



Contract No.: 495-10161

Agreement to Supply: PUBLIC WORKS FINANCIAL SERVICES

This agreement, made and entered into this the 21 day of April, 2009, is by and between the **CITY OF FORT LAUDERDALE**, a Florida municipality, City Hall, 100 North Andrews Avenue, Fort Lauderdale, FL 33301, hereinafter called the "City" and Contractor:

Name: Burton & Associates, Inc.

Address: 200 Business Park Circle, Suite 101 City: St. Augustine State: FL Zip: 32095

A Corporation A Partnership An Individual Other: _____

authorized to do business in the State of Florida, hereinafter called the "Company" or "Contractor." Witnesseth that: Whereas, the City did issue a Request for Proposal (RFP) for supplying the requirements of the City for the items and/or service listed above for a period of **three years, with two one-year extension options**, and the Contractor submitted a proposal that was accepted and approved by the City.

Formal authorization of this contract was adopted by the City Commission on: 3/3/09 Pur-09, CAR 09-0166

Now, therefore, for and in consideration of the mutual promises and covenants herein contained, the parties covenant and agree as follows:

1. The Company agrees to provide to the City public works financial services during the period beginning 03/03/09 and ending 03/02/12 for the requirements listed above and according to the following specifications, terms, covenants and conditions:

a. This contract form G-110, the Request for Proposal containing General Conditions, Special Conditions, Specifications, addenda, if any, and other attachments forming a part of RFP Number **495-10161** and the Contractor's proposal in response, form a part of this contract and by reference are incorporated herein.

b. In construing the rights and obligations between the parties, the order of priority in cases of conflict between the documents shall be as follows:

- 1) This contract Form G-110, Rev. 12/00
- 2) The City's RFP and all addenda thereto
- 3) Contractor's proposal in response to the City's RFP

c. Warranty: The Company by executing this contract embodying the terms herein warrants that the product and/or service that is supplied to the City shall remain fully in accord with the specifications and be of the highest quality. In the event any product and/or service as supplied to the City is found to be defective or does not conform to specifications the City reserves the right to cancel that order upon written notice to the Contractor and to adjust billing accordingly.

d. Cancellation: The City may cancel this contract upon notice in writing should the Contractor fail to reasonably perform the service of furnishing the products and/or services as specified herein upon 30 days written notice. This applies to all items of goods or services.

e. Taxes Exempt: State Sales (85-8013875578C-1) and Federal Excise (59-600319) Taxes are normally exempt, however, certain transactions are taxable. Consult your tax practitioner for guidance where necessary.

f. Invoicing: Contractor will forward all invoices in duplicate for payment to the following: Finance Department, 100 N. Andrews Avenue, 6th Floor, Fort Lauderdale, FL 33301. If discount, other than prompt payment terms applies, such discount **MUST** appear on the invoice.

2. Contract Special Conditions: The following special conditions are made a part of and modify the standard provisions contained in this contract Form G-110.

The total amount paid to the Contractor pursuant to the payment provisions of this contract, including all fees and all costs, shall not exceed \$78,000.

3. Contract Summary:

a. Attachments:

Burton & Associates, Inc.'s response to the RFP and a copy of the RFP document.

b. Payment Terms: Per RFP

c. Delivery: Per RFP

d. Insurance: Yes No

e. Performance Bond/Letter of Credit: Yes No

f. Procurement Specialist's Initials: RM

4. Contractor's Phone Numbers: Office: 904-247-0787

5. Contractor's Fax Number: 904-241-7708

6. Contractor's E-Mail Address: mburton@burtonandassociates.com Website: www.burtonandassociates.com

City of Fort Lauderdale

By: [Signature]
Director of Procurement Services (City Manager's Designee)

Date: 4/21/09

Approved as to form:

[Signature]
Senior Assistant City Attorney

Contractor/Vendor

MICHAEL E. BURTON
Name of Company Officer (please type or print)

By: [Signature]
Authorized Officer's Signature

Title: PRESIDENT

Date: APR 20, 2009

Cynthia S. Higgins
Secretary (please type or print)

Attest: [Signature]
Signature of Secretary

**CONTRACT
COPY**



CITY OF FORT LAUDERDALE

**City of
Fort Lauderdale**

PUBLIC WORKS FINANCIAL SERVICES

Solicitation 495-10161

December 23, 2008

SOLUTIONS

PROVIDING SOLUTIONS
THROUGH CLEAR VISION

BURTON & ASSOCIATES

Utility & Governmental Economics Consultants

200 Business Park Circle

Suite 101

St. Augustine, FL 32095

(904) 247-0787

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BURTON & ASSOCIATES

Utility & Governmental Economics Consultants

December 19, 2008

Procurement Service Department
Room 619
City of Fort Lauderdale
100 North Andrews Avenue,
Fort Lauderdale, FL 33301

Re: Solicitation 495-10161 – Public Works Financial Services

Dear Members of the Selection Committee:

Burton & Associates is pleased to present the City with this proposal to provide professional Public Works Financial Services as per your Solicitation referenced above. **BURTON & ASSOCIATES SPECIALIZES IN UTILITY RATES AND FINANCIAL ANALYSIS FOR LOCAL GOVERNMENT WATER, WASTEWATER, STORMWATER AND SOLID WASTE UTILITIES.** The financial, cost and fee/rate structure components of local governmental utilities is the primary focus of our practice. We have successfully provided these services to many governmental utilities for 20 years. As such, we bring to this project extensive experience in financial forecasting, financial plan development, cost allocation analyses, rate program design and development, and an understanding of the cost components of local government water, wastewater, stormwater and solid waste utility services.

"Their interactive work session process is the most cost effective and efficient way to conduct business and their ability to present and communicate their work product is outstanding!"

Ron Nielsen
Utility Fiscal Manager
Orange County, FL

Industry Leader and Authority - Our extensive experience in providing utility rate and financial planning assistance services to local government utilities, as well as the stature of the Firm and its founder, Michael Burton as a recognized industry leader and authority in this practice area, are all indications of our unique qualifications to serve you. Evidence of our national stature in this regard is the fact that Mr. Burton is in his seventh year of service on the American Water Works Association (AWWA) National Rates & Charges Committee, where he coauthored AWWA Manual M54 - Developing Rates for Small Systems, which was published in 2004, and he currently chairs an Affordability Sub-Committee evaluating affordability as it relates to rate making principals. Mr. Burton also regularly is invited to speak at industry forums and has written numerous papers and given numerous presentations as presented in Section I in this proposal.

Utility Financial and Rate Analysis - Our unique approach to providing comprehensive utility financial and rate consulting services is to use our unique interactive decision support process in which we use our proprietary, automated Financial Analysis and Management System (FAMS-XL©), rate/financial model which is discussed herein, to explore numerous financial plan scenarios, cost allocation scenarios, rate/fee structures or other financial parameters and to develop logical short and long term financial management plans and defensible cost recovery mechanisms, in the context of predicted financial impact, market reality, public acceptability and political reality. A unique aspect of our approach is that we do this in "live interactive decision support workshops" with your staff, with our computer models up-and-running. This empowering process gives you a clear vision through graphical representations, as to the

implications of alternative scenarios upon key financial indicators as well as the impact upon customers' utility rates. Simply stated, we help you identify the decision choices available to you and we provide a clear vision as to the short and long term financial and rate consequences of those decision choices.

"Very competent and very professional. Working with the rate model in real time is a tremendously effective method of understanding rates, rate structure, impact fees and revenue sufficiency."

Jeff Littrell
Utility Director
Okaloosa County, FL

Our Interactive Decision Support Process and Tools - Over the years, we continue to enhance our interactive decision support process and our FAMS-XL© modeling tool. This modeling tool is a powerful and important part of our unique interactive process. However, we believe that what makes our process so successful is the experience and ability of our staff to facilitate the "live interactive decision support process" with our clients, using FAMS-XL© as a tool to perform incredibly complex scenario analyses while providing instantaneous feedback as to the results during

these work sessions. Our process provides clear vision regarding alternatives and outcomes for key decision makers, builds consensus for and confidence in the financial management and rate programs developed, and offers a superior tool for future program updates.

Revenue Sufficiency and Financial Plan Development - Our approach to providing comprehensive water, wastewater, stormwater and solid waste utility financial consulting services is to use FAMS-XL©, our automated financial model discussed herein, to precisely simulate the financial dynamics of your utility over a ten year forecast period. We can then explore numerous alternative scenarios of decision alternatives such as alternative capital improvement programs, alternative capital projects funding sources, growth assumptions, cost escalation factors, alternative working capital reserve targets, impact fees, service agreements, alternative water supplies, drought scenarios, etc. A unique aspect of our approach is that we do this in interactive workshops with City staff, with our computer models up-and-running.

Our development and use of our automated, interactive process allows very cost effective integration of City staff into the fiscal planning process while reducing substantially the consultant and City staff man hours and calendar time which would otherwise be necessary. Most importantly, this process gives you an instantaneous clear vision through graphical representations, as to the implications of alternative scenarios upon key financial indicators as well as the impact upon customers in terms of their monthly utility bill.

Recognition in Major Credit Markets - We structure our financial planning analyses to produce financial forecasts that are regularly used in support of the issuance of revenue bond issues by our clients as well as supporting the issuance of debt through the FDEP, State Revolving Fund Loan Program. Our financial forecast reports are regularly included in the official statements of revenue bond issues and are evaluated and relied upon by the major rating agencies and bond insurers in evaluating our client's proposed debt issues.

"A. G. Edwards has served as investment banker / underwriter on a number of utility acquisition bond issues supported by feasibility studies prepared by Mike Burton and Burton & Associates and for this reason we have a great deal of confidence in their work products."

William P. Simpson
Vice President
Investment Banking

Cost Allocation and Rate Design - We are also industry leaders in developing cost allocation plans that are appropriate for the specific water, wastewater, stormwater and/or solid waste system configuration, customer constituency, usage patterns, service parameters and/or property characteristics for which they are developed. We also have extensive experience in rate design and have performed numerous evaluations of elasticity of demand in response to water and wastewater pricing, most notable of which

have been several projects with the St. Johns River Water Management District in which we developed time series and cross sectional econometric models to evaluate the effectiveness of price as an incentive to water conservation. We have developed a powerful rate design module of FAMS-XL© which we use in interactive work sessions with our clients to refine rate design alternatives for water, wastewater, stormwater and solid waste rates with a visual monitoring of the effects upon the monthly utility cost of classes of customers or properties along the continuum of their ranges of usage and/or size.

"B&A's methodology is extremely effective and the graphics used during their presentation to the Council were excellent; in fact I don't think it could have been presented any better."

Bruce T. Grady
Councilman
Public Works Committee Chairman
City of Ft. Myers, FL

Overall Financial Master Plan - Our unique process will provide the City with essentially a ten year Financial Master Plan for your water, wastewater, stormwater and/or solid waste utilities, with appropriate rates and charges to provide the necessary revenues. Our approach to the development of an integrated strategic business management plan for each of your utilities considers the goals and objectives of each utility, the community, other stakeholders, and regulatory agencies. Our interactive modeling process offers a clear vision for City staff, City management and the City Commission of the short and long term financial issues and presents all feasible alternative solutions to those issues.

Negotiable Scope of Service & Price - We have provided a proposed approach which we believe addresses your required scope of services. However, if we are selected, we will be happy to meet with you to more fully understand your desires regarding the actual tasks associated with this project and we can adjust this proposed approach if required to more specifically meet your requirements during the negotiation of a final contract.

Firm Profile - Burton & Associates is a specialty firm specializing in water, wastewater, stormwater and solid waste rate and financial studies for local government utilities. Burton & Associates has been in business 20 years, is headquartered in St. Augustine, Florida and all work on this project will be managed out of this office. Neither Burton & Associates nor any of its principals or employees has any conflict of interest regarding this contract or the City in any way.

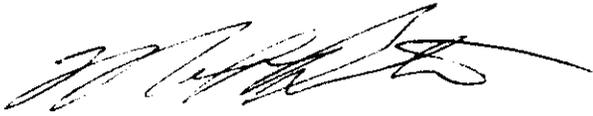
Recent Experience with the City of Fort Lauderdale - Our recent water and wastewater rate study that we are completing for the City provides us with a thorough understanding of the utility issues facing the City and a "base" financial/rate model of the City's water and wastewater utility. Similar models can be developed for the City's stormwater and solid waste utilities, providing a continuing basis for adjusting the long term financial and rate plans of each utility as a part of the annual budgeting process.

Affirmative Non-Collusion Statement - I declare that the only person(s), company or parties interested in the proposal as principals are named herein; that the proposal is made without collusion with any other person(s), company or parties submitting a proposal; that it is in all respects fair and in good faith, without collusion or fraud; and that the signer of the proposal has full authority to bind the principal contractor.

Summary - We believe that our utility financial planning experience, expertise and our interactive decision support process is second to none and would serve the City well. Our FAMS-XL© models are fully integrated, provide a multi-year (10 year) forecast and serve as the basis for our unique "live interactive decision support process" that has proven to be incredibly empowering for our clients.

We deliver superior services for an excellent price and we look forward to having the opportunity to be of service to you in addressing the financial planning and rate design needs of your utility. If you have any questions, or need any additional information, please do not hesitate to call me at (904) 247-0787.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael E. Burton", with a long, sweeping horizontal stroke extending to the right.

Michael E. Burton
President

Table of Contents

I. Background, Staff & Experience	1
A. Firm Background	1
B. Areas of Practice	1
C. Bond Issues	2
D. Publications	3
E. Our “Live Interactive Decision Support Process”	4
Components of the Process	6
1. Revenue Sufficiency Analysis and Long Term Financial Plan	6
2. Integration of Capital and Financial Planning	7
3. Cost Allocation and Rate Design	8
4. “What If” Scenarios	8
5. Choices and Consequences	9
F. Project Team	9
G. Resumes of Key Project Team Members	13
H. Samples of Other Consultant Contracts	20
II. References & Similar Projects	21
A. References	21
B. Similar Project History	30
III. Scope of Work and Approach	35
A. Purpose	35
B. Scope of Services	35
C. Typical Detailed Project Work Plan	36
D. Project Management Tools	39
IV. Proposed Schedule of Hourly Rates	41
V. Why Burton & Associates	42
VI. Administrative Compliance	43

I. BACKGROUND, STAFF & EXPERIENCE

This section presents the qualifications and experience of Burton & Associates and the personnel that we propose to be assigned to this project team as utility rate and financial consultants. This section also presents a description of our unique **FAMS-XL**® model and our “Live Interactive Process”.

A. Firm Background

Burton & Associates, Inc., is a corporation headquartered at 200 Business Park Circle, Suite 101, St. Augustine, Florida 32095. The firm was founded by Mr. Michael Burton in April of 1988 and has specialized since its inception in the provision of utility rate design and financial planning services to local governmental utilities.



This includes water, wastewater, reclaimed water, stormwater and solid waste rate studies, impact fee studies, revenue projections, financial feasibility studies, system and property valuation studies, fund-ing assistance and fully allocated cost of service studies and service charge analysis. Burton & Associates has developed

proprietary software and a “live interactive process” specifically to accomplish the integration of the key financial, capital planning and rate design components.

Our leadership in the utility rates industry is evidenced by not only our extensive experience, but also by the national stature of our president, Michael Burton, who will serve as Principal-in-Charge for this Study. He is a long term member of the Rates and Charges Committee of the American Water Works Association (AWWA), where in 2004 he co-authored Manual M54 – Developing Rates for Small Systems. He currently serves as chairman of a task force of the Committee evaluating affordability as it relates to rate making principals and practice.

B. Areas of Practice

As a specialty firm for almost 20 years, Burton & Associates has provided financial and water, wastewater, stormwater and solid waste utility rate consulting assistance to our utility clients in the following areas of practice:

- **UTILITY COST OF SERVICE & RATE STUDIES**
 - *Water and wastewater*
 - *Reclaimed water*
 - *Stormwater*
 - *Solid waste*
- **DEVELOPMENT OF IMPACT FEES/SYSTEM DEVELOPMENT FEES**
 - *Also known as capital cost recovery fees, etc.*

- **LONG TERM FINANCIAL PLAN DEVELOPMENT**
- **DEVELOPMENT OF CAPITAL FINANCE PLANS**
 - *Integrated with the utility's overall financial management program.*
 - *Our unique "Live Interactive Automated Process" allows us to quickly evaluate alternative capital plans and alternative financing scenarios in order to evaluate the implications regarding all aspects of the utility's financial management program.*
- **BOND FEASIBILITY REPORTS**
 - *For inclusion in the office statements of revenue bonds.*
- **COORDINATION WITH RATING AGENCIES AND BOND INSURERS – MOODY'S, S&P, FITCH, ...**
 - *In support of our bond feasibility reports for the issuance of revenue bonds.*
- **SYSTEM & PROPERTY VALUATION AND ANALYSES**
- **OPERATIONS AND PERFORMANCE REVIEWS, STRATEGIC PLANNING, FINANCIAL FEASIBILITY ANALYSES, ANNEXATION ANALYSES**
- **PRIVATIZATION AND MANAGED COMPETITION ANALYSES AND REPORTS**
- **ADMINISTRATIVE AND NEGOTIATIONS ASSISTANCE WITH ORDINANCES, INTER-LOCAL AGREEMENTS, REGULATORY MANDATES, AND FISCAL IMPACT ANALYSES**
- **ANALYSIS OF THE ACQUISITION/SALE OF UTILITY SYSTEMS**
 - *Including valuation analyses, negotiation support and the development of financial management plans for integration of acquired utilities into the overall utility system. We have represented both sellers and acquirers of utility systems.*
- **EXPERT WITNESS TESTIMONY SERVICES**
- **EVALUATION OF AND ASSISTANCE IN NEGOTIATIONS FOR UTILITY ACQUISITIONS, DEVELOPER AGREEMENTS AND UTILITY MAIN EXTENSION POLICIES**



C. Bond Issues

In addition to our utility rate consultant work, impact fee studies and related financial studies, we have provided revenue forecasts to support the issuance of utility revenue bonds and have worked with a number of financial advisors,

underwriters and engineering firms during that process. We have also utilized our **FAMS-XL** model to size bond issues and/or provide a revenue forecast in support of debt service coverage for the following governmental clients:

- *City of Cape Coral – RBC Capital Markets*
- *Okaloosa County, Florida – First Southwest*
- *City of Fort Myers – RBC Capital Markets*
- *City of Dunedin – RBC Capital Markets*
- *Orange County - PaineWebber - PFM*
- *Lee County – A.G. Edwards*
- *City of Titusville - Morgan Stanley - W.R. Hough & Company*
- *St. Johns County - W.R. Hough & Company*
- *City of Ft. Myers - Prudential Bache - W.R. Hough & Company*

- *City of Crystal River - W.R. Hough & Company*
- *City of Plant City - A.G. Edwards*
- *City of Panama City Beach - Raymond James*
- *Bonita Springs Water System - Prudential Bache*

D. Publications

In addition our consultants regularly are asked to write topical papers and to make presentations at industry forums. Such papers and presentations include:

- *FUNDING TOTAL WATER MANAGEMENT* – Co-Authored and presented at the Florida Section AWWA Annual Meeting – 2007, Orlando, Florida
- *INTEGRATION OF FINANCIAL AND CAPITAL PLANNING* – Written for and presented at the 2007 Florida Water Resources Conference
- *UTILITY RATE STUDIES AND MINIMIZING RATE INCREASES* – Co-authored and presented at the Florida Governmental Finance Officers Association Annual Meeting – 2007, Orlando, Florida
- *EFFICIENT FINANCING OF WATER SUPPLIES THROUGH REGIONAL CO-OPERATION* – Written for and presented at the Florida Chamber Summer School – 2006, Marco Island, Florida
- *RECLAIMED WATER METERED PRICING & ITS EFFECT UPON WATER & SEWER RATES* – Co-authored and presented at the WEF/TEC Annual Meeting – 2006, Houston, Texas
- *INTEGRATION OF CAPITAL AND FINANCIAL PLANNING* - Written and presented at the Florida Water Resources Conference-2003 -Tampa, Florida
- *FINANCIAL IMPLICATIONS OF ALTERNATIVE WATER SUPPLY* - Written and presented at the Florida Water Resources Conference-2003 Tampa, Florida
- *THE EFFECT OF INCLINING BLOCK WATER RATES UPON WATER USAGE & REVENUE* - Presented at the Florida Water Resources Conference-2003 Tampa, Florida
- *IMPLEMENTATION OF RECLAIMED WATER RATES & METERING* - Co-Authored With Al Castro, P.E. – Orange County Utilities, written and presented at the Florida Water Resources Conference-2002 Orlando, Florida, and published in the FWR Journal – 2002
- *EVALUATING & SETTING RATES* - Written and presented at the Water Environment Federation, Dallas, Texas 1998
- *RECLAIMED WATER RATE MAKING* - Written and presented at the AWWA 1998 Water Reuse Symposium in Orlando, Florida (February 1998)
- *AN AUTOMATED COMPUTER MODEL FOR THE FUNDING AND MANAGEMENT OF REUSE SYSTEMS* - Written and presented at the AWWA 1994 Water Reuse Symposium in Dallas, Texas (March 1994)
- *WATER RATE MAKING FOR GOVERNMENTAL UTILITIES* - This paper was developed for presentation to the St. Johns River Water Management District under contract with the Orange County Public Utilities.

E. Our "Live Interactive Decision Support Process"

Utility Managers' Challenges - Utility managers have been facing increasingly complex and difficult decision challenges over the past fifteen years due to increasing regulation, escalating costs, increasing pressures upon scarce resources and resistance from the public to increases in price.

Our Unique Experience and Process - During that time Burton & Associates has developed an empowering decision support process that assists utility managers in determining their decision alternatives and the financial consequences of those alternatives over a five and ten year planning horizon. We have developed a very powerful analytical tool, our Financial Analysis and Management System (FAMS-XL©) model, that we use in that decision support process.

Financial Forecasting and Planning - The financial forecasting module of FAMS-XL© allows us to precisely simulate the financial dynamics of our utility clients over a ten year planning period. This provides us the ability to help our clients make decisions with a clear vision as to their short and long term consequences and to develop integrated financial management plans for their utilities.

Cost Allocation and Rate Design - We also use the cost allocation and rate design modules of FAMS-XL© to evaluate alternative cost

allocation methods and rate designs in order to develop rates and charges that are "best fits" for our clients' system configurations with consideration for market pressures and political realities.

Interactive Decision Support Work Shops - We accomplish this through a "live interactive decision support process" in which we conduct a series of interactive work sessions with our clients' staff. During these work sessions, we use our FAMS-XL© model to explore decision alternatives and the short and long term financial and customer impact consequences of each.

Comparative Alternatives Analysis - We use a powerful graphical interface to compare key financial and customer impact parameters of alternatives, using a unique technique to freeze the results of a target scenario against which to compare the results of an alternative scenario. In this way we can instantaneously and clearly see the combined net impacts of several alternative assumptions, or "what if" scenarios, evaluated simultaneously and in the better part of a morning or afternoon we can work with our clients towards solutions.

Consensus and Confidence - The openness and clarity of our process builds consensus and confidence in the results among our clients' staff and governing boards.



"It was a pleasure to work with Burton & Associates on a project to develop two different User Fees. The B&A staff were always professional and very knowledgeable in their areas of competency especially in the development of the customized financial models. Their financial models, in particular, provided great decision-support mechanisms as the project team was able to view the ramifications for many different financial scenarios.

It was extremely beneficial to the project team to be able to see the potential outcomes of numerous, variable situations before the final rate structures were completed. B&A representatives were always willing to answer questions and provide clarifications without condescension. They brought a wealth of past experience that kept the project team "on keel" and focused on the objectives throughout the project timeline."

Nancy Ryan, President, NJR Consulting, Prime Consultant

The truly differentiating aspects of our live interactive decision support process are that:

- Using our FAMS-XL© model, we can simulate *all* aspects of the specific financial dynamics of a utility over a forecast period (5, 10 & 20 years),
- Using our FAMS-XL© model, we can integrate the financial and capital planning processes in a dynamic interactive decision process which allows testing of alternative capital plans with instantaneous feedback as to their implications upon the financial plan and the rates of our utility clients' customers.
- Using our FAMS-XL© model, we can monitor key financial indicators graphically on a "control panel" which allows our clients to visually see the implications upon key financial indicators of alternative scenarios and rate plans instantaneously, and
- We conduct alternative scenario analyses in "interactive sessions" with our clients, so that in one morning or afternoon we can all explore, and receive immediate feedback, regarding numerous "what if" scenarios such as alternative capital improvement programs, lower or higher levels of working capital reserves, alternative funding sources for capital projects, etc.



The most important aspect of our approach to the integration of your staff into our "team" is the interactive work sessions we conduct at several points during the course of the project.

Components of the Process

1. Revenue Sufficiency Analysis and Long Term Financial Plan

In order to ensure that the rates and charges are developed in the context of an overall long term financial management plan for the utility, our typical rate study includes 1) an analysis of the sufficiency of system revenues to fund the projected system requirements over a ten year projection period, including the CIP, and 2) the development of a long term financial management plan for the utility for the projection period.

The input to the financial management plan will include assumptions relative to growth in customers, changes in usage patterns, service parameters, alternative CIPs, cost escalators for operating expenses and capital costs, etc.

The output of the financial management plan will include identification and timing of borrowing requirements, development of an annual funding sources analysis for the CIP, monitoring and appropriate use of reserve balances, evaluation of debt service coverage,

projection of revenues, operating expenses and renewal and replacement requirements and identification of required annual rate revenue adjustments, if applicable.

During this process we use our FAMS-XL© model to simulate the financial dynamics of your utility and conduct interactive work sessions with your staff.

During these work sessions, the modeling results are displayed on a control panel of the model on a large viewing screen and changes can be made to input variables and the results can be seen instantaneously. During the better part of a morning or afternoon we can work with your staff towards solutions, with the by-product being general consensus of key staff members as to the viable decision alternatives available to you and the probable consequences of those decisions in terms of the following parameters over a ten year planning period. Outputs of this process include, but are not necessarily limited to the following:

- **Capital Improvements Program**
 - ◆ *Project listing by year*
 - ◆ *Optimum funding source by project by year*
 - ◆ *Flexibility regarding phasing, timing and execution of projects*
- **Borrowing Program**
 - ◆ *Amount of borrowing required (by source) to fund CIP projects not funded by other sources to include but not necessarily be limited to revenue bonds and State or other programs.*
 - ◆ *Timing of bond issue(s)/loan(s) to provide required borrowed funds,*
 - ◆ *Interim financing options*
 - ◆ *Annual debt service of bond issue(s)/loan(s)*

- **Revenue Sufficiency Analysis**
 - ◆ *Annual revenue and expense projections*
 - ◆ *Annual plan of rate adjustments to provide sufficient revenues*
 - ◆ *Price elasticity effects*
- **Sources and Uses of Funds Analysis**
- **Debt Service Coverage by Year**
- **Renewal and Replacement Expenditures (reserve contributions) by Year**
- **Funds Analysis**
 - ◆ *Recommended Reserve Requirements - Spend down limits (minimum reserve requirements) by fund*
 - ◆ *Beginning and ending funds balances by fund by year*
- **Sensitivity Analyses Regarding all of the Above**

Our live interactive decision support process integrates the multi-year financial forecast with the capital planning process to identify not only funding sources for capital projects, but also the implication upon rates.

2. Integration of Capital and Financial Planning

One of the most important features of Burton & Associates' live interactive decisions support process and our FAMS-XL© rate model is the full integration of the capital and financial planning processes.

Our financial modeling process considers all aspects of our utility clients' capital plans, including the determination of the most efficient funding source for each project and the development of a detail funding source analysis for all projects in the CIP.

We regularly work with our clients' internal and consulting engineering resources to determine the fiscal impact, at the rate payer level, of alternative service delivery scenarios. This has

been particularly effective in situations where facilities/master plans include significant projects that represent dramatic cost increases, such as a water utility planning to convert from groundwater water supply to alternative water supply, a stormwater utility addressing the need for significant capital funding to solve severe drainage problems or a solid waste utility planning to fund closure of a landfill and funding of an alternative disposal option.

This allows all stakeholders in the work sessions to work towards solutions with full vision as to not only the total cost of the capital program, but how the identified alternative delivery scenarios will impact the rate payer over the forecast period.

In our interactive work sessions:

- We can quickly evaluate alternative CIPs, and
- We can evaluate alternative timing and/or phasing of projects “on-the-fly”
- With real-time, immediate feedback of the consequences.

We also often work directly with our clients’ consulting engineers during the master plan development process to assist them in the determination of the full consequences of master plan alternatives.

This allows configuration of a recommended master plan with a full vision as to the financial consequences, not only in terms of total and life-cycle costs, but in terms of potential plans of financing the master plan and the ultimate

impact to our clients’ rate payers over the period of the master plan.

This process of full integration of the capital and financial planning processes has proven to be invaluable in 1) identifying our clients’ real choices, 2) demonstrating the consequences of their alternative choices, and 3) properly setting expectations as to the implications of the capital program.

3. Cost Allocation and Rate Design

Fair and equitable recovery of costs from customers is fundamental principal of rate making. Our cost allocation and rate design processes include determination of the most appropriate cost allocation method and rate design based upon system configuration, usage/other characteristics of customer/property classes and local goals and objectives. These functions are included in FAMS-XL© and we have built in the flexibility to evaluate alternative allocation assumptions and rate design options on-the-fly during our interactive work sessions with our clients.

We also can evaluate the effects of price elasticity assumptions based upon rate design characteristics and feed this back to the long term demand projections in the financial forecasting module used to develop a long term financial plan for the utility.

4. “What If” Scenarios

We can use FAMS-XL© to run numerous alternative scenarios during these interactive sessions and client staff can see graphically the implications, to key financial and customer impact indicators, of changes to variables in the rate making process such as timing and amount of capital projects funded in the capital improvements program (CIP), various levels of renewal and replacement expenditures, adjusting spend-down limits on reserve funds, rate structure changes, alternatives for levelizing rate increases over multiple years, growth rates, cost escalation factors and numerous other variables.

This instantaneous feedback to key decision makers, in a focused, solutions oriented environment, sets us apart and provides our clients with the best, most effective financial and rate program design tools available.

5. Choices and Consequences

These interactive sessions provide the basis for our clients to make informed decisions relating to the financial planning and rate making processes by allowing them to see and understand, first hand, the full range of realistic decision alternatives and the short and long term financial and customer/property impact consequences of each alternative. The rubber meets the road at the level of the monthly bill/annual assessment to the rate payer and our alternatives analysis display comparative results down to that level.

This type of visioning and alternative scenario analysis provides our clients with an unparalleled decision support process. It identifies alternative decision choices and the consequences of those choices.

F. Project Team

We have structured a proposed project team which will provide the City with project team members with experience in:

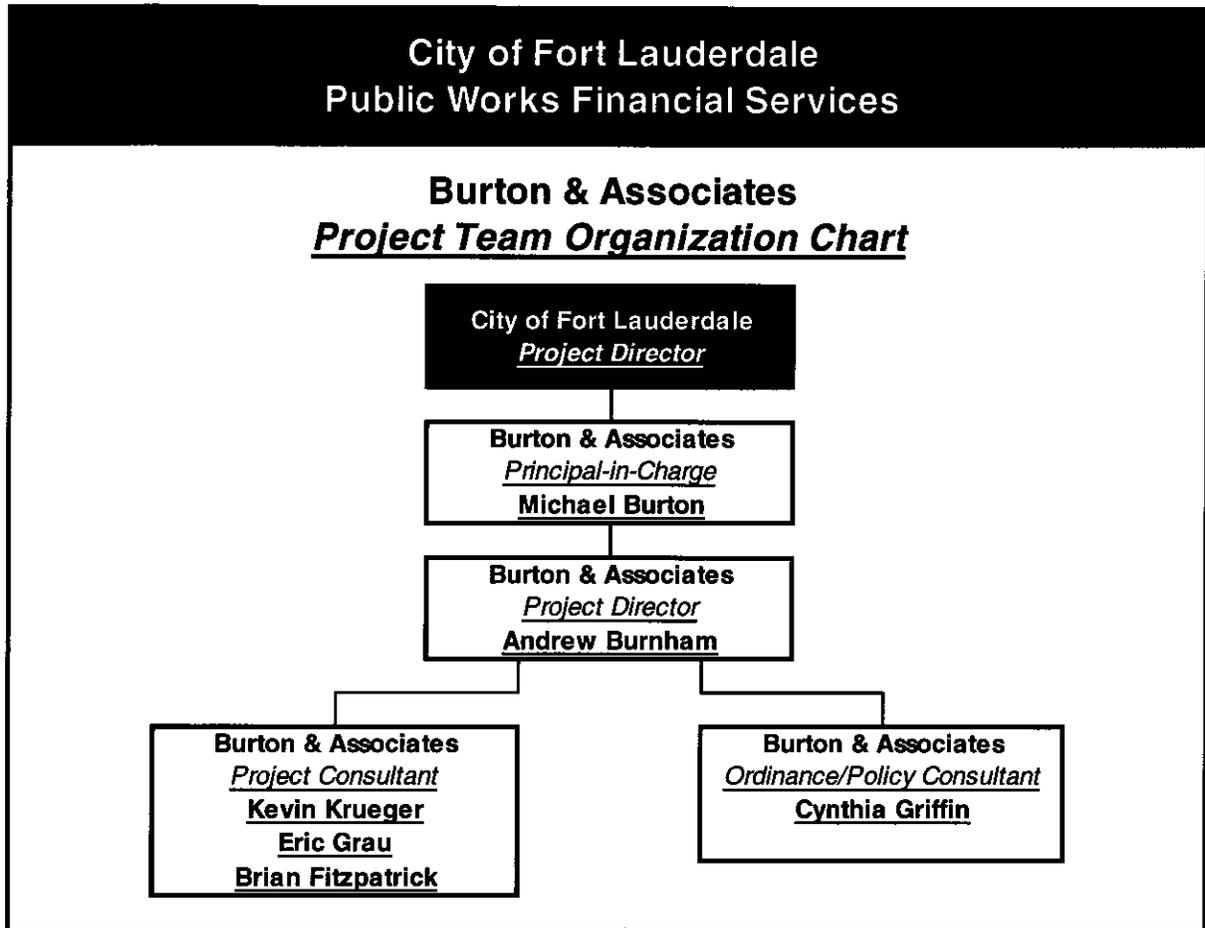
- a) DEVELOPMENT OF WATER, WASTEWATER, STORMWATER AND SOLID WASTE MULTI-YEAR FINANCIAL PLANS AND RATE PROGRAMS, and the management of utility rate studies for many governmental utilities.
- b) WATER, WASTEWATER, STORMWATER AND SOLID WASTE RATE STRUCTURE DESIGN CONCEPTS AND THEORY AND THEIR PRACTICAL APPLICATION TO SPECIFIC LOCAL CIRCUMSTANCES,
- c) DETAILED FUNCTIONAL COST ALLOCATIONS and the financial and technical expertise and experience to analyze your specific system configuration, facilities, master plans, design criteria, operations characteristics and funding requirements.
- d) DEVELOPMENT OF RETAIL, COMMERCIAL AND WHOLESALE/ BULK UTILITY RATES
- e) DEVELOPMENT OF CAPITAL FINANCE PLANS AND CAPITAL PLANNING to comply with the requirements of conventional capital markets (revenue bond issues) and special funding sources.

"B&A's methodology is extremely effective and the graphics used during their presentation to the Council were excellent, in fact I don't think it could have been presented any better."

Bruce T. Grady
Councilman
Public Works Committee Chairman
City of Ft. Myers, FL

Our proposed project team organization was developed as a result of our understanding of the background, objectives, scope and key issues of this project and our prior experience with similar projects. Our proposed Project Team is presented in the Project Team Organization

Chart on the following page and the roles and experience of our team members are discussed on the pages following the organization chart. Resumes of our proposed project team members are presented at the end of this section.



Burton & Associates Team Members

Principal-in-Charge – **Michael E. Burton**, President of Burton & Associates will serve as *Principal-in-Charge* of all work performed for the City. Mike has over 35 years experience in government resources economics management consulting, ten years of which have been with Arthur Young & Company (now Ernst & Young), one of the largest national accounting and management consulting firms. Mike was a principal of the firm and served as Director of the Florida Governmental Services - Finance Consulting Practice. He currently serves on the National AWWA Rates & Charges Subcommittee where he has co-authored a manual on rate making and chairs a Water Rates Affordability Subcommittee.

Mike has extensive experience in the design of financial management and rate programs, infrastructure finance and cost recovery programs for local governments, the development of user charge/rate studies, impact fee studies, financial advisory services for the issuance of revenue bonds, bond issue feasibility studies/forecasts, strategic planning for the provision of services for governmental jurisdictions and private developers, rate case assistance to private utilities, rate regulation assistance to jurisdictional counties, utility acquisition analyses and consensus building. Mike's expertise covers a broad range of

utility issues and he regularly provides water, wastewater, stormwater and solid waste in the following areas:

- *Revenue sufficiency analysis*
- *Cost allocation determination*
- *CIP program development*
- *Capital funding analyses*
- *Financial management programs*
- *Regulatory assistance*
- *Special fee programs*
- *Rate structure design*
- *Impact fees*
- *Special non-ad valorem assessments*
- *Unaccounted for water audits*
- *Utility valuations*
- *Acquisition planning and analyses*
- *Strategic planning and economic impact quantification*
- *Water resources planning including alternative source of supply*
- *Rate case assistance*

Project Director - Andrew Burnham, Senior Vice President of Burton & Associates will serve as Project Director for all work for the City. Andy is a leader in our industry and has provided exemplary professional consulting services to our clients for many years. He has consistently received accolades for his responsiveness to their issues, attention to detail and his extraordinary work ethic. He has extensive experience as Project Director on water, wastewater, stormwater and solid waste utility rate study projects that include cost of service analyses, revenue sufficiency analyses, rate structure design, wholesale cost of service analyses, system development charges and contract administration, and he has frequently provided expert witness testimony and affidavits in state and federal proceedings.



Andy has analyzed the financial impacts upon utilities of the implementation of federal utility policy, and he has assisted with filings that comply with regulatory directives. He has diverse financial and analytical skills, including statistical modeling, revenue and demand forecasting, as well as the creation of innovative pricing structures. He has developed many water and wastewater bill frequency analyses, revenue sufficiency analyses, wholesale rate designs and system development charges. He has analyzed the financial dynamics of utility acquisition proposals and provided general rate consulting services to many of our clients, including the following to name a few:

- *City of Fort Lauderdale*
- *City of Coconut Creek*
- *City of Lake Worth*
- *City of Coral Springs*
- *City of Opa-Locka*
- *Peace River/Manasota Regional Water Supply Authority*
- *Pinellas County*
- *City of Polk City*
- *City of Sarasota*
- *City of St. Petersburg*
- *City of Clearwater*
- *City of Tarpon Springs*
- *City of Palmetto*
- *Marion County*
- *City of New Port Richey*
- *Orange County*
- *City of Fort Myers*
- *City of St. Cloud*
- *City of Mount Dora*
- *Volusia County*
- *City of Dunedin*

Project Consultants - Kevin Krueger, Eric Grau and Brian Fitzpatrick, Consultants with Burton & Associates, will serve as a Project Consultants for all work for the City.

Mr. Krueger is a graduate economist and has provided financial and rate consulting services to our clients for the past two years with Burton & Associates. He has assisted in developing enhancements to our FAMS-XL© model and has extremely strong modeling skills. He has extensive experience working with large data sets and has significantly enhanced our models used to compile billing statistics in support of water and wastewater rate design. Clients for whom Kevin has provided utility financial consulting services include the following:

- *City of Fort Lauderdale*
- *City of Coconut Creek*
- *City of Lake Worth*
- *Town of Davie*
- *City of Opa-Locka*
- *City of Coral Springs*
- *Town of Lauderdale-by-the-Sea*
- *City of Neptune Beach*
- *Nassau County*
- *City of Fort Myers*
- *City of New Port Richey*
- *City of LaBelle*
- *Ranger Drainage District*
- *City of Lake City*
- *City of Dunnellon*
- *City of Crystal River*

Mr. Grau has provided financial and rate consulting services to our clients for the past four years with Burton & Associates. Eric has impressive financial, business and analytical skills and has provided our team with solid financial analyses based upon applications of financial and economic concepts. He is skilled in the use of our FAMS-XL© model and his technical skills have enhanced our interactive process. He has provided our clients with superior problem solving analytics and a streamlined approach to utility financial planning and rate making. Clients for whom Eric has provided utility financial consulting services include the following to name a few:

- *Okaloosa County*
- *Orange County*
- *City of St. Petersburg*
- *City of Cape Coral*
- *City of Fort Myers*
- *City of Palmetto*
- *City of Punta Gorda*
- *City of Sarasota*
- *City of Lynn Haven*
- *Volusia County*
- *City of St. Cloud*
- *Pinellas County*

Mr. Fitzpatrick has provided financial and rate consulting services to our clients for the past year with Burton & Associates. He has assisted in the set up of our financial model and in the development of detailed bill frequency analysis in support of rate design. He has experience in the development of specific service charges and in compiling surveys of comparative effects of rate designs upon customers' monthly water and wastewater bills. Clients for whom Brian has provided utility financial consulting services include the following:

- *City of Lake Worth*
- *City of Coconut Creek*
- *Town of Davie*
- *City of Deltona*

- *City of Fernandina Beach*
- *City of Neptune Beach*
- *City of Fort Myers*
- *City of Crystal River*

Ordinance/Policy Consultant - Cynthia Griffin, Vice President of Burton & Associates, will assist our project team with any ordinance development or modification work and policy assessments and drafting that may be required. Cynthia has over 20 years of experience in financial and cost analysis and has provided assistance to governmental and private sector clients in evaluating funding requirements and development of policies to support their objectives. Her experience includes assisting in ordinance review and development, policy and procedure review and documentation, capital improvement plan evaluation regarding funding source availability and the development of municipal services impact fees,. She regularly provides a broad range of consulting services to government agencies and public and privately held corporations and her experience also includes research and comparative analysis and the preparation and evaluation survey results.

G. Resumes of Key Project Team Members

Resumes of the key project personnel proposed herein are presented on the following pages.



MICHAEL BURTON

General Qualifications

Mr. Burton is President of Burton & Associates. He has over 30 years experience in government resources financial analysis and rate setting, ten years of which were with Arthur Young & Company (now Ernst & Young), one of the largest national accounting and management consulting firms. Mike was a principal of the firm and served as Director of the Florida Governmental Services - Finance Consulting Practice. He currently serves on the National AWWA Rates & Charges Subcommittee where he has co-authored AWWA Manual M54 - Developing Rates for Small Systems and he Chairs a Water Rates Affordability Sub-committee.

Mike has extensive experience in the design of financial management and rate programs, infrastructure financing programs and cost recovery mechanisms for local governments, the development of user charge/rate studies, impact fee studies, financial advisory services for the issuance of revenue bonds (including feasibility studies/forecasts), strategic planning for the provision of services for governmental jurisdictions and private developers, rate case assistance to private utilities, rate regulation assistance to jurisdictional counties, utility acquisition analyses and consensus building. Mike's expertise covers a broad range of water, wastewater, stormwater and solid waste utility issues and he regularly provides service in the following areas:

- *Revenue sufficiency analysis,*
- *Cost allocation determination,*
- *Capital improvement program development,*
- *Capital funding analyses,*
- *Financial management programs,*
- *Regulatory assistance,*
- *Assessment and Fee programs,*
- *Rate structure design,*
- *Impact fees,*
- *Special assessment fee programs,*
- *Unaccounted for water audits*
- *Utility valuations,*
- *Acquisition planning and analyses,*
- *Strategic planning and economic impact quantification,*
- *Water resources planning*
- *Alternative source of supply impact analyses*
- *Rate case assistance, and*
- *Expert Witness Testimony*

Education

Bachelors of Industrial Engineering, 1970, University of Florida

Areas of Specialization

- Water Resources Finance
- Stormwater Assessments
- Solid Waste Rates
- Revenue Forecasts
- Cost Allocation
- Rate Design
- General Government

Selected Publications

- *AWWA MANUAL M54 - DEVELOPING RATES FOR SMALL SYSTEMS* - Co-Author for AWWA - Published in 2004.
- *INTEGRATION OF CAPITAL AND FINANCIAL PLANNING* - Written and presented at the Florida Water Resources Conference-2003 -Tampa, FL
- *FINANCIAL IMPLICATIONS OF ALTERNATIVE WATER SUPPLY* - Written and presented at the Florida Water Resources Conference-2003 Tampa, FL
- *THE EFFECT OF INCLINING BLOCK WATER RATES UPON WATER USAGE & REVENUE* - Presented at the Florida Water Resources Conference-2003 Tampa, FL
- *IMPLEMENTATION OF RECLAIMED WATER RATES & METERING* - Co-Author With Al Castro, P.E. - Orange County Utilities, presented at the Florida Water Resources Conference-2002 Orlando, FL,
- *WATER RATE MAKING FOR GOVERNMENTAL UTILITIES* - This paper was developed for presentation to the St. Johns River Water Management District under contract with the Orange County Public Utilities

ANDREW BURNHAM

General Qualifications

Mr. Burnham is a Senior Vice President of Burton & Associates. Andy is a leader in the utility industry and has extensive experience as the Project Director on utility projects that include cost of service analysis, revenue sufficiency analysis, rate structure design, wholesale cost of service analysis, contract administration, and he has frequently provided expert witness testimony and affidavits in state and federal proceedings.

Andy has also analyzed the financial impacts upon utilities of the implementation of federal utility policy and has assisted with preparing filings to comply with regulatory directives. He has performed many water, wastewater, stormwater and solid waste rate design and revenue sufficiency analyses and has frequently provided expert witness rate case testimony. He has also analyzed multiple utility acquisition proposals and provided general rate consulting services to many of our clients. Andy's experience includes serving as Project Director for utility financial analysis and rate design projects for the following clients, to name a few:

- *City of Fort Lauderdale – Water and Wastewater Revenue Sufficiency Analysis, Cost Allocation, Rate Design and Impact Fees Development*
- *City of Coconut Creek – Comprehensive Water and Wastewater Revenue Sufficiency Analysis and Rate Study including Impact Fees*
- *City of Lake Worth – Comprehensive Water and Wastewater Rate Study including Retail Rate Design and Wholesale Rates for Regional Service*
- *City of Coral Springs – Water and Wastewater Revenue Sufficiency Analysis, Cost Allocation, Rate Design and Impact Fees Development*
- *City of Opa-Locka – Water, Wastewater and Solid Waste Revenue Sufficiency Analysis, Cost Allocations and Rate Design Study*
- *Orange County - Water and Wastewater Revenue Sufficiency Analysis, Rate Design, Impact Fees and Alternative Water Feasibility Analysis*
- *Marion County - Water and Sewer Revenue Sufficiency, Rate Design and Impact Fees*
- *City of Clearwater – Water, Wastewater, Stormwater and Solid Waste Revenue Sufficiency and Rate Design Analyses*
- *City of Crystal River – Stormwater Utility Feasibility Analysis including Revenue Requirements and Rate Design*

Education

Bachelor of Business Administration, 2000, Lake Superior State University, Sault Ste. Marie Michigan
Graduated Magna Cum Laude
Recipient of Outstanding Business Student Award

Areas of Specialization

- Water & Wastewater Rates
- Solid Waste Finance & Rates
- Stormwater Finance & Rates
- Revenue Forecasts
- Cost Allocation
- Rate Design
- Electric Utility Rates
- Expert Witness Testimony

Selected Clients

Andy's experience includes performance of financial analysis and/or rate setting studies for the following clients to name a few:

- City of Fort Lauderdale
- City of Lake Worth
- City of Coconut Creek
- City of Coral Springs
- City of Opa-Locka
- Pinellas County
- Orange County
- City of Sarasota
- University of North Carolina at Chapel Hill
- City of St. Petersburg
- City of Clearwater
- Glynn County, Georgia
- City of Cape Coral
- Intercoastal Utilities
- City of New Port Richey
- Consumers Energy
- City of Fort Myers
- City of St. Cloud
- Nassau County
- Marion County
- City of Dunedin
- Peace River/Manasota Regional Water Supply Authority
- City of Neptune Beach

KEVIN KRUEGER

General Qualifications

Mr. Krueger is a Consultant with Burton & Associates. He is a graduate economist and has provided financial and rate consulting services to a number of our clients for the past two years since joining Burton & Associates. He has assisted in developing enhancements to our FAMS-XL® model and has extremely strong analytical and modeling skills.

Kevin has enhanced Burton & Associates stormwater cost apportionment model that is used in the development of stormwater/drainage assessments for our clients. He has assisted in the development of water and wastewater impact fees as well as impact fees for general government service such as police, fire and parks and recreation. Kevin is also experienced in the performance of detailed bill frequency analyses in support of the development of water and wastewater rate structures to fairly recover the cost of service and to provide incentives for water conservation.

Kevin's experience includes serving as Project Consultant for utility financial analysis and rate design projects for the following clients, to name a few:

- City of Fort Lauderdale – Water and Wastewater Revenue Sufficiency Analysis, Cost Allocation, Rate Design and Impact Fees Development
- City of Coconut Creek – Comprehensive Water and Wastewater Revenue Sufficiency Analysis and Rate Study including Impact Fees
- City of Lake Worth – Comprehensive Water and Wastewater Rate Study including Retail Rate Design and Wholesale Rates for Regional Service
- Town of Davie – General Government Impact Fee Study
- City of Coral Springs – Water and Wastewater Revenue Sufficiency Analysis, Rate Design and Impact Fees
- Ranger Drainage District - Stormwater/Drainage Cost Apportionment and Rate Design
- City of Opa-Locka – Water, Wastewater and Solid Waste Revenue Sufficiency Analysis and Rate Design
- Nassau County – Water and Wastewater Revenue Sufficiency Analysis, Impact Fees and Specific Service Charges
- City of Lake City – Stormwater Rate Study for Establishment of a Stormwater Utility

Education

Bachelor of Arts in Economics, 2006, St. John's University, Collegeville, MN
Minor in Mathematics

Areas of Specialization

- Water Resources Finance
- Water Rates
- Wastewater Rates
- Stormwater Rates
- Impact Fees
- Solid Waste Rates
- Revenue Forecasts
- Rate Design
- General Government Finance

Selected Clients

Kevin's experience includes performance of financial analysis and/or rate studies for the following clients to name a few:

- City of Fort Lauderdale
- City of Coconut Creek
- City of Lake Worth
- City of Coral Springs
- City of Opa-Locka
- Town of Lauderdale-by-the-Sea
- Town of Davie
- City of Neptune Beach
- Nassau County
- City of Fort Myers
- City of New Port Richey
- City of LaBelle
- Ranger Drainage District
- City of Lake City
- City of Dunnellon
- City of Crystal River
- City of Clearwater
- City of Punta Gorda
- Brevard County

ERIC GRAU

General Qualifications

Mr. Grau is a Consultant with Burton & Associates. He has provided financial and rate consulting services to our clients for the past four years with Burton & Associates. He has superior financial, business and analytical skills and has provided our consulting practice with solid financial analyses based upon applications of sound financial and economic concepts.

Eric is skilled in the use of our proprietary interactive FAMS-XL© model and his technical skills have enhanced our interactive process. He has provided our clients with exceptional problem solving analytics and a streamlined approach to utility financial planning and rate making.

Eric is experienced in the development of detailed water and wastewater bill frequency analyses and has assisted in the development of water and wastewater rate structures to reflect fair and equitable distribution of costs as well as to provide incentives for water conservation. He is also experienced in the development, capital cost recovery fees or impact fees, reclaimed water rates, fire service fees/assessments and specific service charges.

Eric's experience includes serving as Project Consultant for utility financial analysis and rate design projects for the following clients, to name a few:

- Volusia County - *Solid Waste Revenue Sufficiency and Waste Diversion Analysis*
- City of Clearwater – *Stormwater Rate Study*
- City of Lynn Haven – *Solid Waste Rate Study*
- City of Tarpon Springs - *Water and Wastewater Revenue Sufficiency and Impact Fees*
- Pinellas County – *Water, Wastewater and Solid Waste Revenue Sufficiency Analysis, Cost of Service Allocation and Wholesale Rate Calculations*
- City of Ocala – *Fire Services Fee Development Study*
- Niceville, Valparaiso, Okaloosa County (NVOC) – *Reclaimed Water Rate Study*

Education

Bachelor of Science in Finance, 2004, University of Florida
Graduated Cum Laude

Areas of Specialization

- Water Resources Finance
- Stormwater Rates
- Solid Waste Finance
- Reclaimed Water Rates
- Revenue Forecasts
- Rate Design
- General Government

Selected Clients

Eric's experience includes performance of financial analysis and/or rate setting studies for the following clients to name a few:

- Okaloosa County
- City of St. Petersburg
- City of Cape Coral
- City of Fort Myers
- City of Ocala
- Pinellas County
- Town of Beverly Beach
- City of Mount Dora
- City of Dunedin
- City of Clearwater
- Volusia County
- City of Palmetto
- City of Punta Gorda
- City of Sarasota
- Glynn County, Georgia
- City of Lynn Haven
- City of St. Cloud
- City of Tarpon Springs
- Peace River / Manasota Regional Water Supply Authority
- Orange County
- Brevard County
- City of Polk City
- City of Decatur, AL
- City of Indian Rocks Beach
- City of Fernandina Beach

BRIAN FITZPATRICK

General Qualifications

Mr. Fitzpatrick is an Associate Consultant with Burton & Associates. He has provided water and wastewater financial and rate consulting services to our clients for the past year with Burton & Associates. He has excellent analytical skills and is experienced in the use of our proprietary interactive FAMS-XL© model.

Brian is experienced in the development of detailed water and wastewater bill frequency analyses and has assisted in the development of water and wastewater rate structures to reflect fair and equitable distribution of costs as well as to provide incentives for water conservation. He is also experienced in the development, capital cost recovery fees or impact fees, reclaimed water rates, fire service fees/assessments and specific service charges.

Brian's experience includes serving as Project Consultant for utility financial analysis and rate design projects for the following clients, to name a few:

- *City of Lake Worth – Water and Wastewater Revenue Sufficiency Analysis, Rate Design and Impact Fees*
- *City of Coconut Creek – Water and Wastewater Revenue Sufficiency Analysis, Rate Design and Impact Fees*
- *Town of Davie – Water and Wastewater Revenue Sufficiency Analysis, Rate Design and Impact Fees*
- *City of Fernandina Beach – Water and Wastewater Revenue Sufficiency Analysis, Rate Design and Impact Fees*
- *City of Fort Myers – Water and Wastewater Revenue Bond Feasibility Report*
- *City of Deltona - Water and Wastewater Revenue Sufficiency Analysis, Rate Design and Impact Fees*
- *City of St. Cloud - Water and Wastewater Revenue Sufficiency Analysis, Rate Design and Impact Fees*
- *City of Polk City – Water and Wastewater Revenue Sufficiency Analysis*
- *Orange County – Water and Wastewater Revenue Sufficiency Analysis and Impact Fees*

Education

Bachelor of Science - University of Florida, 2008
Major in Finance; Minor in Entrepreneurship
Graduated Cum Laude

Areas of Specialization

- Water Resources Finance
- Water Rates
- Wastewater Rates
- Impact Fees
- Solid Waste Rates
- Revenue Forecasts
- Rate Design
- General Government Finance

Selected Clients

Brian's experience includes performance of financial analysis and/or rate studies for the following clients to name a few:

- City of Lake Worth
- City of Coconut Creek
- Town of Davie
- City of Deltona
- City of St. Cloud
- Town of Indian Rocks Beach
- Orange County
- Marion County
- City of Fernandina Beach
- City of Polk City
- City of Fort Myers – Utility Acquisition Feasibility Study
- City of Fort Myers – Bond Support

CYNTHIA GRIFFIN

General Qualifications

Ms. Griffin is a Vice President of Burton & Associates. She has over 20 years experience in government resources financial analysis and policy and ordinance development. Cynthia provides assistance to governmental and private sector clients in evaluating funding requirements and development of policies to support their objectives.

Her experience includes assisting in the development of municipal services impact fees, ordinance drafting and revision, policy and procedure review and capital improvement plan funding analysis. Her experience also includes research and comparative analysis, including the preparation and evaluation of survey results.

Prior to joining Burton & Associates in 1989, Cynthia was an institutional investments analyst for a small regional firm in the southeast and prior to that performed a similar function with Merrill Lynch.

Cynthia's expertise covers a broad range of utility issues and has provided service in the following areas:

- *Policy evaluation and development*
- *Line extension policies*
- *Reclaimed water connection*
- *Backflow prevention*
- *Conservation policies and programs*
- *Utility metering policies*
- *Utility connection policies*
- *Utility ordinance development*
- *Municipal code evaluation and re-write*
- *Stormwater ordinance evaluation and drafting*
- *Developer agreements*
- *Water loss prevention policies*
- *Other*

Education

Attended University of Florida, 1972-1975, Curriculum - Business Administration

Areas of Specialization

- Water Resources
- Stormwater Utilities
- Solid Waste
- Fire Assessments
- General Government
-

Selected Clients

Cynthia's experience includes performance of financial analysis and/or policy and ordinance review and drafting for the following clients to name a few:

- City of Punta Gorda
- City of Fort Myers
- Okaloosa County
- Orange County
- City of Clearwater
- City of Cape Coral
- City of Lake Mary
- City of Lake City

H. Samples of Other Consultant Contracts

Samples of two other consultant contracts with clients for whom we have performed similar work are included in Section VI - Administrative Compliance.

II. REFERENCES & SIMILAR PROJECTS

A. References

This section presents a description of a number of similar projects that we have recently completed, Burton & Associates Staff who worked on the project(s), estimated annual fees and man-ours, and a client reference for each client/project described. Although we have performed all requested utility services for many of our clients, this section groups descriptions of and references for projects which were primarily associated financial planning and rates for 1) water and wastewater, 2) stormwater, and 3) solid waste utilities.

After the above referenced projects and references related to the three areas described above, we also present a number of other utility financial planning and rate study projects and references to demonstrate the breadth and depth of our experience.

WATER AND WASTEWATER PROJECTS AND REFERENCES



CITY OF FORT LAUDERDALE, FLORIDA (2008) – We are currently completing a comprehensive Water and Wastewater Cost of Service and Rate Study, including development of a ten year financial management plan, rate design, impact fees and specific service charges. During the study, we developed more aggressive inclining block rates for water conservation and a phased implementation strategy to achieve the revenue requirements of the utility. We also developed 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 wastewater enterprise fund and we evaluated several scenarios of capital funding alternatives and annual rate adjustments with City staff for presentation to City management. A draft report was produced and we are currently awaiting input from City staff for finalization of the report. Estimated annual billings, \$57,000; estimated annual man hours, 415.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Kevin Krueger: Consultant

Client Contact: Ms. Julie Leonard, Assistant Utilities Services Director, 949 NW 38th Street, Fort Lauderdale, FL 33309, (954) 828-7802, JLeonard@fortlauderdale.gov
Mr. Albert Carbon, Public Works Director, 949 NW 38 Street, Fort Lauderdale, FL 33309, (954) 828-7802, acarbon@fortlauderdale.gov



CITY OF LAKE WORTH, FLORIDA (2008) – We are currently conducting a comprehensive Water and Wastewater Cost of Service and Rate Study, including development of a ten year financial management plan, rate design, impact fees and specific service charges. The City has a complicated service delivery configuration in terms of wholesale service and regional partners and we are adapting our modeling to replicate the financial dynamics of that configuration. We are also evaluating the effectiveness of the current inclining block rate structure regarding water conservation and the effects of adjustments to the rate structure in terms of elasticity of demand. We are developing water and wastewater impact fees, including assessment of the effects of adjusted impact fees upon the revenue requirements from rates in the rate revenue forecast. During this work, we are using our FAMS-XL© model to replicate the financial dynamics of the City's water and wastewater enterprise fund and we are evaluating several scenarios

of capital funding alternatives and annual rate adjustments with City staff for presentation to City management. Estimated annual billings, \$47,000; estimated annual man hours, 345.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Kevin Krueger: Consultant

Client Contact: Ms. Becky Matthey, Utility Director, same address, (561) 586-1670,
bmatthey@lakeworth.org

Mr. Mark Bates, Finance Director, 7 North Dixie Hwy, Lake Worth, FL 33460, (561)
586-1641, mbates@lakeworth.org



CITY OF COCONUT CREEK, FLORIDA (2008) – We are completing a comprehensive Water and Wastewater Cost of Service and Rate Study, including development of a ten year financial management plan, rate design, impact fees and specific service charges. The City receives all of its water and wastewater service from Broward County and the study includes imputing present value capitalization capital charges in the wholesale rate as part of the impact fee calculation. We are also proposing a more aggressive inclining block rate structure to provide a greater incentive for water conservation and are including the impact upon water usage in terms of elasticity of demand. During this work, we are using our FAMS-XL© model to replicate the financial dynamics of the City's water and wastewater enterprise fund and we are evaluating several scenarios of capital funding alternatives and annual rate adjustments with City staff for presentation to City management. Estimated annual billings, \$38,000; estimated annual man hours, 280.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Kevin Krueger: Consultant

Client Contact: Ms. Karen Brooks, Finance Director, Coconut Creek Government Center, 4800 West Copans Road, Coconut Creek, FL 33063, (954) 973-6730, kbrooks@creekgov.net
Ms. Mary Blasi, Deputy City Manager, Same Address, (954) 973-6740,
mblasi@coconutcreek.net



CITY OF ST. PETERSBURG, FLORIDA (2005 – 2007) – We conducted a Water and Wastewater Cost of Service and Rate Study and several annual updates, including development of a long term financial plan for the utility and a detailed cost allocation for setting of wholesale rates. The cost allocations included all direct and indirect costs and allocations were made to not only water and wastewater, but also a functional allocation was made to establish costs associated with retail and wholesale service. Wholesale rates were then established for each wholesale customer based upon the wholesale cost allocations and units of demand for each customer. The studies included a true-up analysis for each wholesale customer based upon actual financial results We also evaluated the City's retail rate structure relative to fair and equitable recovery of costs and water conservation. Estimated annual billings, \$45,000; estimated annual man hours, 330.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Eric Grau: Consultant

Client Contact: Ms. Evelyn Rosetti, Manager of Special Projects, 1635 3rd Avenue North St., Petersburg, Florida 33713, (727) 893-7297, earosett@stpete.org

STORMWATER PROJECTS AND REFERENCES



THE CITY OF LAKE CITY, FLORIDA (2008) – We developed a stormwater assessment program for the City. The program was designed to recover the costs of stormwater operations, maintenance and capital costs from benefiting parcels within the City. The program included development of an attenuation credit program and allowance for exempted properties in the revenue requirements for the assessment. In order to complete the study, we obtained relevant parcel data from the Colombia County

Property Appraiser and developed compilation programs to facilitate the alternative cost apportionment methods evaluated. Estimated annual billings, \$35,000; estimated annual man hours, 260.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Kevin Krueger: Consultant

Client Contact: Mr. Scott Reynolds, City Manager, 205 North Marion Avenue, Lake City, Florida
32055, (386) 719-5768, reynoldss@lcfra.com



THE CITY OF FORT MYERS, FLORIDA (2008) – We are developing a stormwater utility assessment/fee program for the City. The fee will be implemented initially as a fee and converted to the uniform method of collection in the second year of the program. In order to accomplish this we are assisting the City in matching parcel data with utility billing system data and developing a plan for conversion to the uniform method of collection in the future. In order to complete the study, we have obtained relevant parcel data from the Lee County Property Appraiser and are developing compilation programs to facilitate the alternative cost apportionment methods evaluated. We are also developing a ten year financial plan for the stormwater utility which will identify annual adjustments required to fund the utility's requirements. Estimated annual billings, \$120,000; estimated annual man hours, 865.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Kevin Krueger: Consultant Eric Grau: Consultant

Client Contact: Ms. Donna Lovejoy, Administrative Services Manager, Public Works Department,
2200 Second Street, Fort Myers, Florida 33902, (239) 461-3757

dlovejoy@cityftmyers.com

Mayor Jim Humphrey, Same Address, (239) 332-6700

mayorhumphrey@cityftmyers.com



CITY OF CLEARWATER, FLORIDA (1995 - 2007) – We have served as the City's utility rate consultants for over 12 years. We have conducted numerous stormwater, water, wastewater and solid waste rate studies. Approximately 10 years ago, we began to annually conduct a revenue sufficiency analysis for the City's stormwater and water & wastewater utilities to update each utility's long term financial plan. Based upon this work, we assisted the City in moving its stormwater utility from a pay-as-you-go utility to a utility with a long term plan to support debt financing of stormwater projects. This allowed the City to leverage its stormwater revenues to fund much needed and visible capital projects, which helped justify the stormwater fees needed to support the system. During the annual updates of the financial and rate plan, we use our FAMS-XL© model to replicate the financial dynamics of the City's stormwater enterprise funds and we evaluate several scenarios of capital funding alternatives and annual rate adjustments, before City staff selects the scenario to present to the City Council. We also hold one-on-one meetings with each Council member with our FAMS-XL© model up and running and demonstrate the need for proposed annual rate adjustments. Estimated annual billings, \$46,000; estimated annual man hours, 340.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Eric Grau: Consultant

Client Contact: Ms. Margaret Simmons, Finance Director, PO Box 4748, Clearwater, Florida 33758,
(727) 562-4538, margie.simmons@myclearwater.com

Mr. Keith Bush, Utility Controller, 100 S. Myrtle Ave., Suite 220, Clearwater, FL
33756-3520, (727) 562-4716, kbush@clearwater-fl.com



THE CITY OF CRYSTAL RIVER, FLORIDA (2008) – We are completing the evaluation of the feasibility of implementing non-ad valorem assessments for stormwater service for the City. We developed a pro-forma non-ad valorem assessment program with alternative methods for apportionment of costs to specific parcels based upon benefit derived by the parcels. These rate design

alternatives included a tiered rate structure based upon impervious surface and an incremental ERU structure. In order to complete the study, we obtained relevant parcel data from the Citrus County Property Appraiser and developed compilation programs to facilitate the alternative cost apportionment methods evaluated. The City Commission is currently evaluating the results of the study and anticipates implementing the stormwater rates as a fee, billed on the utility bill. Estimated annual billings, \$49,000; estimated annual man hours, 400.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Client Contact: Mr. Andy Houston, City Manager, 123 North West Highway 19, Crystal River, FL
34428, (352) 795-4216, ahouston@crystalriverfl.org

SOLID WASTE PROJECTS AND REFERENCES



NASSAU COUNTY, FLORIDA (2007) – We conducted a Solid Waste Assessment and Tipping Fee Study and a Water and Wastewater Cost of Service and Rate Study, including development of specific service fees and impact fees. The Solid Waste Assessment Study included developing a residential assessment for collection and disposal of all solid waste generated by residents of the County. The study also included development of a non-residential assessment based upon waste generation rates by property class for consideration by the BOCC. The residential assessment was adopted; however, the BOCC decided not to adopt the non-residential assessment due to the financial hardship it would have placed on many businesses due to the coincidence of increased property values causing the ad valorem taxes of many non residential properties to have increased substantially the prior year. Estimated annual billings, \$37,900; estimated annual man hours, 280.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Kevin Krueger: Consultant
Client Contact: Ms. Cathy Lewis, Administrative Service Analyst, 96160 Nassau Place, Yulee, Florida
32097, (904) 491-7370 Ext. 2807, CLewis@nassaucountyfl.com



CITY OF LYNN HAVEN, FLORIDA (1996 – 2006) – We have served as the City's utility rate consultant for the past 10 years. We have conducted numerous annual water & wastewater revenue sufficiency analysis updates and recently conducted a solid waste rate study, including the development of a ten year financial plan and the evaluation of the current rate structure and recommendations for adjustments to more fairly apportion the cost of solid waste service to the various classes of service offered by the City. This included a detailed cost allocation analysis and restructuring container rates to reflect a fairer apportionment of the cost recovery burden based upon the results of the cost allocation analysis. We used our **FAMS-XL**® model to develop the long range financial plan and will evaluate alternative scenarios of service delivery and other variables in the development of the plan. Estimated annual billings, \$35,000; estimated annual man hours, 265.

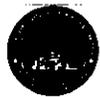
B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Eric Grau: Consultant
Client Contact: Mr. John Lynch, City Manager, 825 Ohio Avenue, Lynn Haven, Florida 32444, (850)
265-2121, citymanager@cityoflynnhaven.com



VOLUSIA COUNTY, FLORIDA (2006 - 2008) – We have provided the County with solid waste rate consulting services for the past three years. We conducted an initial analysis in 2006 in which we evaluated the financial effects of potential waste diversion from the County's waste stream. The analysis included development of separate ten year financial forecasts of the collection and disposal funds. The financial forecasts were developed using our **FAMS-XL**® model and we held several interactive work sessions with County staff to validate inputs and assumptions as to potential waste diversion over the ten year period. The analysis concluded that the solid waste fund could absorb expected levels of diversion. We also evaluated

the potential cost savings of various operating changes such as Sunday closure of the landfill. We are currently updating the "financial business plan" of each of the solid waste funds. We are also evaluating the effects of the slowdown in growth, the pending end of a collection contract, Sunday closure of the landfill and closure of the major transfer station serving the western portion of the County. All of the scenarios, and variations thereof, have been developed and we have conducted interactive work sessions with County staff with our FAMS-XL© model up and running with the results displayed on a large viewing screen. This analysis is serving as the basis for the County to make operating decisions as to landfill operations and continued operation of the transfer station. Estimated annual billings, \$35,000; estimated annual man hours, 265.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Client Contact: Mr. George Recktenwald, Director of Public Works, Same Address, (386) 736-5965,
grecktenwald@co.volusia.fl.us



CITY OF OPA-LOCKA, FLORIDA (2008) – We conducted a Sanitation and Water & Wastewater Cost of Service and Rate Study for the City. The Solid Waste Cost of Service and Rate Study, included a revenue sufficiency analysis, development of a ten year financial plan, a cost of service allocation analysis and rate design to provide for sufficient revenues and fair and equitable recovery of costs. We also evaluated potential cost savings from re-negotiation of the current collection contract and included in the financial forecast assumptions as to adjustments in collection costs at the time the current contract expires. We also conducted a comparative survey of solid waste rates in peer communities and presented the results to City staff in several interactive work sessions using our FAMS-XL© model. The water and wastewater rate study included a revenue sufficiency analysis, development of a long term financial plan, a cost of service allocation analysis and rate design to provide for more fair and equitable recovery of costs and to provide for a water conservation incentive through pricing. Estimated annual billings, \$59,000; estimated annual man hours, 450.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Kevin Krueger: Consultant
Client Contact: Ms. Jannie Beverly, City Manger, 777 Sharazad Blvd., Opa-locka, FL 33054, (305)
688-4611, jbeverly@opalockafl.gov
Dr. Ezekiel O. Orji, PhD, C.P.A. Assistant City Manager/Finance Director, 777
Sharazad Blvd., Opa-locka, FL 33054, , (305) 953-2852, eorji@Opalockafl.gov

GENERAL UTILITY PROJECTS AND REFERENCES



CITY OF FERNANDINA BEACH, FLORIDA (2008) – We conducted a comprehensive Water and Wastewater Cost of Service and Rate Study, including development of a ten year financial management plan, rate design, impact fees and specific service charges. The City had not adjusted its rates for a number of years and we developed a plan of annual rate adjustments to ensure sufficient revenues to meet all of the utilities current and projected financial obligations. We are also proposed an inclining block rate structure to provide an incentive for water conservation and included the impact upon water usage in terms of elasticity of demand. During this work, we used our FAMS-XL© model to replicate the financial dynamics of the City's separate water and wastewater enterprise funds and we evaluated several scenarios of capital funding alternatives and annual rate adjustments with City staff for presentation to City management.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Eric Grau: Consultant Brian Fitzpatrick: Consultant
Client Contact: Mr. John Mandrick, P.E., Director of Utilities, 1180 South 5th Street, Fernandina
Beach, Florida 32034, (904) 277-7380, jmandrick@fbfl.org



CITY OF FORT MYERS, FLORIDA (1988 - 2008) – We have served as the water & sewer and sanitation rate consultant for the City for 20 years. Recent projects include annual updates to the water & wastewater and solid waste financial forecast, or “business plan”, to ensure that the water & wastewater and solid waste rates/assessments will provide adequate revenue over a ten year forecast period. We also recently completed a comprehensive cost of service and rate study for the water and wastewater system, including a revenue forecast, cost allocation, rate design and development of impact fees. We conducted several interactive work sessions with City staff using our **FAMS-XL**® model and developed adjustments to the plan of annual water & wastewater rate adjustments.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Kevin Krueger: Consultant

Client Contact: Ms. Donna Lovejoy, Administrative Services Manager, Public Works Department,
2200 Second Street, Fort Myers, Florida 33902, (239) 461-3757
Mayor Jim Humphrey, Same Address, (239) 332-6700
mayorhumphrey@cityftmyers.com



CITY OF SARASOTA, FLORIDA (2005 – 2007) – We have served as the City’s utility rate consultant for over 15 years. In 2006 we developed a ten year financial forecast and financial management plan for the City’s water & wastewater utility and for the City’s sanitation utility. We also recently completed a cost allocation and rate design study for water and wastewater, including the evaluation of conservation rate alternatives and development of impact fees. We used our **FAMS_XL**® model to replicate the financial dynamics of the City’s water & wastewater operations and conducted interactive work sessions with City staff to evaluate scenarios relative to inputs and assumptions. We developed a plan of water & wastewater and solid waste rate adjustments and ten year financial plan for each utility enterprise fund.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Eric Grau: Consultant

Client Contact: Mr. Bill Hallisey, Public Works Director, 1761 12th Street, Sarasota, Florida 34236,
(941) 954-4198 WilliamHallisey@ci.sarasota.fl.us



ORANGE COUNTY, FLORIDA (1992 - 2008) – We have served as the water and wastewater rate consultant for the County for the past 15 years. We recently conducted a Water and Wastewater Cost of Service and Rate Study, including a ten year revenue forecast with the assessment of funding and rate scenarios to fund \$200 million + of alternative water supply projects in year eight of a ten year projection period. We also performed a Water and Wastewater Impact Fee Study, including review of the impact fee methodology with the Development Advisory Committee, which endorsed the methodology at the rate hearing for adoption. We are currently beginning an FY 2008 Update of the Water and Wastewater Impact Fees and evaluating re-design of commercial rates to include a fair and effective structure to provide a price incentive for water conservation.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director

Client Contact: Mr. Ron Nielsen, Manager Fiscal and Administrative Services, 9150 Curry Ford Road,
Orlando, Florida 32825, (407) 254-9880, Ron.Nielsen@ocfl.net



PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY (AUTHORITY) - Regional Water Supply Rate Assistance - Burton & Associates assisted the Authority in the development of a common, or unitary rate for its members to provide the basis for funding of continuing new water resources. The project focused upon a way to migrate from the historic practice of determining capital cost allocations to members/customers on a project specific basis to an approach that results in an equal, prorate cost allocation into a common or unitary rate. We are currently developing an interactive model that allows evaluation of numerous scenarios and alternatives for achieving the goals of the project, including provisions to make

members whole for prior investments and/or current imbedded rate advantages as a result of the historic practice of allocation of capital costs on a project specific basis. We are beginning a facilitation process in which we will meet with a members/customers working group regularly over several months to work through the alternatives towards a consensus solution and a viable overall financial plan for the Authority.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Eric Grau: Consultant

Client Contact: Mr. Pat Lehman, Executive Director, 6311 Atrium Drive, Suite 100 • Bradenton, FL 34202, (941) 316-1776, peacemana@aol.com



MARION COUNTY, FLORIDA (2007) – We conducted a comprehensive Water and Wastewater Cost of Service and Rate Study, including development of a plan to merge five rate districts to one common inclining block rate structure, increase revenues to fund a significant capital program and implement conservation rates in the form of inclining block rates. We also conducted a Water and Wastewater Impact Fee Study, including assessment of the effects of adjusted impact fees upon the rate plan scenarios in the prior rate study project. We conducted one-on-one meetings with each County Commissioner where we evaluated alternative rate plan and capital funding scenarios in a live interactive work session using our FAMS-XL© model. We were able to demonstrate the need for the significant rate increases required which provided the Commissioners with the comfort that the increases were necessary and implementation of the series of annual rate increases recommended would ensure that the utility would proceed on a sound financial basis. This process enabled the Commissioners to confidently field questions and complaints during the public workshops and hearings that were held in the rate adoption process.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director

Client Contact: Mr. Andy Neff, P.E., Director of Utilities, 1219 South Pine Avenue, Ocala, Florida 34474, (352) 671-8524, andrew.neff@marioncountyfl.org



CITY OF CORAL SPRINGS, FLORIDA (2007 - 2008) – We conducted a Water and Wastewater Rate Study which included a Revenue Sufficiency Analysis and Rate Design. In the Revenue Sufficiency Analysis we developed a ten year financial plan and identified a series of annual rate adjustments necessary to fund all of the utility's current and projected requirements. We used our FAMS-XL© model to replicate the financial dynamics of the City's water and sewer enterprise fund and evaluated several scenarios of capital funding alternatives and annual rate adjustments, before City staff selected to scenario to present to the Council. We also developed an adjusted water and wastewater rate schedule to steepen the inclining block rates and adjust the usage block ranges. This was to provide additional price incentive for water conservation. We also held one-on-one meetings with each Council member with or FAMS-XL© model up and running and demonstrated the need for the proposed series of annual rate adjustments and rate structure adjustments.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Kevin Krueger: Consultant

Client Contact: Mr. Dave Russek, Finance Director, 9551 West Sample Rd. Coral Springs, FL, 33065, (954) 344-1088, drussek@coralsprings.org



PINELLAS COUNTY, FLORIDA (2005) – We conducted a comprehensive water, sewer and solid waste rate study for the County. We used our FAMS-XL© model to develop ten year financial plans for each of the separate water, sewer and solid waste enterprise funds. We reviewed the results with County staff in several interactive work sessions and prepared a report of the results of the study. We also conducted a benchmarking analysis of selected cost categories and assisted County staff in evaluating the underlying cost of operations. We have just begun an update of the prior study, including a cost allocation and rate design work

element to ensure fair and equitable cost recovery in the water and sewer rates and to develop an inclining block water rate to provide incentives for conservation.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Eric Grau: Project Consultant

Client Contact: Mr. Steve Carroll, Utilities Finance Director, 14 South Ford Harrison Avenue,
Clearwater, Florida 33756, (727) 464-4228, scarroll@co.pinellas.fl.us



CITY OF TARPON SPRINGS, FLORIDA (2005 – 2007) – We have served as the water and sewer rate consultant for the City for over 10 years. Recent projects include development and several annual updates of the long term financial plan for the utility. We also conducted a Rate Design project in which we adjusted and recalculated the water and wastewater rates to conform to generally accepted rate making practice and to provide conservation incentives in compliance with the City's Consumptive Use Permit requirements. We also conducted a financial feasibility analysis of an Alternative Water Supply Project to allow the City to become more self sufficient and reduce wholesale water purchases from Pinellas County. We also recently conducted a Water and Wastewater Impact Fee Study and evaluated the implications of adoption of full and partial cost recovery impact fees within the long term financial plan for the utility.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Eric Grau: Consultant

Client Contact: Ms. Arie Walker, Finance Director, 324 East Pine Street, Tarpon Springs, Florida
34688-5004, (727) 942-5612, AWalker@ci.tarpon-springs.fl.us
Mr. Paul Smith, Public Services Administrator, Same Address, (727) 942-5610,
PSmith@ci.tarpon-springs.fl.us



CAPE CORAL, FLORIDA (2001- 2006) – We have served as the water and wastewater rate consultant for the City for over five years. For the past three years, the City has licensed our FAMS-XL© model for use in annual updates of its water and wastewater ten year financial plan and schedule of annual rate adjustments. We conducted a comprehensive rate study, including rate design, to initialize the FAMS-XL© model for the City and we have assisted them for the past three years in accomplishing annual updates under the terms of the license and maintenance agreement for our FAMS-XL© model. We also used the FAMS-XL© model in an analysis to develop a detailed plan of finance for the funding of over \$180,000 of capital improvements over three years. We worked closely with the City's financial advisor, RBC Capital Markets, in developing alternative plans of interim and permanent financing to allow two years of rate increases and growth to take effect before burdening the rates with the full annual debt service of the ultimate permanent financing. We are beginning an annual update to assess the impacts of the slow down in growth and the ability of the City, where possible, to defer capital projects being driven by growth.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director

Client Contact: Mr. Mark Mason, Director of Finance, 1015 Cultural Park Boulevard, Cape Coral,
Florida 33915-0027, (239) 574-0401, Mmason@capecoral.net



OKALOOSA COUNTY, FLORIDA (1995 - 2007) – We have served as the County's water and wastewater rate consultants for the past 12 years. We conducted a Water and Wastewater Cost of Service and Rate Study, including development of a revenue forecast in support of the issuance of approximately \$60 million of revenue bonds to fund system improvements. We also conducted a Water and Wastewater Impact Fee Study, including assessment of the effects of adjusted impact fees upon the rate plan scenarios in the prior rate study project. We are currently conducting a Reclaimed Water Rate Study to develop reclaimed water rates and policies.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director

Eric Grau: Consultant

Client Contact: Mr. Jeff Littrell, Director of Utilities, 1804 Lewis Turner Parkway, Fort Walton Beach, Florida 32547 (850) 651-7173 jlittrell@co.okaloosa.fl.us



CITY OF NEPTUNE BEACH, FLORIDA (2007 – 2008) – We conducted a Water and Wastewater Revenue Sufficiency Analysis in which we developed a ten year financial plan and identified a series of annual rate adjustments necessary to fund all of the utility's current and projected requirements. We used our FAMS-XL© model to replicate the financial dynamics of the City's water and sewer enterprise fund and evaluated several scenarios of capital funding alternatives and annual rate adjustments, before City staff selected to scenario to present to the Council. We also held one-on-one meetings with each Council member with or FAMS-XL© model up and running and demonstrated the need for the proposed series of annual rate adjustments.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Kevin Krueger: Consultant

Client Contact: Mr. Jim Jarboe, City Manager 116 First Street, Neptune Beach, Florida 32266, (904) 270-2400, JJarboe@neptune-beach.com

Mr. Steve Ramsey, Finance Director, Same Address, (904) 270-2400, SRamsey@neptune-beach.com



ORANGE WATER AND SEWER AUTHORITY (OWASA) NORTH CAROLINA (2007) – We conducted a Water, Wastewater and Reclaimed Water Cost of Service and Rate Study, including a ten year revenue forecast with the assessment of several funding and rate scenarios to fund alternative capital improvement programs. The scope included development of a long term financial plan, allocation of costs to support rate design, redesign of conservation rates from seasonal to inclining block rates, high strength wastewater surcharges for BOD, SS, Phosphorous and Nitrogen and service availability fees for capital cost recovery. We also evaluated the effectiveness of service availability fees in the financial plan of the utility. Previous OWASA water and sewer financial plans and rates had been set using a Black & Veatch rate and financial planning model. OWASA was interested in an integrated model to 1) re-calibrate their financial plan, rates (specifically their water conservation rates) and system development fees, and 2) to use to update the analysis on an annual basis. OWASA selected Burton & Associates over Black & Veatch, Red Oak and Raftelis Financial Consultants because of our truly live interactive modeling process and the comprehensive and flexible nature of our model, which OWASA staff had experienced in the joint reuse feasibility project which we conducted for the University of North Carolina (see below). Our contract with OWASA includes the provision for OWASA to license our FAMS-XL© model for use in annual updates.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director

Client Contact: Mr. Pat Davis, Utility Manager, PO Box 366 Carrboro, NC 27510, (919) 537-4210, PDavis@owasa.org

Mr. Kevin Ray, Finance Director, Same Address, (919) 537-4236, KRay@owasa.org



UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL (UNC) (2005 AND 2007) – We conducted a Reuse Feasibility Study for UNC. The project was a joint reuse project for HVAC chillers throughout the university with UNC and its water provider the Orange Water and Sewer Authority (OWASA). We developed a Reuse Financial Feasibility Model which included all of the financial dynamics of the joint reuse project upon UNC such as the capital investment required, post delivery treatment costs of UNC to further treat the reuse water to specification for use in the HVAC chiller units, the reclaimed water rate from OWASA, the potential for increases in the OWASA potable water rate caused by the reduction in potable water use diverted to reuse (potable offset effect), and the effect upon OWASA's water rates of deferral of water supply capital expenditures. In addition to the reuse feasibility model we used our FAMS-XL© model to

replicate the financial dynamics of the OWASA rates in order to properly account for a number of the effects listed above. OWASA staff participated in the process and we were able to help both UNC and OWASA reach consensus on the parameters of an agreement, which was executed and the project is not under construction.

B&A Staff: Michael Burton: Principal-in-Charge Andrew Burnham: Project Director
Client Contact: Ms. Carolyn Elfland, Associate Vice Chancellor for Campus Services, 305 South Building Campus, Box 1000 Chapel Hill, NC 27599, (919) 962-7244,
carolyn_elfland@unc.edu

B. Similar Project History

Burton & Associates specializes in providing financial/rate consulting services to governmental water, wastewater, stormwater and solid waste utilities. We have conducted numerous utility rate studies, cost allocation analyses, rate design studies and system development fee studies for our clients over the past five years.

The following pages present a summary of many of the projects that Burton & Associates has completed over the last five years.

These projects are shown to demonstrate the breadth and depth of our extensive and broad experience in utility rate, financial planning and impact fee work.

In addition, detailed descriptions of particularly relevant projects are presented with our references in Section II.A - References.

It is important to note that at least one member of our proposed project team served in a Project Management or Lead Consultant capacity for each project described on the following pages.

BURTON & ASSOCIATES

Selected Recent Clients & Projects By Year

Client	Project Description	Year Began
City of Fort Myers	Stormwater Assessment Program Development	2008
City of Fort Lauderdale	Water and Wastewater Rate and Impact Fee Study	2008
Orange County, FL	Water and Wastewater Revenue Sufficiency Analysis Update	2008
City of Fernandina Beach	Water and Wastewater Rate and Impact Fee Study	2008
City of St. Cloud	Water and Sewer Rate Design	2008
City of St. Cloud	Water and Sewer Revenue Sufficiency Analysis & Impact Fee Study	2008
City of Lake Worth	Water and Wastewater Rate and Impact Fee Study	2008
City of Polk City	Water and Wastewater Revenue Sufficiency Analysis Update	2008
City of Deltona	Water, Wastewater & Reclaimed Water Rate Study	2008
City of Coconut Creek	Water and Wastewater Rate and Impact Fee Study	2008
Town of Davie	Municipal Services Impact Fee Study	2008
Citrus County	Water and Wastewater Regulatory Consultants	2008
Peace River Manasota Reg. Water Supply Authority	Development of Long Term Financial Management Plan and Rates	2008
Sun 'r Lake of Sebring Improvement District	Maintenance Assessment Study	2008
Marion County, Florida	Utility Acquisition Analysis	2008
Marion County, Florida	Water and Wastewater Revenue Sufficiency Analysis Update	2008
Marion County, Florida	Alternative Water Supply Financial Feasibility Study	2008
City of Clearwater	Water and Wastewater Revenue Sufficiency Analysis Update	2008
City of Clearwater	Stormwater Revenue Sufficiency Analysis Update	2008
City of Fort Myers	Water and Wastewater Revenue Sufficiency Analysis Update	2008
City of Fort Myers	Sanitation Revenue Sufficiency Analysis Update	2008
Town of Indian Rocks beach	Wastewater and Solid Waste Rate Study	2008
Town of Indian Rocks beach	Wastewater System Divestment/Valuation Analysis	2008
Okaloosa County, Florida	Water and Wastewater Revenue Sufficiency Analysis Update	2008
Brevard County	Fire Assessment Study	2008
Town of Lady Lake	Parks & Recreation and Library Impact Fee Study	2008
City of St. Petersburg	Water and Wastewater Cost of Service and Rate Study Update	2008
City of Sarasota	Water and Wastewater Revenue Sufficiency Analysis Update	2008
City of Sarasota	Water and Wastewater Revenue Bond Parity Certificate	2008
City of Punta Gorda	Water and Wastewater Rate Study Update	2008
City of Lynn Haven	Sanitation Rate Study	2008
City of Cape Coral	Water and Wastewater Revenue Sufficiency Analysis Update	2008
Volusia County	Water and Wastewater Rate Consulting Services	2008
Orange Water & Sewer Authority (OWASA), NC	Water and Wastewater Revenue Sufficiency Analysis Update	2008
City of Tarpon Springs	Municipal Services Impact Fee Study	2008
City of Tarpon Springs	Fiscal Impact Model Development	2008
Marion County, Florida	Ambulance Service Cost Allocation Study	2008
City of St. Cloud	Water and Wastewater Revenue Sufficiency Analysis and Impact Fee Update	2008
Regency Utilities	Regulatory Consulting Assistance	2008
City of Crystal River	Stormwater Utility Financial Feasibility and Rate Study	2008
Orange County, FL	Non-Residential Water Conservation Rate Design Study	2008
Orange County, FL	Water and Wastewater Impact Fee Study	2008
City of Polk City	Water and Wastewater Revenue Sufficiency Analysis Update	2008
City of Neptune Beach	Water and Wastewater Rate Design Study	2008
City of Neptune Beach	Water and Wastewater Revenue Sufficiency Analysis	2007
Marion County, Florida	Water and Wastewater Cost of Service and Rate Study	2007
Marion County, Florida	Water and Wastewater Impact Fee Study	2007
Marion County, Florida	Northwest Service Area Utility Divestment Analysis	2007
Town of Beverly Beach	Water and Wastewater Revenue Sufficiency Analysis	2007
Orange County, Florida	Water and Wastewater Rate Design Study	2007
City of Tarpon Springs	Water and Wastewater Revenue Sufficiency Analysis Update	2007
Orange Water & Sewer Authority (OWASA), NC	Conservation Rate - Revenue Recovery Surcharge Analysis	2007
City of Opa-Locka	Water and Wastewater Cost of Service and Rate Study	2007
Intercoastal Utilities, Inc.	Divestment Analysis	2007
City of St. Petersburg	Water and Wastewater Rate Study	2007
Glynn County, GA	Capital Tap Fee Study	2007
University of North Carolina - Chapel Hill	Reuse Feasibility Study Update	2007
Virgin Islands Waste Management Authority	PSC Rate Application Assistance	2007

BURTON & ASSOCIATES

Selected Recent Clients & Projects By Year

Client	Project Description	Year Begun
City of LaBelle	Water and Wastewater Revenue Sufficiency Analysis and Loan Support	2007
City of Dunedin	Stormwater Revenue Sufficiency Analysis and Financial Reconciliation	2007
City of Dunedin	Water and Wastewater Revenue Sufficiency Analysis and Bond Report	2007
Sun 'N Lake of Sebring	Maintenance Assessment Rate Study	2007
City of Mount Dora	Water and Wastewater Rate & Impact Fee Study	2007
City of New Port Richey	Water and Wastewater Impact Fee Study	2007
City of New Port Richey	Treated Water Rate Analysis	2007
Okaloosa County, Florida	Reclaimed Water Rate Study	2007
City of Sarasota	Bulk Reclaimed Water Rate Analysis	2007
City of Sarasota	Water and Wastewater Rate Design Study	2007
City of Sarasota	Financial Forecast in Support of Water and Sewer Revenue Bonds	2007
City of Lynn Haven	Fire Services Assessment/Fee Study	2007
City of Fort Myers	Comprehensive Water and Wastewater Cost of Service and Rate Study	2007
City of Fort Myers	Sanitation Revenue Sufficiency Analysis Update	2007
City of Clearwater	Solid Waste Rate Study	2007
City of Clearwater	Water and Wastewater Revenue Sufficiency Update	2007
City of Clearwater	Stormwater Revenue Sufficiency Update	2007
Volusia County, Florida	Solid Waste Revenue Sufficiency Analysis Update	2007
Volusia County, Florida	Transportation Trust Fund Financial Plan Development	2007
Nassau County, Florida	Water and Wastewater Rate Study Update	2007
Nassau County, Florida	Solid Waste Disposal Funding Program Development (Assessments)	2007
City of Lake City	Stormwater Rate Study to Establish a Stormwater Utility	2007
City of Lake City	Ordinance to Establish Stormwater Utility and Rate Study	2007
Town of Lauderdale-by-the-Sea	Fire Assessment Program	2007
Ranger Drainage District	Stormwater Capital Cost Apportionment and Assessment Study	2007
Regency Utilities	PSC Certificate Application Assistance	2007
Regency Utilities	Fire Protection Rate Analysis	2007
City of Coral Springs	Water and Wastewater and General Government Impact Fee Study	2007
City of Coral Springs	Water and Wastewater Rate Study	2007
City of Crystal River	Water and Wastewater Rate Study	2007
City of Dunnellon	Water and Wastewater Rate Study	2007
City of Cape Coral	Irrigation Rate Study	2007
Peace River Manasota Reg. Water Supply Authority	Water Rate Study	2007
City of Tarpon Springs	Water and Wastewater Impact Fee Study	2006
City of Sarasota	Utility Rate Study	2006
City of Polk City	Water and Sewer Rate and Impact Fee Study	2006
deLaparte Law Firm/Charlotte County, Florida	Economic Impact Assessment of Phosphate Mining Operation	2006
Lindrick Service Corporation	Utility Divestment/Valuation Analysis	2006
Peoples Water System	Utility Divestment/Valuation Analysis	2006
Okaloosa County, Florida	Reclaimed Water Rate Study	2006
Strategic Energy	Ongoing Economic and Financial Analysis Support	2006
Auburn Water System	Water Rate Study	2006
City of Palmetto	Stormwater Rate Study	2006
Volusia County	Solid Waste Diversion and Revenue Sufficiency Analysis	2006
City of St. Cloud	Parks & Recreation and Public Safety Impact Fee Study	2006
City of St. Petersburg	Water and Sewer Rate Study and Wholesale Rate Update	2006
City of Palmetto	TIF Revenue Projections	2006
City of Fort Myers	Reclaimed Water Rate Study Update	2006
St. Johns River Water Management District	Interjurisdictional Rate Plan for the Water Authority of Volusia	2006
St. Johns River Water Management District	Demonstration and Definition of Water Conserving Rate Structure	2006
City of Clearwater	Sanitation Rate Study	2006
City of Fort Myers	Water and Wastewater Rate Study Update	2006
City of Fort Myers	Sanitation Rate Study Update	2006
City of Fort Myers	Parks & Recreation Impact Fee Study	2006
Nassau County, Florida	Sanitation Services Funding Program	2006
City of Clearwater	Utility Revenue Sufficiency Update	2006

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Selected Recent Clients & Projects By Year

Client	Project Description	Year Began
City of Dunedin	<i>Water and Wastewater Rate & Impact Fee Study</i>	2006
City of Punta Gorda	<i>Alternative Water Supply Financial Feasibility Study</i>	2006
City of Fort Myers	<i>Prepared a Bond Feasibility Report in Support of Rev. Bond Financing</i>	2006
City of Sarasota	<i>Solid Waste Rate Study</i>	2006
City of Cape Coral	<i>Prepared a Bond Feasibility Report in Support of Rev. Bond Financing</i>	2006
Pinellas County, Florida	<i>Water, Wastewater and Solid Waste Rate Study</i>	2006
City of Ocala	<i>Fire Availability Fee Study</i>	2006
City of St. Cloud	<i>Water & Sewer Rate & Impact Fee Study</i>	2006
Okaloosa County, Florida	<i>Prepared a Bond Feasibility Report in Support of Rev. Bond Financing</i>	2006
City of Fort Myers	<i>Rewrite of Utility Code</i>	2006
City of Clearwater	<i>Stormwater Revenue Sufficiency Update</i>	2006
Orange Water & Sewer Authority (OWASA), NC	<i>Comprehensive Water, Wastewater & Reclaimed Water Rate Study</i>	2006
City of Minneola	<i>Study of Water and Wastewater Capacity Reservation Policies</i>	2006
Nassau County, Florida	<i>Water and Wastewater Rate Study</i>	2005
Florida Department of Environmental Protection	<i>Assisted the Secretary in Assessing "Utility Rights" Issues Relative to the Babcock Ranch Purchase Agreement</i>	2005
City of Clearwater	<i>Rate Design Program</i>	2005
St. Johns River Water Management District	<i>Update Whitepaper re Public/Private Partnerships for Regional Water Supply Facilities</i>	2005
City of Fort Myers	<i>Water and Wastewater Revenue Sufficiency Analysis Update</i>	2005
City of Tarpon Springs	<i>Utility Rate Study Update</i>	2005
City of Tarpon Springs	<i>Alternative Water Supply Financial Feasibility Analysis</i>	2005
City of Fort Myers	<i>Sanitation Revenue Sufficiency Analysis Update</i>	2005
City of St. Petersburg	<i>Utility Rate Study & Wholesale Cost of Service Study</i>	2005
Volusia County, Florida	<i>Various Utility Economics Projects</i>	2005
Peace River/Manasota Regional Water Supply Authority	<i>"Common Rate" Program Design & Implementation</i>	2005
St. Johns River Water Management District	<i>Regional Water Supply Rate Analysis</i>	2005
Consumers Energy Company	<i>Cost Analysis and Testimony Preparation in Support of Power Supply Cost Recovery Regulatory Proceedings</i>	2005
City of Fort Myers	<i>Utility Rate Study & Ordinance Development</i>	2005
Strategic Energy	<i>Wholesale Transmission Pricing Economic Analysis</i>	2005
Glynn County, GA	<i>Utility Revenue Sufficiency & Rate Design Study</i>	2005
City of Dunedin	<i>Water & Sewer Revenue Reconciliation & Rate Study</i>	2005
City of Fort Myers	<i>Gas Tax Revenue Sufficiency Analysis Update</i>	2005
City of Daytona Beach	<i>Utility Rate Design Program</i>	2005
City of Lynn Haven	<i>Impact Fee Study - Water, Wastewater, Public Safety, Parks & Roads</i>	2005
City of Lynn Haven	<i>Stormwater User Fee and Impact Fee Study</i>	2005
City of Cape Coral	<i>Parks Impact Fee Study</i>	2005
Glades County, Florida	<i>Fire Assessment Program</i>	2005
City of Cape Coral	<i>Utility Acquisition Analysis</i>	2005
City of Palmetto	<i>Impact Fee Study - Water, Wastewater, Public Safety, Parks & Roads</i>	2005
Virgin Islands Waste Management Authority	<i>Environmental User Fee Program Design & Rate Study for Solid Waste and Wastewater</i>	2005
Glades County, Florida	<i>Identification of Alternative Revenue Sources for EMS</i>	2005
Okaloosa County, Florida	<i>Utility Rate Study</i>	2005
Baron & Collier	<i>Wholesale Raw Water Rate Development</i>	2005
City of Cape Coral	<i>Revenue Sufficiency Analysis Update</i>	2005
City of Davenport	<i>Study to Establish Wastewater Rates and Impact Fees for New Utility</i>	2005
City of Minneola	<i>Study to Establish Utility Rates AND Impact Fees for a New Utility</i>	2005
City of Coconut Creek	<i>Fire Assessment Update</i>	2005
Cape Coral	<i>Water and Wastewater Rate Design</i>	2005
Orange County, Florida	<i>Utility Rate Study - Commercial Customer Class</i>	2005
City of Sarasota	<i>Financial Analysis & Modeling</i>	2005
City of Fort Myers	<i>Cross Connection Control Ordinance & Policies</i>	2005
City of Palatka	<i>Fire Assessment Fee Program Development</i>	2004
Putnam County, Florida	<i>Fire Assessment Fee Program Development</i>	2004

BURTON & ASSOCIATES

Selected Recent Clients & Projects By Year

Client	Project Description	Year Began
City of Palmetto	General Government Impact Fee Study	2004
City of Fort Myers	General Fund Model - Test & 1st Year Maintenance	2004
Consumers Energy Company	Rate Case Assistance	2004
St. Johns River Water Management District	Economic Assessment Assistance	2004
City of Venice	Rate Study -2004	2004
St. Johns River Water Management District	Demand Reduction Study	2004
City of Fort Myers	General Fund Model Development	2004
Consumers Energy Company	Cost Analysis and Testimony Preparation in Support of Power Supply Cost Recovery Regulatory Proceedings	2004
City of Wendell, NC	Meter Billing Analysis	2004
University of North Carolina - Chapel Hill	Reclaimed Water Rate Program Design	2004
Intercoastal Utilities, Inc.	Rate Case Preparation	2004
City of Minneola	Impact Fee Policy	2004
City of Cape Coral	Rate Model Update	2004
City of Phoenix	Economics Projects	2004
City of Tarpon Springs	Revenue Sufficiency Update	2004
City of Clearwater	User Fee Structure Review and Design	2004
St. Johns River Water Management Dist.	Effectiveness of Conservation Incentives	2004
City of Palmetto	Cost of Service & User Fee Study	2004
City of Daytona Beach	Cost of Service & User Fee Study & Impact Fee Study	2004
Consumers Energy	Economics Consulting Assistance	2004
City of Tarpon Springs	Self Sufficient Water Analysis	2004
City of Punta Gorda	Capacity Fee Ordinance Development	2004
Orange County Utilities	Cost of Service & User Fee Study & Impact Fee Study	2004
Intercoastal Utilities, Inc.	Inclining Block Rate Analysis	2004
St. Johns River Water Management Dist.	Finalization of Alternative Source of Supply Affordability Study	2004
City of Fort Myer	Cost of Service & User Fee Study & Impact Fee Study	2004
St. Johns Service Company	Valuation Study	2004
Intercoastal Utilities Inc.	Utility Valuation Study	2004
City of Cape Coral	Cost of Service & User Fee Study Update	2003
Town of Youngtown	Rate Case Assistance	2003
Intercoastal Utilities	Valuation Analysis/Assistance	2003
Nassau County, Florida	Cost of Service & User Fee Study	2003
City of Fort Myers	Impact Fee Waiver Analysis, Water & Sewer Revenue Sufficiency Analysis	2003
City of Fort Myers	Water & Sewer Revenue Sufficiency Analysis Update	2003
Clay County Authority	FWS System User Fee Study	2003
City of Lynn Haven	Cost of Service & User Fee Study	2003
City of Venice	Cost of Service & User Fee Study	2003
Orange County, Florida	Cost of Service & User Fee Study	2003
City of Cape Coral	Cost of Service & User Fee Study	2003
Pinellas County, Florida	Fee Structure Evaluation	2003
City of Ocoee	Cost of Service & User Fee Study Update	2003
City of Atlantic Beach	Cost of Service & User Fee Study	2003
City of Minneola	Capital Finance Plan/CMOM	2003
City of Neptune Beach	Cost of Service & User Fee Study	2003
Gulf Environmental Services, Inc.	Valuation Analysis	2003
City of Sarasota	Capital Finance Plan Evaluation	2003
City of Cooper City	Cost of Service & User Fee Study	2003
Glynn County, Florida	Financial Analyses in Support Of Water & Sewer Bond Issue	2003
Harmony Community Development District	Acquisition Analysis	2003
Florida Water Services	Valuation Analysis	2003
City of New Port Richey	Fire & Street Lighting Assessment - Phase 1	2003
Sun 'N Lake of Sebring	General Consulting Assistance - Assessments	2003
Polk County, Florida	Rate Consultant's Report for Bond Issue	2003
EMA Services, Inc./Orange County, Florida	CMOM Project, Y2-810	2003
Carey, O'Malley, Whitaker & Manson, P.A.	Peace River/Manasota Regional Water Supply Auth. Rate Analysis	2003

III. SCOPE OF WORK AND APPROACH

This section presents our understanding of the requested scope of services and our typical approach to the provision of the requested services.

A. Purpose

It is our understanding that the City of Fort Lauderdale is soliciting proposals from qualified and experienced firms to provide annual consulting services in, but not limited to, water, wastewater, stormwater, sanitation, utility rates, fees and other financial services on an as needed basis. Task orders will be generated for specific requirements, as the City requires work. The

selected firm will be expected to perform such consulting services as assistance in forecasting, rate-making, and financial planning as well as other tasks as may be deemed necessary by the City and in accordance with the terms, conditions, and specifications contained in the Request for Proposal.

B. Scope of Services

It is our understanding that the required scope of services is as follows:

1. Annual review and, if necessary, redesign of the potable water and wastewater rates and charges based on cost of services principles. A key factor in this task includes the annual analysis and review of fixed and variable cost components which should be considered in the development of monthly user fees to ensure revenue stability and promote water conservation.
2. Annually project potable water and wastewater service area, including number of customers and usage, for planning and rate evaluation services.
3. Annually, or as required, separately project annual revenue requirements for the potable water and wastewater, stormwater, and sanitation systems abased on each utility system's operating and capital funding needs and the City's fiscal goals and policies.
4. Annually, or as required, review and update miscellaneous charges which include: connect and/or disconnect fee; set meter for current account holder; meter test; account turned off/on for non-payment; illegal water connection or stolen meter; and returned checks.
5. Annually, or as required, review and design fees for New Service Installation (from sizes 5/8" through 8").
6. Annually, or as required, review and develop potential wholesale water and wastewater rates associated with the provision of such type of service.
7. Annually, or as required, review operations of the water and wastewater utility systems to determine if additional service charges and revenue enhancements are appropriate.

8. Annually, or as required, review the City's current water and wastewater drought surcharge that is implemented in response to water emergencies and shortages declared by South Florida Water Management District.
9. Annually, or as required, review and recommend proposed connection (impact) fees based on the cost of the projected facilities expansion and unused existing capacity available to accommodate growth. Determine appropriate uses of impact fees for upgrades and expansions as part of the capital funding plan within the City and within the service area.
10. Annually, or as required, provide assistance in development of utility rate ordinances and resolutions, bulk service agreements, and development agreements and inter-local agreements between the City and other public agencies.
11. Annually, or as required, review and make recommendations on stormwater fees.
12. Annually, or as required, review and make recommendations on sanitation fees, including but not limited to monthly usage fees and Wingate fees. Wingate is a trash landfill that has been closed. Wingate fees cover the monies borrowed for the closure and for the maintenance of the Wingate trash landfill.
13. Participate in periodic meetings and formal presentations including project progress reviews, formal City Commission presentation and public hearings.

C. Typical Detailed Project Work Plan

Successful completion of task orders issued under this contract will require a comprehensive and integrated approach to the design of rate programs and financial plans that meet the City's needs and development of rates in accordance with that rate program in a multi-year analysis that integrates all components of the rate requirements. We have developed a typical comprehensive project work plan that would be accomplished for a task order for a comprehensive rate study for any of the utilities included in this RFP. Our work plan includes all components of your required scope and includes adaptation of our proven, multi-year comprehensive rate and financial planning model, **FAMS-XL**®, to be used to meet your requirements. Our proposed typical detailed project work plan is presented below:



Task 1 Project Initiation - Initiate the Project

- 1.1 Conduct kickoff Meeting
- 1.2 Review of Background Information

Task 2 Revenue Sufficiency Analysis - Develop a Multi-year Financial Forecast and Financial Plan:

- 2.1 Prepare customer/property and demand analysis to determine projected growth, trends in usage patterns and total projected utility customers, property characteristics, service parameters, ERCs and usage.
- 2.2 Obtain, verify and input financial and billing data into Burton & Associates proprietary FAMS XL © model, run the model and produce preliminary output, including a ten year

financial management program that will include the following separately for each utility system:

- Capital Improvements Program
 - Project listing by year
 - Optimum funding source by project by year
 - Closure and post-closure cost for landfills as applicable
 - Borrowing Program
 - Borrowing required (by source) to fund CIP projects not funded by other sources to include but not necessarily be limited to revenue bonds and State or other programs.
 - Timing of bond issue(s)/loan(s) to provide required borrowed funds
 - Annual debt service of bond issue(s)/loan(s)
 - Revenue Sufficiency Analysis
 - Annual revenue projections
 - Annual operations and maintenance expense projections
 - All other annual revenue requirements such as R&R, minor capital, transfers to other funds, current debt service/loan payments, replenishment of reserves, etc.
 - Annual rate plan to provide sufficient revenues
 - Sources and Uses of Funds Analysis
 - Funds Analysis
 - Spend down limits (minimum reserve requirements) by funds
 - Beginning and ending funds balances by fund by year
- 2.3 Make adjustments to FAMS-XL© as required to model the utility's specific financial dynamics.
- 2.4 Review results with consulting team, make required adjustments and create alternatives scenarios.
- 2.5 Meet with City staff in an interactive work session to review preliminary results.
- 2.6 Make adjustments as required based upon input from City staff in Task 2.4.
- 2.7 Meet with City staff in a second interactive work session to review adjusted results and determine final plan of annual rate revenue adjustments and the revenue requirements for the test year for rate making.

Task 3 Cost Allocation - Perform a Detailed Cost-of-Service Analysis:

- 3.1 Identify all test year costs/revenue requirements associated with the provision of the subject utility service from the preferred financial forecast alternative identified in Task 2.
- 3.2 Allocate costs/revenue requirements to utility service and to functional cost components, fixed a variable cost components, customer classes and to retail/wholesale service, as applicable, based upon appropriate allocation criteria.
- 3.3 Review allocation worksheet with City staff.
- 3.4 Prepare final allocation worksheet based upon input from City staff.

Task 4 Rate Design - Develop Retail and Wholesale Utility Rates, Fees and Charges:

- 4.1 Develop user fees:
 - a. Perform a diagnostic evaluation of the current rate design and identify adjustments to be considered in the development of rates, including the City's drought surcharge for water rates.
 - b. Load billing history data (or property data for stormwater or solid waste assessments) into our FAMS-XL© rate model and create a bill frequency analysis.
 - c. Conduct a revenue test to ensure accuracy of billing/property data.
 - d. Set up the rate model in conformance with the cost allocation results of Task 3 and the rate design evaluation in 4.1.a.
 - e. Run the model and prepare retail and wholesale rate structure scenarios.
 - f. Review results with consulting team and adjust as required.
 - g. Meet with City staff in an interactive work session to review preliminary results.
 - h. Make adjustments as required based upon input from City staff in Task 4.1.g.
 - i. Meet with City staff in a second interactive work session to review adjusted results and determine final alternative rate schedules.
- 4.2 Develop Impact/System Capacity Fees:
 - a. Obtain and review fixed asset records for all major system components
 - b. Prepare reproduction cost schedule of fixed assets by major system component.
 - c. Review CIP with City staff to determine portion of projects for expanded capacity and portions associated with renewal and rehabilitation.
 - d. Load appropriate data into our FAMS-XL© impact fee module, adjust and calibrate and produce preliminary results.
 - e. Review results with consulting team and adjust as required.
 - f. Link impact module of FAMS-XL© with the financial forecast module set-up in Task 2 to evaluate the integrated effects of changes in the impact fees in the capital projects funding plan and the effects upon user fee rate revenue requirements and the overall financial plan.
 - g. Meet with City staff in an interactive work session to review preliminary results.
 - h. Make adjustments as required based upon input from City staff in Task 4.2.g.
 - i. Meet with City staff in a second interactive work session to review adjusted results and determine final Impact Fee schedule.
- 4.3 Develop Specific Service and Miscellaneous Charges/Fees, Including New Service Installation Fees:
 - a. Review utility operations to determine if additional service charges/revenue enhancements are appropriate.
 - b. Prepare cost computation template for each specific service fee to be evaluated (assume 12 fees).
 - c. Review cost computation templates with City staff and adjust as required.
 - d. Prepare schedule of current and proposed specific service fees.
 - e. Include Specific Service Fee results in presentation to City Management and in Final Report preparation.

- 4.4 Conduct and Compile a Comparative Rate Survey for each Utility

Task 5 Presentation to Management - Conduct Presentation to City Management.

- 5.1 Prepare presentation
5.2 Make adjustments based upon input from City staff.
5.3 Attend meeting with City Management and present the preliminary results.

Task 6 Final Report - Prepare a Report of the Results of the Study

- 6.1 Prepare a Draft Report of the Results of the Study
6.2 Review Draft Report with City Staff and Management
6.3 Present the results of the Study to City Commission.
a. Meet with the City Commission to present the results of the Rate Study.
b. Make adjustments to the analyses as required based upon City Commission direction.
6.4 Prepare Final Report of the Results of the Rate Study

Task 7 Ordinances/Resolutions and Agreements - Provide Assistance in Development of Ordinances, Resolution, Bulk Service Agreements, Development Agreements, and Interpositional Agreements

- 7.1 Prepare Rate Schedules for Inclusion in a Rate Ordinance/Resolution
7.2 Review Ordinance Developed by City Attorney.
7.3 Participate in Conference Call with City Attorney to discuss Ordinance/Resolution.
7.4 Attend Two (2) Rate Hearings for Adoption.
7.5 Assist in Development of Bulk Service Agreements, Development Agreements and Interlocal Agreements as Required.

D. Project Management Tools

We have developed a proven project management approach to ensure on time and on budget completion of our projects. A unique project management tool that we often use is a "Ball-in-Court" schedule, which tracks the continuous back-and-forth flow of information and data between City staff and our project team. An example of this schedule is presented on the following page.



Orange Water and Sewer Authority
COMPREHENSIVE WATER, SEWER AND RECLAIMED WATER COST-OF-SERVICE AND RATE DESIGN STUDY

BALL-IN-COURT SCHEDULE
1/12/2007

Burton & Associates

Bdl	Date Task Initiated	Required Action	Date by which Action is Required	Legend						OWASA Budget Cont.	OWASA Board	Date Action was Accomplished
				Max Burton	Andy Burnham	Eric Grau	Kevin Ray	Pat Davis	Joni Green			
WW High Strength Surcharge Allocation Worksheet.	12/06	Complete green shaded cells and return to B&A.	1/19/2007									Pending
Specific Service Fee Worksheets.	12/06	Complete yellow shaded cells and return to B&A.	1/19/2007									Pending
Cost allocation worksheet for allocation of costs to fixed monthly charge in rate design.	12/06	Complete template and discuss with Pat Davis.	1/12/2007	x								1/12/2007
Cost allocation worksheet for allocation of costs to fixed monthly charge in rate design.	12/06	B&A and OWASA to decide on allocation approach and if Base Extra Capacity, complete green shaded cells and return to B&A.	1/19/2007	x								Pending
Reclaimed Water Rates.	12/06	B&A and OWASA to discuss and determine approach to reclaimed water rates given that costs aren't incurred until FY 2009.	1/12/2007	x								1/12/2007
Reclaimed Water Rates.	1/12/2007	Develop rates based upon FY 2009 costs and LHC contract.	1/31/2007	x	x							Pending
Demand Analysis.	12/06	Finalize demand analysis and draft for report.	1/25/2007									Pending
2006 Billing Data/Demand Analysis	1/12/2007	Bring data in to database, use for ground truth test of demand projections.	1/31/2007									Pending
2006 Billing Data/BFA		Integrate 2006 billing data as BFA into Rate Design Model.	1/31/2007									Pending
BFA.	12/06	Adjust non-residential BFA to compile usage properly by block for each customer. (Field on this pending confirmation from Pat that we will keep the seasonal structure for non-residential)	1/19/2007									Pending
Rate Design	12/06	B&A and OWASA to discuss and decide on final rate design.	1/19/2007	x	x							1/12/2007

IV. PROPOSED SCHEDULE OF HOURLY RATES

The proposed schedule of hourly rates for each job classification that may perform work on any task orders assigned under this contract is as follows:

Project Principal	\$195 per hour
Project Director	\$185 per hour
Senior Consultant	\$150 per hour
Consultant	\$115 per hour
Associate Consultant	\$ 95 per hour
Clerical	\$ 40 per hour

V. WHY BURTON & ASSOCIATES

BURTON & ASSOCIATES has been the premier water, wastewater, stormwater and solid waste rate consulting firm in Florida for 20 years. We have been dealing with bell weather issues in our bell weather state and have developed an incredibly empowering live interactive decision support process and associated modeling system.

When you check the extensive list of references provided herein, you will find that our clients can attest to the vision and empowerment that this process gives them in the financial management of their utility. Our approach truly integrates all aspects of the financial management of a water, wastewater, stormwater and/or solid waste utility from rates to financial management plans that are fully integrated with the capital planning process.

We were the first to develop a truly integrated and interactive modeling approach to the development of financial plans and rates for utilities. Even as others have attempted to replicate the process, our models

and interactive approach stand out as the industry leader.

As a specialty firm, we offer you excellence, efficiency and nimbleness in terms of client service and response that large hierarchal firms cannot by their very nature. And we offer the national stature, experience and knowledge of our president and founder, Michael Burton, as the Project Principal on our project team. Mike has served for six years on the AWWA Rates and Charges Committee where he co-authored

AWWA Manual M54 - Developing Rates for Small Systems, which was published in 2004 and where he currently serves on a sub-committee evaluating affordability as it relates to rate making principals.

We encourage you to seriously consider our proposal and to give us the opportunity to show you our process before you make your decision. We appreciate the opportunity to present this proposal and look forward to the possibility of being of service to the City.

"We have worked with B&A for years and have consistently recommended their firm to government colleagues who are seeking professional, timely and accurate analytical services. Their interactive work session process is the most cost effective and efficient way to conduct business and their ability to present and communicate their work product is outstanding."

Ron Nielsen
Utility Fiscal Manager
Orange County, FL

VI. ADMINISTRATIVE COMPLIANCE

The following pages of this section include administrative compliance documents required in your RFP, including a Certificate of Insurance, Proposer's Proposal Page, and Bid/Proposal Signature Page and Samples of Other Consultant Contracts.

Client# 2133

BURTASS3

ACORD™ CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 06/26/08
PRODUCER Suncoast Insurance Associates P.O. Box 22668 Tampa, FL 33622-2668 813 289-5200		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
INSURED Burton & Associates, Inc. 200 Business Park Circle Suite 101 Saint Augustine, FL 32095		
INSURERS AFFORDING COVERAGE		NAIC #
INSURER A: Phoenix Insurance Company		25623
INSURER B: Travelers Casualty and Surety Co		19038
INSURER C: Evanston Insurance Company		35378
INSURER D:		
INSURER E:		

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSR#	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-ECT <input type="checkbox"/> LOC	68034L25288	01/21/08	01/21/09	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMPOP AGG \$2,000,000
A		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	68034L25288	01/21/08	01/21/09	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY AGG \$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	UB63L0141A08	07/16/08	07/16/09	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <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
C		OTHER Professional Liability	EO835357	01/21/08	01/21/09	\$1,000,000 per claim \$1,000,000 annl aggr.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 Professional Liability is written on a claims made and reported basis.

CERTIFICATE HOLDER	CANCELLATION
For Proposal Purposes	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE 

ACORD 25 (2001/08) 1 of 2

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IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

City of Fort Lauderdale

Bid 495-10161

PART V – PROPOSER’S PROPOSAL PAGE

RFP 495-10161

BIDDER (COMPANY) NAME

Burton & Associates

Proposer shall list the hourly rate of the highest paid position from the fee schedule and multiply it times 400 hours.

1. HIGHEST PAID POSITION FROM THE FEE SCHEDULE

Hourly Rate		Hours	Total
\$ <u>195</u>	X	<u>400</u>	<u>78,000</u>

1A. Has your firm listed all possible job classification and their hourly fee of individuals who may work on these projects?

X Yes No

2. After City approval of a contract, how many days will be required before you are able to begin the services required?

0 / Days
(can start immediately)

3. Have you included information on your company's experience, including documentation of services performed, or copies of other contracts?

X Yes No

City of Fort Lauderdale

Bid 495-10161

4. Have you included information on the experience of those principals, or employees who will be assigned to this Contract, including resumes?

Yes No

5. Have you included your client reference list, in accordance with RFP requirements?

Yes No

6. Have you included your narrative description of your understanding of the possible Scope of Work, including your approach, understanding of the services required, techniques, methodology, etc., as requested in RFP specifications?

Yes No

7. Give the location of the office from which the work is to be performed, if different from your company address?

same as company address

8. Have you included the required number of proposal copies? (One original and 6 Copies, for a total of 7 proposals)? (Paper proposals only)

Yes No

9. Do you have at least three years experience specifically in the municipal or government sector?

Yes No

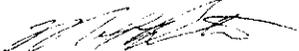
City of Fort Lauderdale

Bid 495-10161

BID/PROPOSAL SIGNATURE PAGE

How to submit bids/proposals: It is preferred that bids/proposals be submitted electronically at www.bidsync.com, unless otherwise stated in the bid packet, in this case proposals must be submitted as a hard copy on paper. If mailing a hard copy, it will be the sole responsibility of the Bidder to ensure that the bid reaches the City of Fort Lauderdale, City Hall, Procurement Department, Suite 619, 100 N. Andrews Avenue, Fort Lauderdale, FL 33301, prior to the bid opening date and time listed. Bids/proposals submitted by fax or email will NOT be accepted.

The below signed 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. 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.

Submitted by:  12/19/2008
(signature) (date)

Name (printed) Michael E. Burton Title: President

Company: (Legal Registration) Burton & Associates

CONTRACTOR, IF FOREIGN CORPORATION, MAY BE REQUIRED TO OBTAIN A CERTIFICATE OF AUTHORITY FROM THE DEPARTMENT OF STATE, IN ACCORDANCE WITH FLORIDA STATUTE §607.1601 (visit <http://www.dos.state.fl.us/doc/>).

Address: 200 Business Park Circle, Suite 101

City St. Augustine State: FL Zip 32095

Telephone No. (904) 247-0787 FAX No. (904) 241-7708

E-MAIL: mburton@burtonandassociates.com

Delivery: Calendar days after receipt of Purchase Order (section 1.02 of General Conditions): per task orders

Payment Terms (section 1.03): net 30 days Total Bid Discount (section 1.04): n/a

Does your firm qualify for MBE or WBE status (section 1.08): MBE n/a WBE n/a

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>
---------------------	--------------------

VARIANCES: State any variations to specifications, terms and conditions in the space provided below or reference in the space provided below all variances contained on other pages of bid, attachments or bid pages. No variations or exceptions by the Proposer will be deemed to be part of the bid submitted unless such variation or exception is listed and contained within the bid documents and referenced in the space provided below. If no statement is contained in the below space, it is hereby implied that your bid/proposal complies with the full scope of this solicitation. **HAVE YOU STATED ANY VARIANCES OR EXCEPTIONS BELOW? BIDDER MUST CLICK THE EXCEPTION LINK IF ANY VARIATION OR EXCEPTION IS TAKEN TO THE SPECIFICATIONS, TERMS AND CONDITIONS.**

Variances:

revised 11-12-08

Samples of other consultant contracts with clients for whom we have performed similar services are presented on the following pages.

AGREEMENT FOR RATE CONSULTANT

THIS AGREEMENT is made this 7th day of JUNE, 2006, between PEACE RIVER/MANASOTA REGIONAL WATER SUPPLY AUTHORITY, an independent special district created pursuant to Section 373.1962, Florida Statutes, 1645 Barber Road, Suite A, Sarasota, Florida 34240, hereinafter referred to as the ("Authority"), and Burton & Associates, Inc., 200 Business Park Circle, Suite 101, St. Augustine, Florida 32095, hereinafter referred to as the ("Rate Consultant").

WHEREAS, the Authority provides certain governmental services and owns and operates a regional public water supply system; and

WHEREAS, the Rate Consultant has experience and expertise in utility rate structures, rate modeling projections and water supply funding; and

WHEREAS, the Authority desires to engage the Rate Consultant to provide the services of a qualified rate consultant in the implementation of the Authority's capital improvement programs, budgeting and rate setting; and

WHEREAS, Rate Consultant desires to render services as described in the Scope of Services, and has the experience, staff and resources to perform those services.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

SECTION 1. EMPLOYMENT OF RATE CONSULTANT. The Authority hereby agrees to engage Rate Consultant, and Rate Consultant hereby agrees to perform the services set forth in the SCOPE OF SERVICES.

SECTION 2. SCOPE OF SERVICES. Rate Consultant shall assist in establishing rates and providing future projections in accordance with the amended interlocal agreement, master water supply contract and bond documents. The scope of services consists of the tasks identified generally below:

- Rate Analysis
- Rate Modeling
- Rate Projections
- Other Rate Related Matters

Specific work assignments will be issued to the Rate Consultant by the Executive Director specifying work task, schedule and budget.

The primary individuals assigned by Rate Consultant to provide services to the Authority are Michael Burton, Andrew Burnham, and Steven McDonald.

The Rate Consultant shall make formal presentations to the Authority Board at scheduled meetings and shall be available to make status reports to the Authority Board as needed.

SECTION 3. THE AUTHORITY'S RESPONSIBILITY. The Authority's responsibilities are as follows:

- A. To designate the Executive Director to act on the Authority's behalf with respect to the Scope of Services. The Executive Director shall have complete authority to transmit instructions, receive information, interpret and define Authority's policies and decisions with respect to materials, elements and systems pertinent to the Rate Consultant's services.

- B. To provide, within a reasonable time from request of the Rate Consultant, information in the Authority's possession or under the Authority's control which may be helpful to Rate Consultant in its performance of the duties of the Rate Consultant in the Scope of Services, including information relating to objectives, budget constraints, criteria and other requirements that exist at the time of signing of this Agreement or which may develop during the execution of the Agreement.
- C. To furnish requested information and render approvals or decisions expeditiously for the orderly progress of the Rate Consultant's services.

SECTION 4. TIME OF PERFORMANCE. The Rate Consultant agrees to commence work as directed by the Executive Director for specific work assignments. The term of this Agreement shall be for a period of three (3) years which may be extended for additional periods upon mutual agreement between the Authority and Rate Consultant.

SECTION 5. COMPENSATION. Compensation for the SCOPE OF SERVICES performed by the Rate Consultant shall be as follows:

- A. Rate Consultant shall be paid on an hourly basis for all time expended by its personnel for services performed in connection with the Scope of Services, based on the rates set forth in the 'Qualifications to Provide Rate Consulting Services' (Burton & Associates, May 25, 2006) which rates may be adjusted on an annual basis upon approval by the Executive Director.
- B. The fair and reasonable expenses of the Rate Consultant necessarily incurred in the performance of the duties herein described and agreed to by the Authority shall, upon proper invoice and detail, be paid by the Authority, at actual cost with no mark-up. Out-

of-pocket expenses incurred by the Rate Consultant for the Authority relating to the activities contemplated herein and agreed to by the Executive Director shall also be paid by the Authority, at actual cost with no mark-up. Expenses which may be incurred by the Rate Consultant for travel or hotels must be pre-approved by the Executive Director and, if pre-approved, will be reimbursed in accordance with Authority Resolution 2005-09 'Resolution Establishing Per Diem and Travel Expenses' (or latest revision).

- C. Rate Consultant shall prepare and submit to the Authority Board for approval monthly invoices for the services rendered and expenses incurred pursuant to this Agreement. Invoices must be submitted to the Executive Director by the 20th day of the month for work completed the previous month. Payment shall be made within 30 days of receipt and approval of invoice by the Executive Director.

SECTION 6. GENERAL CONSIDERATION.

- A. All original documents prepared by Rate Consultant are instruments of service and shall become property of the Authority. However, the use of data gathered under this Agreement shall be restricted and limited to the purposes of this Agreement, excluding the data in the public domain, and shall not be used in connection with other contracts or for other clients of the Rate Consultant without written permission of the Authority. The Rate Consultant will provide the Authority with reproducible copies of all reports and other documents. Copies of electronic media used to store data shall be provided to the Authority in a format suitable for hard copy print out. Reports, documents and maps obtained from other agencies in the course of executing the work will be considered the

property of the Authority and will be delivered by the Rate Consultant to the Authority upon completion of each assignment.

The Authority and the Rate Consultant shall comply with the provisions of Chapter 119, Florida Statutes (Public Records Law) except as provided for in the following paragraphs.

Rate Consultant may use its proprietary Financial Analysis and Management System (FAMS XL©) in the accomplishment of work under this contract. It is recognized that FAMS XL© is a proprietary product of Rate Consultant, includes trade secrets and, as such, the FAMS XL© model and its source code is exempt from public records laws in accordance with FS 815.045, a copy of which is included below:

815.045 Trade secret information.--The Legislature finds that it is a public necessity that trade secret information as defined in s. 812.081, and as provided for in s. 815.04(3), be expressly made confidential and exempt from the public records law because it is a felony to disclose such records. Due to the legal uncertainty as to whether a public employee would be protected from a felony conviction if otherwise complying with chapter 119, and with s. 24(a), Art. I of the State Constitution, it is imperative that a public records exemption be created. The Legislature in making disclosure of trade secrets a crime has clearly established the importance attached to trade secret protection. Disclosing trade secrets in an agency's possession would negatively impact the business interests of those providing an agency such trade secrets by damaging them in the marketplace, and those entities and individuals disclosing such trade secrets would hesitate to cooperate with that agency, which would impair the effective and efficient

administration of governmental functions. Thus, the public and private harm in disclosing trade secrets significantly outweighs any public benefit derived from disclosure, and the public's ability to scrutinize and monitor agency action is not diminished by nondisclosure of trade secrets.

Therefore, if Rate Consultant uses FAMS XL[©] in the accomplishment of work under this contract, Rate Consultant may not be compelled to disclose FAMS XL[©], or its source code, to the Authority or any other parties for any purpose or reason; however, Rate Consultant will conduct interactive work sessions with Authority staff to review the input and results of analyses conducted using FAMS XL[©] and will disclose and deliver to the Authority output schedules from the FAMS XL[©] model for the purpose of accomplishing the Authority's business. Output schedules of FAMS XL[©] that are delivered to the Authority in deliverable products such as reports, presentations, etc. are excluded from this trade secret exemption.

- B. In connection with the work to be performed under this Agreement, Rate Consultant agrees to comply with any applicable provisions of State and Federal Equal Employment Opportunity statutes and regulations.

SECTION 7. PROHIBITION AGAINST CONTINGENCY FEES. The Rate Consultant warrants it has not employed or retained any company or person, other than a bona fide employee working solely for the Rate Consultant to solicit or secure this Agreement and that the Rate Consultant has not paid or agreed to pay any person, company, corporation, individual or firm,

other than a bona fide employee working solely for the Rate Consultant, any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the award or making of this Agreement. For the breach or violation of this provision, the Authority shall have the right to terminate this Agreement without liability, and at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration.

SECTION 8. ENTITY CRIMES AFFIDAVIT. The Rate Consultant represents he has furnished a Public Entity Crimes Affidavit pursuant to Section 287.113, Florida Statutes.

SECTION 9. INSURANCE.

A. The Rate Consultant shall purchase and maintain such commercial (occurrence form), comprehensive general liability, workers compensation and other insurance as is appropriate for the services being performed hereunder by the Rate Consultant, its employees or agents. The amounts and types of insurance shall conform to the following minimum requirements:

1. **Workers Compensation.** Coverage must apply for all employees and statutory limits in compliance with the applicable state and federal laws. In addition, the policy must include the following:
 - a. Employer's Liability with a minimum limit per accident in accordance with statutory requirements.
 - b. Notice of Cancellation and/or Restriction. The policy must be endorsed to provide Authority with thirty (30) days written notice of cancellation and/or restriction.
2. **Comprehensive General Liability.** Coverage must include:
 - a. \$1,000,000.00 combined limit per occurrence for bodily injury, personal injury and property damage.
 - b. Contractual coverage applicable to this specific contract, including any hold harmless and/or indemnification agreement.

- c. **Additional Insured.** Authority is to be specifically included as an additional insured.
 - d. **Notice of Cancellation and/or Restriction.** The policy must be endorsed to provide Authority with thirty (30) days written notice of cancellation and/or restriction.
3. **Comprehensive Automobile Liability.** Coverage must be afforded on a form no more restricted than the latest edition of the Comprehensive Automobile Liability Policy filed by the Insurance Services Office and must include:
- a. \$300,000 combined single limit per accident for bodily injury and property damage.
 - b. **Owned Vehicle.**
 - c. **Hired and Non-Owned Vehicles.**
 - d. **Employee Non-Ownership.**
 - e. **Additional Insured.** Authority is to be specifically included as additional insured.
 - f. **Notice of Cancellation and/or Restriction.** The policy must be endorsed to provide Authority with thirty (30) days written notice of cancellation and/or restriction.
- B. The Rate Consultant must deliver to the Authority Certificates of Insurance evidencing the insurance coverage specified in this Section 9 prior to commencing work under this Agreement. The required Certificates of Insurance not only shall name types of policies provided, but also shall refer specifically to this Agreement. All the policies of insurance so required of the Rate Consultant, except workers compensation insurance, shall be endorsed to include as additional insured: the Authority, officers, employees and agents. If the initial insurance expires prior to completion of the work, renewal Certificates of Insurance shall be furnished thirty (30) days prior to the date of their expiration.

SECTION 10. TERMINATION OF AGREEMENT BY THE AUTHORITY. This Agreement may be terminated by the Authority, with or without cause, upon ten (10) days written notice. If this Agreement is so terminated, the Rate Consultant shall be paid for all work performed, pursuant to the terms and conditions of this Agreement, through the date of Rate

Consultant's receipt of notice of termination. If this Agreement is so terminated, Rate Consultant must promptly deliver to the Authority copies of all then completed deliverable items and other documents that directly support the deliverables prepared by the Rate Consultant.

SECTION 11. CONTROLLING LAW.

- A. This Agreement is to be governed by the laws of the State of Florida. The sole and exclusive venue for any litigation resulting out of this Agreement shall be in Sarasota County, Florida.
- B. In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all litigation expenses, including witness fees, court costs and attorneys' fees.

SECTION 12. SUCCESSORS AND ASSIGNS. Neither Authority nor Rate Consultant shall assign, sublet or transfer any interest in this Agreement without the written consent of the other. The Authority and the Rate Consultant, respectively, find themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, permitted assigns and legal representatives of such other party with respect to all covenants of this Agreement.

SECTION 13. EXTENT OF AGREEMENT.

- A. This Agreement represents the entire and integrated agreement between the Authority and the Rate Consultant and supersedes all prior negotiations, representations or agreements, either written or oral.
- B. This Agreement may only be amended, supplemented, modified, changed or canceled by a written instrument executed by both parties.

SECTION 14. INDEMNIFICATION OF THE AUTHORITY.

- A. The Rate Consultant shall indemnify and save the authority, its agents, servants and employees, harmless from and against any claim, damages, costs, including attorney's fees, or causes of action of whatsoever kind or nature caused by any negligence, error, omission or act of the Rate Consultant, its agents, servants or employees in the performance of services under this Agreement. The Authority and the Rate Consultant agree one percent (1%) of the total compensation to the Rate Consultant for performance of this Agreement is the specific consideration from the Authority to the Rate Consultant for the Rate Consultant's indemnity agreement. The Rate Consultant shall not indemnify the Authority for any negligence of the Authority's employees or agents.
- B. The 'Qualifications to Provide Rate Consulting Services' (Burton & Associates, May 25, 2006) is referenced and is a part of this agreement.

SECTION 15. INDEPENDENT CONTRACTOR. Neither the Authority nor any of its employees shall have any control over the conduct of the Rate Consultant or any of the Rate Consultant's employees, except as herein set forth, and the Rate Consultant expressly warrants not to represent at any time or in any manner that the Rate Consultant or any of the Rate Consultant's agents, servants or employees are in any manner agents, servants or employees of the Authority. It is understood and agreed the Rate Consultant is, and shall at all times, remain as to the Authority an independent contractor and the Rate Consultant's obligations to the Authority are solely as prescribed by this Agreement.

SECTION 16. SEVERABILITY. In the event any provision of this Agreement shall, for any reason, be determined invalid, illegal or unenforceable in any respect, the parties hereto shall

negotiate in good faith and agree to such amendments, modifications or supplements of this Agreement or such other appropriate actions as shall, to the maximum extent practicable in the light of such determination, implement and give effect to the intentions of the parties as reflected herein, and the other provisions of this Agreement, as amended, modified, supplemented or otherwise affected by such action, shall remain in full force and effect.

SECTION 17. NOTICES. Any notices to be given under this Agreement shall be given by enclosing the same in a sealed envelope, postage prepaid, and depositing same in the United States Postal Service, addressed to the Rate Consultant at its address stated herein, and to the Authority at its address stated herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

ATTEST:

PEACE RIVE/MANASOTA REGIONAL
WATER SUPPLY AUTHORITY

By: _____
Patrick J. Lehman
Executive Director

By: _____
Jerry G. Hill
Chairman

WITNESSES:

BURTON & ASSOCIATES, INC.

By: _____
Michael E. Burton
President

APPROVED AS TO FORM:

Douglas Manson
Attorney for Authority

NOTE: *This is a task order associated with the prior master contract with Peace River.*

Burton & Associates

February 14, 2007

Mr. Patrick J. Lehman, P.E.
Executive Director
Peace River/Manasota Regional Water Supply Authority
1645 Barber Road, Suite A
Sarasota, FL 34240

Re: Proposed Task Plan for Rate Consulting Services

Dear Pat:

As we discussed, I have prepared a proposed task plan for the provision of rate consulting services as contemplated in the contract which we recently executed with the Authority. I have enclosed a Project Work Plan and Cost Estimate schedule (Schedule) that includes our proposed task plan, estimated consultant hours for each task and estimated cost to complete the proposed services.

Proposed Scope of Work

The enclosed Schedule identifies three major Tasks. Task 1 will be the conduct of a ten year revenue sufficiency analysis and development of a ten year financial plan for the Authority. This task will include setting the Authority up on our proprietary Financial Analysis and Management System (FAMS©) model, evaluating the sufficiency of annual rate revenues to fund all costs of the Authority and development of a financial plan to ensure adequate revenues to fund all of the Authority's operations, maintenance and capital requirements over the ten year projection period. FAMS© precisely models the financial dynamics of a utility in each year of the projection period. FAMS© will be adjusted to specifically model the flow of funds of the Authority and will include all of the Authority's fiscal policies such as minimum working capital reserve requirements, existing debt service, terms of future capital financing, etc.

FAMS© is an interactive model with which we have developed a very effective interactive decision support process with our clients. During this process, we will meet with your staff in several interactive work sessions in which the FAMS© model will be up-and-running and projected on a large viewing screen. FAMS© has a very efficient graphical interface which provides instantaneous feedback as to the effects of changes in assumptions in the model. In this way, numerous scenarios can be evaluated and what-if analyses can be performed on the spot with immediate feedback as to the consequences of the changes evaluated. FAMS© also uses a unique side-by-side graphical presentation of alternative scenarios, so the effects of changes in one scenario can be clearly seen compared to the results of the last scenario evaluated.

Burton & Associates
200 Business Park Circle, Suite 101 • St. Augustine, Florida 32095 • Phone (904) 247-0787 • Fax (904) 241-7708
E-mail: mburton@burtonandassociates.com
Page 1

FAMSC® not only provides the high level graphical feedback of results discussed in the previous paragraph, but it is also structured to produce detailed revenue and expense projections and capital projects funding sources analyses. It also is structured to produce revenue forecast schedules in support of the issuance of revenue bonds and can be adjusted as necessary to produce schedules in support of other financing and/or grant programs.

The work proposed to be conducted in Task 1 will lay the foundation for all other analyses to be conducted. We have proposed that Task 2 include the development of specific rates for each member/customer that are fair equitable and conform to the uniform rate requirements of the Southwest Florida Water Management District. This may require development of a series of payments, credits and/or surcharges to recognize imbedded characteristics of prior rate allocations and will involve a series of work sessions with members/customer representatives to ensure acceptance of the rate plan developed during this phase of work. The annual revenue requirement identified in the revenue forecast output of Task 1 for the year selected as the test year will serve as the basis for cost allocation and rate design during this phase.

In Task 3 it is contemplated that the regional water facility scenarios identified by the Authority's recently selected consultant will be evaluated using 1) the FAMSC® model that will have been set-up during Tasks 1, and 2) the cost allocation and rate design model developed during Task 2. These models will be used to determine the comparative financial implications of each identified regional water facility scenario upon the Authority and each individual member/customer.

Estimate of Man-hours and Cost

The enclosed Schedule shows that successful completion of Task 1 will require approximately 341 man-hours for an estimated fee of \$41,890 plus estimated out-of-pocket expenses of \$2,513 for a total estimated cost of \$44,403.

The enclosed Schedule shows that successful completion of Task 2 will require approximately 270 man-hours for an estimated fee of \$32,645 plus estimated out-of-pocket expenses of \$1,959 for a total estimated cost of \$34,604.

Based upon the above, the total estimated cost of Tasks 1 and 2 is \$79,007.

We have not included a specific work plans or fee and cost estimate for Task 3. Such estimates for Task 3 will be provided as soon as consultations with Authority staff regarding scope can be completed.

We are looking forward to working with you and your staff on this very important project. If you have any questions or need any additional information, please do not hesitate to call me at (904) 247-0787 or on my cell phone which is (904) 923-1466.

Very truly yours,

Mike

Michael E. Burton
President

MEB/cs
Enclosure

Peace River/Manasota Regional Water Supply Authority (Authority)
PROVISION OF RATE CONSULTING SERVICES
PROJECT WORK PLAN/COST ESTIMATE SCHEDULE
Prepared by Burton & Associates

Burton & Associates

PROJECT TASKS	Hourly rate->	ESTIMATED MAN-HOURS				Total Project
		Project Phase/Planner \$175	Project Manager \$150	Project Consultant \$85	Client \$50	
TASK 1						
CONDUCT A TEN YEAR REVENUE SUFFICIENCY ANALYSIS AND DEVELOP A TEN YEAR FINANCIAL PLAN						
TASK 1.1						
Conduct and/or kick-off meeting and obtain and review required data and information.		2	2	2	0	6
a. Conduct Project kick-off meeting to validate project objectives, identify required data and confirm project responsibilities and project monitoring and reporting procedures.						
b. Obtain and review required data and information to include system configuration, interlocal and customer agreements, historical financial statements, customer information and capital cost information.		2	2	2	0	6
TASK 1.2						
Gain current knowledge of the Authority's water, reclaimed water, and sewer utility systems.						
a. Review prior rate study reports; current and historical financial data, system configuration, revenue projections, billing and water production statistics; capital improvement programs and other relevant information to gain an understanding of the Authority and the system for which rate analyses are to be performed.		2	4	8	0	14
b. Review the Utility Systems Master Plan and consult with the Authority's Engineer(s) regarding a schedule of capital projects to be completed during the projection period.		0	2	4	0	6
c. Conduct an analysis of the Authority's billing and water production data to properly determine the application of growth and elasticity of demand assumptions relative to projected revenue.		1	4	8	0	13
d. Meet with Authority staff to review system configuration, prior capital funding agreements, master plans and other relevant information to gain a thorough understanding of the Authority history, current system configuration, cost allocation and rate structure and future demand and capital and operations and maintenance funding requirements.		4	4	4	0	12
TASK 1.3						
Identify all data, information and assumptions to be used in the most current version of Burton & Associates' excelsior Financial Analysis and Management System (FAMS 2) model.						
a. Identify all data, information and assumptions to be used, including an accurate depiction of the flow of funds.		0	1	2	0	3
b. Review all data, information and assumptions with Authority staff and make adjustments as required.		1	1	1	0	3
TASK 1.4						
Adjust FAMS 2 as required to accurately reflect the Authority's assumptions and flow of funds and input all data, information and assumptions into FAMS 2 and produce preliminary output to include a five (5), and ten (10) year financial management plan which will include the following:		4	24	40	0	68
a. Capital Improvements Program:						
- Project listing by year						
- Optimum funding source by project by year						
- Borrowing program, as applicable						
Amount						
Timing						
b. Revenue Sufficiency Analysis:						
- Annual revenue and expense projections.						
- Alternative revenue/funding sources						
- Capital requirements funding from capacity fees, revenues, reserves and borrowing.						

Peace River/Manasota Regional Water Supply Authority (Authority)

PROVISION OF RATE CONSULTING SERVICES
PROJECT WORK PLAN & COST ESTIMATE SCHEDULE
Prepared by Burton & Associates

BURTON & ASSOCIATES

PROJECT TASKS	ESTIMATED MAN-HOURS				Total Project
	Project Principal \$175	Project Manager \$150	Project Consultant \$85	Chemical \$90	
<p>PROJECT TASKS</p> <p>Hourly rate: 3</p> <ul style="list-style-type: none"> Annual plan of rate revenue adjustments to provide sufficient revenues. Include consideration of annual price indexing Identification of just in time rate revenue increases and alternative rate plans such as equal annual percentage increases, etc. Preparation of projected operating statements, cash flow analyses, fund balances and sources and uses of funds for each year in the projection period. Sources and Uses of Funds Analysis Funds Analysis: <ul style="list-style-type: none"> Spend down limits (minimum reserve requirements) by fund Beginning and ending fund balances by fund by year <p>TABLE 1-3 Review, cross check and adjust the FAMS Q model to ensure that the results accurately reflect the Authority's assumptions, flow of funds and other variables.</p> <p>TABLE 1-4 Review preliminary results with Authority staff in three (3) interactive work sessions.</p> <ol style="list-style-type: none"> Conduct an interactive work session with Authority staff to review and verify the input and assumptions used in the set-up of the FAMSQ model. Make adjustments based upon input from Authority staff and produce adjusted revenue sufficiency analysis output schedules and an adjusted schedule of proposed rate revenue adjustments. Conduct an interactive work session with Authority staff to review the preliminary results of the revenue sufficiency analysis, financial plan and schedule of proposed rate revenue adjustments. Make adjustments based upon input from Authority staff and produce adjusted revenue sufficiency analysis output schedules and an adjusted schedule of proposed rate revenue adjustments. Additional meetings and adjustments as required. <p>TABLE 1-5 Review preliminary results with Authority staff and member representatives in three (3) review sessions.</p> <ol style="list-style-type: none"> Conduct a review session with Authority staff and member representatives to review and verify the input and assumptions used in the analysis and to review the preliminary results of the revenue sufficiency analysis, financial plan and schedule of proposed rate revenue adjustments. Make adjustments based upon input from Authority staff and member representatives and produce adjusted revenue sufficiency analysis output schedules and an adjusted schedule of proposed rate revenue adjustments. Conduct a review session with Authority staff and member representatives to review the adjusted preliminary results of the revenue sufficiency analysis, financial plan and schedule of proposed rate revenue adjustments. Make adjustments based upon input from Authority staff and member representatives and produce draft revenue sufficiency analysis output schedules and an adjusted schedule of proposed rate revenue adjustments. Additional meetings and adjustments as required. 	1	2	4	0	7
	4	4	4	0	12
	1	6	12	0	19
	4	4	4	0	12
	1	2	4	0	7
	--- At Hourly Rates ---				
	4	4	4	0	12
	1	6	12	0	19
	4	4	4	0	12
	1	2	4	0	7
	--- At Hourly Rates ---				

Peace River/Manasota Regional Water Supply Authority (Authority)
PROVISION OF RATE CONSULTING SERVICES
PROJECT WORK PLAN & COST ESTIMATE SCHEDULE
Prepared for Review & Approval

BURTON & ASSOCIATES

PROJECT TASKS	ESTIMATED MAN-HOURS					Total Project
	Project Manager	Project Consultant	Client	Other	Project	
FOUR/196->	\$175	\$150	\$85	\$90		
TASK 1-1						
Review preliminary results with the Authority Board.						
a. Prepare a PowerPoint presentation of the preliminary results of the revenue sufficiency analysis and financial plan.	1	1	2	0	4	
b. Review PowerPoint presentation with Authority staff.	1	1	1	0	3	
c. Attend one (1) Board meeting to review the preliminary results of the revenue sufficiency analysis and financial plan.	4	4	0	0	8	
d. Make adjustments based upon input from the Board.	1	4	8	0	13	
e. Attend one (1) Board meeting to review the adjusted results of the revenue sufficiency analysis and financial plan.	4	4	0	0	8	
f. Make adjustments based upon input from the Board.	1	2	4	0	7	
g. Attend one (1) Board meeting to review the final results of the revenue sufficiency analysis and financial plan.	4	4	0	0	8	
TASK 1-2						
Document the results of the Study in a Report and respond to the Authority Board						
a. Prepare a Draft Report to document the results of the Revenue Sufficiency Analysis and Financial Plan.	2	12	6	6	26	
b. Review the Draft Report with Authority staff and member representatives.	2	2	2	0	6	
c. Prepare the Final Report of the results of the Revenue Sufficiency Analysis and Financial Plan.	1	6	3	4	14	
d. Attend Authority Commission workshop and meeting to present the Final Report.	3	3	0	0	6	
TOTAL ESTIMATED MAN-HOURS - TASK 1	61	121	149	10	341	
TOTAL ESTIMATED CONSULTING FEE - TASK 1	\$10,675	\$18,150	\$12,865	\$400	\$41,890	
ESTIMATED EXPENSES - TASK 1					\$2,613	
TOTAL ESTIMATED COST - TASK 1					\$44,503	
						6.00%

Peace River/Mansota Regional Water Supply Authority (Authority)
PROVISION OF RATE CONSULTING SERVICES
PROJECT WORK PLAN & COST ESTIMATE SCHEDULE
Prepared by Burton & Associates

BURTON & ASSOCIATES

PROJECT TASKS	Hourly Rate	ESTIMATED MAN-HOURS			
		Project Manager	Project Consultant	Client	Total Project
		\$175	\$95	\$95	\$365
TASK 1 DEVELOP A COST ALLOCATION AND RATE STRUCTURE PLAN FOR RECOVERY OF THE REVENUE REQUIREMENTS IDENTIFIED IN PHASE 1.					
TASK 2.1 Evaluate cost allocations imbedded in the current rates of members/customers.		1	4	0	7
a. Review cost allocation effects of prior capital projects and operations and maintenance costs upon the current rates of members/customers.					
b. Develop a cost allocation spreadsheet that replicates the cost allocations in the current rates of members/customers and replicates the calculation of those rates.		2	4	0	14
c. Meet with Authority staff in an interactive work session to review the cost allocation spreadsheet.		3	3	0	9
d. Make adjustments to the cost allocation spreadsheet based upon the review with Authority staff in the prior task.		1	2	0	7
e. Additional meetings and adjustments as required.					
TASK 2.2 Develop a cost allocation spreadsheet that allocates costs into a uniform rate structure for all member/customers.		1	4	0	7
a. Develop a uniform rate structure cost allocation spreadsheet.					
b. Develop a comparative assessment of the difference in cost to each customer of the current rates based upon the current cost allocation spreadsheet developed in Task 2.1 and the uniform rate structure cost allocation spreadsheet developed in Task 2.2.a.		1	4	0	7
c. Develop alternative plans to implement a uniform rate structure that recognizes the differences in the cost of "old water" of members/customers. Such alternative plans will be developed in consultation with Authority staff and member/customer representatives and could consist of some or all of the following elements: 1) a plan for payment of the net present value (over a time period to be determined) of the additional cost of "old water" in the uniform rate structure to those members who will realize such an increase in the cost of "old water"; 2) a plan for financing such payments in such a way as to not burden those receiving the payments with the debt service on the payment amount; and 3) an annual series of credits and/or surcharges that, when combined with the payment discussed in items 1 and 2, and when applied to the uniform rate (over a time period to be determined), will result in similar net costs for "old water" as are in the current rates of each member/customer. Such credits and surcharges will be structured so as to be phased out over a period of years to be determined, resulting in a uniform rate structure with no credits or surcharges from that point forward.					
d. Meet with Authority staff and member/customer representatives to review the cost allocation spreadsheet developed in Task 2.2.a, the comparative analysis developed in Task 2.2.b and to identify potential uniform rate structure alternatives.		4	4	0	12
e. Draft uniform rate structure alternative summaries.		1	2	0	7
f. Meet with Authority staff and member/customer representatives to review uniform rate structure alternative summaries and identify refinements.		4	4	0	12
g. Develop a uniform rate structure spreadsheet that calculates uniform rates under the provisions of each identified uniform rate structure alternative.		8	24	0	72
h. Meet with Authority staff and member/customer representatives to review uniform rate structure spreadsheet and the results for each identified uniform rate structure alternative plan.		4	4	0	12
i. Make adjustments as required.		1	4	0	17
j. Additional meetings and adjustments as required.					

--- At Hourly Rates ---

Peace River/Manasota Regional Water Supply Authority (Authority)
PROVISION OF RATE CONSULTING SERVICES
PROJECT WORK PLAN & COST ESTIMATE SCHEDULE
Prepared by Burton & Associates

BURTON & ASSOCIATES

PROJECT TASKS	ESTIMATED MAN-HOURS				Total Project
	Project Planned	Project Manager	Project Consultant	Client	
Hourly rate-->	\$175	\$150	\$85	\$40	
TASK 2.1 Present the preliminary results of the uniform rate structure plan alternatives to the Board. a. Develop a presentation of the process and results. b. Make a presentation of the process and the preliminary results to the Board. c. Make adjustments as required based upon input from the Board. d. Make a follow-up presentation to the Board of the adjusted results.	1 3 1 3	1 3 4 3	2 3 8 3	0 0 0 0	4 9 13 9
TASK 2.2 Document the results of the Cost Allocation and Uniform Rate Study in a Report and present to the Authority Board a. Prepare a Draft Report to document the results of the Cost Allocation and Uniform Rate Study. b. Review the Draft Report with Authority staff and member representatives. c. Prepare the Final Report of the Cost Allocation and Uniform Rate Study d. Attend Authority Commission workshop and meeting to present the Final Report.	2 2 1 3	12 2 6 3	6 2 3 0	6 2 4 0	26 6 14 6
TOTAL ESTIMATED MAN-HOURS - TASK 2	47	91	122	10	270
TOTAL ESTIMATED CONSULTING FEE - TASK 2	\$8,225	\$13,650	\$10,370	\$400	\$32,645
ESTIMATED EXPENSES - TASK 2					\$1,559
TOTAL ESTIMATED COST - TASK 2					\$34,204
Total Task 1 and Task 2:					
TOTAL ESTIMATED MAN-HOURS - TASK 1 & TASK 2	108	212	271	28	619
TOTAL ESTIMATED CONSULTING FEE - TASK 1 & TASK 2	\$19,900	\$31,800	\$23,035	\$800	\$74,535
ESTIMATED EXPENSES - TASK 1 & TASK 2					\$4,672
TOTAL ESTIMATED COST - TASK 1 & TASK 2					\$79,207
TASK 3 EVALUATE REGIONAL WATER FACILITY OPTIONS IDENTIFIED BY THE AUTHORITY'S RECENTLY SELECTED CONSULTANT					
Note: It is our understanding that the Work Plan and Cost Estimate for this Task will be developed after consultation with the above referenced consultant and Authority staff when the specific tasks and level of effort to evaluate identified alternative business plan alternatives can better be determined.					

Source: Burton & Associates
C:\OnePeace River Rate Consultant\Contact\Task Order\Rate Consulting Services Task Order\2-14-07\Burton & Associates - 7 unit Order Proposal to Provide Rate Consulting Services 2-14-07.rtf

BURTON & ASSOCIATES, INC.

CONTRACT FOR PROFESSIONAL SERVICES

Project No. (To Be Assigned) Title: FY 2008 Water/Wastewater Rate Sufficiency Analysis

This Agreement, made and entered into on the date last executed below, by and between BURTON & ASSOCIATES, INC. and THE CITY OF LAKE WORTH, FLORIDA, hereinafter called "CLIENT", is for the services described under item 2 of this Agreement.

BURTON & ASSOCIATES, INC. Contact: Mr. Michael E. Burton, President
Address: 200 Business Park Circle, Suite 101
St. Augustine, Florida 32095
Phone No. (904) 247-0787

CLIENT Contact: Mr. Walt Smyser, Project Director
Address: The City of Lake Worth
1900 2nd Avenue North
Lake Worth, FL 33461
Phone No. (561) 586-1671

1. **PROJECT:** General Nature of Project – Perform a water and wastewater utility rate study and related financial services.
2. **SCOPE OF SERVICES:** Description of services to be performed by BURTON & ASSOCIATES, INC. (if additional pages are necessary, they are identified as Attachment B): The scope of services are as described in Section VI – Approach to the Project (all tasks) and Section VII – Price Proposal and Schedule (all tasks) in BURTON & ASSOCIATES, INC.'s proposal to CLIENT dated June 11, 2008 in response to CLIENT's RFP # UT-WAT-07-08-690. Attachment B also presents BURTON & ASSOCIATES, INC.'s work plan that will be executed to accomplish said scope of services.
3. **TIME OF COMPLETION:** Services called for herein shall be completed no later than 90 days from receipt of a notice to proceed unless otherwise extended by the agreement of both parties.
4. **COMPENSATION:** The compensation to be paid BURTON & ASSOCIATES, INC. for providing the services called for herein shall be (if additional pages are necessary, they are identified as Attachment B):
 - _____ A. A Lump-Sum charge of \$_____.
 - B. Unit Cost/Time Charges in Attachment B plus reimbursable expenses, not to exceed \$46,976.
5. **DURATION:** This Agreement shall remain in effect until completion of the project and any additional services authorized in accordance with Section 10, unless terminated as provided herein, or extended by mutual agreement in writing.

IN WITNESS WHEREOF, this Agreement is accepted on the date last written below, subject to the terms and conditions above stated and the provisions set forth on the following pages.

For CLIENT:

For BURTON & ASSOCIATES, INC.:

SIGNED: _____

SIGNED:  _____

TYPED NAME: _____

TYPED NAME: Michael E. Burton

TITLE: _____

TITLE: President

DATE: _____

DATE: August 20, 2008

6. **UNIT COST TIME CHARGES AND REIMBURSABLE EXPENSES:** Unit cost time charges are defined as hourly rates specified in Attachment A. Reimbursable costs include out-of-pocket expenses, the cost of which shall be charged at actual cost, up to any limit imposed by the CLIENT.
7. **INVOICE PROCEDURE:** BURTON & ASSOCIATES, INC. shall submit monthly invoices to CLIENT requesting payment for work accomplished during each calendar month. Payment of invoices will be made by CLIENT within 30 days of receipt of invoice. Invoices for lump sum contracts will represent percentage work completed during each calendar month.
8. **INSURANCE:** BURTON & ASSOCIATES, INC. shall procure and maintain throughout the term of this Agreement the following insurance with the limits set forth herein, and shall, upon executing this Agreement, provide to CLIENT a certificate(s) of insurance evidencing same, and showing CLIENT as an additional insured:
 - A. Worker's Compensation Insurance as required by law.
 - B. Unless otherwise provided for herein, Comprehensive General Liability Insurance including contractual liability and liability arising out of the use of automobiles with the following limits:
 - (1) Bodily Injury Liability Insurance with limits of \$100,000 per person and \$300,000 per occurrence;
 - (2) Property Damage Liability Insurance with a limit of \$50,000 per occurrence.
 - C. Unless otherwise provided for herein, Errors and Omissions Liability Insurance with a limit of \$1,000,000 per claim and aggregate.
9. **TERMINATION:** This Agreement may be terminated by either party by seven (7) days written notice in the event of substantial failure to perform in accordance with the terms herein by the other party through no fault of the terminating party. If this Agreement is so terminated, CLIENT shall pay BURTON & ASSOCIATES, INC. compensation for work satisfactorily completed up to date of termination.

CLIENT may terminate this agreement for convenience, or suspend the work called for herein for any business reason. In the event of such termination or suspension, CLIENT shall pay BURTON & ASSOCIATES, INC. for the work accomplished up to the date of termination or suspension.
10. **ADDITIONAL SERVICES:** Additional services may be performed under this Agreement if agreed to by both parties in writing.
11. **PUBLIC RECORDS LAW EXEMPTION:** CLIENT and BURTON & ASSOCIATES, INC. shall comply with the provisions of Chapter 119, Florida Statutes (Public Records Law) except as provided for in the following paragraphs.

BURTON & ASSOCIATES, INC. may use its proprietary Financial Analysis and Management System (FAMS XL[®]) in the accomplishment of work under this contract. This contract recognizes that FAMS XL[®] is a proprietary product of BURTON & ASSOCIATES, INC., includes trade secrets and, as such, the FAMS XL[®] model and its source code is exempt from public records laws in accordance with FS 815.045, a copy of which is included below:

815.045 Trade secret information--The Legislature finds that it is a public necessity that trade secret information as defined in s. 812.081, and as provided for in s. 815.04(3), be expressly made confidential and exempt from the public records law because it is a felony to disclose such records. Due to the legal uncertainty as to whether a public employee would be protected from a felony conviction if otherwise complying with chapter 119, and with s. 24(a), Art. I of the State Constitution, it is imperative that a public records exemption be created. The Legislature in making disclosure of trade secrets a crime has clearly established the importance attached to trade secret protection. Disclosing trade secrets in an agency's possession would negatively impact the business interests of those providing an agency such trade secrets by damaging them in the marketplace, and those entities and individuals disclosing such trade secrets would hesitate to cooperate with that agency, which would impair the effective and efficient administration of governmental functions. Thus, the public and private harm in disclosing trade secrets significantly outweighs any public benefit derived from disclosure, and the public's ability to scrutinize and monitor agency action is not diminished by nondisclosure of trade secrets.

Therefore, if BURTON & ASSOCIATES, INC. uses FAMS XL[®] in the accomplishment of work under this contract, BURTON & ASSOCIATES, INC. may not be compelled to disclose FAMS XL[®], or its source code, to CLIENT or any other parties for any purpose or reason; however, BURTON & ASSOCIATES, INC. will conduct interactive work

sessions with CLIENT staff to review the input and results of analyses conducted using FAMS XL[®] and will disclose and deliver to CLIENT output schedules from the FAMS XL[®] model for the purpose of accomplishing the CLIENT's business. Output schedules of FAMS XL[®] that are delivered to CLIENT in deliverable products such as reports, presentations, etc. are excluded from this trade secret exemption.

12. **ENTIRETY OF AGREEMENT:** This writing embodies the entire agreement and understanding between the parties hereto, and there are no other agreements and understanding, oral or written, with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change or modification of the terms of the Agreement shall be valid unless made in writing, signed by both parties hereto.

ADDENDA (if required)
ATTACHMENT A - Hourly Billing Rates (if required)
ATTACHMENT B - Scope of Services (if required)

ATTACHMENT A - HOURLY BILLING RATES

This contract is for a lump sum amount; however, the hourly billing rates authorized under this contract for additional services authorized in accordance with Article 10 are as follows:

Principal-in-Charge	\$195	per hour
Project Director	\$175	per hour
Consultant	\$ 95	per hour
Clerical	\$ 40	per hour

ATTACHMENT B - SCOPE OF SERVICES

The work plan that BURTON & ASSOCIATES, INC. will executed to accomplish the scope of service is presented on the following pages.



City of Lake Worth
WATER/WASTEWATER RATE SUFFICIENCY ANALYSIS
PROJECT BOND PLAN & MAINTENANCE ESTIMATE

Page 1 of 6

BURTON & ASSOCIATES

PROJECT TASKS	ESTIMATED MAN-HOURS				City of Lake Worth Responsibility
	Project Principal \$100	Project Director \$175	Project Consultant \$25	Contract \$40	
Task 1					
1.1 Conduct Kickoff Meeting	1	1	1	0	3
1.2 Review of Background Information	1	1	2	0	4
TOTAL ESTIMATED MAN-HOURS	2	2	3	0	7
TOTAL ESTIMATED FEE	\$300	\$350	\$285	\$0	\$1,025
TOTAL ESTIMATED EXPENSES					\$51
TOTAL ESTIMATED PROJECT COST					\$1,076
Task 2					
2.1 Revenue Sufficiency Analysis - Develop a Multi-year Financial Forecast and Financial Chart					
2.2	0	2	4	0	6
2.3	2	8	40	0	50
2.4					
2.5					
2.6					



City of Lake Worth
WATER/WASTEWATER RATE SUFFICIENCY ANALYSIS
PROJECT FORECAST & MAN-HOUR ESTIMATE

Page 2 of 6

BURTON & ASSOCIATES

PROJECT TASKS	Rates →	ESTIMATED MAN-HOURS					City of Lake Worth Responsibility
		Project Principal \$135	Project Director \$175	Project Consultant \$35	Client \$10	Total Project	
2.7 Meet with City staff in a second interactive work session to review adjusted results and determine final plan of annual rate revenue adjustments and the revenue requirements for the last year for rate making.		2	2	2	0	6	Meeting
TOTAL ESTIMATED MAN-HOURS		9	19	57	0	85	
TOTAL ESTIMATED FEE		\$1,755	\$3,325	\$5,415	\$0	\$10,495	
TOTAL ESTIMATED EXPENSES						\$525	
TOTAL ESTIMATED PROJECT COST	5.00%					\$11,020	
Task 2 Cost Allocation - Perform a Detailed Cost-of-Service Analysis:							
3.1 Identify all last year cost/revenue requirements associated with the provision of water, wastewater and reclaimed water service from the preferred financial forecast alternative identified in Task 2.		0	1	1	0	2	Review
3.2 Allocate cost/revenue requirements to service and to functional cost components, fixed a variable cost components customer classes and to retail/wholesale service, as applicable, based upon appropriate allocation criteria.		2	8	12	0	22	NA
3.3 Review allocation worksheet with City staff.		0	2	2	0	4	Cost Call
3.4 Prepare final allocation worksheet based upon input from City staff.		0	2	3	0	5	Review
TOTAL ESTIMATED MAN-HOURS		2	13	18	0	33	
TOTAL ESTIMATED FEE		\$360	\$2,375	\$1,710	\$0	\$4,375	
TOTAL ESTIMATED EXPENSES						\$219	
TOTAL ESTIMATED PROJECT COST	5.00%					\$4,594	
Task 4 Rate Design - Develop Water and Wastewater Rates, Fees and Charges:							
4.1 Develop user fees:							
a. Perform a diagnostic evaluation of the current rate design and identify adjustments to be considered in the development of rates.		2	2	1	0	5	NA
b. Load billing history data into ourFAMS-XL® rate model and create a bill frequency analysis.		0	3	6	0	9	NA
c. Conduct a revenue test to ensure accuracy of billing data.		0	2	4	0	6	NA
d. Set up the rate model in conformance with the cost allocation results of Task 3 and the rate design evaluation in 4.1.a.		0	2	8	0	10	NA
e. Run the model and prepare retail and wholesale rate structure scenarios.		0	3	6	0	9	NA
f. Review results with consulting team and adjust as required.		1	1	3	0	5	NA
g. Meet with City staff in an interactive work session to review preliminary results.		3	3	3	0	9	Meeting
h. Make adjustments as required based upon input from City staff in Task 4.1.g.		0	2	3	0	5	NA
i. Meet with City staff in a second interactive work session to review adjusted results and determine final alternative rate schedules.		2	2	2	0	6	Meeting
TOTAL ESTIMATED MAN-HOURS		8	20	38	0	64	
TOTAL ESTIMATED FEE		\$1,560	\$3,500	\$3,420	\$0	\$8,480	
TOTAL ESTIMATED EXPENSES						\$424	
TOTAL ESTIMATED PROJECT COST	5.00%					\$8,904	



City of Lake Worth
WATER/WASTEWATER RATE SUFFICIENCY ANALYSIS
PROJECT HOURLY PLAN & MAN-HOUR ESTIMATE

BURTON & ASSOCIATES

PROJECT TASKS	ESTIMATED MAN-HOURS				City of Lake Worth Responsibility	
	Project Manager \$15	Project Director \$15	Project Consultant \$5	Client \$0		
<p>4.2 Develop Impact/System Capacity Fees:</p> <ul style="list-style-type: none"> a. Obtain and review filed asset records for all major system components b. Prepare reproduction cost schedule of filed assets by major system component. c. Review CIP with City staff to determine portion of projects for expanded capacity and portions associated with renewal and rehabilitation. d. Load appropriate data into our AIMS-XL® Impact fee module, adjust and calibrate and produce preliminary results. e. Review results with consulting team and adjust as required. f. Link Impact module of FAMS-XL® with the financial forecast module set-up in Task 2 to evaluate the integrated effects of changes in the impact fees in the capital projects funding plan and the effects upon user fee rate revenue requirements and the overall financial plan. g. Meet with City staff in an interactive work session to review preliminary results. h. Make adjustments as required based upon input from City staff in Task 4.2.g. i. Meet with City staff in a second interactive work session to review adjusted results and determine final Impact Fee schedule. 	0	1	2	0	3	Provide data NA
	0	2	4	0	6	Meeting
	0	2	2	0	4	Meeting
	0	3	6	0	9	NA
	1	2	4	0	7	NA
	1	2	4	0	7	Meeting
	3	3	3	0	9	Meeting
	0	2	4	0	6	NA
	2	2	2	0	6	Meeting
TOTAL ESTIMATED MAN-HOURS	7	19	31	0	57	
TOTAL ESTIMATED FEE	\$1,365	\$3,325	\$2,945	\$0	\$7,635	
TOTAL ESTIMATED EXPENSES					\$352	
TOTAL ESTIMATED PROJECT COST					\$8,017	
	5.00%					
4.3 Develop Specific Service and Miscellaneous Charges/Fees, including New Service Installation Fees:						
<ul style="list-style-type: none"> a. Review utility operations to determine if additional service charges/revenue enhancements are appropriate. b. Prepare cost computation template for each specific service fee to be evaluated (assume 12 fees). c. Review cost computation templates with City staff and adjust as required. d. Prepare schedule of current and proposed specific service fees. 	0	2	2	0	4	Provide data
	0	2	12	0	14	Provide data
	0	1	4	0	5	Meeting
	1	1	2	0	4	NA
TOTAL ESTIMATED MAN-HOURS	1	6	20	0	27	
TOTAL ESTIMATED FEE	\$195	\$1,050	\$1,800	\$0	\$3,145	
TOTAL ESTIMATED EXPENSES					\$157	
TOTAL ESTIMATED PROJECT COST					\$3,302	
	5.00%					
4.4 Conduct and Complete a Comparative Rate Survey						Review
	0	1	4	4	9	
TOTAL ESTIMATED MAN-HOURS	0	1	4	4	9	
TOTAL ESTIMATED FEE	\$0	\$175	\$360	\$180	\$715	
TOTAL ESTIMATED EXPENSES					\$36	
TOTAL ESTIMATED PROJECT COST					\$751	



City of Lake Worth
WATER/WASTEWATER RATE SUFFICIENCY ANALYSIS
PROJECT FOR PLANS A MAN-POWER ESTIMATE

BURTON & ASSOCIATES

Page 4 of 6

PROJECT TASKS	ESTIMATED MAN-HOURS				City of Lake Worth Responsibility
	Project Principal \$185	Project Director \$175	Project Consultant \$55	Critical Path \$40	
Task 5 Continuation to Management - Conduct Presentation to City Management	0.5	1	0	0	1.5
5.1 Prepare presentation					NA
5.2 Make adjustments based upon input from City staff.					Review
5.3 Attend meeting with City Management and present the preliminary results.					Attend
TOTAL ESTIMATED MAN-HOURS	2.5	4	2	0	8.5
TOTAL ESTIMATED FEE	\$488	\$700	\$180	\$0	\$1,378
TOTAL ESTIMATED EXPENSES					\$89
TOTAL ESTIMATED PROJECT COST					\$1,447
Task 6 Final Report - Prepare a Report of the Results of the Study	2	6	12	3	23
6.1 Prepare a Draft Report of the Results of the Study	1	1	1	0	3
6.2 Review Draft Report with City Staff and Management					
6.3 Present the results of the Study to City Commission.					
a. Meet with the City Commission to present the results of the Rate Study.					
b. Make adjustments to the analysis as required based upon City Commission direction.					
6.4 Prepare Final Report of the Results of the Rate Study	1	1	2	2	6
TOTAL ESTIMATED MAN-HOURS	6	12	19	5	42
TOTAL ESTIMATED FEE	\$1,170	\$2,100	\$1,805	\$200	\$5,275
TOTAL ESTIMATED EXPENSES					\$264
TOTAL ESTIMATED PROJECT COST					\$5,539
Task 7 Ordinance/Resolutions and Amendments - Provide Assistance in Development of Ordinances, Resolutions, Bulk Service Agreements, Development Agreements, and Interlocal Agreements	0	1	2	0	3
7.1 Prepare Rate Schedules for Inclusion in a Rate Ordinance/Resolution	1	1	0	0	2
7.2 Review Ordinance Developed by City Attorney	1	1	0	0	2
7.3 Participate in Conference Call with City Attorney to discuss Ordinance/Resolution	1	1	0	0	2
7.4 Attend Two (2) Rate Hearings for Adoption.	3	3	0	0	6
7.5 Assist in Development of Bulk Service Agreements, Development Agreements and Interlocal Agreements as Required.					
— At Standard Hourly Rates —					
TOTAL ESTIMATED MAN-HOURS	5	6	2	0	13
TOTAL ESTIMATED FEE	\$975	\$1,050	\$180	\$0	\$2,215
TOTAL ESTIMATED EXPENSES					\$111
TOTAL ESTIMATED PROJECT COST					\$2,326



City of Lake Worth
WATER/WASTEWATER RATE SUFFICIENCY ANALYSIS
PROJECT FEE PLAN & MAXIMUM ESTIMATE

BURTON & ASSOCIATES

PROJECT TASKS	Rates →	ESTIMATED MAN-HOURS				Total Project	City of Lake Worth Responsibility
		Project Fee/HR \$15	Project Cost/HR \$112	Project Commitment \$5	Checked 340		
Total Civil Service of Sanctions							
TOTAL ESTIMATED MAN-HOURS		42.9	102	182	345.5		
TOTAL ESTIMATED FEE		\$6,285	\$17,850	\$18,240	\$44,738		
TOTAL ESTIMATED EXPENSES					\$2,239		
TOTAL ESTIMATED PROJECT COST	6.88%				\$46,978		

SOURCE: BURTON & ASSOCIATES