

1. Requested Motion:

Meeting Date: Sept 4, 2012

Authorize Town Manager to enter into a Service Provider Agreement with GAI Consultants of Orlando, Florida to develop a Water Utility Rate Study; cost not to exceed \$74,500

Why the action is necessary:

Authorize the water system rate study per Council direction.

What the action accomplishes:

Allows the Town to move forward with the Water Utility Rate Study

2. Agenda:

- Consent
 Administrative

3. Requirement/Purpose:

- Resolution
 Ordinance
 Other

4. Submitter of Information:

- Council
 Town Staff
 Town Attorney

5. Background:

The Town issued a Request for Qualifications (RFQ) for Water Utility Rate Study earlier this year. The RFQ was publicized in the News-Press and posted on the Town's website. Firms that submitted bids: GAI Consultants, PRMG, Raftelis Financial, Burton & Associates, Wildan Financial and Springsted, Inc. The Selection Advisory Committee (SAC) meeting was held in March and three firms, GAI Consultants, PRMG and Raftelis Financial were invited to the interview stage of the selection process. All three firms made presentations to the SAC in April and as a result of these presentations, the SAC made the recommendation to award GAI Consultants the Service Provider Agreement for Water Utility Rate Study. At that point, staff worked with GAI to further refine the scope of the project and determine the documents they would need from Town records.

Attached:

- Memo from Finance Director outlining history, scope and status
- Service Provider Agreement
- Final Scope of Services

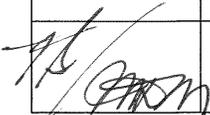
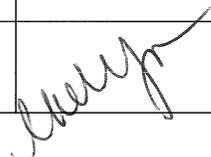
6. Alternative Action:

Reject the agreement with GAI Consultants

7. Management Recommendations:

Approve Service Provider Agreement with GAI Consultants, Orlando, FL

8. Recommended Approval:

Town Manager	Town Attorney	Finance Director	Public Works Director	Community Development Director	Parks & Recreation Director	Town Clerk
						

9. Council Action:

- Approved Denied Deferred Other

Town of Fort Myers Beach



Memo

To: Terry Stewart, Town Manager
From: Evelyn Wicks, Finance Director
Date: August 21, 2012
Re: Consent agenda item – Water Utility Rate Study

Evelyn Wicks

Consent agenda Item A will authorize staff to enter into an agreement with GAI, Inc. of Orlando to complete a comprehensive rate study for the water utility at a cost not to exceed \$ 74,500. The Town's goal is to insure that the rates are not only equitable for the system rate payers, but to confirm that the rate structure will support the cost of capital investment and repairs for the entire system. I expect the final reports to be completed by mid-November or earlier. During September and October, I will request estimates of any suggested rate changes as that information becomes available.

History

The Town issued a Request for Qualifications (RFQ) for Water Utility Rate Study earlier this year. The RFQ was publicized in the News-Press and posted on the Town's website. Firms that submitted bids:

- GAI Consultants
- PRMG
- Raftelis Financial
- Burton & Associates
- Wildan Financial
- Springsted, Inc.

A Selection Advisory Committee (SAC) meeting was held in March and three firms, GAI Consultants, PRMG and Raftelis Financial were invited to the interview stage of the selection process. All three firms made presentations to the SAC in April and as a result of these presentations, the SAC made the recommendation to award GAI Consultants the Service Provider Agreement for Water Utility Rate Study. At that point, staff worked with GAI to further refine the scope of the project and determine the documents they would need from Town records.

Scope

The project is comprised of five separate tasks:

1. Water Rate Study	\$28,500
2. Miscellaneous Charge Study	7,500
3. Impact Fee Study	14,500
4. Efficiency/Optimization Study	9,500
5. Additional services (<i>at Town's request only</i>)	14,500

Status

Consultants working on the study will need the following items from Town records. The chart shows each item and the current status.

<i>The following items are specific to the rate study</i>	<i>Complete</i>
FY 2009 - 2011 Certified Financial Reports	yes
A copy of the FY 2009 - 2012 detailed budget	yes
Actual revenues and expenses - FY11 & FY12- detailed	yes
Latest trial balance and income statement	yes
Five-year historical and projected Water customer connections.	in process
FY 2009 - 2011 detailed expense listing for water service	yes
Detailed water customer data for the twelve months ending 9/30/11	yes
Copies of Official Statements and/or loan agreements	yes
Any information associated with the issuance of future indebtedness	yes
Descriptions of and the basis for allocating overhead expenses	yes
Any estimates of future capacity needs	yes
Information relative to the bad debt write-off	yes
Any active agreements - bulk water, lease, land, vendor, labor etc	in process
Copies of any previous water rate, miscellaneous charge and impact fee studies	yes

<i>The following items are specific to the system improvement and are being finalized</i>
The current Five-Year Capital Improvement Program
Most recent water master plan
Copies of bid tabs for construction costs
All current applicable water permits
Water monthly operating reports as filed with local regulatory agency
Maps/system atlas detailing the current water service area

Service Provider Agreement

SERVICE PROVIDER AGREEMENT

This SERVICE PROVIDER AGREEMENT is entered into on this ____ day of _____, 2012, by and between the Town of Fort Myers Beach, 2523 Estero Boulevard, Fort Myers Beach, FL 33931, a chartered municipality of the State of Florida (hereafter "Town"), and GAI Consultants, Inc. with an address of 618 E. South Street, Suite 700, Orlando, FL 32801 (hereafter "Provider"), for the Provider to render the following services to the Town –with a Water Utility Rate Study as further described in Exhibit "A".

1. Scope of Services. Provider shall perform the services and work as set forth in "Scope of Services" which is attached hereto as Exhibit "A" and made a part of this Agreement. Provider warrants and represents that it is qualified, willing and able to provide and perform all such services in accordance with the terms of this Agreement. The parties shall have the ability to change the Scope of Services by mutual written agreement, except that the Town shall have the unilateral right to delete services hereunder for any reason without compensation to Provider other than for services already performed.
2. Term. The term of this Agreement is 75 calendar days.
3. Payment Obligation. The Town shall pay for all requested and authorized services rendered hereunder by the Provider and completed in accordance with this Agreement, as set forth in Exhibit "B," which is attached hereto and made a part of this Agreement. The Provider's invoice statements shall contain a breakdown of charges, description of service(s) and work provided and/or performed, and, where appropriate, supportive documentation of charges consistent with the basis of compensation set forth in this Agreement. In the event of a dispute as to the Town's payment obligation, the Town shall pay the undisputed amount, if any, within thirty (30) days.
4. Provider's Obligations. The Provider's obligations shall include, but are not limited to, the following:
 - a) Licensure. The Provider shall maintain all licenses and/or certifications required by any governmental agencies responsible for regulating and licensing the services provided and performed by the Provider.
 - b) Provision of Services. The Provider shall perform all services pursuant to this Agreement in accordance with generally accepted standards of professional practice and in accordance with the laws, statutes, ordinances, codes, rules, regulations and requirements of governmental agencies which regulate or have jurisdiction over the services to be provided and/or performed by the Provider. All personnel assigned by Provider hereunder will be qualified to perform such duties. Provider shall designate one (1) person as the point of contact for the Town regarding its duties hereunder. Provider is solely responsible for all taxes incurred by Provider and shall make all deductions required of employers by state, federal and local laws.
 - c) Non-Waiver. Neither review, approval, nor acceptance by Town of data, studies, reports, memoranda, and incidental professional services, work and materials furnished hereunder by the Provider, shall in any way relieve Provider of responsibility for the adequacy, completeness and accuracy of its services, work and materials.

Request for Qualifications
Town of Fort Myers Beach
Water Utility Rate Study
RFQ 12-01-PW

- d) Indemnity and Hold Harmless. The Provider shall be liable and agrees to be liable for, and shall indemnify, defend and hold the Town harmless for any and all claims, suits, judgments or damages, losses and expenses including court costs, expert witness and professional consultation services, and attorneys' fees (including but not limited to appellate attorney fees) arising out of the Provider's errors, omissions, willful action(s) and/or negligence. The Provider shall not be liable to, nor be required to indemnify the Town for any portions of damages arising out of any error, omission, and/or negligence of the Town, its employees, agents, or representatives.
 - e) Non-Public Information. The Provider agrees, during the term of this Agreement, not to divulge, furnish or make available to any third person, firm, or organization, without the Town's prior written consent, or unless incident to the proper performance of Provider's obligations hereunder, or as provided for or required by law, any non-public information concerning the services to be rendered by Provider. Provider shall require all of its employees and subcontractor(s) to comply with the provisions of this paragraph.
 - f) Statutory Duties. The duties and obligations imposed upon the Provider by this Agreement and the rights and remedies available to the Town hereunder shall be in addition to, and not a limitation of, any otherwise imposed or available by law or statute.
 - g) Disclosure. The Provider warrants it has not employed or retained any company or person, other than a bona fide employee working solely for it, to solicit or secure this Agreement 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 it, any fee, commission, percentage, gift or other compensation contingent upon or resulting from the award or making of this Agreement.
5. Commencement and Completion of Work. The Town shall provide written notice to the Provider that it is authorized to commence work. The Provider thereafter shall commence work promptly and shall carry on all such services and work as may be required in a timely and diligent manner to completion. Should the Provider fail to commence, provide, perform, and/or complete any of the services and work required hereunder in a timely and diligent manner, the Town may consider such failure as justifiable cause to terminate this Agreement, in addition to any other remedies the Town may have.
6. Insurance. The Provider shall have, and maintain, during the entire period of this Agreement, all such insurance (or self-insurance) as set forth on Exhibit "A". Each Certificate of Insurance shall include the name and type of policy and coverages provided; the amount or limit applicable to each coverage provided; the date of expiration of coverage; the designation of the Town of Fort Myers Beach as additional insured and as certificate holder, except as to Professional Liability Insurance and for Workers' Compensation Insurance. Should any of these policies be cancelled before the expiration date thereof, Provider shall instruct the issuing company to mail thirty (30) days written notice to the Town of such cancellation.

Request for Qualifications
Town of Fort Myers Beach
Water Utility Rate Study
RFQ 12-01-PW

7. Inclusion of Additional Documents. Any request for bids and/or request for proposal and all exhibits or other attachments thereto as issued by the Town are hereby incorporated by reference. In addition, the following Exhibits are attached hereto and hereby incorporated by reference:
8. Termination of Agreement. Either party may terminate this Agreement without cause upon thirty (30) calendar days' prior written notice to the other, in which case the Town shall compensate the Provider for all services performed prior to the effective date of termination and reimbursable expenses then due. In addition, the Town shall have the ability to terminate this Agreement at any time for cause.
9. Assignment, Transfer and Subcontracts. The Provider shall not assign or transfer any of its rights, benefits or obligations hereunder, except for transfers that result from the merger or consolidation of Provider with a third party. The Provider shall have the right, subject to the Town's prior written approval, to employ other persons and/or firms to serve as subcontractors to Provider in connection with its performance of services and work pursuant to this Agreement.
10. Maintenance of Records. The Provider will keep and maintain adequate records and supporting documentation applicable to all of the services, work, information, expense, costs, invoices and materials provided and performed pursuant to this Agreement. Said records and documentation will be retained by the Provider for a minimum of two (2) years from the date of termination of this Agreement, or for such period as required by law. The Town and its authorized agents shall, with reasonable prior notice, have the right to audit, inspect and copy all such records and documentation as often as the Town deems necessary during this Agreement the next succeeding two (2) years.
11. References to Town. All references to "the Town" or "the Town of Fort Myers Beach" shall be deemed to include its employees, agents, and/or authorized representatives.
12. Modification. Except as set forth in Paragraph 1 above, modifications to this Agreement shall only be valid when made in writing and signed by both parties. In the event of any conflict between the requirements, provisions, and/or terms of this Agreement and any subsequent written modification hereto, the most recently executed document shall take precedence.
13. Miscellaneous Provisions.
 - a) Applicable Law. This Agreement shall be governed by the laws, rules and regulations of the State of Florida. The venue for any litigation arising out of this agreement shall be in Lee County, Florida.
 - b) Attorneys Fees: The prevailing party in any litigation arising out of the agreement is entitled to recover reasonable attorney's fees from the non prevailing party.
 - c) Non-Discrimination. The Provider covenants that in the furnishing of services hereunder, no person on the grounds of race, color, national origin, handicap, or sex shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination.
 - d) Headings. The headings of the Articles, Sections, Exhibits, and Attachments in this Agreement are for the purpose of convenience only and shall not be deemed to

Request for Qualifications
Town of Fort Myers Beach
Water Utility Rate Study RFQ
12-01-PW

expand, limit or change the provisions contained in such Articles, Section, Exhibits and Attachments.

- e) Entire Agreement. This Agreement, including any Exhibits, constitutes the entire Agreement between the parties and shall supersede all prior agreements or understandings, written or oral, relating to the matters set forth herein.
- f) Notices. All notices hereunder shall be in writing and shall be sent via U.S. Postal Service, first class mail, to the other party's address as listed at the beginning of this Agreement. Either party may change its address by prior written notice to the other party.

IN WITNESS WHEREOF, the parties have executed this Agreement as set forth below.

TOWN OF FORT MYERS BEACH

ATTEST:

BY: _____
Terrance Stewart, TOWN MANAGER DATE

BY: _____
Michelle Mayher, TOWN CLERK

APPROVED AS TO LEGAL FORM:

BY: _____
Fowler, White, Boggs, TOWN ATTORNEY

PROVIDER: GAI Consultants, Inc.

BY: _____
Signature

Witness Signature

Printed name of person signing

Printed name of witness

Title (printed)

Scope of Services

EXHIBIT A
WATER UTILITY RATE STUDY
SCOPE OF SERVICES

GAI Consultants, Inc. (GAI or the "Consultant") shall perform the following tasks in preparation of a Water Rate Study for the Town of Fort Myers Beach (Town):

Task I. Water Rate Study

- A. **Utility Customer Data and Billing Frequency** - GAI will review and evaluate historical and current data regarding the customers of the water system. Such customer data may include, but not necessarily be limited to, the number of accounts per customer class, the number of water accounts by meter size and customer class, and the number of equivalencies associated with each account. In particular, GAI will make sure that the equivalencies are fair, just and equitable across all classes of customers (residential, condominiums and business). Once completed, GAI will work with the Town to verify the results by independently calculating revenues utilizing the customer data and reconciling the results to actual accounting data based on collected rate revenue.
- B. **Fiscal and Revenue Requirements** - GAI will review and evaluate such financial and accounting information as budgets, historical and current financial records, operation and maintenance reports, capital improvement programs, and schedules of existing and proposed debt service as they pertain to the water system. From such data, GAI will prepare a schedule identifying the total fiscal requirements, operating income, and net revenue requirements of the utility fund which will serve as the basis of the five (5) year pro-forma discussed below. Additionally, GAI will prepare a revenue requirement scenario that replaces the contractual services of Woodard and Curran with Town employees, including an allowance for tools, equipment and supplies that would be necessary. It is assumed for this scenario that the types of services that Woodard and Curran contracts out would still be contracted out by the Town and therefore no staffing, equipment, or tools and supplies will be added in the alternative scenario. For this alternative scenario, one of GAI's engineers will do an on-site assessment of the Utility to help ensure the level of service requirements necessary to replace the Woodard and Curran contract. GAI will discuss with Town staff the findings,

identify any anticipated adjustments, and obtain concurrence on the net revenue requirements. Thereafter, pursuant to Town's budgeting process and operating characteristics of the utility, GAI will allocate the net revenue requirement between the utility's customers.

- C. **Rate Architecture Review and Modification** – GAI will review the existing rate structure for the purpose of determining its appropriateness relative to revenue stability, equitable recovery of costs and accommodation of community standards. The findings and possible implications will be reviewed with Town staff and with consideration of comments and/or direction from Town staff, GAI will modify the existing rate structure.

- D. **Allocation of Cost and Rates** – Net revenue requirements for the Utility will be allocated to the rate components pursuant to the existing/modified rate structure. Based on customer classes, flow determinants and allocated revenue requirements, user rates will be developed for the water system. Tables and schedules identifying any changes in the proposed rates, together with comparison of other communities, will also be developed and included in the rate model.

- E. **Forecast of Customer Growth and Water** – Pursuant to historical and planning data provided by the Town GAI will project the number of accounts for each customer class of each utility for the forecasted period. These projections will be reviewed with Town staff to ensure compatibility with Town plans. In addition, water consumption will be projected for the same period based on either information developed through the billing frequency analysis or GAI's experience with similar utilities.

- F. **Forecast of Revenue Requirements and Operating Results** – A 5-year pro-forma operating statement will be developed for the water system. The pro-forma will include a projection of revenues, O & M expenses, cash flow need of the capital improvement program and other fiscal requirements of the utility. The projected operating results will be used to demonstrate the sufficiency of recommended rates and feasibility of overall operations. Recommended adjustments to user rates based on projected or anticipated operating needs will

be provided as applicable to comply with State, local, and bond covenant requirements together with suggested adjustments for inflation.

Meetings and Deliverables Associated with Water Rate Study

- A. **Project Kick-off Meeting** – GAI will provide a data request to Town staff prior to the kick-off meeting. It is anticipated that there will be discussions regarding:
 - 1. Data availability,
 - 2. Historic operating and administrative policies and procedures,
 - 3. Consultant/Town communications,
 - 4. Time schedules, and
 - 5. Meeting and deliverable formats.

- B. **Preliminary Findings** – Upon completion of the initial analysis GAI will provide pertinent tables and schedules, as necessary, regarding the rates, and meet with Town Staff regarding the findings, opinions, and alternatives. After sufficient time for Town Staff to review, if necessary, GAI will discuss any issues or concerns of Town Staff and incorporate such directions into the Study.

- C. **Draft Report** – Upon incorporation of the Town’s comments, GAI will prepare a draft report of the recommended rates. Five (5) copies of the draft report will be provided for review by the Town staff.

- D. **Draft Report Conference Call** – A conference call is contemplated between GAI and Town Staff to present the draft report. GAI also anticipates that upon completion of such conference call, sufficient comments and direction from Town Staff will be provided whereby GAI can finalize the reports.

- E. **Final Report** – Fifteen (15) copies of the final report will be provided to Town.

- F. **Final Meeting** – GAI will present the final report to the Town Council at up to two public meetings.

Task II. Water Miscellaneous Charges Study

GAI proposes to review Town's existing miscellaneous charge structure and identify, if appropriate, other potential areas for service and system charges. GAI will appropriately allocate expenses so that the miscellaneous charges recover the costs of providing the service. Any recommended modifications, additions, or deletions to Town's current miscellaneous charges will be included in the Miscellaneous Charge Study Report presented to the Town Council. Activities associated with this task include:

A. **Define the Service to Be Provided**

- Describe the specific activities involved
- Describe why the service is needed
- Determine how service is measured

B. **Identify Capital Investments made in Order to Provide the Service**

- Review existing methodology
- Determine if appropriate capital costs recovery allocations, if any, are required

C. **Estimate Direct Labor Costs**

- Identify Standard Time Requirements to Complete Service
- Identify Employees Required to Complete Service
- Identify Employee Wages
- Identify Employee Fringe Benefits

D. **Determine Other Direct Costs**

- Identify Use of Materials, if any
- Identify use of Equipment, if any
- Identify use of Vehicles, if any
- Identify costs associated with Materials, Equipment, and Vehicles

E. **Determine Indirect Costs**

- Identify indirect costs including purchasing, building maintenance, electricity, telephone charges, supervision, clerical support, etc.

Meetings and Deliverables Associated with Miscellaneous Charge Study

- A. **Project Kick-off Meeting** – GAI will provide a data request to Town staff prior to the kick-off meeting. It is anticipated that the Miscellaneous Charge Study kick-off meeting can be done in conjunction with the Water Rate Study kick-off meeting and that there will be discussions regarding:
 - 1. Data availability,
 - 2. Historic operating and administrative policies and procedures,
 - 3. Consultant/Town communications,
 - 4. Time schedules, and
 - 5. Meeting and deliverable formats.

- B. **Preliminary Findings** – Upon completion of the initial analysis GAI will provide pertinent tables and schedules, as necessary, regarding the miscellaneous charges, and meet with Town Staff regarding the findings and opinions. It is anticipated that this meeting can be in conjunction with the Water Rate Study preliminary findings meeting. After sufficient time for Town Staff to review, if necessary, GAI will discuss any issues or concerns of Town Staff and incorporate such directions into the Study.

- C. **Draft Report** – Upon incorporation of the Town’s comments, GAI will prepare a draft report of the recommended charges. Five (5) copies of the draft report will be provided for review by the Town Staff.

- D. **Draft Report Conference Call** – One conference call is contemplated between GAI and Town Staff to discuss the draft report. GAI also anticipates that upon completion of such meeting, sufficient comments and direction from Town staff will be provided whereby GAI can finalize the report.

- E. **Final Report** – Fifteen (15) copies of the final report will be provided to Town.

- F. **Final Meeting** – GAI will present the final report to the Town Council at one public meeting. It is anticipated that this presentation can be done in conjunction with the Water Rate Study presentation.

Task III. Impact Fee Study

GAI proposes to review Town's existing Impact fees and make recommendations for changes based on the provisions of the Florida Impact Fee Act (Section 163.31801, Florida Statutes) established as a result of Florida Senate Bill 1194. Activities associated with this task include:

A. **Identify Recoverable Capital Costs**

- Review Existing Methodology
- Existing Facility Costs
- Proposed CIP Costs

B. **Determination of Connection Fees**

- Identify Treatment Capacities
- Identify Transmission Capacities
- Recommendations regarding modifications to existing methodology, where appropriate
- Calculate Impact Fees
- Comparison with Other Utility Systems

Meetings and Deliverables

A. **Project Kick-off Meeting** – GAI will provide a data request to Town staff prior to the kick-off meeting. It is anticipated that the Impact Fee Study kick-off meeting can be done in conjunction with the Water Rate Study and Miscellaneous Charge Study kick-off meeting and that there will be discussions regarding:

1. Data availability,
4. Historic operating and administrative policies and procedures,
5. Consultant/Town communications,
6. Time schedules, and
7. Meeting and deliverable formats.

B. **Preliminary Findings** – Upon completion of the initial analysis GAI will provide pertinent tables and schedules, as necessary, regarding the impact fees, and

meet with Town Staff regarding the findings, opinions, and alternatives. It is anticipated that this preliminary findings meeting can occur in conjunction with the preliminary findings meeting concerning the Water Rate and Miscellaneous Charge Studies. After sufficient time for Town Staff to review, if necessary, GAI will discuss any issues or concerns of Town Staff and incorporate such directions into the Study.

- C. **Draft Report** – Upon incorporation of the Town’s comments, GAI will prepare a draft report of the recommended fees. Five (5) copies of the draft report will be provided for review by the Town Staff.
- D. **Draft Report Conference Call** – One conference call is contemplated between GAI and Town Staff to discuss the draft report. GAI also anticipates that upon completion of such meeting, sufficient comments and direction from Town Staff will be provided whereby GAI can finalize the report.
- E. **Final Report** – Fifteen (15) copies of the final report will be provided to Town.
- F. **Final Meeting** – GAI will present the final report to the Town Council at one public meeting. It is anticipated that this presentation can be done in conjunction with the Water Rate Study and Miscellaneous Charge Study presentation.

Task IV. Efficiency/Optimization Study

- A. **Operational Review of the Town’s Field Operations Division** - GAI will review and evaluate historical and current data regarding the overall operation of the Town’s field operations division.
- B. **Operational Review of the Town’s Collections Division** - GAI will review and evaluate available data regarding the Town’s billing and collections division.

Meetings and Deliverables

- A. **Project Kick-off Meeting** – GAI will meet with Town Staff to discuss the goals and objectives of the Town. It is anticipated that this kick-off meeting can be done in conjunction with the kick-off meeting regarding the Water Rate Study, Miscellaneous Charge Study and Impact Fee Study. In addition, GAI will perform a field inspection of the water facilities. It is anticipated that there will also be discussions regarding:
1. Data availability,
 2. Historic and projected operating and administrative policies and procedures,
 3. Consultant/Town communications,
 4. Time schedules, and
 5. Meeting and deliverable formats.
- B. **Preliminary Findings** – Upon completion of the initial analysis GAI will provide alternatives regarding the operational efficiency/optimization of the water system, and meet with Town Staff regarding the findings, opinions, and alternatives. It is anticipated that this preliminary findings meeting can occur in conjunction with the preliminary findings meeting concerning the Water Rate, Miscellaneous Charge and Impact Fee Studies. After sufficient time for Town Staff to review, if necessary, GAI will discuss any issues or concerns of Town Staff and incorporate such directions into the Study.
- C. **Draft Reports** – Upon incorporation of the Town’s comments, GAI will prepare a draft report of the alternatives along with the recommended alternatives. Five (5) copies of the draft report will be provided for review by the Town Staff.
- D. **Draft Report Conference Call** – One conference call is contemplated between GAI and Town Staff to discuss the draft report. GAI also anticipates that upon completion of such discussion, sufficient comments and direction from Town Staff will be provided whereby GAI can finalize the report.
- E. **Final Report** – Fifteen (15) copies of the final report will be provided to the Town.

- F. **Final Meeting** – GAI will present the final report to the Town Council at one public meeting. It is anticipated that this presentation can be done in conjunction with the Water Rate, Miscellaneous Charge and Impact Fee Studies presentation.

Task V. Additional Services

In association with the above assignment, GAI will respond to requests by Town for additional services. The additional services may include, but not be limited to: additional meetings not identified above including one-on-one meetings with Council members; implementation assistance; negotiations assistance; capital funding assistance; and utility strategic planning.

An initial budgetary estimate of not-to-exceed fourteen thousand five hundred dollars (\$14,500.00) without Town written approval, billed hourly in accordance to the attached rate schedule, should be provided by the Town for additional services. Additional services will only be provided at the request of Town Staff and a written notice to proceed from the Town's Representative.

Items To Be Furnished At No Expense to GAI

Town will assist GAI by furnishing, at no cost to GAI, all available pertinent information including previous reports, financial statements, budgets, cost estimates, customer data, agreements, ordinances, codes, and any other data relative to performance of the above services for the project. It is agreed and understood that the accuracy and veracity of said information and data may be relied upon by Consultant without independent verification of the same.

Designate in writing a person to act as Town's Representative with respect to the services to be performed under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret, and define Town's policies and decisions with respect to materials, equipment, elements, and systems pertinent to GAI's services.

Fees to be Paid

The cost for Task I, Water Rate Study, of the Scope of Services is a lump-sum Twenty-Eight Thousand Five Hundred Dollars (\$28,500.00) including reimbursable expenses (typically mileage, meals and hotel, at cost, when on-site).

The cost for Task II, Miscellaneous Charge Study, of the Scope of Services is a lump-sum Seven Thousand Five Hundred Dollars (\$7,500.00) including reimbursable expenses (typically mileage, meals and hotel, at cost, when on-site).

The cost for Task III, Impact Fee Study, of the Scope of Services is a lump-sum Fourteen Thousand Five Hundred Dollars (\$14,500.00) including reimbursable expenses (typically mileage, meals and hotel, at cost, when on-site).

The cost for Task IV, Efficiency/Optimization Study, of the Scope of Services is a lump-sum Nine Thousand Five Hundred Dollars (\$9,500.00) including reimbursable expenses (typically mileage, meals and hotel, at cost, when on-site).

The cost for Task V, Additional Services, of the Scope of Services is an initial estimate not-to-exceed Fourteen Thousand Five Hundred Dollars (\$14,500.00) without Town written approval, billed hourly in accordance to the attached rate schedule, for additional services. Additional services will only be provided at the request of Town Staff and a written notice to proceed from the Town's Representative.

Request for Qualifications
Town of Fort Myers Beach
Water Utility Rate Study
RFQ 12-01-PW

TO THE SERVICE PROVIDER CONTRACT DATED THIS ___ DAY OF _____,
2012 BETWEEN THE TOWN AND GAI CONSULTANTS, INC., PROVIDER.

PAYMENT OBLIGATION

1. Payment terms are as follows:
 - a. Total cost of all labor and materials not to exceed seventy four thousand five hundred (\$74,500)
 - b. Work to be inspected and approved by the Town prior to issuing payment.
 - c. Invoice to be submitted by Provider to Town after the Town has completed and approved all work and materials.
 - d. Payment will be made by Town within 30 days of receipt of invoice from Provider.

2. Provider shall receive reimbursement for out-of-pocket expenses from the Town as follows:

(none)