

**CONTRACT BETWEEN
THE CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT AND
PUBLIC RESOURCES MANAGEMENT GROUP, INC.
FOR
PROFESSIONAL FINANCIAL CONSULTING SERVICES AND UTILITY REVENUE
SUFFICIENCY AND WHOLESALE RATE STUDY**

THIS CONTRACT is entered into this _____ day of _____, 2017 between the City of Riviera Beach Utility Special District, Florida (hereinafter referred to as (“DISTRICT”)) and Public Resources Management Group, Inc., (PRMG) a Florida Corporation whose office is in Maitland, Florida and whose Federal Identification number is 59-3235769 (hereinafter referred to as (“CONSULTANT”)).

WHEREAS, it has been determined that it is advisable, and desirable to employ a qualified firm of financial consultants having special and broad experience in the desired fields for the purpose of providing professional financial consulting services and to perform a water/wastewater rate study; and

WHEREAS, the DISTRICT, in accordance with the Consultant’s Competitive Negotiation Act, has selected the CONSULTANT to be the most qualified firm; and

WHEREAS, the DISTRICT is now desirous of contracting with CONSULTANT to provide professional consulting services as set forth herein.

WITNESSETH:

NOW, THEREFORE, in consideration of the mutual covenants, Contracts, and benefits herein contained, the parties hereto mutually understand and agree as follows:

ARTICLE 1 – SCOPE OF SERVICES

This Scope of Services had been prepared with the objective of providing financial consulting services for the DISTRICT. See Exhibit “A” for the Scope of Services with a Not to Exceed Fee of \$41,000. See Exhibit “C”.

ARTICLE 2 – DISTRICT RESPONSIBILITIES

DISTRICT SHALL:

- A. Provide complete and detailed information as to its requirements for the Project.
- B. Assist CONSULTANT by placing at the CONSULTANT’s disposal all available information pertinent to the Project including previous reports and any other data relative to design and construction of the Project.
- C. Furnish to CONSULTANT, as required by for the performance of the Project, data prepared by or services of others, such as previous studies, comparisons to other municipalities, potential growth, etc., and other special data or consultations not covered in Article 2-A; all of which CONSULTANT may rely upon to performing CONSULTANT services.
- D. Make all provisions for CONSULTANT to enter upon public and private property as required for CONSULTANT to perform its services.
- E. Examine all studies, reports, sketches, drawings, specifications, proposals and other documents presented by CONSULTANT, obtain advice of an attorney, insurance counselor and other CONSULTANTS as deemed appropriate for such examination and render in writing decisions pertaining thereto within a reasonable time so as not to delay the services of CONSULTANT.

- F. Pay all costs incidental to obtaining bids or proposals from CONSULTANT. This includes advertising and mailing, but does not include reimbursement for CONSULTANT's time to discuss the Contract Documents with bidders or equipment suppliers.
- G. The Executive Director of the Riviera Beach Utility Special District or designee shall act as DISTRICT's representative with respect to the work to be performed under this Contract. Such person shall have complete authority to transmit instructions, receive information, interpret and define DISTRICT's policies and decision with respect to materials, equipment, elements and systems pertinent to CONSULTANT services.
- H. Furnish or direct CONSULTANT to provide necessary Additional Services as stipulated in Exhibit A of this Contract or other services as required.
- I. Bear all costs incidental to compliance with the requirements of this Section.

ARTICLE 3 – PERIOD OF SERVICE

It is mutually agreed by DISTRICT and CONSULTANT that this Contract is for a period of one year.

ARTICLE 4 – PAYMENTS TO CONSULTANT

- A. CONSULTANT shall invoice the DISTRICT not more frequently than monthly for services that have been rendered in conformity with this Contract. The DISTRICT's representative shall review each invoice and then forward each invoice to the Finance Department for payment. Invoices will be paid within thirty (30) days following the DISTRICT representative's approval. Rate of Payment will be based on the Schedule of Direct Labor Hourly Rates and Standard Cost Rates as detailed in Exhibit B and the Not to Exceed Maximum Cost estimate based on the project phases and tasks outlined in Exhibit A using the direct hourly rates and standards costs delineated in Exhibit B.
- B. Final Invoice – In order for both parties herein to close their books and records, CONSULTANT will clearly state "final invoice" on the CONSULTANT's final/last billing to the DISTRICT. This certifies that all Services have been properly performed and all charges have been invoiced to the DISTRICT. Since this account will thereupon be closed, any and other further charges if not properly included in this final invoice are waived by the CONSULTANT.
- C. If the DISTRICT fails to make any payment due to the CONSULTANT for services and expenses under this Contract within forty-five (45) days after the CONSULTANT's transmittal of its invoice to the DISTRICT, the CONSULTANT may, after giving notice to the DISTRICT, suspend services under this Contract in question until it has been paid in full all amounts due.
- D. If the DISTRICT disputes any invoice or part of an invoice, DISTRICT shall notify CONSULTANT of such dispute within fifteen (15) days of receipt of the invoice. DISTRICT reserves the right to off-set, reduce or withhold any payment to CONSULTANT in accordance with the terms and conditions of this Contract.

ARTICLE 5 – TRUTH-IN NEGOTIATION CERTIFICATE

Signature of this Contract by the CONSULTANT shall also act as the execution of a truth-in-negotiation certificate certifying that the wage rates, over-head charges, and other costs used to determine the compensation provided for in this Contract are accurate, complete, and current as of the date of the Contract and not higher than those charged to the CONSULTANT's most favored customer for the same or substantially similar service.

The said rates and costs shall be adjusted to exclude any significant sums should the DISTRICT's determine that the rates and costs were increased due to inaccurate, incomplete or non-current wage rates or due to inaccurate representations of fees paid to outside CONSULTANTS. The DISTRICT shall exercise its right under this Article within three (3) years following final payment.

ARTICLE 6 – TERMINATION

This Contract may be cancelled by the CONSULTANT upon thirty (30) days prior written notices to the DISTRICT's representative in the event of substantial failure by the DISTRICT to perform in accordance with the terms of this period. It may also be terminated, in whole or in part, by the DISTRICT, with or without cause, immediately upon written notice to the CONSULTANT. Unless the CONSULTANT is in breach of this Contract, the CONSULTANT shall be paid for services rendered to the DISTRICT's satisfaction through the date of receipt of termination. After receipt of a Termination Notice and except as otherwise directed by the DISTRICT, the CONSULTANT shall:

- A. Stop work on the date and to the extent specified.
- B. Terminate and settle all orders and subcontracts relating to the performance of the terminated work.
- C. Transfer all work in progress, completed work, and other materials related to the terminated work to the DISTRICT in the format acceptable to DISTRICT.
- D. Continue and complete all parts of the work that have not been terminated.

Prior to settlement upon termination of this Contract, the CONSULTANT and DISTRICT shall execute and deliver a mutual release by each party to the other of all claims and demands of any nature whatsoever arising under this Contract.

ARTICLE 7 – PERSONNEL

The CONSULTANT represents that it has, or will secure at its own expense, all necessary personnel required to perform the services under this Contract. Such personnel shall not be employees of or have any Contractual relationship with the DISTRICT.

All of the services required hereunder shall be performed by the CONSULTANT or under its supervision and, all personnel engaged in performing the services shall be fully qualified and, if required, authorized or permitted under state and local law to perform such services.

The CONSULTANT shall furnish services in a manner consistent with industry standards and to a level of professional skill generally acceptable in the industry with regard to services of this kind.

The CONSULTANT agrees that it is fully responsible to the DISTRICT for the acts and commissions of SUB-CONSULTANTS and of persons either directly or indirectly employed by the CONSULTANT. Nothing contained herein shall create any Contractual relationship between any SUB-CONSULTANTS and the DISTRICT.

All of the CONSULTANT's personnel (and all sub-consultants) while on DISTRICT premises, will comply with all DISTRICT requirements governing conduct, safety and security.

ARTICLE 8 – SUBCONTRACTING

The DISTRICT reserves the right to accept the use of a sub-consultant or to reject the selection of a particular sub-consultant and to inspect all facilities of any sub-consultant in order to make a determination as to the capability of the sub-consultant to perform properly under this Contract. The CONSULTANT is encouraged to seek minority and women business enterprises for participation in

subcontracting opportunities.

If a sub-consultant fails to perform or make progress, as required by this contract, and it is necessary to replace the sub-consultant to complete the work in a timely fashion, the CONSULTANT shall promptly do so, subject to acceptance of the new sub-consultant by the DISTRICT.

If sub-consultant(s) are used, the CONSULTANT shall use only licensed and insured sub-consultant(s). All sub-consultants shall be required to promptly make payments to any person who, directly or indirectly provides services or supplies under this Contract.

The CONSULTANT shall be responsible for the performance of all sub-consultants.

ARTICLE- 9 – FEDERAL AND STATE TAX

The DISTRICT is exempt from payment of Florida State Sales and Use Tax. The DISTRICT will sign an exemption certificate submitted by the CONSULTANT. The CONSULTANT shall not be exempted from paying sales tax to its suppliers for materials used to fulfill Contractual obligation with the DISTRICT, nor is the CONSULTANT authorized to use the DISTRICT's Tax Exemption Number in securing such materials.

The CONSULTANT shall be responsible for payment of its own and its share of its employees' payroll, payroll taxes, and benefits with respect to this Contract.

ARTICLE -10- INSURANCE

- A. Prior to execution of this Contract by the DISTRICT, the CONSULTANT shall provide certificates evidencing insurance coverage as required hereunder. All insurance policies shall be issued by companies authorized to do business under the laws of the State of Florida. The Certificates shall clearly indicate that the CONSULTANT has obtained insurance of the type, amount, and classification as required for strict compliance with this Article and that no material change or cancellation of the insurance shall be effective without thirty (30) days prior written notice to the DISTRICT's representative. Compliance with the foregoing requirements shall not relieve the CONSULTANT of its liability and obligations under this Contract.
- B. The CONSULTANT shall maintain during the life of this Contract, standard Professional Liability Insurance in the minimum amount of \$1,000,000.00 Contractual liability per claim/annual aggregate.
- C. The CONSULTANT shall maintain, during the life of this Contract, commercial general liability, including Contractual liability insurance in the amount of \$500,000.00 per occurrence to protect the CONSULTANT from claims for damages for bodily and personal injury, including wrongful death, as well as from claims of property damages which may arise from any operations under this Contract, whether such operations be by the CONSULTANT or by anyone directly or indirectly employed by or contracting with the CONSULTANT.
- D. The CONSULTANT shall maintain, during the life of this Contract, comprehensive automobile liability insurance in the minimum amount of \$500,000.00 combined single limit for bodily injury and property damages liability to protect the CONSULTANT from claims for damages for bodily and personal injury, including death as well as from claims for property damage, which may arise from the Ownership, use, or maintenance of non-owned automobiles, including, but not limited to, leased and rented automobiles whether such operations be by the CONSULTANT or by anyone, directly or indirectly, employed by the CONSULTANT.
- E. The parties to this Contract shall carry Workers' Compensation Insurance and Employer's Liability Insurance for all employees as required by Florida Statutes. In the event that a party

does not carry Workers' Compensation Insurance and chooses not to obtain same, then such party shall in accordance with Section 440.05, Florida Statutes, apply for and obtain an exemption authorized by the Department of Insurance and shall provide a copy of such exemption to the DISTRICT.

- F. All insurance, other than Professional Liability and Workers' Compensation, to be maintained by the CONSULTANT shall specifically include the DISTRICT as an "Additional Insured."

ARTICLE 11 – INDEMNIFICATION

To the extent allowed by Florida law, the CONSULTANT shall indemnify and hold harmless the DISTRICT, its agents, officers, and employees from and against any and all claims, liabilities, losses, costs, and/or causes of action which may arise from any negligent act, recklessness, or intentional wrongful conduct of the CONSULTANT, its agents, officers, or employees in the performance of services under this Contract.

The CONSULTANT further agrees to indemnify, hold harmless the DISTRICT, its agents, officers and employees from and against any claim, demand or cause of action of whatsoever kind or nature arising out of any conduct or misconduct of the CONSULTANT not included in the paragraph above and for which the CONSULTANT, its agents, officers or employees are alleged to be liable.

The CONSULTANT shall pay all claims, losses, liens, fines, settlements or judgments of any nature whatsoever in connection with the foregoing indemnification including, but not limited to, all costs, expert witness fees, reasonable attorney's fees and court and/or arbitration costs. This indemnification shall survive the term of the Contract or any renewal thereof.

Nothing contained in this Article shall be construed or interpreted as consent by the DISTRICT to be sued, nor as a waiver of sovereign immunity beyond the limits provided in Section 768.28, Florida Statutes.

ARTICLE 12 – SUCCESSORS AND ASSIGNS

The DISTRICT and the CONSULTANT each binds itself and its partners, successors, executors, administrators, and assigns to the other party of this Contract and to the partners, successors, executors, administrators and assigns of such other party, in respect to all covenants of this Contract. Except as above, neither the DISTRICT nor the CONSULTANT shall assign, sublet, convey or transfer its interest in this Contract without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of the DISTRICT which may be a party hereto, nor shall it be construed as giving any rights or benefits hereunder to anyone other than the DISTRICT and the CONSULTANT.

ARTICLE 13 - DISPUTE RESOLUTION AND VENUE

All claims arising out of the Contract or its breach shall be submitted first to mediation in accordance with the local rules for mediation in Palm Beach County, Florida. The parties shall share the mediator's fee equally. The mediation shall be held in Palm Beach County, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

This contract and any dispute, disagreement, or issue of construction or interpretation arising hereunder whether relating to its execution, its validity, the obligations provided therein, performance or breach shall be governed and interpreted according to laws of the State of Florida. Venue for any and all legal action necessary to enforce the Contract will be held in Palm Beach County, and if necessary be litigated by non-jury trial.

ARTICLE 14 – REMEDIES

No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or hereafter existing at law or in equity or by statute or otherwise. No single or partial excuse by any party of any right, power, remedy hereunder shall preclude any other or further exercise thereof.

ARTICLE 15 – CONFLICT OF INTEREST

The CONSULTANT represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance or services required hereunder, as provided for in Florida Statutes, Section 112.311. The CONSULTANT further represents that no person having any such conflicting interest shall be employed for said performance.

The CONSULTANT shall promptly notify the DISTRICT’s representative, in writing, by certified mail, of all potential conflicts of interest for any prospective business association, interest or other circumstance which may influence or appear to influence the CONSULTANT’s judgment or quality of services being provided hereunder. Such written notification shall identify the prospective business association, interest or circumstance, the nature of work that the CONSULTANT may undertake and request an opinion of the DISTRICT, as to whether the association, interest or circumstance would, in the opinion of the DISTRICT, constitute a conflict of interest if entered into by the CONSULTANT. The DISTRICT agrees to notify the CONSULTANT of its opinion by certified mail within thirty (30) days of receipt of notification by the CONSULTANT. If, in the opinion of the DISTRICT, the prospective business association, interest or circumstance would not constitute a conflict of interest by the CONSULTANT, the DISTRICT shall so state in the notification and the CONSULTANT shall, at its option enter into said association, interest or circumstance and it shall be deemed not in conflict of interest with respect to services provided to the DISTRICT by the CONSULTANT under the terms of this Contract.

ARTICLE 16 – DELAYS AND EXTENSION OF TIME

The CONSULTANT shall not be considered in default by reason of any failure in performance if such failure arises out of causes reasonably beyond the control of the CONSULTANT or its sub-consultants and without their fault or negligence. Such causes include, but are not limited to: acts of God; natural or public health emergencies; labor disputes; freight embargoes; and abnormally severe and unusual weather conditions.

Upon the CONSULTANT’s request, the DISTRICT shall consider the facts and extent of any failure to perform the work and, if the CONSULTANT’s failure to perform was without its or its sub-consultants fault or negligence, the Contract Schedule and/or any other affected provision of this contract shall be revised accordingly; subject to the DISTRICT’s rights to change, terminate, or stop any or all of the work at any time.

If the CONSULTANT is delayed at any time in the process of the work by any act or neglect of the DISTRICT or its employees, or by any other CONSULTANT employed by the DISTRICT, or by changes ordered by the DISTRICT or in an unusual delay in transportation, unavoidable casualties, or any causes beyond the CONSULTANT’s control, or by delay authorized by the DISTRICT pending negotiation or by any cause which the DISTRICT shall decide justifies the delay then the time of completion shall be extended for any reasonable time the DISTRICT may decide. No extension shall be made for delay occurring more than seven (7) days before claim therefore is made in writing to the DISTRICT. In the case of continuing cause of delay, only one (1) claim is necessary.

This Article does not exclude the recovery of damages for delay by either party under other provisions in the Contract.

ARTICLE 17 – INDEBTEDNESS

The CONSULTANT shall not pledge the DISTRICT’s credit or make it a guarantor of payment or surety for any contract, debt, obligation, judgment, lien, or any forms of indebtedness. The CONSULTANT further warrants and represents that it has no obligation or indebtedness that would impair its ability to fulfill the terms of this Contract.

ARTICLE 18 – DISCLOSURE AND OWNERSHIP OF DOCUMENTS

The CONSULTANT shall deliver to the DISTRICT’s representative for approval and acceptance, and before being eligible for final payment of any amounts due, all documents and materials prepared for the DISTRICT under this Contract.

All written and oral information not in the public domain or not previously known, and all information and data obtained, developed, or supplied by the DISTRICT or at its expense will be kept confidential by the CONSULTANT and will not be disclosed to any other party, directly or indirectly, without the DISTRICT’s prior written consent unless required by a lawful order. All drawings, maps, sketches, programs, data bases, reports and other data developed, or purchased, under this Contract for or at the DISTRICT’s expense shall be and remain the DISTRICT’s property and may be reproduced and reused at the discretion of the DISTRICT. The DISTRICT shall hold the CONSULTANT harmless should the DISTRICT use any of the CONSULTANT’s work products for a purpose other than that intended by the CONSULTANT.

The DISTRICT and the CONSULTANT shall comply with the provisions of Chapter 119, Florida Statutes (Public Records Law).

All covenants, contracts, representations and warranties made herein, or otherwise made in writing by any party pursuant hereto, including but not limited to any representations made herein relating to disclosure or ownership of documents, shall survive the execution and delivery of this Contract and the consummation of the transactions contemplated hereby.

ARTICLE 19 – INDEPENDENT CONSULTANT RELATIONSHIP

The CONSULTANT is, and shall be, in the performance of all work services and activities under this Contract, an Independent CONSULTANT, and not an employee, agent, or servant of the DISTRICT. All persons engaged in any of the work or services performed pursuant to this Contract shall at all times, and in all places be subject to the CONSULTANT’s sole direction, supervision and control. The CONSULTANT shall exercise control over the means and manner in which it and its employees perform the work, and in all respects the CONSULTANT’s relationship and the relationship of its employees to the DISTRICT shall be that of an Independent CONSULTANT and not as employees or agents of the DISTRICT.

The CONSULTANT does not have the power or authority to bind the DISTRICT in any promise, contract or representation other than as specifically provided for in this Contract.

ARTICLE 20 – CONTINGENT FEES

The CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the CONSULTANT to solicit or secure this Contract and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the CONSULTANT, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of this Contract.

ARTICLE 21 – ACCESS AND AUDITS

The CONSULTANT shall maintain adequate records to justify all charges, expenses, and costs concurred in estimating and performing the work for at least three (3) years after completion of this Contract. The DISTRICT shall have access to such books, records, and documents as required in this section for the purpose of inspection or audit during normal business hours, at the CONSULTANT's place of business.

ARTICLE 22 – NONDISCRIMINATION

The CONSULTANT warrants and represents that all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, political affiliation, marital status, handicap, gender identity, or sexual orientation. Further, CONSULTANT shall not discriminate or permit discrimination against any employee or an applicant for employment on the basis of race, color, sex, religion, political affiliation, natural origin, ancestry, marital status, sexual orientation, gender identity or handicap.

ARTICLE 23 – ENFORCEMENT COSTS

If any legal action or other proceeding, including but not limited to arbitration and/or mediation, is brought for any dispute, disagreement, or issue of construction, declaration or interpretation arising hereunder whether relating to the Contract's execution, validity, the obligations provided therein, or performance of this Contract, or because of an alleged breach, default or misrepresentation in connection with any provisions of this Contract. All parties shall be responsible for their own attorney's fees, court costs and expenses if any legal action or other proceeding is brought for any dispute, disagreement, or issue of construction or interpretation arising hereunder whether relating to the Contract's execution, validity, the obligations provided therein, or performance of this Contract, or because of an alleged breach, default or misrepresentation in connection with any provisions of this Contract.

ARTICLE 24 – AUTHORITY TO PRACTICE

The CONSULTANT hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to conduct its business, and that it will at all times conduct its business activities in a reputable manner. Proof of such licenses and approvals shall be submitted to the DISTRICT'S representative upon request.

The CONSULTANT shall be solely responsible for obtaining and complying with all necessary permits, licenses, approvals, and authorizations required for any work done pursuant to this Contract from any federal, state, regional, county or DISTRICT agency.

ARTICLE 25 - SEVERABILITY

If any term or provision of this Contract, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Contract, or the application of such terms or provisions to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Contract shall be deemed valid and enforceable to the extent permitted by law.

ARTICLE 26-WAIVER OF TRIAL BY JURY

In the event of litigation arising from this Contract, DISTRICT and CONSULTANT knowingly, voluntarily and intentionally waive any right to a trial by jury. DISTRICT and CONSULTANT hereby acknowledge that this waiver provision is a material inducement for each party agreeing to enter into this CONTRACT.

ARTICLE 27 – PUBLIC RECORDS

The CONSULTANT shall comply with Florida's Public Records Act, Chapter 119, Florida Statutes,

and, if determined to be acting on behalf of the DISTRICT as provided under section 119.011(2), Florida Statutes, specifically agrees to:

- A. Keep and maintain public records required by the DISTRICT to perform the service.
- B. Upon request from the DISTRICT's custodian of public records or designee, provide the DISTRICT with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- C. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Contract and following completion of this Contract if the CONSULTANT does not transfer the records to the DISTRICT
- D. Upon completion of this Contract, transfer, at no cost, to the DISTRICT all public records in possession of the CONSULTANT or keep and maintain public records required by the DISTRICT to perform the service. If the CONSULTANT transfers all public records to the DISTRICT upon completion of the Contract, the CONSULTANT shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the CONSULTANT keeps and maintains public records upon completion of the Contract, the CONSULTANT shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the DISTRICT, upon request from the DISTRICT's custodian of public records or designee, in a format that is compatible with the information technology of the DISTRICT.

IF THE CONSULTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONSULTANT'S DUTY TO PROVIDE PUBLIC RECORDS REPLATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS OR DESIGNEE AT 600 WEST BLUE HERON BLVD., RIVIERA BEACH, FLORIDA 561-845-4040, RSHERMAN@RIVIERABCH.COM.

ARTICLE 28 – PUBLIC ENTITY CRIMES

As provided in F.S. 287.132-133 by entering into this Contract or performing any work in furtherance hereof, the CONSULTANT certifies that it, its affiliates, suppliers, sub-consultants and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the date hereof. This notice is required by F.S. 287.133(3) (a).

ARTICLE 29 – MODIFICATIONS OF WORK

The DISTRICT reserves the right to make changes in the Scope of Work, including alterations, reductions therein or additions thereto. Upon receipt by the CONSULTANT of the DISTRICT's notification of a contemplated change, the CONSULTANT shall, in writing; (1) provide a detailed estimate for the increase or decrease in cost due to the contemplated change, (2) notify the DISTRICT of any estimated change to the completion date, and (3) advise the DISTRICT if the contemplated change shall affect the CONSULTANT's ability to meet the completion dates or schedules of this Contract.

If the DISTRICT so instructs in writing, the CONSULTANT shall suspend work on that portion of the Scope of Work affected by the contemplated change, pending the DISTRICT's decision to proceed with the change.

If the DISTRICT elects to make the change, the DISTRICT shall initiate a Contract Amendment and the CONSULTANT shall not commence work on any such change until such written amendment is signed

by the CONSULTANT and approved and executed by the DISTRICT BOARD OF DIRECTORS or its designated representative.

ARTICLE 30 - NOTICE

All notices required in this Contract shall be sent by certified mail, return receipt requested, and if sent to the DISTRICT shall be mailed to:

**CITY OF RIVIERA BEACH UTILITY SPECIAL
DISTRICT c/o TROY PERRY
INTERIM EXECUTIVE DIRECTOR
600 WEST BLUE HERON BOULEVARD
RIVIERA BEACH, FL 33404**

and if sent to the CONSULTANT shall be mailed to:

**PUBLIC RESOURCES MANAGEMENT
GROUP, INC. c/o ROBERT J. ORI, PRESIDENT
341 NORTH MAITLAND AVENUE,
SUITE 300
MAITLAND, FL 32751**

ARTICLE 31 – ENTIRETY OF CONTRACT

The DISTRICT and the CONSULTANT agree that this Contract and any attachments hereto or other documents as referenced in the Contract sets forth the entire CONTRACT between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in the Contract may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto in accordance with Article 20-Modifications of Work.

ARTICLE 32 – WAIVER

Failure of the DISTRICT to enforce or exercise any right(s) under this Contract shall not be deemed a waiver of DISTRICT’S right to enforce or exercise said right(s) at any time thereafter.

ARTICLE 33 – PREPARATION

This Contract shall not be construed more strongly against either party regardless of who was more responsible for its preparation.

ARTICLE 34 – MATERIALITY

All provisions of the Contract shall be deemed material, in the event CONSULTANT fails to comply with any of the provisions contained in this Contract or exhibits, amendments and addenda attached hereto, said failure shall be deemed a material breach of this Contract and DISTRICT may at its option and without notice terminate this Contract.

ARTICLE 35- REPRESENTATION/BINDING AUTHORITY

CONSULTANT has full power, authority and legal right to execute and deliver this Contract and perform all of its obligations under this Contract. By signing this Contract, Robert Ori, President, hereby represents to the DISTRICT that he has the authority and full legal power to execute this Contract and any and all documents necessary to effectuate and implement the terms of the Contract on behalf of the party for whom he or she is signing and to bind and obligate such party with respect to all provisions contained in this Contract.

ARTICLE 36 – EXHIBITS

Each exhibit referred to in this Contract forms as essential part of this Contract. The exhibits, if not physically attached, should be treated as part of this Contract and are incorporated herein by reference. “Exhibit A” is hereby attached and describes the Scope of Work.

ARTICLE 37 – CONTRACT DOCUMENTS AND CONTROLLING PROVISIONS

This Contract consists of the Contract, Exhibit “A” and Exhibit “B”. The CONSULTANT agrees to be bound by all the terms and conditions as set forth in this Contract.

Wherever possible, the provisions of such documents shall be construed in such a manner as to avoid conflicts between provisions of the various documents.

ARTICLE 38 – LEGAL EFFECT

This Contract shall not become binding and effective until approved by both parties.

ARTICLE 39 – NOTICE OF COMPLAINTS OR SUITS

Each party will promptly notify the other of any complaint, claim, suit or cause of action threatened or commenced against it which arises out of or relates, in any manner, to the performance of this Contract. Each party agrees to cooperate with the other in any investigation either may conduct, the defense of any claim or suit in which either party is named, and shall do nothing to impair or invalidate any applicable insurance coverage.

ARTICLE 40 – SURVIVABILITY

Any provision of this Contract which is of a continuing nature or imposes an obligation which extends beyond the term of this Contract shall survive its expiration or earlier termination.

ARTICLE 41 – DEFAULT

Notwithstanding anything contained in this Contract to the contrary, the parties agree that the occurrence of any of the following shall be deemed a material event of default and shall be grounds for termination:

- A. The filing of a lien by any sub-consultant including but not limited to material, men, suppliers, or laborers, upon any property, right of way, easement, other interest in land or right to use such land within the territorial boundaries of the DISTRICT which lien is not satisfied, discharged or contested in a court of law within thirty (30) days from the date of notice to the CONSULTANT;
- B. The filing of any judgment lien against the assets of the CONSULTANT related to the performance of this Contract which is not satisfied, discharged or contested in a court of law within thirty (30) days from the date of notice to the CONSULTANT; or
- C. The filing of a petition by or against the CONSULTANT for relief under the Bankruptcy Code, or for its reorganization or for the appointment of a receiver or trustee of the CONSULTANT or the CONSULTANT’s property; or an assignment by the CONSULTANT for the benefit of creditors; or the taking possession of the property of the CONSULTANT by any governmental officer or agency pursuant to statutory authority for the dissolution or liquidation of the

CONSULTANT; or if a temporary or permanent receiver or trustee shall be appointed for the CONSULTANT or for the CONSULTANT's property and such temporary or permanent receiver or Trustee shall not be discharged within thirty (30) days from the date of appointment.

The CONSULTANT shall provide written notice to the DISTRICT of the occurrence of any event of default within ten days of the CONSULTANT's receipt of notice of any such default.

ARTICLE 42 – WAIVER OF SUBROGATION

The CONSULTANT hereby waives any and all rights to Subrogation against the DISTRICT, its officers, employees and agents for each required policy. When required by the insurer, or should a policy condition not permit an insured to enter into a pre-loss contract to waive subrogation without an endorsement, then the CONSULTANT shall agree to notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy, which a condition to the policy specifically prohibits such an endorsement, or voids coverage should the CONSULTANT enter into such a CONTRACT on a pre-loss basis.

ARTICLE 43 – RIGHT TO REVIEW

The DISTRICT, by and through its Risk Management Department, in cooperation with the contract/monitoring department, reserves the right to review, reject or accept any required policies of insurance, including limits, coverages, or endorsements, therein from time to time throughout the term of this Contract. The DISTRICT reserves the right, but not the obligation, to review and reject any insurer providing coverage because of poor financial condition or failure to operate legally.

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CONTRACT WITH THE CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT

IN WITNESS WHEREOF, the parties unto this Contract have set their hands and seals on the day and date first written above.

DISTRICT: CITY OF RIVIERA BEACH

USD CONSULTANT: PUBLIC RESOURCES
MANAGEMENT GROUP, INC.

BY: _____
KASHAMBA MILLER-ANDERSON
CHAIRPERSON

BY: _____
ROBERT J. ORI
PRESIDENT

ATTEST:

BY: _____
CLAUDENE L. ANTHONY
CERTIFIED MUNICIPAL CLERK
CITY CLERK

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

APPROVE AS TO TERMS AND CONDITIONS:

BY: _____
ANDREW DEGRAFFENREIDT
DISTRICT ATTORNEY

BY: _____
TROY PERRY
INTERIM EXECUTIVE DIRECTOR
UTILITY SPECIAL DISTRICT

DATE: _____

EXHIBIT A

CITY OF RIVIERA BEACH, FLORIDA

UTILITY REVENUE SUFFICIENCY AND WHOLESALE RATE EVALUATION

SCOPE OF SERVICES

GENERAL

The work to be performed on behalf of the Special Utility District (the "District") for the City of Riviera Beach (the "City") will include: i) the preparation of a financial forecast and rate revenue sufficiency study (Phase 1); and ii) development of a wholesale water and wastewater service rate to the Town of Magnolia Park (Phase 2). The scope of services assumes that both phases will be presented together to the City Council and will be documented in a single report to the City Council.

SCOPE OF SERVICES

The following is a summary of the following tasks by Project phase:

Phase 1 – Financial Forecast and Revenue Sufficiency Analysis

This phase of the scope of services will focus on the preparation of a financial forecast and revenue sufficiency analysis and corresponding funding plan based on identified capital needs of the System (the "analysis"). The primary services shall include, but not be limited to: i) the evaluation of the sufficiency of the existing utility revenues, rates, charges, and other available revenues, bonds and loan commitments, to meet the expenditure and funding requirements of the City's water and wastewater utility system (the "System") and recommend overall changes in cost recovery levels; ii) as part of the System review, providing assistance with the development of a financial plan to adequately fund the capital projects set forth in the City's Capital Improvement Plan and master plans for the System; iii) preparation of a 6-year revenue sufficiency and financial planning model (current budget year plus five additional years) which supports the findings and recommendations of the study and allows for the evaluation / forecasting of various alternative financial scenarios for funding of operating and capital expenditure costs to assist in the financial decision making processes; and iv) assist the City staff in presenting the findings and capital financing plan to the City Manager and the City Council.

The following is a summary will include the following tasks for this phase of the Project:

1. Data Request and Data Compilation / Review: PRMG will prepare a written data request for the collection of financial, customer billing, operating and planning data necessary to prepare the revenue sufficiency analysis and develop the financing model for the District System. Information requested will include, but is not limited to, historical financial statements and records, historical customer statistics and development planning information, operating budgets, existing and anticipated debt service schedules allocable to the system facilities, bond resolutions and loan agreements, capital improvement plans and current project summaries, fixed asset information, water and wastewater / plant capacity and flow data, current utility rate ordinances and resolutions, wholesale service agreements and other contractual documents affecting utility operations, invoices of certain transactions, and other information that may be relevant to the study. This task will also include attendance at the initial project

kick-off meeting with the City to discuss the i) data request and review compiled information; and ii) general project goals and objectives of the study as it relates to each individual utility system.

2. Development of Historical Customer and Usage Analysis: Based on data availability, PRMG will compile the historical customer, equivalent residential units or connections ("ERC"), and consumption / billed flow data for not more than five (5) fiscal years ended September 30, 2016 and year-to-date 2017 for the System to identify current trends in customer growth and usage relationships by rate or billing class. This compilation will be based on information provided by the City in terms of monthly reports as part of the management oversight of the utility. Based on information provided by the City and the analysis of the trends in customers and usage, PRMG will develop a forecast of customer accounts, billed water sales and wastewater flow (in terms of water gallons billed [often referred to as "revenue gallons"]), water production requirements, and the wastewater treatment requirements required from the East Central Regional ("ECR") Wastewater Treatment Facility ("ECRWTF") for the Forecast Period. The customer and sales projections will be developed to provide the basis for the calculation of utility rate revenues. The forecast will be based on the historical trends and usage requirements of the Utility and the billing rate attributes associated with the rates that are currently in effect and as previously approved by the City Council as part of the current rate phasing program.

In order to develop a reasonable determination of rate revenues (e.g., due to different prices being billed for water and sewer use), a billing frequency analysis will be prepared. PRMG will request the receipt on an electronic basis of the annual detailed customer billing data on a monthly basis for each individual account by customer class, by meter size, and by location such that an analysis as to water use by class and by type of service (water-only or receiving both water and wastewater service) can be compiled and evaluated from a pricing and rate consolidation basis. The information to be obtained by PRMG will include "by individual customer" billing records (download from the customer utility billing program) for the Fiscal Year 2016 on a monthly basis such that an evaluation of billed flows, customer use, and the ability to adjust rate structures can be evaluated. If not separately reported by the City, PRMG will request a utility billing statistical "data dump" of all the accounts of the system for the most recently completed fiscal year ended 2016 such that the usage analysis can be developed. An analysis of water use and billed wastewater flow by consumption block by class will be developed and a revenue reconciliation analysis will be performed to test the detailed billing data.

It is assumed in this scope of services that the billing information will be accurate and will significantly reconcile to the reported revenue as contained in the City's Comprehensive Annual Financial Statements when applying the then existing rates for service to the billing statistics. PRMG will prepare a rate revenue "reasonableness test" to validate the results of the historical customer billing data against the most recent historical rate revenues to provide assurances that the customer billing information is reasonable and can be relied upon for the projection of rates for utility service. If the data does not reconcile and several billing evaluations are required, this may result in additional services above the scope reflected herein.

3. Development of Customer and Sales Forecast: Based on information provided by the City, and the analysis of the trends in customers and usage performed during this task, PRMG will develop a forecast of customer account growth, water sales and billed wastewater flow (often referred to as "revenue gallons" and represents metered water that is billed a wastewater flow charge), water production requirements, and the wastewater treatment requirements for the Forecast Period. The forecast will be

developed to assist in the determination of capacity needs and use and for the calculation of utility rate revenues for the evaluation of the financial needs of the utility system.

4. Rate Revenue and Other Revenue Forecast: Based on the detailed customer billing information and corresponding forecast of customer growth and use, PRMG will develop a rate revenue projection for the Forecast Period. This will allow a match between the growth assumed for the financial forecast and the revenue derived from existing rates. The revenue forecast will also include projections of the operating revenues, interest income (which will be based on a "funds flow" analysis), and impact (capacity) fees for future capital needs.
5. Development of Projected Revenue Requirements and Model Development: PRMG will prepare a financial projection of the net revenue requirements of the System, which represent the funding requirements derived from the monthly user fee revenues for the System. This component of the analysis will include a review of recent historical financial operations for the System, budgeted operations and maintenance expenses including consideration of the impact of any future plant additions or investments included in the capital improvement plan or as identified by the ECR Wastewater Treatment Facilities Operations Board (the "ECR Board") on behalf of the ECRWRF, and funding criteria as determined with the City and other non-operating costs such as inter-fund transfers, debt service, renewal and replacement funding requirements, and any developer contribution analyses. The analysis will be to evaluate and recommend, in conjunction with City staff, minimum reserve fund balances and policies related to financial performance. The analysis will be conducted on "per-utility system" basis with respect to the identification of the revenue sufficiency needs for rate revenue sufficiency determination purposes. The following specific items are identified with this task:
 - a. Development of Operating Expense Projections: This involves the development of the estimated amount of operating expenses required to be funded from System rates and revenues for the Forecast Period for each respective individual system. This task will be performed in sufficient detail in order to: i) recognize the primary expenses incurred by the System, including but not limited to, personnel services, utilities, chemicals, wastewater treatment by contract expenditures for participation in the ECRWRF, operating supplies, and other operating administrative allocations, operating contingencies, insurance needs, and other expenses such that rates are designed to recover the estimated full cost of providing service (anticipated to be projected based on the budgetary format currently in use by the City for the System); ii) assist in the projection of expenditures for the applicable Forecast Period; iii) recognize changes in operating costs due to changes in the cost of wholesale wastewater treatment services, utility operations and the implementation of the capital improvement program; and iv) have sufficient detail in operating expenses to properly account for the costs in support of the revenue sufficiency analysis.
 - b. Capital Improvement and Funding Analysis: This involves a review of the System's six-year or applicable capital improvement program and other engineering planning documents, and the performance of a funding analysis to identify available sources of funds for financing of the capital improvement program and the estimated impact on utility rate revenues associated with the capital funding program for the Forecast Period. This task will also include the development of a flow of funds analysis to evaluate cash flow balances in each specific fund of the System and to estimate interest income earned on unrestricted and restricted fund balances anticipated to be defined in the Bond Resolution for the utility system (and to assist in determination of rate covenant compliance).

A component of this task will be the identification of a renewal and replacement funding policy or funding plan for the Forecast Period which will be included as i) a component of the revenue requirements from rates and ii) a source of funds for the capital improvement funding analysis. The ultimate funding level reflected in revenue sufficiency analysis will depend on a variety of factors, including but not limited to, compliance with the rate covenants pursuant to the Bond Resolution / loan documents, rate impacts, overall capital program needs, current asset service lives, and other factors.

- c. Other Revenue Requirement Identification and Management Dashboard: In order to meet the financial obligations of the City's System, PRMG will review the financial aspects of the City's utility system in order to potentially recognize other revenue requirements or funding requirements that may need to be allocated or included in the rate analysis and in the development of the financial forecast model. This task will include assistance in the development of fiscal benchmarks and policies / practices in terms of working capital maintenance, the funding of capital re-investment for long-term planning needs, the funding of other departmental capital or maintenance reserves for items such as vehicles and equipment, and the recognition of any other transfer requirements that may be associated with the utility system. As part of this task, PRMG will develop a "management dashboard" module as part of the financial model spreadsheet to allow for the review of the financial position of the utility and the ability to perform sensitivity analyses in order to finalize the financial forecast. As part of this task, PRMG will work with the City to identify any fiscal policies and financial performance targets that will provide guidelines and support for the financial forecast and revenue sufficiency fiscal policies necessary to address the need for goals related to financial performance indicators, such as debt service coverage ratios and reserve fund levels which the City may deem necessary.
 - d. Development of Net Revenue Requirements and Rate Impact Analyses: Based on the aforementioned tasks, PRMG will prepare a summary of the total net revenue requirements of the individual utility systems and the accompanying rate impact requirements for each fiscal year of the Forecast Period.
 - e. Compliance Analysis: This task will be conducted in order to satisfy the rate covenant requirements and the flow of fund requirements as defined in the Bond Resolution that authorized the issuance of the outstanding utility system revenue bonds and any other forms of indebtedness. The compliance analyses will be performed for the Forecast Period to maintain the financial integrity of the System.
6. Presentation of Net Revenue Requirements Analysis: PRMG will prepare a summary of the total net revenue requirements of the individual and combined water and wastewater systems and the accompanying rate impact requirements for each fiscal year of the Forecast Period. Based on the financial evaluation performed for the System, PRMG will identify any recommended rate adjustments (rate revenue percentage increase applied on a total System basis) expressed as a percentage above the revenues produced from the existing rates for consideration by the City for each year of the Forecast Period. A meeting will be held with the City staff / City Manager in order to present the results of the initial study findings and results. Based on the results of the staff meeting, PRMG will adjust the overall financial plan for presentation to the City Council.

7. Rate Comparisons: PRMG will prepare a rate comparison of the existing and proposed rates for residential service with the rates charged by other neighboring or similar utilities to evaluate the impact of the proposed System rates on existing users and to assess the competitiveness of the City's proposed rates with other utility systems in the area.

Phase 2 – Development of Wholesale Water and Wastewater Rates

This phase of the scope of services will focus on the development of wholesale water and wastewater rates for service. This phase will include the allocation of costs between joint and retail service and the design of volumetric-based rates to recover the identified revenue requirements.

The following is a summary of the following tasks for this phase of the Project. The scope of services assumes that the data compilation and review activities and the presentation of results to the City staff and management will be conducted concurrently with the Phase 1 activities; therefore such activities are not restated for this phase of the project:

8. Conduct Cost Allocation Analyses and Identification of Wholesale Revenue Requirements: The Fiscal Year 2018 will serve as the "Test Year" for the determination of the wholesale water and wastewater rate evaluation. PRMG will allocate the identified water and wastewater Test Year expenditures between the joint (benefits all users), retail (benefits only District ultimate customers), and wholesale-specific (benefits only the wholesale customer) to identify the cost of providing service.
9. Design of Wholesale Water Rates: Based on the cost allocation analysis, PRMG will develop a wholesale volumetric water rate (expressed on a \$ / 1,000 gallons basis) for consideration by the City. The unit cost rates will be structured such that the City can identify the direct and total allocated operating expenses, capital recovery, and other costs that are applicable to be recovered in a wholesale water rate for service.
10. Update to the Design of Wholesale Wastewater Rates: Based on the cost allocation analysis, PRMG will develop a wholesale volumetric wastewater rate (expressed on a \$ / 1,000 gallons basis) for consideration by the City. The unit cost rates will be structured such that the City can identify the direct and total allocated operating expenses, capital recovery, and other costs that are applicable to be recovered in a wholesale water rate for service.

Tasks for Presentation of Phase 1 and Phase 2 Activities

The remaining tasks for the scope of services will focus the development of the report and presentation of the Phase 1 and Phase 2 activities to City management and the City Council. The following is a summary of the following tasks for the remainder of the Project:

11. Report Preparation and Presentation: PRMG will prepare a technical memorandum or letter report in support of the evaluation of the sufficiency of rates to meet the expenditure requirements of the System, which encompasses the financial plan and capital improvement plan funding analysis, and the derivation of the wholesale rates (the "Report"). The report prepared by PRMG will include i) delineation of the assumptions and analysis used to prepare the financial forecast, the available or identified funding sources that meet the overall capital improvement program needs of the System, and any other aspects

of the System (i.e., action plan items based on noted trends and the attainment of certain financial targets for the System) and ii) the development of the wholesale rates and basis for allocation of costs to such class of customer.

12. **Presentation to City Council:** PRMG will prepare the necessary presentation documents to present the findings and rate recommendations to the City Council. The scope includes the attendance of one public meeting to present the final analysis and proposed rate adjustments and financial plan prepared in support of the recommended rate adjustments.
13. **Meetings:** During the course of this project, it is anticipated that PRMG will attend a total of three (3) on-site meetings with the City and attend three WebEx™ (teleconference) meetings to present ongoing results with City staff. For the purposes of preparing the cost estimate included on Attachment C, it has been assumed that the on-site meetings would have a duration of six (6) hours per meeting, which includes travel and meeting preparation. The on-site meetings recognized in this scope of services include the following:

Description	On-Site Meetings
Kick-Off / Data Compilation and Review	1
Review of Financial Forecast / wholesale rates with City Management	1
Presentation of Recommendations to Board	<u>1</u>
Total Meetings	<u>3</u>

The WebEx™ meetings will represent assumption development, forecast review, and project status meetings that are necessary to allow for the ongoing preparation of the utility rate evaluation and financial forecast. For the purposes of preparing the cost estimate included on Attachment C, it has been assumed that the WebEx™ meetings would have a duration of two (2) hours per meeting.

List of Deliverables

The deliverables to be provided with respect to the preparation of the Revenue Sufficiency Study component of the Project shall include the following items:

- Data Request for Information Compilation
- Water and Wastewater System Financial Forecast and Revenue Sufficiency Analysis
- Proposed Retail Water and Wastewater System Rate Adjustments
- Retail Rate Comparison with Other Jurisdictions
- Wholesale Water and Wastewater System Rates
- Revenue Sufficiency Study Technical Memorandum
- Presentation materials for City Council Presentation

City Staff Assistance to PRMG

As with any major study performed for a public utility, PRMG has assumed in the preparation of the scope of services and the associated Agreement cost estimate that the Finance and Utility Departments will provide

assistance to PRMG in order to complete the engagement on a timely basis. The following is a list of the activities anticipated by PRMG to be performed by the Utility Director and the City consultants for the Project:

1. The gathering of specific customer, operational and financial data and information relative to the Project, including detailed customer billing information in an electronic (Excel) format;
2. The performance of certain analyses relative to the compiling of data if not in a usable format in general records and reports of the System;
3. Providing assistance in the formulation of policy decisions relative to cost or need determination, cost allocation and rate design. An example would include rate-phasing alternatives, capital improvements project prioritization, etc.;
4. Providing assistance in public relations program including but not limited to, scheduling of the City Council meetings, and communication of the findings and recommendations determined during the performance of the Project to the public;
5. Performing a general review and providing comments relative to the financial evaluations and recommendations of PRMG based on the analyses and reports submitted to the City; and
6. Assistance by the City's legal counsel in the development of the rate resolution as may be required.

Additional Services

During the course of the study, the City may request the need for additional services relative to the performance of the revenue sufficiency and rate evaluation, which would result in the performance of additional services by PRMG. Such services considered as an additional service will not be conducted until authorized by the City and as mutually agreed between the parties. All invoices for additional services will be based on contractual terms as agreed between the City and PRMG pursuant to this Agreement. Although no additional services are anticipated for this engagement, examples of additional services may include the following:

1. Attendance of meetings with the City Manager and consultants, City committees or interested parties, or public hearings with the City Council in addition to what is contemplated in the scope of services.
2. The derivation of additional capital funding alternatives / scenarios beyond what is generally contemplated in the scope of services.
3. Review and design of individual utility system rates or other service charges and such as meter installation or Connection Fees and other existing or new ancillary or miscellaneous customer service charges.
4. Delays in the Project schedule at no fault to PRMG, which may have impacts on analyses performed, and which would affect the budget for the scope of services reflected herein.
5. Performance of ongoing model support and update services or prepare a revision to the model after substantial completion of the project.

To the extent additional services are performed by PRMG for this Project but the total cost of the study, including the additional services, does not exceed the allocable PRMG budget cost of the Project, no additional services will be billed to the City by PRMG.

EXHIBIT B

CITY OF RIVIERA BEACH, FLORIDA

UTILITY REVENUE SUFFICIENCY AND WHOLESALE RATE EVALUATION

SCHEDULE OF DIRECT LABOR HOURLY RATES AND STANDARD COST RATES

DIRECT HOURLY LABOR RATES

Project Team Title	Direct Labor Hourly Rates [*]
Principal	\$190.00
Associate	\$150.00
Managing Consultant	\$135.00
Supervising Consultant	\$120.00
Senior Consultant	\$115.00
Rate Consultant	\$105.00
Consultant	\$ 95.00
Senior Rate Analyst	\$ 85.00
Rate Analyst	\$ 75.00
Analyst	\$ 65.00
Assistant Analyst	\$ 55.00
Administrative and Clerical	\$ 55.00

[*] Direct labor hourly rates effective twelve months after the date of execution of the agreement between the City (the "City") and PRMG for the Project identified in this Agreement; rates may be adjusted by not more than the net percentage change (but not less than 0%) in the Consumer Price Index – Urban Consumers per annum (rounded to the nearest dollar) or as mutually agreed between the City and PRMG for invoices rendered after each anniversary date of each year thereafter until project completion or termination of the consulting agreement by the City; such change in rates must be requested in writing by PRMG and will not be an automatic change in the hourly rates upon the anniversary date of the agreement between the parties.

STANDARD COST RATES

Expense Description	Standard Rates [*]
Mileage Allowance – Personal Car Use Only	\$0.500 per Mile
Reproduction (Black and White) (In-House)	\$0.05 per Page
Reproduction (Color) (In-House)	\$0.25 per Page
Reproduction (Contracted)	Actual Cost
Computer Time	\$0.00 per Hour
Telephone Charges	Actual Cost
Delivery Charges	Actual Cost
Lodging / Other Travel Costs	Actual Cost
Meals – Not-to-Exceed per PRMG Employee	\$8.00 – Breakfast \$12.00 – Lunch \$25.00 – Dinner
Subconsultant Services	Actual Cost Plus 5.0%
Other Costs for Services Rendered	Actual Cost

[*] Any specific standard cost rates used by the City will supersede any rates shown above and will be recognized in the development of PRMG's cost to provide consulting services. Standard cost rates effective twelve months after the date of execution of the agreement between the City and PRMG for the Project identified in this Agreement; where applicable, rates will be adjusted by not more than the net percentage change (but not less than 0%) in the Consumer Price Index – Urban Consumers per annum (rounded to the nearest dollar) or as mutually agreed between the City and PRMG for invoices rendered after each anniversary date of each year thereafter until project completion or termination of the consulting agreement by the City. Such change in the standard cost rates must be requested in writing by PRMG and will not be an automatic change in the standard cost rates upon the anniversary date of the agreement between the parties.

EXHIBIT C								
City of Riviera Beach - Utility Special District								
Water and Wastewater System								
Cost Estimate Associated With Performing a Water and Wastewater Revenue Sufficiency and Wholesale Rate Evaluation								
Line No.	Description	Task Ref.	Principal	Senior Consultant	Rate Analyst	Assistant Rate Analyst	Clerical and Administration	Totals
1	Direct Labor Rates		\$ 190.00	\$ 115.00	\$ 75.00	\$ 65.00	\$ 55.00	
Phase 1 - Financial Forecast and Revenue Sufficiency Analysis								
2	Data Request and Data Compilation / Review	1	2	8	4	-	2	16
3	Development of Historical Customer and Usage Analysis	2	1	12	24	-	-	37
4	Development of Customer and Sales Forecast	3	1	6	6	-	-	13
5	Rate Revenue and Other Revenue Forecast	4	1	3	8	-	-	12
6	Development of Projected Revenue Requirements and Model Development							
7	Development of Operating Expense Projections	5	2	12	28	-	-	42
8	Capital Improvement Program and Funding Analysis	5	2	10	22	-	-	34
9	Other Revenue Requirement Identification and Management Dashboard	5	2	10	4	-	-	16
10	Development of Net Revenue Requirements and Rate Impact Analyses	5	1	2	2	-	-	5
11	Compliance Analysis	5	1	2	3	-	-	6
12	Presentation of Net Revenue Requirements Analysis	6	1	2	2	-	2	7
13	Rate Comparisons	7	-	1	-	4	-	5
14	Total Hours - Phase 1		14	68	103	4	4	193
15	Direct Labor Cost		\$ 2,660	\$ 7,820	\$ 7,725	\$ 260	\$ 220	\$ 18,685
16	Average Hourly Rate							\$ 96.81
Phase 2 - Development of Wholesale Water and Wastewater Rates								
17	Conduct Cost Allocation and Identification of Wholesale Revenue Requirements	8	6	28	8	-	-	42
18	Design Wholesale Water Rates	9	3	12	4	-	-	19
19	Design Wholesale Wastewater Rates	10	3	12	4	-	-	19
18	Total Hours - Phase 2		12	52	16	-	-	80
19	Direct Labor Cost		\$ 2,280	\$ 5,980	\$ 1,200	\$ -	\$ -	\$ 9,460
20	Average Hourly Rate							\$ 118.25
Presentation of Phase 1 and Phase 2 Activities								
21	Prepare Report / Technical Memorandum	11	6	16	2	-	16	40
	Presentation to City Council (presentation documents only)	12	2	4	-	-	2	8
	Project Meetings							
22	Kick-off Meeting (one on-site meeting)	13	6	6	-	-	-	12
23	Working Group Meetings (one on-site meeting)	13	6	6	-	-	-	12
24	Presentation to City Council (one on-site meeting)	13	6	6	-	-	-	12
25	Web-ex and progress meetings - teleconference (three meetings)	13	-	6	6	-	3	15
26	Project Management	All	3	-	-	-	4	7
27	Total Hours - Phase 3		29	44	8	-	25	106
28	Direct Labor Cost		\$ 5,510	\$ 5,060	\$ 600	\$ -	\$ 1,375	\$ 12,545
29	Average Hourly Rate							\$ 118.35
Total Project Cost Summary								
30	Total Project Costs - Direct Labor Cost							40,690
Other Direct Costs								
31	Travel Costs (3 trips at \$50 rental vehicle plus \$35.00 fuel)							\$ 255
32	Allowance For Copy Charges (15 reports x 100 pages x 2 drafts x \$0.05/page) +(20 final reports x 2 [covers/backs] x \$2.50)							250
33	Other (e.g., Telephone, Miscellaneous Direct Costs)							60
34	Total Other Direct Costs							\$ 310
35	Total Estimated Project Cost							\$ 41,000