA HMO plans, the requirement is more than 6 months. Please check with your local HR representative for details of their qualification. (HMO coverage is not available for domestic partners in the states of Virginia and West Virginia.)

Who Qualifies as Your Eligible Dependent Child(ren)?

You may also cover the child(ren) of your domestic partner if they meet the definition of an eligible dependent. Dependent child(ren) include:

- Unmarried child(ren) other than your own natural children living with you in a parent-child relationship which depend on you for support and maintenance;
- Unmarried, dependent child(ren) under age 19 (or under age 25 if they are full-time students) and;
- Unmarried, dependent child(ren) of any age who are mentally or physically disabled, incapable of self-support, who became disabled before age 19 and were covered under a CH2M HILL medical plan.
- Unmarried child(ren) not living with you if there is a legally binding document that requires coverage.

Common Law Marriage

State common law marriage statutes may give legal spouse status to some opposite-sex domestic partners. If you are married by common law you have a “spouse” rather than a domestic partner, so you can enroll him or her through the regular enrollment process.

There are some states, districts, and territories that recognize common law marriages entered into their own jurisdiction, some that recognize common law marriages entered into in other jurisdictions, and some that do not recognize common law marriages at all. You may want to verify your marital status with an attorney before going through the domestic partner registration process. If you reside in a common law state, dissolution of your domestic partner relationship could be controlled by regulations traditionally associated with divorce.

DECLARATION OF DOMESTIC PARTNER STATUS

By completing and signing the *Affidavit of Domestic Partnership Status*, you and your domestic partner will be declaring that:

- You and your partner have met CH2M HILL’s definition of domestic partnership for the immediately preceding 6 months, and
- You could provide evidence of a spouse-like relationship.

Should you want to end your domestic partner status, you may do so by filing a *Statement of Termination of Domestic Partnership*, available on the Virtual Office under **Employee Resources | My Benefits | Human Resources Forms | Benefits**.

NOTE: Signed acknowledgements such as the *Affidavit of Domestic Partnership Status* have led some courts to recognize non-marriage relationships as the equivalent of marriage when establishing and dividing joint property. **Since registering your domestic partner with Human Resources may have other financial and legal implications, you are urged to seek appropriate legal advice before doing so.**

THE EFFECT ON YOUR PAY

Under current federal law, these benefits are considered taxable. However, to permit you to elect these benefits through the Flex Plan, contributions for medical and dental coverage will be deducted from your pay on a pre-tax basis for administrative purposes only. For example if you enrolled your domestic partner in the PPO plan your total monthly contributions would be \$262/mo. Of that amount \$136/mo would be for your coverage and deducted from your check on a before tax basis. The remaining \$126 would be deducted on an after tax basis.

Taxes and Domestic Partner Benefits

The entire fair market value of medical, dental and life insurance you elect for your domestic partner and his or her children will be reported as imputed income for you. This means you will be required to pay federal, FICA, state, local, and other applicable taxes on the value of the benefit coverage CH2M HILL provides.

The imputed income value of the benefits you elect will be the full premium cost of the benefits selected. It will be reported on each pay stub throughout the year and will be included on your W2 at the end of the year.

ENROLLING FOR COVERAGE FOR A DOMESTIC PARTNER

Change in Status Elections

The rules that limit changes in benefit elections for spouses and dependents also apply to domestic partner elections. You may add or drop coverage for your domestic partner and his or her dependent children under the rules that apply for a spouse or dependent child that are described in your CH2M HILL Employee Handbook.

To enroll your domestic partner, his or her children, or both, you must:

1. Complete the *Affidavit of Domestic Partnership Status* form and *Family Status Change Certification* form. These forms can be found on the Virtual Office under **Employee Resources | My Benefits | Human Resources Forms | Benefits**.
2. You must provide documentation as proof of financial interdependence.
3. Contact your Human Resources representative to obtain a *Manual Enrollment* form to make benefits changes. Complete and return the *Manual Enrollment* form, *Affidavit of Domestic Partnership*, *Family Status Change Certification* form and documentation of financial interdependence to your Human Resources representative.
4. If electing a non-CIGNA HMO, complete the appropriate HMO application, and return it to your Human Resources representative.

Enrollment Opportunities

You may make the following benefits election changes as a result of adding or terminating coverage of your domestic partner and his or her dependent children:

Medical – Add or remove your domestic partner and his or her dependent children

Dental – Add or remove your domestic partner and his or her dependent children

Supplemental Life Insurance – Add or remove your domestic partner from your current coverage. Depending on the type of change, you may be required to provide evidence of good health.

Supplemental Disability – Elect or decline the plan. Depending on the type of change, you may be required to provide evidence of good health.

TERMINATING COVERAGE

If your relationship with your domestic partner ends, he or she will no longer be eligible for benefits as of the date the partnership ends. You must complete and send to your Human Resources representative a signed written statement of *Termination of Domestic Partnership* within thirty (30) days of the change in domestic partner status. This form will revoke your *Affidavit of Domestic Partnership Status*.

You also may wish to change the beneficiary designated to receive your life insurance and 401(k) benefits.

Before you can file another *Affidavit of Domestic Partnership Status* with the same or a different partner, you must once again meet all requirements for at least 6 consecutive months.

To delete your domestic partner you must:

1. Complete the *Statement of Termination of Domestic Partnership, Family Status Change Certification* form and *Manual Enrollment* form..
2. Complete and return the *Manual Enrollment* form, *Statement of Termination of Domestic Partnership* and *Family Status Change Certification* form to your Human Resources representative.

CONTINUATION OF COVERAGE

Domestic partners or their dependent children do not have rights to COBRA coverage under existing federal law. However, they are eligible to elect continued coverage under the CH2M HILL Group Major Medical Plan (the “Medical Plan”) if their coverage under the Medical Plan otherwise would terminate as a result of employee’s termination from employment/work reduction or death. The continuation of coverage does not apply to HMO (non-CIGNA) plans.

FOR MORE INFORMATION

After reading this material, you may still have questions. If so, please contact your Human Resources representative.



STATEMENT OF TERMINATION OF DOMESTIC PARTNERSHIP

I, _____, declare that my Domestic Partnership with
(PRINT EMPLOYEE NAME)

_____ shall be and is terminated as of this date.
(PRINT DOMESTIC PARTNER NAME)

Termination is due to:

- Termination of the domestic partnership because of a change in one or more of the circumstances attested to in the Affidavit of Domestic Partnership.

A copy of this notice was mailed to my former domestic partner at:

_____ on _____, _____
(address) (month and day) (year)

- Death of domestic partner.

I declare under penalty of perjury under the laws of the State of _____ that the statements above are true and correct:

Dated this _____ day of _____, 20 ____.

SUBSCRIBED AND SWORN TO before me this _____ day of _____, 20____

by _____ and _____.

NOTARY PUBLIC

My Commission Expires: _____