



Water and Sewer Rate Study

RFP #12108-185

Prepared for City of Fort Lauderdale, Florida
Prepared by Stantec

February 12, 2018



Contents

1. Executive Summary/Letter of Interest	1
2. Experience & Qualifications	4
Background	4
Project Experience	6
A Note on Budget and Scheduling	9
License and Certifications	9
Insurance Requirements	9
Financial Statement	9
3. Understanding of City's Needs	10
Our Understanding	10
Project Approach	11
Task 1: Analysis	11
Task 2: Preparation of Report	18
Task 3: Recommendation and Implementation of Assessment Process	19
Task 4: Meetings and Public Participation	19
Task 5: Deliverables	20
Preliminary Project Schedule	20
Resources & Availability	21
4. Organizational Profile & Project Team Experience	22
5. References	36
6. M/WBE Participation	43
7. Sub Consultants	44
8. Required Forms	45

Executive Summary/ Letter of Interest

1. Executive Summary/Letter of Interest

We are pleased to present this proposal to conduct a Water and Sewer Rate Study for the City of Fort Lauderdale, Florida. We have specifically designed our project team to provide the City with the dedicated, experienced resources to best conduct the requested services in a timely manner that addresses each of the City's unique issues and areas of emphasis.

Local Knowledge - The roots of Stantec's Financial Services Practice are in Florida. For nearly 30 years, members of our team have provided similar services to municipalities and utilities in the state, including the City of Fort Lauderdale. Nearly a decade ago, we conducted a similar rate study using the most current data and technology available at that time. In the years that have passed, there has been a shift in the City's customer base, better data is available, and technology has improved. We have the history and knowledge to move forward with you towards a new and improved rate structure.

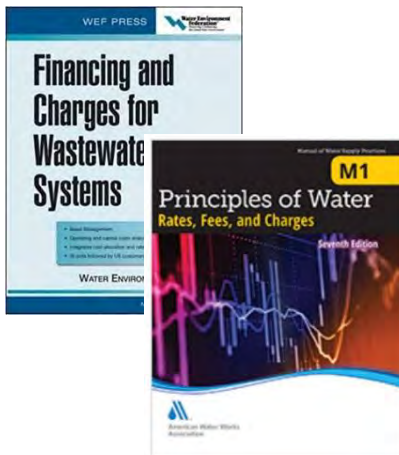
We also have been conducting a ten year revenue sufficiency analysis for the City's water and sewer utility as a part of an integrated financial sustainability analysis for eight funds of the City. As a part of last year's analysis, we evaluated the debt bearing capacity of the utility over the ten year forecast after the issuance of a \$200 million bond issue this fall. We also prepared the financial feasibility study for this bond issue as a sub-consultant to CH2MHill's Engineer's Report team. This recent knowledge and experience relative to the utility's revenue requirements and financial sustainability will provide us with a significant advantage to serve as the rate consultant for this study. Also, we will be conducting a ten year revenue sufficiency analysis for the utility during FY 2018 as a part of the aforementioned integrated financial sustainability analysis, which will allow us to be very cost efficient as that portion of the study will be funded in large part through that process.

Understanding & Approach - Providing water and wastewater utility services is complex, and attention to both the management of utility services and the administration of rates and charges is increasingly important. The City provides critical utility infrastructure to its residents and businesses, and needs to recover costs efficiently and equitably, while maintaining affordability. Our role is to help the City obtain the resources needed, to do so in a way that makes sense and is fundamentally fair, and to help communicate the need for any rate changes in ways the community can understand and embrace.

To conduct the analyses requested under this contract, we will use our integrated modeling system, Financial Analysis and Management System (FAMS-XL). Our modeling system and interactive process will allow us to conduct the study in the most timely and cost effective manner possible. It is comprehensive, easy to use, and was built and developed in MS Excel to be easily customizable to reflect the unique dynamics of each utility or set of enterprise fund activities. We have

used this FAMS-XL modeling system and approach on a number of studies that we have conducted for the City in recent years and City staff is experienced in working with the interactive process. You will enjoy continuing to work with our modeling system – it’s unlike any other.

Industry Experience - We have a tremendous amount of experience with and knowledge of a variety of accepted ratemaking and cost of service methodologies, including practices and approaches identified in American Water Works Association (AWWA) and Water Environment Federation (WEF) manuals (M1, M54 and WEF MOP 27), as well as accepted industry practices in various parts of the country.



Several members of our team are active members of AWWA Rates and Charges Committee and were contributing authors to the most recent edition of M1. In addition, we are very familiar with the financial criteria used by the municipal ratings agencies in evaluating the financial health of municipal water and sewer systems. In fact, our project team has conducted financial feasibility analyses and other services in support of the issuance of \$1 billion in utility bonds in just the past five years.

Key Staff Members – Our project team will include several key staff members experienced in conducting similar studies and with knowledge of the City’s needs. Michael Burton will serve as Project Director, supervising the entire study. Andrew Burnham will provide oversight to the concepts and methodologies in his role as Technical Advisor. Jeff Dykstra, Project Manager, will oversee the day-to-day activities of the study. He will be supported by a lead consultant, Kyle Stevens, and two financial analysts, Pete Napoli and Patrick Luce. More details about the qualifications of our team are presented in Section 4.

Proposer Legal Information – Stantec Consulting Services Inc. (Stantec) is a New York corporation formed in 1929. Since 2001, Stantec has legally authorized to do business in the State of Florida as a foreign corporation. The principle office for this study is located at 200 Business Park Circle, Suite 101, St. Augustine, FL 32095.

Mr. Michael Burton will serve as the Project Director and main point of contact for the procurement and contract process. He has the authority to contract with the City. Mr. Burton can be reached at our St. Augustine office listed above, by phone at (904) 247-0787 or via email at michael.burton@stantec.com.

Summary - Our breadth of local and national experience and our interactive modeling process are a unique combination. Our team provides the City with:

- ✓ Nationally recognized stature in utility ratemaking
- ✓ Experience with rate and financial management practices in Florida
- ✓ A powerful, easy-to-understand, and customized Microsoft Excel-based modeling system
- ✓ Excellence in stakeholder education and public engagement programs

- ✓ Commitment and availability of resources to complete the study in a timely fashion

If you have any questions, please do not hesitate to contact me.

Regards,



Michael Burton
Vice President, Financial Services

Experience & Qualifications



2. Experience & Qualifications

Background

The Stantec community unites more than 22,000 employees working in over 400 locations. Our local strength, knowledge, and relationships, coupled with our world-class expertise, have allowed us to go anywhere to meet our clients' needs in more creative and personalized ways. With long-term commitment to the people and places we serve, Stantec has the unique ability to connect to projects on a personal level and advance the quality of life in communities across the globe. For this project, we will use members of our Financial Services Practice.

Stantec's Financial Services Practice is home to 30+ professional consultants with over 30 years of combined experience.

Stantec's Financial Services Practice is home to an impressive amount of experience and knowledge. It is this deep bench of experience that brings value to your project. As a group, we work together and learn from each other's experiences. This combination of diverse backgrounds and experience has made us **who we are today – a trusted source to our clients in providing independent and objective financial management services to local governments and utilities throughout the country.** This sharing of knowledge and expertise will be brought to your project as well. You can be assured that our team will develop a comprehensive and balanced solution to this study.

We have a tremendous amount of experience with and knowledge of a variety of accepted ratemaking and cost of service methodologies, including practices and approaches identified in American Water Works Association (AWWA) and Water

Environment Federation manuals. Our practice leaders have authored hundreds of articles for industry trade journals, and have authored or co-authored most of the standards that serve as industry guidelines for utility rates and financial management. We aspire to provide our clients with financial guidance that makes a difference in their organizations, their performance, and in their communities.

Our practice covers a broad range of financial issues for our clients. A representative listing is provided below.

Rate Studies

- Water & Wastewater
- Reclaimed Water
- Stormwater
- Electric / Gas
- Solid Waste & Recycling
- General Government Services

Cost-of-Service Analysis

- Wholesale/Outside-City rates
- Functionalized cost allocation
- Custom cost allocation modeling
- Complex regional cost-sharing models
- Asset/rate base allocation

Long-Term Financial & Capital Plans

- Establishing financial goals and objectives
- Managing reserve levels
- Bond feasibility plans
- Live workshop scenario analysis
- Sensitivity analysis
- Bond rating improvement plans

System Development Fees/Capacity Fees

- Legal compliance evaluation
- Buy-in fee development
- Incremental fee development
- Expert witness assistance
- Hybrid fee approaches
- Developer reimbursement plans

Benchmarking

- Proprietary U.S. database
- 100 data points per record
- 50,000 total financial metrics (current)
- Common-size financial statements
- 1, 3, & 5-year industry averages
- Custom group comparisons

Affordability

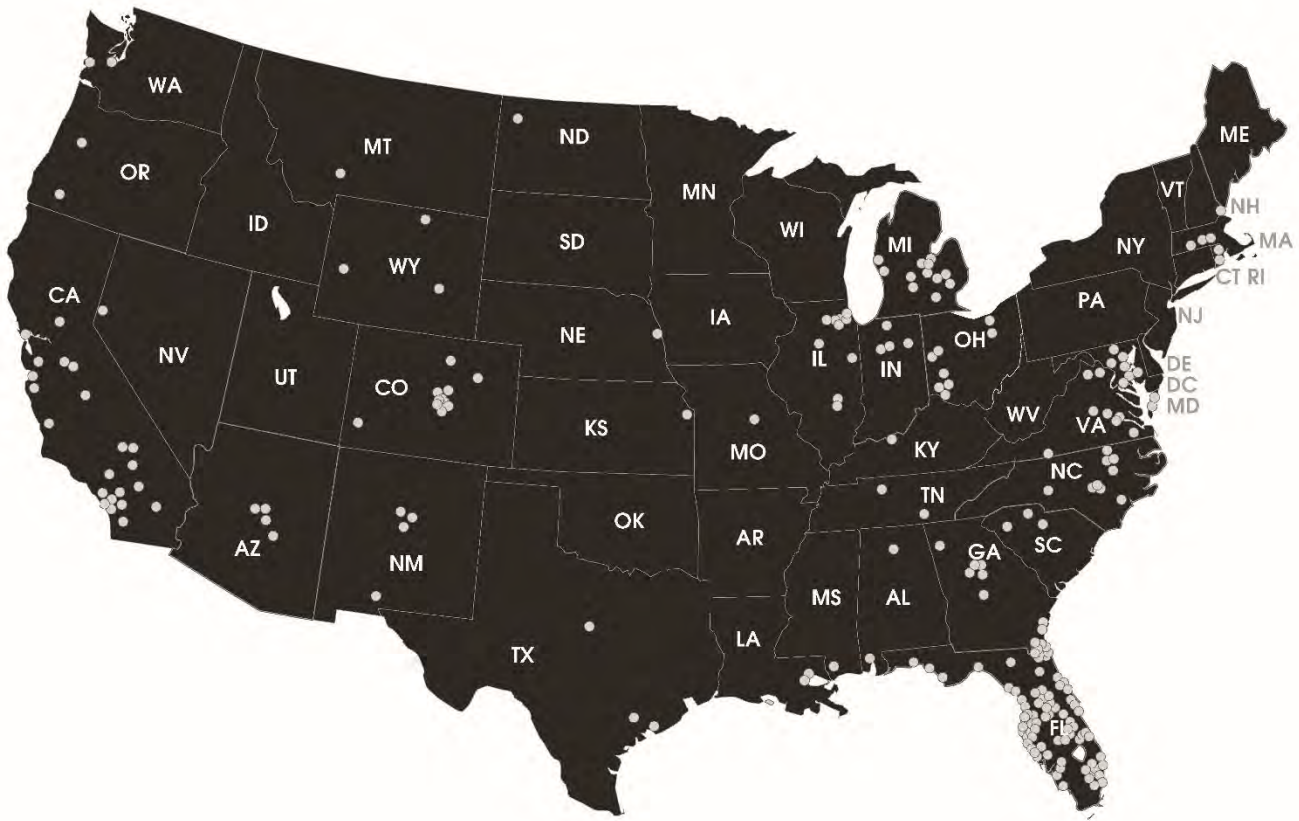
- Innovative, unique approach ("WARI"™)
- Industry-changing technique
- Multi-year affordability metrics
- Output to high-definition maps
- Regulatory case support
- Low-income program development

Revenue Variability Solutions

- Mitigation strategies
- Weather variability analysis
- Revenue risk assessment
- Weather-risk insurance products
- Custom underwriting solutions

Special Assessments

- Finding of Benefit
- Cost apportionment methodology
- Assessment methodology
- Public outreach
- Public notices
- Assessment administration/updates



Project Experience

Our Financial Services Practice has completed over 1,200 similar financial and rate related studies for clients around the country. In this section, we present a list of national clients to show our depth and breadth of our experience. Detailed descriptions of a selection of the most recent and relevant to the City of Fort Lauderdale are presented in Section 5 - References.

This table presents a selection of our experience in providing a full suite of financial consulting services to clients throughout the United States.

		Financial Forecasting & Revenue Requirements	Cost of Service Analysis	Rate Structure Development	Wholesale/Bulk Rate Analysis	Capacity Charges/Impact Fees	Miscellaneous Service Charges/Fees	Affordability Analysis/WARI™	Capital Improvement Finance Planning	Custom Modeling & Tool Development	Financial Management & Benchmarking	Public/Stakeholder Engagement	Water/Wastewater Utility Valuation	Customer Billing & Demand Analysis	Regional Cost Allocation	Financial Policy Development	Ordinance/Service Agreement Assistance
AL	Decatur Utilities	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
AL	Mobile Area Water and Sewer System	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
AZ	City of Peoria	●	●	●					●	●	●	●	●	●			
AZ	City of Tempe	●	●	●					●	●	●	●	●	●	●	●	●
AZ	Town of Gilbert	●	●	●		●			●	●	●	●	●	●		●	
CA	Casitas Municipal Water District	●	●	●	●				●	●	●	●	●	●	●	●	●
CA	City of Bakersfield	●	●			●			●	●	●	●				●	
CA	City of Coachella	●	●	●		●	●		●	●	●	●	●	●	●	●	●
CA	City of Corona, Dept. of Water and Power	●	●	●		●			●	●	●	●				●	●
CA	City of Greenfield	●	●	●					●	●	●	●	●	●		●	●
CA	City of Huntington Beach	●	●	●		●			●	●	●	●				●	●
CA	City of San Diego	●	●	●		●			●	●	●	●	●			●	●
CA	Coachella Valley Water District	●	●	●	●	●	●		●	●	●	●	●	●		●	●
CA	Indio Water Authority	●	●	●		●			●	●	●	●				●	●
CA	Moulton Niguel Water District	●	●	●	●	●	●		●	●	●	●	●	●			●
CA	City of Norco	●	●	●		●			●	●	●	●	●	●		●	●
CA	Ross Valley Sanitation District	●							●	●	●	●				●	
CA	Soquel Creek Water District	●	●	●	●	●	●		●	●	●	●	●	●			●
CO	Castle Pines North Metropolitan District	●	●	●	●	●	●		●	●	●	●	●	●		●	●
CO	Castle Rock Water	●	●	●					●	●	●	●	●	●		●	●
CO	City of Aurora	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
CO	City of Loveland	●	●	●	●	●	●		●	●	●	●	●	●		●	●
CO	Colorado Springs Utilities		●	●	●	●				●							●
CO	Parker Water and Sanitation District	●	●	●	●	●	●		●	●	●	●	●	●		●	●
CO	Pinery Water and Wastewater District	●	●	●	●	●	●		●	●	●	●	●	●		●	●
CO	Plum Creek Water Reclamation Authority	●	●	●	●	●			●	●	●	●			●	●	
FL	City of Clearwater	●	●	●	●	●	●		●	●	●	●	●	●		●	●
FL	City of Cocoa	●	●	●	●	●	●		●	●	●	●	●	●	●	●	●
FL	City of Coral Springs	●	●	●	●	●	●		●	●	●	●	●	●		●	●
FL	City of Fort Lauderdale	●	●	●	●	●	●		●	●	●	●	●	●	●	●	●

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FL	City of Fort Myers	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
FL	City of Marco Island	●	●	●		●	●		●	●	●	●		●		●	●
FL	City of Mount Dora	●	●	●		●	●			●	●	●					
FL	City of Naples	●	●	●	●	●	●		●	●	●	●		●		●	●
FL	City of St. Cloud	●	●	●	●	●	●		●	●	●	●		●		●	●
FL	City of St. Pete Beach	●				●	●		●	●	●	●				●	●
FL	City of St. Petersburg	●	●	●	●		●		●	●	●	●		●	●	●	●
FL	JEA (Jacksonville)	●	●	●			●		●	●	●	●			●	●	●
FL	Okeechobee County	●	●	●	●	●	●		●	●	●	●		●			
FL	Orange County	●	●	●	●	●	●		●	●	●	●		●	●	●	●
FL	Pasco County	●	●	●	●	●	●		●	●	●	●	●	●		●	●
FL	Peace River Manasota Regional Water Supply Authority	●	●	●	●	●	●		●	●		●			●	●	●
FL	Pinellas County	●	●	●	●		●	●	●	●	●	●		●		●	●
FL	Seminole County	●	●	●	●	●	●		●	●	●	●	●	●	●	●	●
FL	The Villages	●			●		●		●	●	●	●		●		●	●
FL	Toho Water Authority	●	●	●	●	●	●		●	●	●	●		●	●	●	●
FL	Town of Orange Park	●	●	●		●	●		●	●	●	●		●		●	●
GA	Athens-Clarke County	●		●	●			●						●		●	
GA	Bartow County	●	●	●		●	●		●	●					●	●	
GA	Brunswick/Glynn County Joint Water & Sewer Commission	●	●	●		●	●	●	●	●	●	●		●	●	●	●
GA	City of Rome	●	●	●	●	●	●		●	●		●		●		●	
GA	City of Savannah	●	●							●		●					
GA	Cobb County Marietta Water Authority	●	●	●	●	●	●		●	●				●	●	●	
GA	Forsyth County	●	●	●	●	●	●		●	●	●	●		●		●	●
GA	Glynn County	●			●	●	●			●	●	●					●
GA	Peachtree City Water and Sewer Authority	●		●			●		●	●	●	●		●		●	
IL	City of Effingham	●	●	●	●	●	●		●	●	●			●	●	●	
IL	City of Geneva	●	●	●		●	●			●		●				●	
IL	Village of Glenview	●		●	●		●		●	●	●			●			
IL	Lake Sara Water Authority			●	●	●			●	●			●				

A Note on Budget and Scheduling...

“On schedule and on budget.” The words every client wants to hear. It's all in the planning and preparation, and of course having the right people and the right tools for the job. Stantec's project managers have established systems for maintaining tight control on budgets. As work is initiated, we will capture actual costs with Stantec's state-of-the-art accounting system; a labor distribution report will be expedited regularly to the project manager, allowing for both review and tracking of costs. We encourage you to contact the references in this section who can attest to not only the quality of our work, but our ability to complete the projects on time and within budget.

License and Certifications

Stantec is authorized to conduct business in the State of Florida. For this type of service, no additional licensure or registration is required.

Insurance Requirements

Proof of existing insurance coverage is presented in Section 8 – Required Forms and demonstrates our ability to meet or exceed to the coverage requirements of the City.

Financial Statement

Stantec Inc. is a publicly traded entity listed on the New York Stock Exchange (Symbol: STN) and the Toronto Stock Exchange (Symbol: STN). We are required to be financially stable in order to maintain these listings and we are required to adhere to the Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission “(2013 framework)” (the COSO criteria). We are subject to ongoing independent audits that prove our financial stability and credit worthiness.

For a complete view of our audited financial statements, visit the Investors section of our web site at www.stantec.com/about-us/investors.html. Upon request, we will provide additional information or financial statements.

Please note that Stantec Inc.'s operating subsidiaries and affiliates (e.g., Stantec Consulting Ltd., Stantec Consulting Services Inc., etc.) are not publicly traded, but are owned and/or controlled by Stantec Inc. Stantec Inc.'s financial statements are consolidated to include its subsidiaries and structured entities that are controlled, but do not necessarily include all affiliates.

Understanding of City's Needs



3. Understanding of City's Needs

Our Understanding

For nearly a decade, we have provided financial consulting services to the City of Fort Lauderdale (Note: Stantec acquired Burton & Associates in 2016). We first conducted a water and sewer rate study for the City in 2008. At that time, we designed a rate structure with the best data and best technology available. Since then, the City has seen shifts in its population – an increase in multifamily accounts. Data and technology has improved, and the City's rates need to be updated to reflect these changes.

For this study, we have a significant advantage in that we have a financial sustainability model already customized for the City's Water and Sewer Fund that is updated annually during our Integrated Financial Sustainability Analysis project. We will simply update the model with the most current data available, including potential capital projects necessary to comply with an outstanding Consent Order, in order to evaluate alternative levels of rate adjustments.

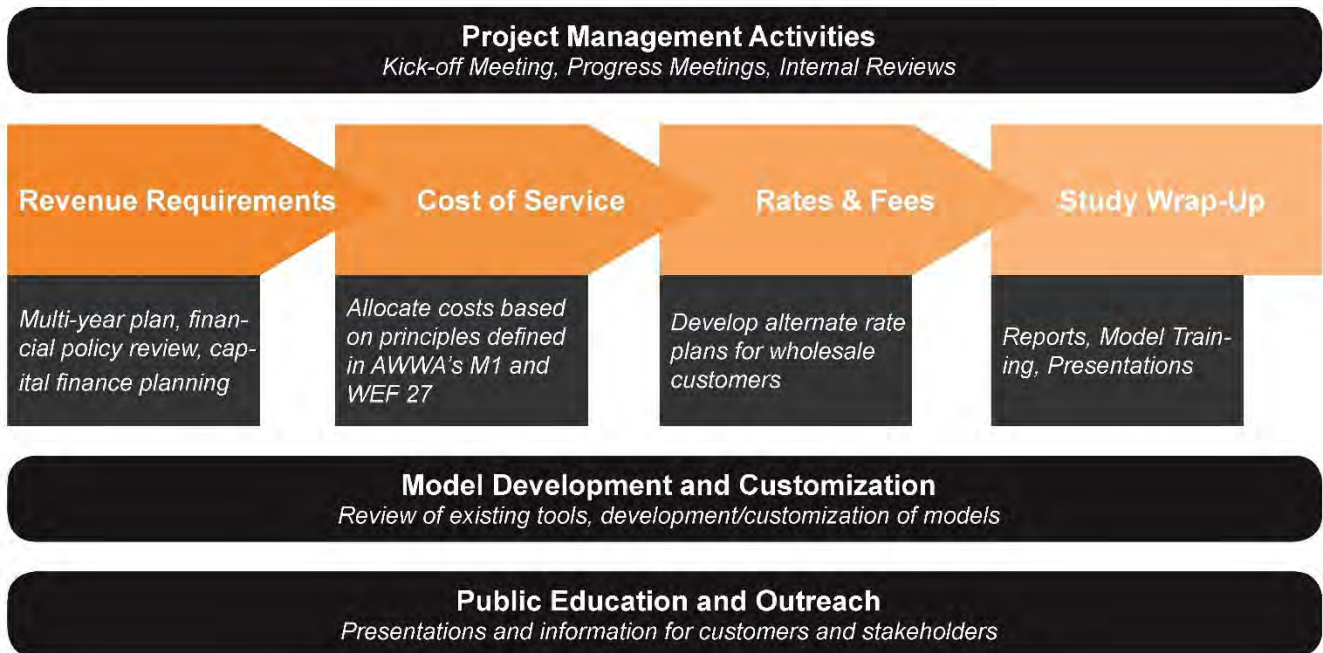
We understand the City's needs. We have experience with your staff and your Commission, and we are your best choice for this study.

We will prepare cost allocation and rate design models in order to interactively evaluate distribution of costs to customer classes and alternative rate structures, including fixed and variable charges for all customer and account types served by the City. We will evaluate the cost of service through this process in order to recommend rate structures that are logical and equitable within and amongst customer classes.

Project Approach

Our approach is centered on our **interactive decision support process** that engages **your staff, Commission and other stakeholders**. While our team will facilitate all aspects of the study, provide industry expertise, and give specific recommendations, we believe that input that the City provides is essential to achieving successful outcomes. It is vital for the study to reflect the unique nature and specific needs of the City, and it is vitally important that the City and key stakeholders participate along the way. Our interactive process effectively facilitates this input in an efficient manner while providing transparency and ultimately a comprehensive look at City's utility funds.

The schematic below outlines the general flow of a typical rate study, followed by specific discussion of each task we will conduct based upon the scope of services outlined in the City's Request for Proposals.



Task 1: Analysis

This task includes several sub-tasks to review data, update and prepare financial modeling tools, reviewing alternative scenarios with staff, and developing final recommendations.

1.1 Project Initiation

To initialize the study, we will conduct an on-site workshop with staff to:

- ✓ Discuss key issues, roles and responsibilities
- ✓ Confirm study objectives
- ✓ Identify data requirements and begin data transfer
- ✓ Determine project schedule, including identifying key milestone dates and deliverables

Once all data has been received, we will review it in detail. Follow-up calls with staff will be made to ensure full understanding of all data received prior to utilization in the study.

1.2 Revenue Requirements

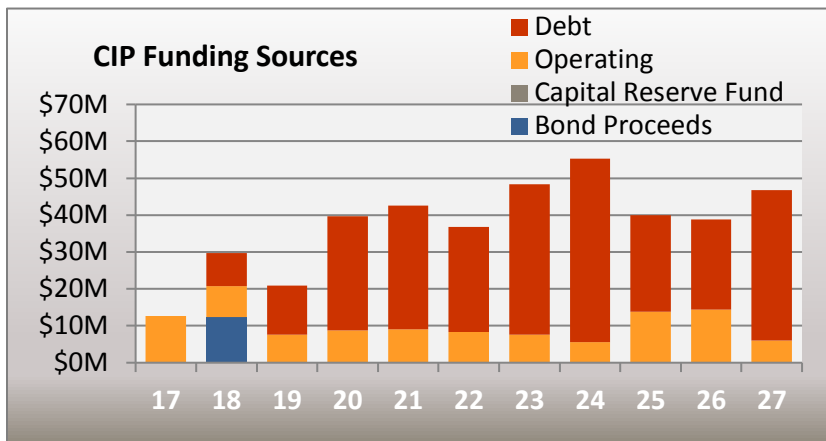
We will update the City's existing water and sewer revenue sufficiency and financial planning model that we developed during the annual financial sustainability analysis project that we conducted for the City to develop a long-term financial management plan, inclusive of projected annual revenue requirements and rate adjustments. Using the existing model will allow us to be more cost effective compared to developing a new model. Within the model, we will examine historical operating expenses, growth and consumption trends, **alternative capital improvement spending levels, debt service coverage ratios, levels of operating and capital reserves, and other financial policies/goals** that affect the future revenue requirements of the utility.

Through our experience with local and national municipal utilities along with our participation in industry groups and rating agencies, we are able to provide insight and recommendations for certain key financial policies related to debt service coverage and reserve levels.

In addition to evaluating financial goals and objectives, we will also evaluate alternative demand projections, cost escalation factors, changes in usage patterns, elasticity of customer demand in response to rate increases, and other variables that could affect the financial performance of the utility. The models allow for **separation of revenue streams meaning we can breakdown what portion of revenues come from existing customers at current rates and any incremental revenue that will be required from and generated by the addition of new customers**. Similarly, the models allow for the distinction of revenue types by customer class that can be grouped into expansion and non-expansion categories.

One item of particular importance in a utility's financial plan is the projection of volumetric sales, especially as it relates to the possibility of adopting rate structure changes. Water consumption patterns are influenced by price signals, and this change in customer behavior can be enhanced by other non-price factors, such as rainfall and economic conditions. We will **incorporate estimates of price elasticity** and analyze estimates of the probable range of responses to different degrees of rate increases and rate structure changes. We will also evaluate historical rainfall patterns, and to the extent that the test year upon which our revenue projections are based reflects abnormal rainfall, we will "normalize" our projections based upon normal rainfall. Prudent planning requires that utilities prepare for reductions and changes in demand patterns, and such planning will be incorporated to achieve financial targets and maintenance of fund balances.

The financial planning module provides a **valuable capital planning tool which we will use to review the City’s projections for capital improvements, and to evaluate the impacts of alternative projects, costs, timing, and funding**



sources. For all scenarios reviewed, the financial planning module will develop a funding plan, using the capital funding optimization function of the model, to identify the amount, timing, and type of borrowing required as may be necessary. We will examine the utility’s use of debt versus cash financing for capital improvements and build a financing plan to support a proper balance of debt coverage and rate stabilization over the planning period.

Closely related to this analysis is an examination of **adequacy of reserves for operating and capital projects.** Adequate reserves are fundamental to achieving financial stability, and can help some systems to avoid sudden or disruptive rate adjustments in the face of unanticipated operating or capital needs or changes in demand. We will examine the City’s fund balances and incorporate these balances and alternative reserve policies into the financial planning model and the conversations we will have regarding financial sustainability.

Another key feature within the financial planning module that can be used for the City is the **evaluation of key metrics of financial performance.** We are very familiar with the criteria that the rating agencies are currently using, such as new matrices and scorecards to evaluate financial performance.

Our project team is constantly updating, improving, and customizing our rate modeling tools based on specific client’s needs. In fact, we have a dedicated model development team whose task it is to continuously enhance the capabilities of our models. We believe that our modeling tools are the best in the industry and look forward to offering our expertise and our tools to the City for this project.

An example of a control panel/interactive dashboard from our revenue sufficiency and financial planning module (that will be utilized in Task 3.1) used for the development of a ten-year financial plan for a water and wastewater system is presented on the following page. The green bars and panels represent the “last” scenario evaluated, which was “just-in-time” rates, resulting in varying increases throughout the forecast starting in FY 2018. The blue bars and panels represent the “active” scenario, which includes a level plan of annual rate increases starting in FY 2017. The graph shows that the financial consequences of the earlier “level” plan of rate increases in the “active” scenario are acceptable, and that the rate increases provide smaller, more predictable customer impacts.

FINANCIAL ANALYSIS AND MANAGEMENT SYSTEM (FAMS) SUMMARY

SAVE	CALC	ROLL	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Cumulative Change	
		Override		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	FY 2021	FY 2026
		Water Rate Increases	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	27.75%	63.28%
		Last Plan	0.00%	0.00%	6.47%	4.72%	8.37%	2.63%	6.76%	2.53%	10.75%	3.47%	6.13%	24.06%	65.11%
		Override		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	PS FY17	95.0%
		Sewer Rate Increases	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	OMV FY17	100.0%
		Last Plan	0.00%	0.00%	6.47%	4.72%	8.37%	2.63%	6.76%	2.53%	10.75%	3.47%	6.13%	OMF FY17	100.0%
		All in Debt Coverage Ratio	2.58	2.61	2.20	2.22	2.10	2.19	2.14	2.24	2.03	2.07	2.03	Critical Needs	NO
		Covenant Exc. Connection Fees	2.27	2.35	1.98	2.00	1.90	1.99	1.95	2.04	1.85	1.89	1.85	Water CF	4,413
		Last Plan	2.25	2.07	1.55	1.62	1.53	1.71	1.59	1.72	1.51	1.71	1.64	Sewer CF	5,341
		CIP \$ Redistribution	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
		CIP Execution %	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%		
		Net CIP Funding %	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%		
		Operating Reserve Days	304	365	365	365	365	365	365	365	365	365	365		
		Water (20 CCF)	\$71.85	\$71.85	75.49	79.36	83.27	87.41	91.79	96.41	101.27	106.37	111.72	117.32	
		Sewer (20 CCF)	\$88.55	\$88.55	93.05	97.61	102.44	107.54	112.92	118.58	124.52	130.75	137.27	144.08	
		Average Monthly Bill	\$160.40	\$168.54	\$176.97	\$185.71	\$194.95	\$204.71	\$214.99	\$225.79	\$237.12	\$248.99	\$261.40		



At the conclusion of the study, we will provide you with any of the cost of service and rate modeling tools used during the study at no additional cost. The models you will receive are fully functioning Excel-based models, and can be used by staff for future updates. We do require that you sign a usage and non-disclosure agreement for any of our modeling tools. Upon request, we can provide a sample agreement that we have used with our clients.

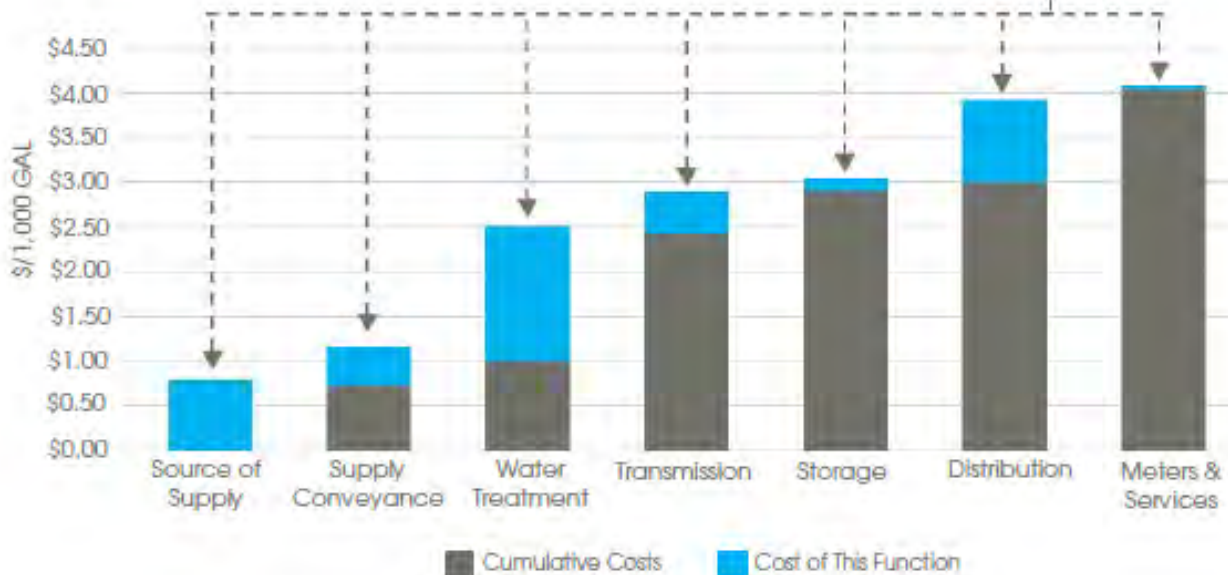
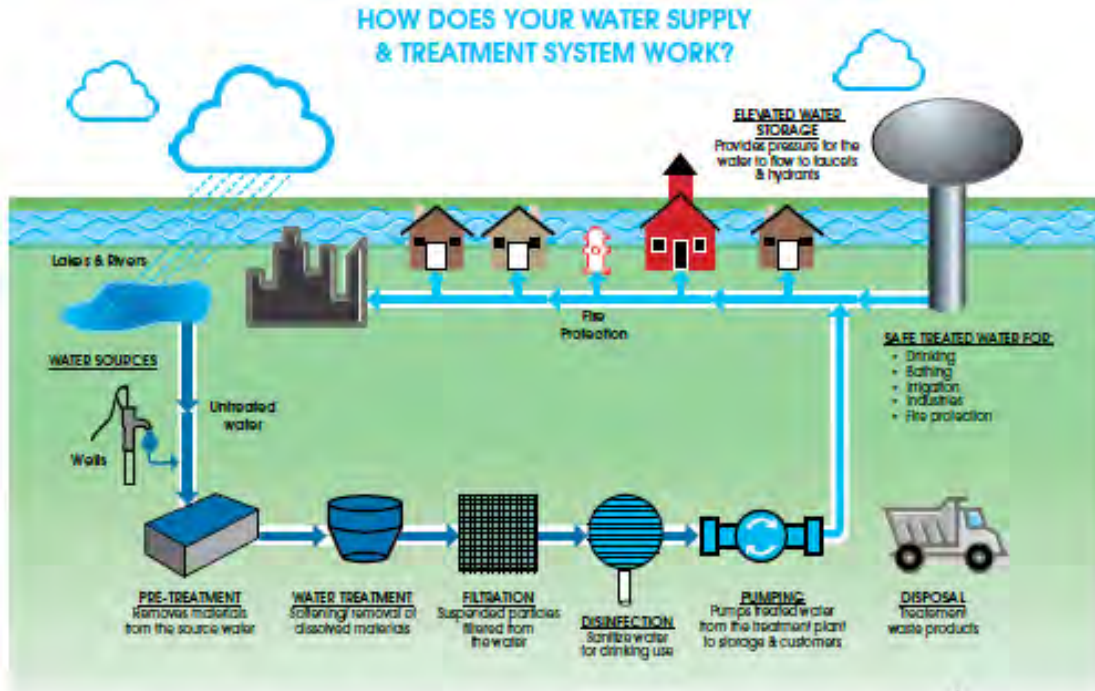


We will prepare a customized user manual for the financial model and will provide onsite training for staff to ensure the future beneficial use of the model by the City. For each tab of the model, the user manual presents the purpose and important features of each tab, describe how to update each tab, and identify other tabs within the model that are dependent upon or linked to each tab.

We also include a "Source Data" box within each section of the user manual for the applicable tabs. These "Source Data" boxes indicate the source data we were provided that were used to populate the tabs. At the end of each user manual, we include a section called "Tips for New Users" which includes additional information about the models that may be useful to you based upon our past experience, as well as a "Notes & Comments" section that will allow you to keep track of any additional items of relevance to you.

1.3 Cost of Service

The cost of service module of our modeling system allows for the total cost of service and revenue requirements for the water and wastewater utilities to be functionalized and distributed to customer classes. Each utility system's cost of service and revenue requirements are functionalized to defined segments, which are then allocated to each class of customer based upon their characteristics or units of service. The following graphic was developed by our team to assist our clients in the understanding of the various functions identified within a cost of service analysis.

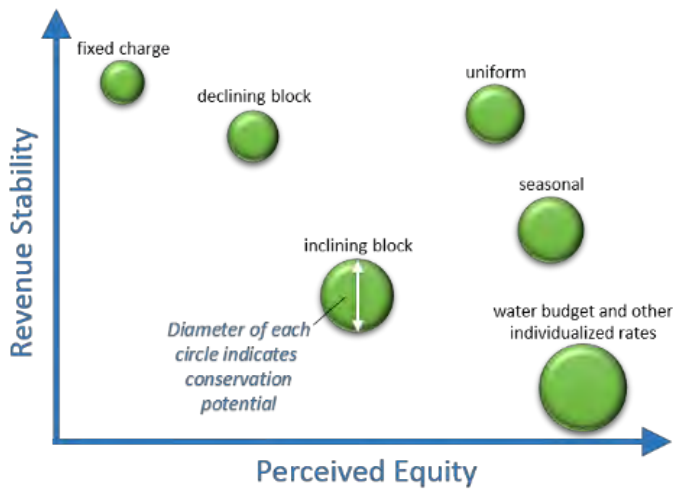


We identify the most appropriate industry-accepted cost of service allocation methodologies, such as those defined by the AWWA and WEF, based upon available data, legal requirements, system configuration, service agreements, resources, customer base, demand and usage characteristics, local practice, and public policy objectives. We customize the cost of service module to employ the identified methodologies and concepts best suited for each utility system.

At the conclusion of the cost of service analysis, we compare the resulting allocation of revenue requirements to the revenue generated by the current rates for each customer class of each utility. To the extent current revenue recovery levels are not in line with the results of the cost of service allocation analysis, we evaluate alternative levels of revenue recovery by class of customer within the rate structure analysis that would better comport with the identified cost of service allocations.

1.4 Develop Water and Sewer Rates

Based upon the results of annual revenue requirements analysis (Task 1.2) and cost of service allocations (Task 1.3), we will review and design alternative rate structures for the water and sewer systems. Alternative rate structures will be evaluated to determine if they may better serve the City's fiscal stability and/or public policy objectives relating to fixed cost recovery, economic development, conservation, and affordability, while ensuring a fair and equitable distribution of costs.



Similarly, we can also evaluate the distribution of costs between the customer, capacity, and commodity components of the rate structure, and will make recommendations that are consistent with your cost recovery objectives, local practices, and consider your reserve policies, revenue stability, and affordability objectives.

To the extent that adjustments to the City's rate structure are recommended, historical and detailed output from the City's billing system will be required. We are careful to understand the way that billing systems actually store information and process meter reading data to calculate and generate bills. Our rate analysis is always

conducted with an awareness of the limitations (or opportunities) of your billing system. Our recent work in evaluating the rate structure and the revenue impact of potential changes to the multi-family rate structure have provided us significant insights regarding the data in your billing system that will translate into cost effective understanding, compilation and use of billing data in this task.

For each rate structure alternative, we will provide an analysis of the impacts to each customer class and bill impacts at various levels of consumption. The following example identifies the impact of three rate structure alternatives or options on a class of customers with 3/4" meters in terms of the dollar amount and percentage change in the monthly bill. The table shows the percentage of

customers at each level of usage, which can be used to determine the percentage of customers affected by each rate structure alternative at different levels of usage. Similar detailed customer impact analysis will be provided for all of the City's customer classes, and higher level variations can be a critical tool for public presentation purposes.

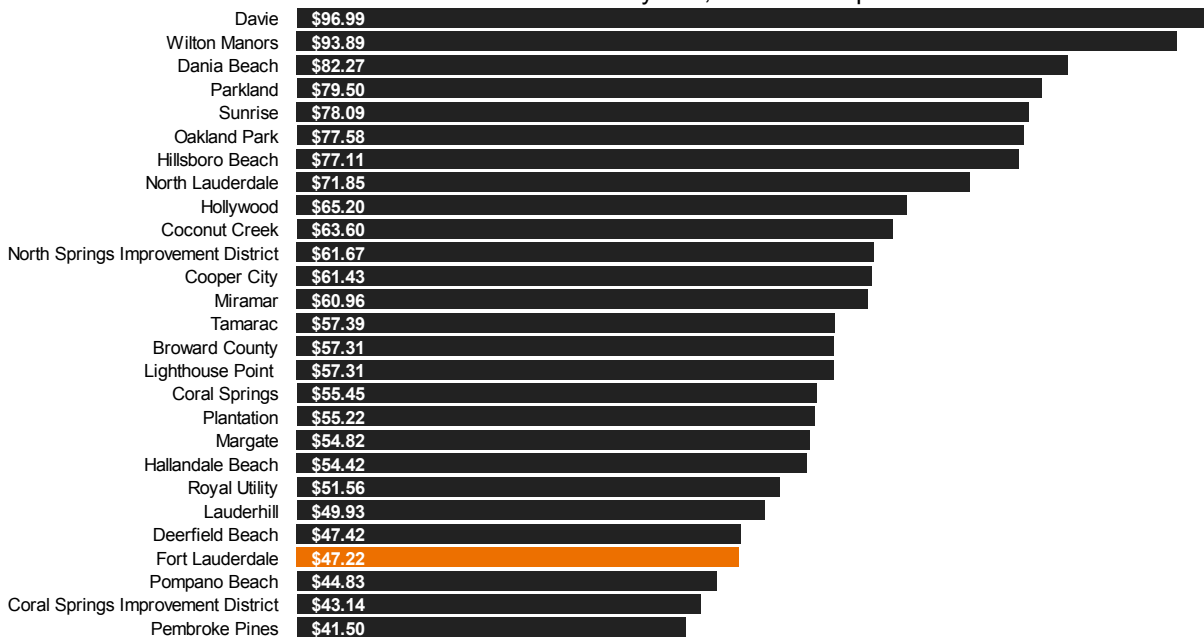
3/4" Meter Water & Sewer Monthly Bill Comparison													
Billing Statistics				Current	Option 1			Option 2			Option 3		
% of Bills	Cumulative %	# of Bills	Use (Tgal)	Mo. Bill	"Across-the-Board" Increase			Rate Structure Change - Alt A.			Rate Structure Change - Alt B.		
					Mo. Bill	\$ Chg.	% Chg.	Mo. Bill	\$ Chg.	% Chg.	Mo. Bill	\$ Chg.	% Chg.
11.8%	11.8%	7,999	0	\$ 14.50	\$ 15.30	\$ 0.80	5.5%	\$ 8.34	\$ (6.16)	-42.5%	\$ 7.76	\$ (6.74)	-46.5%
10.1%	21.9%	6,867	1	\$ 14.50	\$ 15.30	\$ 0.80	5.5%	\$ 11.44	\$ (3.06)	-21.1%	\$ 9.75	\$ (4.75)	-32.8%
13.5%	35.4%	9,202	2	\$ 14.50	\$ 15.30	\$ 0.80	5.5%	\$ 14.54	\$ 0.04	0.3%	\$ 11.74	\$ (2.76)	-19.0%
17.1%	52.5%	11,601	3	\$ 14.50	\$ 15.30	\$ 0.80	5.5%	\$ 17.64	\$ 3.14	21.7%	\$ 13.73	\$ (0.77)	-5.3%
12.7%	65.2%	8,624	4	\$ 26.96	\$ 28.44	\$ 1.48	5.5%	\$ 30.04	\$ 3.08	11.4%	\$ 27.03	\$ 0.07	0.3%
10.0%	75.2%	6,803	5	\$ 39.42	\$ 41.57	\$ 2.15	5.5%	\$ 42.44	\$ 3.02	7.7%	\$ 40.33	\$ 0.91	2.3%
7.3%	82.5%	4,934	6	\$ 51.88	\$ 54.73	\$ 2.85	5.5%	\$ 54.84	\$ 2.96	5.7%	\$ 53.63	\$ 1.75	3.4%
4.9%	87.4%	3,314	7	\$ 64.34	\$ 67.88	\$ 3.54	5.5%	\$ 67.24	\$ 2.90	4.5%	\$ 66.93	\$ 2.59	4.0%

Our rate design models can easily adjust revenue levels that are generated from customer, capacity, and commodity charges. Bill impact analyses of representative customers in each customer class will also be used to consider the social and economic factors of the proposed rates. And like our financial planning module, rate alternatives can be evaluated side-by-side to gauge the impacts on your customers.

1.5 Benchmarking Rates

We will provide **detailed surveys** comparing the rates and rate structures of comparable water and wastewater utilities to the rates recommended during the study to ensure the recommended rates are aligned with the City's peers. This will include comparable utilities in Florida, similar to the survey presented below, completed recently for the City.

Combined Water & Sewer Bill Survey at 4,000 Gallons per Month



1.6 Recommend Proposed Boundaries

Using maps and surveys provided by the City, we will recommend proposed boundaries of the City's service area. We are expert in the use of GIS technology and will use GIS maps and files where applicable to facilitate the evaluation of boundaries and attributes within the water and sewer service areas.

1.7 Provide Legal Justification for Assessments, Special Districts, Etc.

Our team has the expertise and experience to prepare rates and other funding mechanisms – such as assessments, special districts or other approaches. We are very familiar with the American Water Works Association guidelines as well as similar guidelines published by WEF. When developing rates, fees, and assessment we work closely with our client's legal teams or outside council in order to be in full legal compliance with the state and local laws.

1.8 Review Service Charges

We will determine service charges that fully support water and sewer or other related operations and maintenance service costs. We will accomplish this using our Specific Services Charge cost compilation template. Using this template the detailed activities, personnel, materials and equipment used in providing specific services can be documents and the costs determined based upon level of effort, prices of materials and cost of use of equipment. We will also compile a survey of service charges in other municipalities and assist the City in determining the service charges updates that should be adopted to ensure fair and equitable recovery of costs from those benefitting from the specific services being provided.

1.9 Review Capital Expansion Fees

To review and update the City's capital expansion fees, we will use the impact fee module of our modeling system. The first step is to evaluate various methodologies used in the industry to calculate these fees. Based upon discussions with City staff, available system asset inventories and the current CIP, we will determine what methodology is most appropriate for the City. Considerations include existing and future capacity, existing assets and future system expansion projects, level of service standards, and outstanding capacity related debt.

Upon finalizing the methodology and cost basis of the fee, we will then identify appropriate credits for supplemental funding sources (such as grants), as well as the debt service that will be paid by a new connection in user fees upon connection to the system in order to avoid a double-recovery of capital costs.

Task 2: Preparation of Report

At the conclusion of the study, we will prepare a draft report documenting the results of the analysis completed in Task 1. Once comments are received we will incorporate into a final report. The report provides a detailed narrative of each component of the study, and includes appendices that contain a series of graphs, charts, and tables that provide the supporting details of the results and recommendations of the study. The report will include:

1. Executive summary to include evaluation of fiscal policies and objectives.
2. Recommended rates, methodology and supporting analysis, assumptions, cost factors, fees and rate comparisons, and funding options.
3. Rate evaluation and revenue requirements analysis.
4. Description of standards and cost factors used in the study and accompanying rationale to account for inflation.
5. Table showing rate comparison to other local governments.
6. Detailed schedule of all proposed rates and fees listed by type or activity.
7. Analysis of impact and benefits to residents and customers.
8. Other information which provides justifiable, equitable, and legally defensible methodologies for collection of appropriate fees
9. Other information which adequately explains and justifies the recommended rate and fee schedule.

Task 3: Recommendation and Implementation of Assessment Process

During this task, we will investigate the statutorily, County and City required processes for implementing a special district. Once a methodology is selected, we will propose draft ordinances and resolutions to implement an assessment program. We will prepare a draft of a written notice and advertisement and will advise the City of the appropriate schedule for publishing and mailing, per the local legal requirements.

We will serve as an Assessment Coordinator which includes the following duties: preparing agenda, managing and attending all public hearings, tabulation of public notice and hearing responses, collection of documents from respondents, and meeting minutes. We will provide written reports to City Commission to inform the results of public hearing and notices.

We will coordinate with the Property Appraiser for current and accurate property data that will be used to establish an assessment. Our recommendations will include a plan of yearly adjustments, assessment duration, liens for violations, prepayments, and release of liens.

Finally, we will provide an assessment methodology which fairly and reasonably apportions the cost among the parcels of properties. In addition, we will prepare all data necessary for the development of the initial assessments.

Task 4: Meetings and Public Participation

The study will include several meetings, including a kick-off meeting (Task 1.1), information gathering (Task 1.1), several interactive work sessions with staff (included in Task 1), presentations to Staff, the Budget Advisory Board (BAB), the Infrastructure Committee, and the City Commission, participation in public hearings, and participation in additional meetings or presentations as deemed necessary.

At the conclusion of the study, we will participate in workshops or meetings with City Staff and City Commission in order to present, explain and justify the

findings and recommendations of the study. Prior to public meetings with the Commission, if desired we can hold one-on-one meetings with each Commission member in order to brief them individually on what we will presenting at the public workshop. We also often provide presentations to your stakeholders to educate them on the rate study process, the results, and how it may affect them directly.

As part of each scheduled meeting, we will prepare an agenda to distribute beforehand and provide minutes of the meeting afterwards. Presentation materials will be developed for the public and for the City Commission meetings and will be thoroughly reviewed and approved by City staff prior to presenting to the public.

Task 5: Deliverables

The following list of deliverables will be provided during the study, many of which are included in the tasks outlined above:

1. Draft Report for City staff review
2. Final report for final acceptance by City staff
3. Agenda and minutes for all meetings with City
4. Presentation materials for all public meetings and Commission meetings
5. Fully-functioning financial models (if requested)

Preliminary Project Schedule

The following schedule is based upon our understanding of the scope of services and our commitment to providing the services to the City within a reasonable timeframe. As demonstrated, we can commit to completing the study no later than July 1, 2018.

It is important to note here that we have nearly 10 years of experience working for the City and are very familiar with the water and sewer system. We are currently conducting a Financial Sustainability Analysis for the City, which includes revenue sufficiency analyses for each of the major funds. The water and sewer fund is included in this study, and as such, would give us a timely advantage to simply conduct an update to this portion of the study, rather than starting from scratch. In the recent financial sustainability analysis that we conducted for the Water and Sewer Fund, we evaluated the ability to support the eminent \$200 million revenue bond issue and evaluate the residual debt bearing capacity in the fund over the remaining nine years of a ten year projection.

Tasks	Month			
	March	April	May	June
Task 1 Analysis				
1.1 Project Initiation	Kick-Off Meeting			
1.2 Revenue Requirements				
1.3 Cost of Service		Interactive #1		
1.4 Develop Water and Sewer Rates				
1.5 Benchmarking Rates			Interactive #2	
1.6 Recommend Proposed Boundaries				
1.7 Provide Legal Justification for Assessments, Special Districts, Etc.				
1.8 Review Service Charges				Interactive #3
1.9 Review Capital Expansion Fees				
Task 2 Preparation of Report				
Task 3 Recommendation and Implementation of Assessment Process *				
Task 4 Meetings and Public Presentations				
Task 3 Deliverables				Study Completed by July 1, 2018

* If an assessment is to be implemented this fiscal year, there will be notices and hearings that must be completed by September 15, 2018 to be included on the tax bill, if the City filed a resolution of intent by 12/31/17 or otherwise has, or will obtain, an agreement with the Tax Collector and Property Appraiser by March to use the uniform method (included on the tax bill). If this is the case, this task may extend beyond the completion of the rate study to complete those public notices and public hearings prior to September 15, 2018.

Resources & Availability

As demonstrated in the schedule above, Stantec has the ability to provide the requested services within 4 months of notice to proceed. While we are under contract with clients throughout the country, we value our client relationship with the City and are dedicating significant resources to this project in order to meet this schedule. Should additional project team members be required or in the unlikely event of a loss in project personnel, we have over 30 highly qualified consultants in our Financial Services Practice to step in as needed.

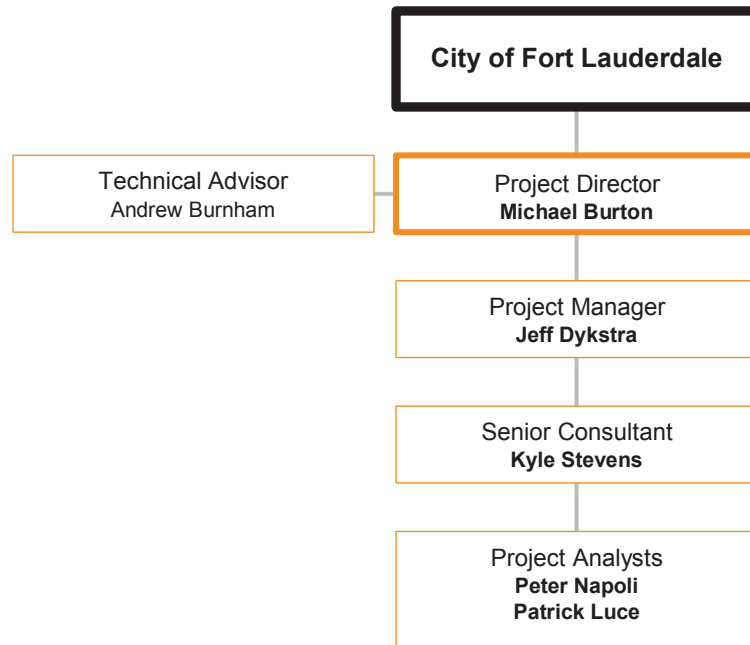
Organizational Profile & Project Team Experience

4. Organizational Profile & Project Team Experience

We have carefully selected our proposed project team with members that are experienced in each service requested by the City, including:

- ✓ **Development of Multi-Year Financial Management Plans and Rate Programs**, for systems of similar size operated by local government agencies, including capital and operations & maintenance expense budgeting, grant funding, and ensuring finance best practices
- ✓ **Cost of Service Allocations According to AWWA and WEF Guidelines**, with the expertise to analyze system configurations, facilities, plans, design criteria, usage characteristics, etc. in the context of allocating costs in order to establish fair and equitable rates for all customer classes
- ✓ **Retail and Wholesale Rate Structure Concepts** and their practical application to address specific local policy objectives (such as affordability, conservation, fixed cost recovery/revenue stability) while conforming to accepted industry practice and legal precedent (both nationally and locally)
- ✓ **Financial Policy Review** including the development of specific targets relative to various types of reserves, capital spending, debt levels, affordability, and other metrics
- ✓ **Development of Specific Fees and Charges**, including development of tap fees, connection fees, and system development charges
- ✓ **Development of Special Assessments**, including finding of benefit, cost apportionment, roll development, public notices and outreach and ongoing administration/update
- ✓ **Preparation of Public Education and Outreach Initiatives**, including special purpose public engagement meetings and presentation of information about the rate study process, identification of key system issues/challenges, necessity of any rate adjustments, national trends and local benchmarking, as well as customer impacts

An organization chart and corresponding table are presented on the following page, outlining the key members of our team and their role in providing the requested services to the City. **Resumes are presented thereafter and include project examples for each team member.**



Team Member	Role in the Project	% of Time Dedicated to City
Jeff Dykstra	As Project Manager, Jeff will oversee the day-to-day activities of the project, managing Kyle, Pete and Pat in the conduct of the analysis.	25%
Michael Burton	As Project Director, Mike will provide oversight of study and ensure the quality and accuracy of all work products.	15%
Andrew Burnham	As Technical Advisor, Andy will use his expertise in the industry to advise the team on appropriate methodologies for rate making.	10%
Kyle Stevens	As Senior Consultant, Kyle will oversee Peter and Pat in the preparation and customization of the financial models and work products.	25%
Pete Napoli	Pete will serve as an Analyst and will be responsible for model entry and customization as well as preparation of work products.	30%
Pat Luce	Pat will work alongside Pete to provide data entry and model customization as well as preparation of work products.	20%



Jeff Dykstra

Project Manager

Mr. Dykstra is a Managing Consultant with nine years of experience. He is responsible for managing projects related to water utility finance, developing financial and pro forma models for utilities, performing cost-of-service and rate analyses, and analyzing utility finances and operations.

He has assisted in the development of many dynamic Microsoft Excel based financial models for utility financial planning purposes and of utility operational benchmarking metrics, cost-of-service and rate analyses, rate surveys, benchmarking studies, and revenue bond and operational feasibility analyses.

Education

B.A., Business Administration, Finance,
Dordt College, IA 2008

Publications & Presentations

Sustainable Rate & Financial Practices. FGFOA Gulf Coast Chapter Presentation, 2017.

Project Experience

Pasco County Utilities, Florida (Project Manager)

Jeff serves as the Project Manager for this client's utility financial services work including; a water, wastewater, and reclaimed water rate study and impact fee analysis. He conducted a revenue sufficiency analysis in 2016, and is managing the cost allocation and rate design components in 2017. He conducted several interactive work sessions with staff to analyze multiple scenarios and capital plans to determine the optimal results for the County and presented results to the Board during workshops.

Marion County, Florida

Jeff is serving as the Project Manager for the County's water, wastewater and irrigation rate study that we perform on an annual basis. During the current study, he has prepared multiple revenue sufficiency analyses for their water, wastewater and irrigation to ensure adequate revenue to meet the projected cost requirements of the system. Each year, we evaluate the sufficiency of the rates, prepare reports and presentations to the Board in order to ensure continued sustainability of water, sewer and irrigation rates for the County.

Project Experience

City of Safety Harbor, Florida

Jeff serves as the Project Manager for the water, wastewater, sanitation and stormwater rate Study. Jeff has conducted revenue sufficiency analyses for each utility system in order to develop projected revenue requirements and identified any necessary rate revenue increases for water, wastewater, sanitation and stormwater services. He used our interactive process to review alternative scenarios that meet the City's policy objectives while taking into consideration the customer impact of such rate adjustments.

City of Sarasota, Florida

Jeff served as the project manager for a recent water, wastewater & reclaimed water rate study. He developed a ten-year financial forecast and financial management plan (inclusive of annual rate adjustments) using our FAMS-XL model. He also conducted a cost allocation and rate design study, including the evaluation of conservation and other rate modifications.

City of Fort Myers, Florida

Jeff served as the Project Manager for a recent study in which we provided financial consulting services to the City's water, sewer, and solid waste and stormwater funds. He oversaw updates of the financial forecast or "business plan" for the water and sewer system to ensure that its rates will provide adequate revenue over a multi-year forecast period. Jeff conducted several interactive work sessions with City staff using our FAMS-XL model to review assumptions and inputs, analyze multiple scenarios, and determine the final results. As part of the study, Jeff made presentations to City Management, City Council and other stakeholders in order to provide implementation assistance to staff.

City of Cape Coral, Florida

Jeff served as the Project Manager for a recent water and sewer rate study for the City. This update included consideration for the City's updated utility expansion program and associated significant level of capital spending, updated operating and capital costs projections, and an evaluation of performance as compared to key performance indicators. The rate design component included a diagnostic review of current retail rate structure to compare to industry practices. The second component evaluated the impacts of multiple changes to the

City's retail rate structure including; developing a separate customer billing charge, adjusting the number of tiers and tier thresholds for their inclining block rate structure, and developing a separate customer class for multi-family customers.

***Brownsville Pubic Utilities Board, Brownsville, Texas**

Jeff served as the Project Manager for this client's water and wastewater financial services work. His experience includes completing a water and wastewater retail cost of service rate study, multiple revenue sufficiency analyses, an impact fee study, and subsequent semi-annual impact fee report updates.

***City of Columbia, South Carolina**

Jeff served as the Project Manager for this client which included development of a comprehensive water and wastewater cost of service rate study, five-year financial plan, and impact fee study and a subsequent update to the analysis. In this role, he addressed issues including recommendations of retail rates, wholesale cost allocation, industrial wastewater surcharges, large-water user rates, and stakeholder presentations and workshops. He was responsible for all project deliverables, budget, schedule, and modeling activities.

***Miami-Dade Water and Sewer Department, Florida**

Jeff most recently served this client as the Project Manager and performed a detailed cost of service rate study, wholesale rate true-up, and projection analysis on an annual basis. In addition, he performed an industrial strength wastewater surcharge rate analysis, bond feasibility studies in 2010 (\$600 million) and 2013 (\$500 million), and contributed to sections of the Department's annual Bond Engineer and Adequacy of Rates and Charges Reports.

***Norfolk Department of Utilities, City of Norfolk, Virginia**

Jeff served as the Project Consultant responsible for the development of multiple financial models and analyses including; a bond feasibility analysis, two revenue bond refunding analyses, bi-annual wholesale rate projection and true-up analyses, a debt refunding analyses, and a financial benchmarking study.

* denotes projects completed with other firms



Michael Burton

Project Director

Mr. Burton has over 37 years of utility financial planning and rate experience for water, wastewater, reclaimed water, stormwater, solid waste, and recycling systems. He served for seven years on the AWWA Rates and Charges Committee where he co-authored AWWA Manual M54 - Developing Rates for Small Systems.

Mr. Burton has personally conducted and/or managed nearly 700 water resources utility rate studies, and he has extensive experience performing cost of service studies for a variety of utility systems employing accepted industry practices that best match the specific system parameters and resources of each respective community.

Education

Bachelors of Industrial Engineering,
1970, University of Florida, Gainesville

Memberships

AWWA Rates and Charges Committee

Publications & Presentations

AWWA Manual M54 – Developing Rate
for Small Systems, Co-Author for
AWWA, 2004

Effective Water Conservation Rate
Structures – Presented to the St. Johns
River Water Management City (Palatka,
FL)

AWWA Annual ACE Conference – The
Relationship Between Affordability and
Conservation Pricing (San Antonio, TX)

Florida Section of the AWWA
Conference – Funding Total Water
Management (Co-Author, Orlando, FL)

Central Florida Alternative Water
Supply Strategy Workshop of Water
Management Districts and My Region
Served on a Select Panel of industry
experts as a Water Resources
Economics and Pricing Panelist
(Orlando, FL)

Project Experience

City of Clearwater, Florida

Mr. Burton has been performing periodic comprehensive annual rate studies for the City's stormwater, water, sewer, reclaimed water, solid waste, and recycling utilities since 1995. Most notably, he assisted the City in developing a stormwater utility fee and several stormwater revenue sufficiency analyses. We used our FAMS-XL model to replicate the financial dynamics of the City's stormwater fund in order to develop multi-year financial forecasts and rate adjustment plans, and have done so on an annual or bi-annual basis since the fee was established.

Diamondhead Water & Sewer District, Mississippi

Mr. Burton has served as Technical Advisor on a comprehensive cost of service and rate study for the District's water and wastewater utility along with several updates to develop ten-year financial management plans and plans of annual rate adjustments. Mr. Burton has also updated capital connection fees and tap fees, reviewed current miscellaneous service charges and recommended additional fees for which the District charge, as well as conducted a benchmarking study.

City of Chesapeake, Virginia

Mr. Burton served as Technical Advisor for all work completed during a comprehensive cost of service and rate study for the City's water and wastewater utility. During the Study, Mike oversaw our project team in the development of a ten-year financial management plan and plan of annual rate adjustments. He recently oversaw an update to the original study, which included an updated financial plan and analysis of the financial impacts of a wastewater collection system regionalization initiative.

Project Experience

Toho Water Authority, Kissimmee, Florida

Mr. Burton currently serves as the Technical Advisor under a continuing services contract with the Authority that includes financial studies for water, wastewater and reclaimed water utilities. Mr. Burton has been involved with the development of a ten year financial management plan and a uniform conservation rate structure that merged the disparate water and wastewater rates within six rate districts. He assisted in the development of a plan for immediate conversion to a common rate and alternative plans for migration to a common rate over multiple years. He contributed to an update to the Authority's financial management plan, review of its system development charges, and led the analysis of new retail and bulk reclaimed water rate structures.

James City Service Authority, Virginia

Mr. Burton served as a Technical Advisor for all work completed during a comprehensive cost of service and rate study for the City's water and wastewater utility. During the Study, he provided guidance related to the development of a ten-year financial management plan and plan of annual rate adjustments that were necessary to meet all of the utility's financial obligations in each year of the projection period, including analysis of alternative capital improvement programs and funding sources. He assisted during interactive work sessions with staff in order to educate them on the drivers of the necessary rate increases.

Town of Longboat Key, Florida

The Town has historically funded needed Beach Renourishment capital projects with bond issues supported by the taxes generated in two districts, one district of all parcels fronting the beaches and the other district of all other properties. The Town assembled a team of attorneys to restructure the legal form of the districts and Mr. Burton served as our Project Director to work in concert with the attorneys to re-evaluate the methodology for apportionment of costs develop appropriate tax rates and the associated tax rolls for the continued funding annual of Beach Renourishment and Maintenance Services.

City of Miami Beach, Florida

Mr. Burton was our Project Director on a project to develop an Overhead Utilities Undergrounding Assessment program for the City. It was determined that all overhead utilities were to be included in the project and that the project would be limited to two distinct neighborhoods. The first task was to determine all of

the parcels that would be in the assessment program and to develop a property database from the County Property Appraiser's property records. After compiling the property data into a form usable for the development of the Underground Utilities Assessments, all capital cost information was obtained from the City's engineers for each neighborhood. We then evaluated the proposed utilities system configurations for the neighborhoods and identified benefit criteria of undergrounding such as safety benefit, reliability of service benefit, aesthetics benefit, etc. We then developed a cost apportionment methodology relative to the benefit criteria identified and the benefit conferred upon benefited parcels. We then constructed a cost apportionment algorithm and model to apportion the capital costs to parcels based upon the benefit conferred by the underground utilities project. We then prepared Underground Utilities Assessment rolls for the subject neighborhoods based upon property data from the County Property Appraiser and the results of the cost apportionment.

City of Fort Myers, Florida

Mr. Burton managed a project in which we completed a Fire Service Assessment Program for the City. We first evaluated the feasibility of a fire assessment program in terms of the relief that it would provide to the General Fund and the expected impact upon various classes of properties in the City. We presented this analysis to the City Council in an interactive workshop and the Council decided to proceed with the development of a Fire Assessment Program. We then met with City staff to evaluate alternative assessment methodologies to be used to develop fair and equitable Fire Services assessments to recover the cost of the City's Fire Service Program. We reviewed and analyzed the City's Fire/EMS budget, performed a cost allocation analysis to isolate the fire services costs, compiled historical calls by property type, worked with the Lee County Property Appraiser to identify and compile the necessary property data, as well as growth and other required information. Utilizing our Benefit Assessment Module of FAMS-XL®, we compiled and sorted the property data. We used the model to allocate the costs between these property types and further to each specific parcel. We identified cost recovery options for the City to satisfy political objectives to ease the burden on City residents. We tested each scenario for revenue sufficiency over a ten-year projection period. We conducted several interactive work sessions with City staff and several informational sessions with the City Council.



Andrew Burnham

Technical Advisor

Mr. Burnham is the Vice President and Global Practice Leader of Financial Services at Stantec. Andy has extensive experience in personally conducting as well as overseeing cost of service allocations, long-term financial planning analyses, and development of alternative rate structures for a variety of utility systems, including water, wastewater, reclaimed water, stormwater, solid waste, recycling, electric, and natural gas. He has been recognized as an industry expert as part of providing testimony in utility rate-related regulatory proceedings in multiple states and territories (including Florida, Michigan, Arizona, and the United States Virgin Islands), as well as before the Federal Energy Regulatory Commission. He has led over 500 studies for 150+ local governments, and has supported our clients in the issuance of \$1 billion of bonds for projects in the past 5 years.

Mr. Burnham is currently serving on multiple AWWA and WEF Committees, and was actively involved in the recent update to AWWA Manual M1 – Principles of Water Rates, Fees and Charges, notably in regards to outside-city retail rates, wholesale rates, and reuse rates.

Publications & Presentations

Can Conservation Rates be Tied to the Cost to Serve?. American Water Works Association Annual Conference & Exposition, Philadelphia, PA, 2017.

Reclaimed Water Expansion: An Approach that Makes Sense. American Water Works Association Annual Conference & Exposition, Philadelphia, PA, 2017.

Features of Successful Inclining Block Water Conservation Rate Structures. Texas Water Conservation Association Annual Meeting, Austin, TX, 2015.

Water & Sewer Rate Studies. Michigan Governmental Finance Officers Association, Lansing, MI, 2015.

Cost-of Service Based Conservation Rates, Evolving from Art to Science. Utility Management Conference, Tampa, FL, 2017.

Rate and Fee Panel Discussion, a National Financial Perspective. AWWA Michigan Sector, Northville, MI, 2017.

Utility Ratemaking & Management. North Carolina Government Finance Officers Association Summer Conference, Wrightsville Beach, NC, 2016.

Education

Bachelors of Business Administration, Lake Superior State University, Sault Ste. Marie, Michigan, 2000

Memberships

Rates and Charges Committee, American Water Works Association

Financial Accounting & Management Controls Committee, American Water Works Association

Management Committee, Water Environment Federation

Government Finance Officers Association, Florida Section

Utility Resource Management Committee, National Association of Clean Water Agencies

Project Experience

Toho Water Authority, Florida (Technical Advisor)

Mr. Burnham served as technical advisor for a comprehensive reclaimed water cost of service and rate design for the Authority. The study included a detailed cost allocation analysis that allocated the Authority's system costs to the reclaimed water service, evaluated the current level of cost recovery from existing reclaimed water rates and examined alternative rate designs for the Authority retail reclaimed water rates. The study was facilitated with the development of detailed cost of service and rate design model that allowed for evaluation of a range of reclaimed fee structures and the resulting impacts to retail and wholesale reclaimed water customers. The Authority adopted the recommendations developed during the study which included modifications to reclaimed rates to provide a consistent level of cost recovery amongst all of the Authority's reclaimed water customer classes and a modified retail reclaimed water rate structure that is consistent with the Authority's potable water rate structure.

City of Tempe, Arizona (Project Manager)

Mr. Burnham served as the Project Manager on a recent Water and Sewer Rate Study for the City. The study included the development of several alternative multi-year financial plans and corresponding plans of annual rate adjustments. We also completed a detailed cost of service allocation analysis and rate design study, which resulted in recommendations for adjustments to enhance specific linkages to cost of service, and consider reasonable irrigation for larger lots sizes while continuing to provide affordability and conservation pricing for excessive use. Finally, we participated in multiple special-purpose stakeholder meetings to educate the community on the process and the new rate structure.

Orange Water & Sewer Authority, North Carolina (Project Manager)

Mr. Burnham has served as Project Manager for OWASA for water, wastewater, and reclaimed water financial consulting services for nearly ten years. He has conducted several studies including several long-term financial plans, detailed cost allocation to support rate design, evaluation of affordability for low-income users, and bond feasibility studies.

City of Naples, Florida (Project Manager)

Andy served as the project manager for the City's comprehensive water and sewer rate study. Andy worked with City staff to customize a multi-year financial forecasting model. He also reviewed the current water and sewer rate structures and developed modifications to ensure the City's rates conformed to accepted industry practice and reflected the

appropriate distribution of system costs, while providing cost incentive to encourage water conservation.

City of Olathe, Kansas (Project Manager)

Andy is currently serving as the project manager for a Comprehensive Utility Rate Study for the City. For each service – including Solid Waste, Water, Sewer, and Stormwater – we are developing customized financial models including ten-year financial plans and identification of alternative plans of rate adjustments, reviews of alternative capital spending and operational scenarios, and other sensitivity analyses. Andy is currently in the process of performing detailed cost allocation analyses for each fund, and will use the results of the cost allocation to develop alternative rate structures to ensure the City is charging fair and equitable rates for each service.

City of Greenfield, California (Project Manager)

The City of Greenfield is a central coast agricultural community. Mr. Burnham served as Project Manager during the conduct of a comprehensive water and wastewater rate study for Greenfield. Rates were designed to fund the utility's long-term projected costs of providing service while proportionally allocating costs among customers, providing a reasonable and prudent balance of revenue stability, and complying with the substantive requirements of California Constitution Article XIII D, Section 6 (Prop 218).

City of Denton, Texas (Project Manager)

Mr. Burnham served as the Project Manager for a comprehensive cost of service and rate design study for the City's water utilities. The study included the development of a ten-year financial management plan, including identification of annual percentage rate revenue adjustments, amount and timing of required borrowing to fund the capital improvement program, establishment of proper reserve levels, and maintenance of adequate debt service coverage levels. An important component in the development of the financial management plan for the City is the issue of revenue volatility due to weather conditions and demand reductions.

JEA, Jacksonville, Florida (Project Manager)

Our engagement was focused on the costs of treating landfill leachate from the City of Jacksonville's two primary landfills. JEA's largest treatment plant, the Buckman Wastewater Treatment Facility, received approximately 19 million gallons of leachate last year, and the cost implications of this service are significant. Our analysis documented the impacts and provided a cost basis in discussing a significant increase in charges. Our analysis also provided potential alternative arrangements, including on-site treatment at the landfill locations.



Kyle Stevens

Senior Project Consultant, Rate Study Services

Kyle has four years of experience in populating and customizing the long-term financial planning, cost allocation, rate design, impact fee, and miscellaneous service fee modules of our financial modeling system. He has superior financial, business and analytical skills and has provided our clients with exemplary financial analysis based on application of sound financial and economic concepts.

Kyle has a high level of proficiency within our modeling system, and he has been very involved in recent engagements requiring substantial model customization and in providing ongoing support services to our clients using our financial forecasting module.

Education

Masters of Applied Economics, 2010,
Florida State University, Tallahassee,
Florida

Bachelors in Economics, 2008, Florida
State University, Tallahassee, Florida

Specializations

Long-Term Financial Plan Development

Cost of Service, Cost Allocation & Rate Studies

Development of Impact Fees

Development of Capital Finance Plans

Bond Feasibility Reports & State Loan Applications

System & Property Valuation and Analysis

Operations and Performance Reviews, Strategic Planning,
Financial Feasibility Analyses, and Annexation Analyses

Stakeholder Outreach/Educations Programs

Customer, Demand, and Revenue Forecasts

Project Experience

City of Galveston, Texas

Mr. Stevens served as the Project Consultant for the City for a comprehensive water and sewer rate study. He developed alternative multi-year financial management plans and notably also assisted the City in making substantial rate structure changes designed to promote affordability for low volume users, conservation for higher volume users, and enhance conformance with accepted industry practices.

City of Carson City, Michigan

Kyle is serving as the Project Consultant for a Stormwater Funding and Rate Structure Analysis for the City. We are working as a sub-consultant to an engineering firm who is evaluating the asset management plan of the stormwater utility system. Kyle is developing multi-year financial forecast of the stormwater utility (currently funded out of the general fund) in order to identify existing funding sources and current cost requirements. He will then incorporate the results of the asset management plan of the system to determine the final impacts to the general fund at varying levels of implementation.

City of Lake Worth, Florida

Kyle is serving as the Project Consultant for a multi-fund financial sustainability analysis, during which we are individually modeling several major funds of the city, including electric, water, local sewer, regional sewer, stormwater, and sanitation, in addition to the City's General Fund. Through this process, we will be able to analyze the interconnectivity of all the funds within the City and develop a long-term sustainability plan for the future financial health of the City.

City of Tempe, AZ

Kyle has served as the Project Consultant for the City for a water and sewer rate study. Using our financial model, he developed several alternative multi-year financial management plans and corresponding water and sewer rate revenue adjustment plans which we reviewed in interactive work sessions with City staff. He also completed a detailed cost of service allocations analysis where we reviewed test year revenue requirements, assessed billing determinants, allocated revenue requirements to functional categories, and identified customer class responsibilities for the costs of each category based upon the appropriate characteristics of each class.

City of Fort Lauderdale, Florida

Kyle has served as the Project Consultant for a long-term financial modeling and sustainability analysis for the City in

which he developed a common financial forecasting modeling platform that could be used for real-time evaluation and understanding for its key services, including its General Fund and seven separate major funds (Water/Sewer, Regional Wastewater, Stormwater, Sanitation, Airport, Parking, and Building funds). He customized individual models for each fund, and linked each model together to evaluate and understand a variety of decision alternatives and their current and future consequences to each fund. As part of the City's annual budget process, we perform simultaneous updates to all the models.

City of Columbia, Missouri

Kyle served as a Project Consultant on a recent update to a comprehensive stormwater and sewer cost of service rate studies for the City. He updated a revenue sufficiency analysis in order to develop a multi-year plan of rate revenue increases to satisfy the annual operating, debt service, and capital requirements of each utility as well as maintain adequate operating reserves. He then reviewed the rate structure (including evaluation of rates for wholesale users), and developed recommended modifications to ensure that the rates conformed to accepted industry practice and reflect a fair and equitable distribution of system costs.

Town of Gilbert, Arizona

Kyle has served as the Project Consultant for all work for the Town, which includes revenue sufficiency analysis, detailed cost of service allocation, and rate structure analysis for the Water, Sewer, Reclaimed Water, Environmental Services and Stormwater Funds. Kyle was responsible for developing separate multi-year financial models for each fund, and also developed several modifications to the Town's existing rate structures, notably including a new inclining block water rate structure.

James City County Service Authority, Virginia

Mr. Stevens served as the Project Consultant for all work completed during a comprehensive cost of service and rate study for the Authority's water and wastewater utility. He managed the development of a ten-year financial management plan and plan of annual rate adjustments that were necessary to meet all of the utility's financial obligations in each year of the projection period, including analysis of alternative capital improvement programs and funding sources. He participated in interactive work sessions in order to educate them on the drivers of the necessary rate increases.



Peter Napoli

Project Analyst

Mr. Napoli has experience in populating and customizing the utility long-term financial planning, impact fee and rate design modules in our FAMS-XL modeling system. He has also been an integral part of the growing General Government Financial Sustainability modelling and consulting team. He has superior financial, business and analytical skills and has provided our clients with exemplary financial analysis based on application of sound financial and economic concepts.

Peter has strong Excel modeling skills and has experience working with large data sets and financial models. Peter has a high level of proficiency within our modeling systems, and he has been very involved in recent engagements requiring substantial model customization and in providing ongoing support services to our clients using our financial forecasting module. In addition, Peter excels at live interactive modeling, a crucial component to successful consulting and live just-in-time decision making.

Education

Bachelors of Business Administration in Finance, University of North Florida, Jacksonville, Florida, 2015

Specializations

Water Resources

Water & Sewer

Reclaimed Water

Stormwater

Sanitation & Recycling

General Government

Fire/EMS

Parks & Recreation

Library

Roads

Project Experience

City of Temple Terrace, Florida (Analyst)

Mr. Napoli served as a Project Analyst as he assisted with developing and populating our multi-year forecasting model for the City's Water and Sewer Enterprise Fund. He helped to determine the level of revenues required to satisfy projected annual operating, debt service, and capital cost requirements as well as maintain adequate reserves.

City of Neptune Beach, Florida (Analyst)

Mr. Napoli served as a Project Analyst as he assisted with developing and populating our multi-year forecasting model for the City's Water and Sewer Enterprise Fund. He helped to determine the level of revenues required to satisfy projected annual operating, debt service, and capital cost requirements as well as maintain adequate reserves.

Project Experience

City of Effingham, Illinois (Analyst)

Mr. Napoli served as a Project Analyst as he assisted with developing and populating our multi-year forecasting model for the City's Sewer Enterprise Fund. He helped to determine the level of revenues required to satisfy projected annual operating, debt service, and capital cost requirements as well as maintain adequate reserves.

City of Lake City, Florida (Analyst)

Mr. Napoli served as a Project Analyst as he assisted with developing a non-ad valorem special assessment for the City to recover the costs of providing storm water infrastructure improvements. Mr. Napoli also provided a customized supplemental forecast of the assessment cash flows which allowed for the City to create a sustainable plan.

Clay County Utility Authority, Florida (Analyst)

Mr. Napoli served as the Project Analyst for this project in which the Utility Authority's long-term financial condition was evaluated with our FAMS-X model. He created an additional module that allowed for simulation of alternative growth scenarios, phasing in of capital needs associated with capacity expansion, and the result of different impact fee collection techniques.

City of Venice, Florida (Analyst)

Mr. Napoli served as a Project Analyst as he assisted with developing a non-ad valorem special assessment for the City to recover the costs of providing fire protection services. Mr. Napoli attended multiple client workshops and was able to customize various scenarios to meet the Client's politically-sensitive financial goals.

City of Zephyrhills, Florida (Analyst)

Mr. Napoli served as the Project Analyst during the financial evaluation of the City's General Fund and helped to identify revenue enhancements and other financial adjustments that would provide for a sustainable future over a ten year projection period. He adapted the financial models to simulate the impact of recent proposed Florida legislation; helping the City to prepare and minimize the impact on its residents.

Villages Community Development District, Florida (Analyst)

Mr. Napoli served as a Project Analyst as he assisted with developing a non-ad valorem special assessment for the District to recover the costs of providing public infrastructure improvements to accommodate residential growth within its boundaries.

City of Miramar, Florida (Analyst)

Mr. Napoli served as the Project Analyst during the financial evaluation of the City's General Fund and helped to identify revenue enhancements and other financial adjustments that would provide for a sustainable future over a ten year projection period. He adapted the financial models to simulate the impact of recent proposed Florida legislation; helping the City to prepare and minimize the impact on its residents.

Alachua County, Florida (Analyst)

Mr. Napoli served as a Project Analyst as he assisted with developing a non-ad valorem special assessment for the County to recover the costs of providing fire protection services. Mr. Napoli attended multiple client workshops and was able to customize various scenarios to meet the Client's politically-sensitive financial goals.

City of Royal Palm Beach, Florida (Analyst)

Mr. Napoli served as the Project Analyst during the financial evaluation of the City's General Fund and helped to identify revenue enhancements and other financial adjustments that would provide for a sustainable future over a ten year projection period. He customized the analysis to project the City's Capital Improvement Fund balances in accordance with the General Fund due to the important relationship the funds shared.

Plant City, Florida (Analyst)

Mr. Napoli served as the Project Analyst during the financial evaluation of the County's General Fund and helped to identify revenue enhancements and other financial adjustments that would provide for a sustainable future over a ten year projection period. In addition, he developed an analysis to quantify the fiscal impact of residential and commercial developments the City was anticipating.

City of Lynn Haven, Florida (Analyst)

Mr. Napoli served as a Project Analyst as he assisted with developing impact fee calculation models for the City's Water and Sewer services, Parks and Recreation, Police, and Fire Rescue services. He helped to determine the most fair and equitable recovery of growth-related costs required to maintain the City's level of service.



Patrick Luce

Project Analyst

Mr. Luce is a Project Analyst with Stantec. He has experience in populating and customizing the long-term financial planning, cost allocation, rate design, impact fee, and miscellaneous service fee modules of our FAMS-XL modeling system. He has superior financial, business, and analytical skills and has provided our clients with exemplary financial analysis based on application of sound financial and economic concepts.

Patrick has strong Excel modeling skills and has experience working with large data sets and financial models, including our interactive FAMS--XL model. He has been involved in recent engagements requiring substantial model customization and in providing ongoing support services to our clients using our financial forecasting module.

Education

Bachelors in Economics and Finance,
University of Tampa, Tampa, Florida,
2013

Masters of Economics, University of
South Florida, Tampa, Florida, 2015

Specializations

Water Resources

Water & Sewer

Reclaimed Water

Stormwater

Sanitation & Recycling

General Government

Fire/EMS

Parks & Recreation

Library

Roads

Publications

Are Rates Really Contributing to the Ongoing Reductions in Water Use? (Alternative presentation). American Water Works Utility Management Conference, 2017.

Project Experience

Peace River Manasota Regional Water Supply Authority, Florida (Analyst)

Mr. Luce has served as the project analyst for the Authority during which he derived a long-term rate plan for the Authority's various wholesale clients. In this process he has analyzed the Authority's budgeting process and addressed the impacts of the system's operations on the wholesale clients.

City of Clearwater, Florida (Analyst)

Mr. Luce served as the project analyst for the City during which he conducted a revenue sufficiency analysis for the City's Utility System including the Water and Sewer Fund, Stormwater Fund, and Solid Waste Fund. Mr. Luce was responsible for developing a multi-year financial model for the funds, and analyzing the city's overall rate plan and borrowing needs.

Project Experience

City of Safety Harbor, Florida (Analyst)

Mr. Luce has served as the project analyst for the City during which he conducted a revenue sufficiency analysis, rate design analysis, and cost of service analysis for the City's Utility System including its Water and Sewer Fund, Stormwater Fund, and Solid Waste Fund. During this process, he helped the City address significant revenue needs while minimizing impacts to the customers.

City of St. Petersburg Beach, Florida (Analyst)

Mr. Luce has served as the project analyst for the City during which he conducted an impact fee study for the City's Sewer Fund. Mr. Luce was responsible for analyzing the Utility's total system fixed assets to calculate appropriate charges for connecting to the system.

Toho Water Authority, Florida (Analyst)

Mr. Luce has served as the project analyst for the City during which he conducted an allocation based rate design for the Authority's reclaimed customers with meter sizes two inches or larger. In this analysis, he developed a modelling process to create unique tiers for each individual customer based upon the unique environmental and locational data. In doing so, he analyzed the area's evapotranspiration data, derived beneficial rainfall based upon the available water storage of each soil type throughout the area, and researched applicable crop coefficients and irrigation efficiency. Upon developing the appropriate irrigation allocations, Mr. Luce assisted the Authority in developing marketing materials and tools to help the effected customers understand the rate design process and the bill impacts.

Anne Arundel County, Maryland (Analyst)

Mr. Luce has served as the project analyst for the County during which he conducted an analysis of the acquisition of a private wastewater treatment plant. During this study, Mr. Luce analyzed various scenarios regarding the timing of the purchase, the funding of the purchase, and the operations of the plant, and presented the results such that the County could approach the asset purchase effectively.

City of Peachtree City, Georgia (Analyst)

Mr. Luce has served as the project analyst for the City during which he conducted a revenue sufficiency analysis for the

County's Water and Sewer Fund. Mr. Luce was responsible for developing a multi-year financial model for the fund and assisted the City in determining appropriate borrowing and rate needs.

Athens Clarke County, Georgia (Analyst)

Mr. Luce has served as the Project Analyst for a rate design analysis for the consolidated city-county in which he developed a customized rate design model to incorporate an analysis of the winter averaging and system billing data to develop a new rate structure with additional tiers and new prices to recover the systems required revenues.

City of Fort Myers, Florida (Analyst)

Mr. Luce has served as the project analyst for the City during which he conducted an impact fee study for the City's Water and Sewer Fund. Mr. Luce was responsible for analyzing the Utility's total system fixed assets to calculate appropriate charges for connecting to the system.

Marion County, Florida (Analyst)

Mr. Luce has served as the project analyst for the County during which he conducted a revenue sufficiency analysis for the County's Water and Sewer Fund. Mr. Luce was responsible for developing a multi-year financial model for the fund and assisted the County in determining appropriate borrowing and rate needs.

City of Naples, Florida (Analyst)

Mr. Luce served as the project analyst for the City during which he conducted a revenue sufficiency analysis for the City's Water and Sewer Fund. Mr. Luce was responsible for developing a multi-year financial model for the fund with a particular emphasis on the effects of the City's recently implemented reclaimed water program.

City of Lake Worth, Florida (Analyst)

Mr. Luce has served as the Project Analyst for the City's assessment of the acquisition of a private water utility within proximity to the City. In this project, he developed a valuation of the private utility based upon an income approach assessing the cash inflows and outflows and model the impacts of purchasing the utility in the City's long term financial plan. Mr. Luce conducted an additional analysis to address the impacts to the customers served by the private utility upon an acquisition by comparing the effects on properties tax assessments and utility bills.

References

5. References

This section includes several project descriptions for recent and relevant work completed for municipalities in Florida and throughout the country. We encourage you to contact each of these references as they can speak to our experience and expertise in provide utility rate study services as well as our ability to meet project budgeting and scheduling milestones



Dates of Services: 2009 - Present

Project Team: Michael Burton,
Andrew Burnham, Erick van Malssen

Client Contact: Mr. John Titkanich,
City Manager, 65 Stone Street, Cocoa,
FL 32922 (321) 433-8484, fax: (321)
433-8690, jtitkanich@cocoaf1.org; Mr.
Jack Walsh, PE, Utilities Director, 65
Stone Street, Cocoa, FL 32922, (321)
433-8700, jwalsh@cocoaf1.org

Value: \$64,993 (original W/S study)

Integrated Financial Sustainability Analysis

City of Cocoa, FL

In 2009, we conducted a comprehensive water, wastewater, and reclaimed water cost of service and rate study, including development of a ten-year financial management plan, rate design, impact fees, and specific service charges. We evaluated the City's current inclining block rate structure and recommended refinements to number of usage blocks, block ranges, and rates for each new block. We also developed updated water and wastewater impact fees, including assessment of the effects of adjusted impact fees upon the rate plan scenarios in the rate revenue forecast.

During this work, we used our FAMS-XL© model to replicate the financial dynamics of the City's Water and Sewer Enterprise Fund and we evaluated several scenarios of capital funding alternatives, demands, and annual rate adjustments with City staff for presentation to City management. We have since provided several updates to the revenue sufficiency analysis, including updates to the financial management plan and multi-year plan of rate adjustments.

We recently completed an integrated financial sustainability analysis for the City. This analysis included the General Fund, the Water and Wastewater Fund, and the Fire Assessment. The analysis identified an integrated solution to the identified budget shortfall that involved a water and wastewater transfer to the General Fund and an increase in the fire assessment to fund the portion of additional staffing, facilities and equipment that cannot be funded by the general fund. We updated the fire assessment in conformance with the plan developed in the above described integrated financial sustainability analysis.

We also completed a Fire Protection Assessment Study for the City to develop a recommended methodology to recover a portion of the full cost requirement of providing fire protection service to properties within the City limits. We identified the full cost requirements for fire protection service that recognized the high level of service that has traditionally been provided by the City. We also projected annual cost requirements for providing fire protection service for a 10-year planning period. We used our interactive modeling process to evaluate alternative scenarios with City staff, resulting in the development of a sustainable solution for the City.



Dates of Services: 1995 - Present

Project Team: Andrew Burnham, Michael Burton, Erick van Malssen, Kyle Stevens, Leticia Gaglianone

Client Contact: Mr. Jay Ravins, Finance Director, 112 S. Osceola Avenue, Clearwater, FL 33756, (727) 562-4040, Jay.Ravins@myclearwater.com

Value: \$335,000 [5-yr contract]; \$22,333 (approximate cost per year, per utility)

Utility Rate Study Services City of Clearwater, FL

We have been performing rate study services for the City's water, sewer, reclaimed water, solid waste, recycling, and stormwater utilities for over 20 years. As part of each study, we conduct a detailed analysis of historical customer and demand data in order to develop multi-year projections based upon current economic and environmental conditions.

From there, we develop multi-year financial forecasts and rate adjustment plans for each utility. Periodically, we conduct cost allocations isolating costs between systems and customer classes in order to ensure fair cost apportionment. Using the results, we develop rate structures that ensure fair and equitable rates and conformance to accepted industry practices and legal precedent. We have assisted in developing and updating various miscellaneous charges, such as tap fees, turn on/off fees and deposits. As part of each study, we present the results to management, elected officials, and stakeholders.

As part of our services, we have also helped with the establishment of a stormwater utility fee and annual revenue sufficiency evaluations as well as support in the issuance of bonds, including presentations to the major rating agencies.

We recently completed a Solid Waste and Recycling Revenue Sufficiency which resulted in the formation of a single Enterprise Fund. We developed individual models for the funds along with a combined model to evaluate how a consolidated Solid Waste & Recycling Enterprise Fund would benefit the City. By forming a single Enterprise Fund, cash flow issues and large rate adjustments of the Recycling Fund were mitigated by the larger fund balance and adequate cash flows of the solid waste fund.



Dates of Service: 1998 - Present

Project Team: Andrew Burnham, Michael Burton, Jeff Dykstra, Leticia Gaglianone, Patrick Luce

Client Contact: Ms. Donna Lovejoy, Administrative Services Manager, Public Works, 2200 2nd St., Fort Myers, Florida 33902, (239) 461-3757, dlovejoy@cityftmyers.com

Value: \$64,228 (original Water and Sewer Rate Study)

Utility Rate & General Fund Study Services

City of Fort Myers, Florida

Our team has provided financial consulting services to the City of Fort Myers' water, sewer, solid waste, stormwater, and general funds for nearly 20 years.

We have provided financial consulting services to the City's water, sewer, solid waste, stormwater, and general funds since 1998. During that time, we have provided annual updates of the financial forecast or "business plan" for the water and sewer system to ensure that its rates will provide adequate revenue over a multi-year forecast period. Periodically, we review and provide rate structure modifications, updates to impact fees, and the analysis of the impacts of waiving impact fees.

We have provided valuation and financial feasibility analyses of the acquisition of neighboring service areas and conducted detailed demand and capacity requirement projections to determine the timing requirements of a wastewater treatment plant expansion. We developed a new Stormwater Utility Fee Program for the City based upon impervious area. To develop user fees, we obtained relevant parcel data from the Lee County Property Appraiser, performed extensive GIS-based property sampling to validate impervious area calculations for various property classes, and developed compilation programs to facilitate the alternative cost apportionment methods evaluated.

Most recently, we developed multi-year financial models to evaluate the financial sustainability of the City's General Fund, including an assessment analysis to assist in the development of a new Fire Assessment Program. In all analyses, we have conducted several interactive work sessions with City staff using our FAMS-XL model to review assumptions and inputs, analyze multiple scenarios, and determine the final results. We have made presentations to City Management, City Council and other stakeholders as part of each study.



Dates of Service: 2010 – Present

Project Team: Michael Burton, Andrew Burnham, Eric Grau, Leticia Gaglianone, David Hyder

Client Contact: Mr. David Jurgens, Public Utilities Dir., 306 Cedar Road, 5th Floor, Chesapeake, VA 23322, (757) 382-6352, djurgens@cityofchesapeake.net; Ms. Nancy Tracy, Finance Dir, (757) 382-8352, ntracy@cityofchesapeake.net

Value: \$61,153 (Original Study)

City of Chesapeake, Virginia

Water & Sewer Cost of Service and Rate Study

In 2010, we conducted a comprehensive cost of service and rate study for the City's water and wastewater utility. **We used our FAMS-XL model to develop a ten-year financial management plan and plan of annual rate adjustments that were necessary to meet all of the utility's financial obligations in each year of the projection period, including analysis of alternative capital improvement programs and funding sources.** We used our FAMS-XL modeling process to develop a five year financial plan that was consistent with the pro forma presentation in the most recent bond feasibility report, with changes documented where assumptions and inputs changed due to the economic climate. We made presentations to the City in order to educate them on the drivers of the necessary rate increase.

Following the initial rate study, we have performed several updates to the multi-year financial plan, and several other analyses, including an analysis of the financial impacts of a wastewater collection system **regionalization initiative spearheaded by the Hampton Roads Service District. In addition, we have assisted the City in evaluating its rate structures, connection fees, reserve policies, and billing frequency, as well as supported the City in periodic rating agency credit reviews.**

We are **currently initiating a comprehensive cost of service rate study**, during which we will 1) develop an updated multi-year financial management plan and corresponding plan of annual rate adjustments, 2) evaluate peak demands and cost allocations by customer class, 3) assess the customer impacts of potential rate structure modifications and/or alternative rate structures by class of customer, 4) update specific service charges (reconnection charges, inspection fees, etc.) and connection/capital fees, 5) review existing billing practices and make recommendations for improvements, 6) provide customized modeling tools for the City's future use, and 7) present any resulting rate adjustment recommendations to management, Council, and the public.



Dates of Service: 2015 - 2016

Project Team: Michael Burton, Andrew Burnham, William Ziebertz, Kyle Stevens

Client Contact: Mr. Arthur Petrini, Director of Public Utilities, P. O. Box 90775, Henrico, VA 23273-0775, (804) 501-4275, pet12@henrico.us

Value: \$74,990 (original Water and Sewer Rate Study)

Comprehensive Utility Rate Study Henrico County, Virginia

This study was performed for the County's combined water and sewer utility system, detailing revenue requirements, cost of service allocations, financing alternatives, and recommended rates and fees. The study included a revenue sufficiency analysis in the form of a ten-year projection of all operating costs and capital improvement costs and determination of the annual revenue required to support those costs. We also developed a plan of annual rate adjustments to ensure adequate revenues in the context of politically acceptable rates. We also conducted a **detailed evaluation of capital cost recovery/connection fees and charges by property type and compared the current fees and basis of application to local and comparable systems**. We also updated the level of existing connection fees and developing recommendations for changes to those fees based on the costs to meet the capacity needs of each type of customer and connect them to the water system and sewer system. The analysis was intended to ensure that the County had connection fees in place that reflect its current unit cost of capacity and distributed the costs of that capacity to new users in proportion to the demands placed on the system while also ensuring the fees conformed to all local and national industry practices as well as legal precedent.

We used our modeling system in the conduct of the study and in a series of interactive work sessions with County staff to interactively evaluate alternative scenarios of annual plans of rate adjustments and the effect of capital cost recovery/connection fee alternatives.

It is also important to note that the study included a **review of the annual cost of service studies that are 1) prepared by the County for bulk water and sewer service to the County of Hanover and County of Goochland, and 2) prepared by the City of Richmond for water purchased from the City of Richmond by Henrico County**. The study also included a review and recommendations on the cost of service studies that have been prepared by the County for the allocation of costs to Powhatan and Cumberland Counties as part of the Cobbs Creek Reservoir project currently under design. **These reviews were intended to ensure that the cost of service studies reflect the terms of these contracts and are in conformance with generally accepted industry practices.**



Dates of Service: 2005 – Present

Project Team: Andrew Burnham, Michael Burton, David Hyder, Leticia Gaglianone, Tracey Moher

Client Contact: Mr. Stephen Winters, Director of Finance, P.O. Box 336, Carrboro, NC 25710, (919) 537-4230, swinters@owasa.org

Value: \$125,000 (original Water and Sewer Rate Study)

Water, Sewer & Reclaimed Water Financial Services

Orange Water and Sewer Authority, North Carolina

We have served as OWASA's water, wastewater, and reclaimed water financial consultants for nearly ten years. **Previous OWASA water and sewer financial plans and rates had been set using a Black & Veatch rate and financial planning model. As part of our initial study, we reviewed the model in detail and determined that a more integrated model would better serve them.** OWASA was interested in an integrated model to 1) recalibrate their financial plan, rates, and system development fees (impact fees), and 2) update the financial plan on an annual basis. It is important to note that prior to providing services for OWASA, we assisted the University of North Carolina (OWASA's largest customer) in positively negotiating a reclaimed water rate structure and service agreement with OWASA. After that agreement was completed, OWASA began to utilize our services for their financial planning and ratemaking needs. During our time working with OWASA, we have performed a variety of services including:

1. Development of a long-term financial plan, including a fifteen-year revenue forecast with the assessment of several rate scenarios to fund alternative capital improvement programs
2. Detailed allocation of costs to support rate design; updated residential rates to include an inclining block rate structure, while maintaining seasonal rates for non-residential customers; implemented inclining block rate structure for separate irrigation-only meters
3. Evaluated affordability, including using household income data and alternative rate structures to address financial impact concerns to lower income households
4. Evaluation of the effectiveness of service availability fees in the financial plan of the utility and performed updates to the level of the fees
5. Develop water use restriction surcharges in response to significant drought conditions
6. Evaluation and development of high strength wastewater surcharges, including updated cost estimates of the cost to remove biochemical oxygen demand (BOD), suspended solids (SS), phosphorus (P) and ammonia-nitrogen (NH₃-N)
7. Preparation of a Bond Feasibility Report to fund needed wastewater capital improvements
8. Detailed review of customer classes; full cost of service allocation to each customer class
9. OWASA has licensed our financial planning rate module for several years, and we assist staff in annual updates to the model to ensure continued beneficial use of the modeling system as part of OWASA's budget process.

M/WBE Participation

6. M/WBE Participation

Stantec is not a minority or woman-owned business. While we have the ability to provide the requested service without the use of a sub-consultant, we are open to including an M/WBE on our team at the City's request.

Sub Consultants

7. Sub Consultants

Stantec is highly qualified to complete the requested services without the use of a sub-consultant. However, we are open to including an M/WBE as a sub-consultant on our team at the City's request.

Required Forms

8. Required Forms

This section includes:

1. Proposal Certification
2. Price Proposal
3. Non-Collusion Statement
4. Local Business Preference (LBP)
5. Contract Payment Method
6. Sample Insurance Certificate
7. Business License

BID/PROPOSAL CERTIFICATION

Please Note: If responding to this solicitation through BidSync, the electronic version of the bid response will prevail, unless a paper version is clearly marked **by the bidder** in some manner to indicate that it will supplant the electronic version. All fields below must be completed. If the field does not apply to you, please note N/A in that field.

If you are a foreign corporation, you may be required to obtain a certificate of authority from the department of state, in accordance with Florida Statute §607.1501 (visit <http://www.dos.state.fl.us/>).

Company: (Legal Registration) Stantec Consulting Services Inc. EIN (Optional): 11-2167170

Address: 200 Business Park Circle, Suite 101

City: St. Augustine State: FL Zip: 32095

Telephone No. (904) 247-0787 FAX No. (904) 241-7708 Email: michael.burton@stantec.com

Delivery: Calendar days after receipt of Purchase Order (**section 1.02 of General Conditions**): 120 Days

Total Bid Discount (**section 1.05 of General Conditions**): N/A

Does your firm qualify for MBE or WBE status (**section 1.09 of General Conditions**): MBE WBE

ADDENDUM ACKNOWLEDGEMENT - Proposer acknowledges that the following addenda have been received and are included in the proposal:

<u>Addendum No.</u>	<u>Date Issued</u>	<u>Addendum No.</u>	<u>Date Issued</u>	<u>Addendum No.</u>	<u>Date Issued</u>
<u>N/A</u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>

VARIANCES: If you take exception or have variances to any term, condition, specification, scope of service, or requirement in this competitive solicitation you must specify such exception or variance in the space provided below or reference in the space provided below all variances contained on other pages within your response. Additional pages may be attached if necessary. No exceptions or variances will be deemed to be part of the response submitted unless such is listed and contained in the space provided below. The City does not, by virtue of submitting a variance, necessarily accept any variances. If no statement is contained in the below space, it is hereby implied that your response is in full compliance with this competitive solicitation. If you do not have variances, simply mark N/A. **If submitting your response electronically through BIDS SYNC you must also click the "Take Exception" button.**

None.

The below signatory hereby agrees to furnish the following article(s) or services at the price(s) and terms stated subject to all instructions, conditions, specifications addenda, legal advertisement, and conditions contained in the bid/proposal. I have read all attachments including the specifications and fully understand what is required. By submitting this signed proposal I will accept a contract if approved by the City and such acceptance covers all terms, conditions, and specifications of this bid/proposal. The below signatory also hereby agrees, by virtue of submitting or attempting to submit a response, that in no event shall the City's liability for respondent's direct, indirect, incidental, consequential, special or exemplary damages, expenses, or lost profits arising out of this competitive solicitation process, including but not limited to public advertisement, bid conferences, site visits, evaluations, oral presentations, or award proceedings exceed the amount of Five Hundred Dollars (\$500.00). This limitation shall not apply to claims arising under any provision of indemnification or the City's protest ordinance contained in this competitive solicitation.

Submitted by:

Michael Burton
Name (printed)

2/9/2018
Date:


Signature

Vice President, Financial Services
Title

SECTION VI - PRICE PROPOSAL PAGE

Proposer Name: Stantec Consulting Services Inc.

Proposer agrees to supply the products and services at the prices given below in accordance with the terms, conditions and specifications contained in this RFP.

Cost to the City: Contractor must quote firm, fixed, costs for all services/products identified in this request for proposal. These firm fixed costs for the project include any and all expenses. No additional costs will be accepted.

Notes:

Attach a breakdown of costs including but not limited to services, equipment, materials and staff.

1. Total Firm Fixed Fee \$ 106,550

(Attach a breakdown of the total firm fixed fee.)

Please see following page for detailed breakdown.

Submitted by:

Michael Burton
Name (printed)

2/9/2018
Date


Signature

Vice President, Financial Services
Title

Cost Breakdown by Type

Type of Cost	Cost
Services	\$ -
Equipment	\$ -
Materials	\$ -
Staff	\$ 99,200
Expenses	\$ 7,350
Total Not-to-Exceed Fee *	\$ 106,550

* Further breakdown by tasks below.

Detailed Cost Breakdown by Task

Tasks	Cost
Rate Study	
Task 1 Analysis	\$ 55,700
1.1 Project Initiation	\$ 1,500
1.2 Revenue Requirements ¹	\$ 4,000
1.3 Cost of Service	\$ 14,000
1.4 Develop Water and Sewer Rates	\$ 14,000
1.5 Benchmarking Rates/Rate Survey	\$ 1,600
1.6 Recommend Proposed Boundaries	\$ 1,600
1.7 Provide Legal Justification for Assessments, Special Districts, Etc.	\$ 1,600
1.8 Review Service Charges	\$ 6,400
1.9 Review Capital Expansion Fees	\$ 11,000
Task 2 Preparation of Report	\$ 4,500
Task 3 Recommendation and Implementation of Assessment Process	See Below
Task 4 Meetings and Public Presentations²	\$ 14,000
Task 5 Deliverables	<i>included in above tasks</i>
Total Estimated Rate Study Fee	\$ 74,200
Total Rate Study Expenses	\$ 5,600
Total Not-to-Exceed Rate Study Fee	\$ 79,800

¹ This task will benefit from the modeling that we will complete during the integrated financial sustainability analysis under a separate authorization.

² Meetings include 1- BAB, 1- Infrastructure Committee, 1 - Commission. Kickoff meeting and 3 Interactive work sessions with staff included in Task 1 above.

Assessment Process	
Task 3 Recommendation and Implementation of Assessment Process	\$ 25,000
Total Estimated Assessment Process Fee	\$ 25,000
Total Assessment Process Expenses	\$ 1,750
Total Not-to-Exceed Assessment Process Fee	\$ 26,750
Total Estimated Rate Study and Assessment Process Fee	\$ 99,200
Total Rate Study and Assessment Process Expenses	\$ 7,350
Total Not-to-Exceed Rate Study and Assessment Process Fee	\$ 106,550

NON-COLLUSION STATEMENT:

By signing this offer, the vendor/contractor certifies that this offer is made independently and *free* from collusion. Vendor shall disclose below any City of Fort Lauderdale, FL officer or employee, or any relative of any such officer or employee who is an officer or director of, or has a material interest in, the vendor's business, who is in a position to influence this procurement.

Any City of Fort Lauderdale, FL officer or employee who has any input into the writing of specifications or requirements, solicitation of offers, decision to award, evaluation of offers, or any other activity pertinent to this procurement is presumed, for purposes hereof, to be in a position to influence this procurement.

For purposes hereof, a person has a material interest if they directly or indirectly own more than 5 percent of the total assets or capital stock of any business entity, or if they otherwise stand to personally gain if the contract is awarded to this vendor.

In accordance with City of Fort Lauderdale, FL Policy and Standards Manual, 6.10.8.3,

3.3. City employees may not contract with the City through any corporation or business entity in which they or their immediate family members hold a controlling financial interest (e.g. ownership of five (5) percent or more).

3.4. Immediate family members (spouse, parents and children) are also prohibited from contracting with the City subject to the same general rules.

Failure of a vendor to disclose any relationship described herein shall be reason for debarment in accordance with the provisions of the City Procurement Code.

<u>NAME</u>	<u>RELATIONSHIPS</u>
N/A	
_____	_____
_____	_____
_____	_____
_____	_____

In the event the vendor does not indicate any names, the City shall interpret this to mean that the vendor has indicated that no such relationships exist.

LOCAL BUSINESS PRICE PREFERENCE CERTIFICATION STATEMENT

The Business identified below certifies that it qualifies for the local business price preference classification as indicated herein, and further certifies and agrees that it will re-affirm it's local preference classification annually no later than thirty (30) calendar days prior to the anniversary of the date of a contract awarded pursuant to this ITB. Violation of the foregoing provision may result in contract termination.

(1) _____ is a **Class A** Business as defined in City of Fort Lauderdale Ordinance No. C-17-26, Sec.2-186. A copy of the City of Fort Lauderdale current year Business Tax Receipt **and** a complete list of full-time employees and evidence of their addresses shall be provided within 10 calendar days of a formal request by the City.
Business Name

(2) _____ is a **Class B** Business as defined in the City of Fort Lauderdale Ordinance No. C-17-26, Sec.2-186. A copy of the Business Tax Receipt **or** a complete list of full-time employees and evidence of their addresses shall be provided within 10 calendar days of a formal request by the City.
Business Name

(3) _____ is a **Class C** Business as defined in the City of Fort Lauderdale Ordinance No. C-17-26, Sec.2-186. A copy of the Broward County Business Tax Receipt shall be provided within 10 calendar days of a formal request by the City.
Business Name

(4) _____ requests a **Conditional Class A** classification as defined in the City of Fort Lauderdale Ordinance No. C-17-26, Sec.2-186. Written certification of intent shall be provided within 10 calendar days of a formal request by the City.
Business Name

(5) _____ requests a **Conditional Class B** classification as defined in the City of Fort Lauderdale Ordinance No. C-17-26, Sec.2-186. Written certification of intent shall be provided within 10 calendar days of a formal request by the City.
Business Name

(6) Stantec Consulting Services Inc. is considered a **Class D** Business as defined in the City of Fort Lauderdale Ordinance No. C-17-26, Sec.2-186 and does not qualify for Local Preference consideration.
Business Name

BIDDER'S COMPANY: Stantec Consulting Services Inc.

AUTHORIZED COMPANY PERSON: Michael Burton  2/9/2018
NAME SIGNATURE DATE

CONTRACT PAYMENT METHOD BY P-CARD

THIS FORM MUST BY SUBMITTED WITH YOUR RESPONSE

The City of Fort Lauderdale has implemented a Procurement Card (P-Card) program which changes how payments are remitted to its vendors. The City has transitioned from traditional paper checks to payment by credit card via MasterCard or Visa. This allows you as a vendor of the City of Fort Lauderdale to receive your payment fast and safely. No more waiting for checks to be printed and mailed.

Payments will be made utilizing the City's P-Card (MasterCard or Visa). Accordingly, firms must presently have the ability to accept credit card payment or take whatever steps necessary to implement acceptance of a credit card before the commencement of a contract.

Please indicate which credit card payment you prefer:

_____ Master Card

Stantec does not accept credit card payments. However, Stantec does accept payment in the form of EFT (Electronic Fund Transfer).

_____ Visa Card

Company Name: Stantec Consulting Services Inc.

Michael Burton
Name (Printed)


Signature

2/9/2018
Date

Vice President, Financial Services
Title



CERTIFICATE OF LIABILITY INSURANCE

5/1/2018

DATE (MM/DD/YYYY)
4/29/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Lockton Companies 444 W. 47th Street, Suite 900 Kansas City MO 64112-1906 (816) 960-9000	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
	E-MAIL ADDRESS:	
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A : Zurich American Insurance Company		16535
INSURER B : Travelers Property Casualty Co of America		25674
INSURER C : American Guarantee and Liab. Ins. Co.		26247
INSURER D :		
INSURER E :		
INSURER F :		

INSURED
1415077 STANTEC CONSULTING SERVICES INC.
8211 SOUTH 48TH STREET
PHOENIX AZ 85044

COVERAGES

CERTIFICATE NUMBER: 14193567

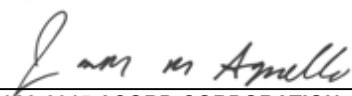
REVISION NUMBER: XXXXXXXX

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> CONTRACTUAL/CROSS <input checked="" type="checkbox"/> XCU COVERED GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:	N	N	GLO5415704	5/1/2017	5/1/2018	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 25,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY	N	N	TC2J-CAP-8E086819 TJ-BAP-8E086820	5/1/2017 5/1/2017	5/1/2018 5/1/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$ XXXXXXXX
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000	N	N	AUC9184637	5/1/2017	5/1/2018	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$ XXXXXXXX
B B B	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	TC2J-UB-8E08592 (AOS) TRJ-UB-8E08593 (MA, WI) EXCEPT FOR OH ND WA WY	5/1/2017 5/1/2017	5/1/2018 5/1/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) FOR INFORMATIONAL PURPOSES ONLY.

CERTIFICATE HOLDER**CANCELLATION**

14193567 TO WHOM IT MAY CONCERN	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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CERTIFICATE OF LIABILITY INSURANCE

10/1/2018

DATE (MM/DD/YYYY)

10/16/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

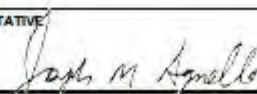
PRODUCER Lockton Companies 444 W. 47th Street, Suite 900 Kansas City MO 64112-1906 (816) 960-9000	CONTACT NAME: _____	
	PHONE (A/C, No, Ext): _____	FAX (A/C, No): _____
E-MAIL ADDRESS: _____		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Lloyds of London		_____
INSURER B: AIG Specialty Insurance Company		26883
INSURER C:		_____
INSURER D:		_____
INSURER E:		_____
INSURER F:		_____

COVERAGES **CERTIFICATE NUMBER:** 14756363 **REVISION NUMBER:** XXXXXXXX

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC <input type="checkbox"/> OTHER: _____			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX DAMAGE TO RENTED PREMISES (Ea occurrence) \$ XXXXXXXX MED EXP (Any one person) \$ XXXXXXXX PERSONAL & ADV INJURY \$ XXXXXXXX GENERAL AGGREGATE \$ XXXXXXXX PRODUCTS - COM/PROP AGG \$ XXXXXXXX \$ _____
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY <input type="checkbox"/> OTHER: _____			NOT APPLICABLE			COMBINED SINGLE LIMIT (Ea accident) \$ XXXXXXXX BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$ XXXXXXXX
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX \$ XXXXXXXX
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	NOT APPLICABLE			PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ XXXXXXXX E.L. DISEASE - EA EMPLOYEE \$ XXXXXXXX E.L. DISEASE - POLICY LIMIT \$ XXXXXXXX
A	Professional Liab	N	N	GLOPR1701673 NO RETROACTIVE DATE	10/1/2017	10/1/2018	\$3,000,000 PER CLAIM/AGG INCLUSIVE OF COSTS
B	Contractors Pollution Liab			CPO8085428	10/1/2017	10/1/2019	\$3,000,000 PER LOSS/AGG

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 THIS CERTIFICATE SUPERSEDES ALL PREVIOUSLY ISSUED CERTIFICATES FOR THIS HOLDER, APPLICABLE TO THE CARRIERS LISTED AND THE POLICY TERM(S) REFERENCED.

CERTIFICATE HOLDER 14756363 TO WHOM IT MAY CONCERN	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE: 
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State of Florida

Department of State

I certify from the records of this office that STANTEC CONSULTING SERVICES INC. is a New York corporation authorized to transact business in the State of Florida, qualified on November 14, 2001.

The document number of this corporation is F01000005948.

I further certify that said corporation has paid all fees due this office through December 31, 2017, that its most recent annual report/uniform business report was filed on February 16, 2017, and that its status is active.

I further certify that said corporation has not filed a Certificate of Withdrawal.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Eighth day of February, 2018*



Ken DeFoner
Secretary of State

Tracking Number: CU3014409663

To authenticate this certificate, visit the following site, enter this number, and then follow the instructions displayed.

<https://services.sunbiz.org/Filings/CertificateOfStatus/CertificateAuthentication>



Design with
community in mind