

**AGREEMENT FOR  
TELECOMMUNICATIONS BILLING AUDIT**

**THIS AGREEMENT**, made this 28<sup>th</sup> day of November 2011, by and between the City of Fort Lauderdale, a Florida municipality, ("City"), whose address is 100 North Andrews Avenue, Fort Lauderdale, FL 33301-1016, and Cost Control Associates, Inc., a New York corporation, ("Contractor" or "Company"), whose address and phone number are 310 Bay Road, Queensbury, NY 12804, 518-798-4437, fax 518-798-1735, for the term specified herein,

NOW THEREFORE, for and in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the City and the Contractor covenant and agree as follows:

**WITNESSETH:**

**I. DOCUMENTS**

The following documents are hereby incorporated into and made part of this agreement.

- (1) Request For Proposal 715-10820, telecommunications billing audit services, including any and all addenda, prepared by the City of Fort Lauderdale, ("RFP" or "Exhibit A").
- (2) Response to the RFP, dated September 20, 2011 (Exhibit B).

All Contract Documents may also be collectively referred to as the "Documents." In the event of any conflict between or among the Documents or any ambiguity or missing specifications or instruction, the following priority is established:

- A. First, specific direction from the City Manager (or designee)
- B. Second, this Agreement dated November 28, 2011, and any attachments.
- C. Third, Exhibit A
- D. Fourth, Exhibit B

**II. SCOPE**

The Contractor shall perform the Work under the general direction of the City as set forth in Contract Documents.

Unless otherwise specified herein, the Contractor shall perform all Work identified in this Agreement. The parties agree that the scope of services is a description of Contractor's obligations and responsibilities, and is deemed to include preliminary considerations and prerequisites, and all labor, materials, equipment, and tasks which are such an inseparable part of the work described that exclusion would render performance by Contractor impractical, illogical, or unconscionable.

Contractor acknowledges and agrees that the City's Contract Administrator has no authority to make changes that would increase, decrease, or otherwise modify the Scope of Services to be provided under this Agreement.

By signing this Agreement, the Contractor represents that it thoroughly reviewed the documents incorporated into this Agreement by reference and that it accepts the description of the Work and the conditions under which the Work is to be performed.

### **III. TERM OF AGREEMENT**

The initial contract period shall commence on October 14, 2011 and shall end on October 13, 2012. In the event the term of this Agreement extends beyond the end of any fiscal year of City, to wit, September 30, the continuation of this Agreement beyond the end of such fiscal year shall be subject to both the appropriation and the availability of funds.

### **IV. COMPENSATION**

Except as otherwise provided in the solicitation, no amount shall be paid to Contractor to reimburse Contractor's expenses.

City shall pay Contractor a one-time contingency payment as a percentage of verifiable refunds obtained of 29%. City shall pay the Contractor ongoing payments (for up to one year) for any verifiable and executed savings the City will obtain after completion of audit of 39%.

### **V. METHOD OF BILLING AND PAYMENT**

(1) The City will pay the proposed contractual percentage of any verified refund within forty-five days of receiving a refund from any of our telecommunications providers. The City will owe the vendor nothing unless and until a refund is received.

(2) For recommendations and/or negotiations that will result in a future savings for the City, the City will pay the auditor the proposed contractual percentage within forty-five days of receiving the invoice that includes the verifiable savings. This will continue for one year after the date of receiving each of the savings or until the City is no longer receiving those savings, whichever is shorter.

The above fees (1) and (2) will be the total compensation for services under this RFP. No additional fees (e.g. travel, research fees) will be paid to the auditor as part of this service.

### **VI. GENERAL CONDITIONS**

#### **A. Indemnification**

Contractor shall protect and defend at Contractor's expense, counsel being subject to the City's approval, and indemnify and hold harmless the City and the City's officers, employees, volunteers, and agents from and against any and all losses, penalties, fines, damages, settlements, judgments, claims, costs, charges, expenses, or liabilities, including any award of attorney fees and any award of costs, in connection with or arising directly or indirectly out of any act or omission by the Contractor or by any officer, employee, agent, invitee, subcontractor, or sublicensee of the Contractor. The provisions and obligations of this section shall survive the expiration or earlier termination of this Agreement. To the extent considered necessary by the City Manager, any sums due Contractor under this Agreement may be retained by City until all of City's claims for indemnification pursuant to this Agreement have been settled or otherwise resolved, and any amount withheld shall not be subject to payment of interest by City.

#### **B. Intellectual Property**

Contractor shall protect and defend at Contractor's expense, counsel being subject to the City's approval, and indemnify and hold harmless the City from and against any and all losses, penalties, fines, damages, settlements, judgments, claims, costs, charges, royalties, expenses, or liabilities, including any award of attorney fees and any award of costs, in connection with or arising directly or indirectly out of any infringement or allegation of infringement of any patent, copyright, or other intellectual property right in connection with the Contractor's or the City's use of any copyrighted, patented or un-patented invention, process, article, material, or device that is manufactured, provided, or used pursuant to this Agreement. If the Contractor uses any design, device, or materials covered by letters, patent or copyright, it is mutually agreed and understood without exception that the bid prices shall include all royalties or costs arising from the use of such design, device, or materials in any way involved in the work.

### **C. Termination for Cause**

The aggrieved party may terminate this Agreement for cause if the party in breach has not corrected the breach within ten (10) days after written notice from the aggrieved party identifying the breach. The City Manager may also terminate this Agreement upon such notice as the City Manager deems appropriate under the circumstances in the event the City Manager determines that termination is necessary to protect the public health or safety. The parties agree that if the City erroneously, improperly or unjustifiably terminates for cause, such termination shall be deemed a termination for convenience, which shall be effective thirty (30) days after such notice of termination for cause is provided.

This Agreement may be terminated for cause for reasons including, but not limited to, Contractor's repeated (whether negligent or intentional) submission for payment of false or incorrect bills or invoices, failure to perform the Work to the City's satisfaction; or failure to continuously perform the work in a manner calculated to meet or accomplish the objectives as set forth in this Agreement.

### **D. Termination for Convenience**

The City reserves the right, in its best interest as determined by the City, to cancel this contract for convenience by giving written notice to the Contractor at least thirty (30) days prior to the effective date of such cancellation. In the event this Agreement is terminated for convenience, Contractor shall be paid for any services performed to the City's satisfaction pursuant to the Agreement through the termination date specified in the written notice of termination. Contractor acknowledges and agrees that he/she/it has received good, valuable and sufficient consideration from City, the receipt and adequacy of which are hereby acknowledged by Contractor, for City's right to terminate this Agreement for convenience.

### **E. Cancellation for Unappropriated Funds**

The City reserves the right, in its best interest as determined by the City, to cancel this contract for unappropriated funds or unavailability of funds by giving written notice to the Contractor at least thirty (30) days prior to the effective date of such cancellation. The obligation of the City for payment to a Contractor is limited to the availability of funds appropriated in a current fiscal period, and continuation of the contract into a subsequent fiscal period is subject to appropriation of funds, unless otherwise provided by law.

**F. Insurance**

The Contractor shall furnish proof of insurance requirements as indicated below. The coverage is to remain in force at all times during the contract period. The following minimum insurance coverage is required. The commercial general liability insurance policy shall name the City of Fort Lauderdale, a Florida municipality, as an "additional insured." This MUST be written in the description section of the insurance certificate, even if there is a check-off box on the insurance certificate. Any costs for adding the City as "additional insured" shall be at the Contractor's expense.

The City of Fort Lauderdale shall be given notice 10 days prior to cancellation or modification of any required insurance. The insurance provided shall be endorsed or amended to comply with this notice requirement. In the event that the insurer is unable to accommodate, it shall be the responsibility of the Contractor to provide the proper notice. Such notification will be in writing by registered mail, return receipt requested and addressed to the Procurement Services Division.

The Contractor's insurance must be provided by an A.M. Best's "A-" rated or better insurance company authorized to issue insurance policies in the State of Florida, subject to approval by the City's Risk Manager. Any exclusions or provisions in the insurance maintained by the contractor that excludes coverage for work contemplated in this solicitation shall be deemed unacceptable, and shall be considered breach of contract.

**Workers' Compensation and Employers' Liability Insurance**

Limits: Workers' Compensation – Per Chapter 440, Florida Statutes  
Employers' Liability - \$500,000

Any firm performing work for or on behalf of the City of Fort Lauderdale must provide Workers' Compensation insurance. Exceptions and exemptions can only be made, by the City's Risk Manager, if they are in accordance with Florida Statutes.

**Commercial General Liability Insurance**

Covering premises-operations, products-completed operations, independent contractors and contractual liability.

Limits: Combined single limit bodily injury/property damage \$1,000,000.

This coverage must include, but not limited to:

- a. Coverage for the liability assumed by the contractor under the indemnity provision of the contract.
- b. Coverage for Premises/Operations
- c. Products/Completed Operations
- d. Broad Form Contractual Liability
- e. Independent Contractors

**Automobile Liability Insurance**

Covering all owned, hired and non-owned automobile equipment.

Limits: Bodily injury	\$250,000 each person, \$500,000 each occurrence
Property damage	\$100,000 each occurrence

**Professional Liability (Errors & Omissions)**

Consultants

Limits:	\$2,000,000 per occurrence
---------	----------------------------

Certificate holder should be addressed as follows:

City of Fort Lauderdale  
Procurement Services Division  
100 N. Andrews Avenue, Room 619  
Ft. Lauderdale, FL 33301

**G. Environmental, Health and Safety**

Contractor shall place the highest priority on health and safety and shall maintain a safe working environment during performance of the Work. Contractor shall comply, and shall secure compliance by its employees, agents, and subcontractors, with all applicable environmental, health, safety and security laws and regulations, and performance conditions in this Agreement. Compliance with such requirements shall represent the minimum standard required of Contractor. Contractor shall be responsible for examining all requirements and determine whether additional or more stringent environmental, health, safety and security provisions are required for the Work. Contractor agrees to utilize protective devices as required by applicable laws, regulations, and any industry or Contractor's health and safety plans and regulations, and to pay the costs and expenses thereof, and warrants that all such persons shall be fit and qualified to carry out the Work.

**H. Standard of Care**

Contractor represents that he/she/it is qualified to perform the Work, that Contractor and his/her/its subcontractors possess current, valid state and/or local licenses to perform the Work, and that their services shall be performed in a manner consistent with that level of care and skill ordinarily exercised by other qualified contractors under similar circumstances.

**I. Rights in Documents and Work**

Any and all reports, photographs, surveys, and other data and documents provided or created in connection with this Agreement are and shall remain the property of City; and Contractor disclaims any copyright in such materials. In the event of and upon termination of this Agreement, any reports, photographs, surveys, and other data and documents prepared by Contractor, whether finished or unfinished, shall become the

property of City and shall be delivered by Contractor to the City's Contract Administrator within seven (7) days of termination of this Agreement by either party. Any compensation due to Contractor shall be withheld until Contractor delivers all documents to the City as provided herein.

**J. Audit Right and Retention of Records**

City shall have the right to audit the books, records, and accounts of Contractor and Contractor's subcontractors that are related to this Agreement. Contractor shall keep, and Contractor shall cause Contractor's subcontractors to keep, such books, records, and accounts as may be necessary in order to record complete and correct entries related to this Agreement. All books, records, and accounts of Contractor and Contractor's subcontractors shall be kept in written form, or in a form capable of conversion into written form within a reasonable time, and upon request to do so, Contractor or Contractor's subcontractor, as applicable, shall make same available at no cost to City in written form.

Contractor and Contractor's subcontractors shall preserve and make available, at reasonable times for examination and audit by City in Broward County, Florida, all financial records, supporting documents, statistical records, and any other documents pertinent to this Agreement for the required retention period of the Florida public records law, Chapter 119, Florida Statutes, as may be amended from time to time, if applicable, or, if the Florida Public Records Act is not applicable, for a minimum period of three (3) years after termination of this Agreement. If any audit has been initiated and audit findings have not been resolved at the end of the retention period or three (3) years, whichever is longer, the books, records, and accounts shall be retained until resolution of the audit findings. If the Florida public records law is determined by City to be applicable to Contractor and Contractor's subcontractors' records, Contractor and Contractor's subcontractors shall comply with all requirements thereof; however, Contractor and Contractor's subcontractors shall violate no confidentiality or non-disclosure requirement of either federal or state law. Any incomplete or incorrect entry in such books, records, and accounts shall be a basis for City's disallowance and recovery of any payment upon such entry.

Contractor shall, by written contract, require Contractor's subcontractors to agree to the requirements and obligations of this Section.

The Contractor shall maintain during the term of the contract all books of account, reports and records in accordance with generally accepted accounting practices and standards for records directly related to this contract.

**K. Public Entity Crime Act**

Contractor represents that the execution of this Agreement will not violate the Public Entity Crime Act, Section 287.133, Florida Statutes, as may be amended from time to time, which essentially provides that a person or affiliate who is a contractor, consultant, or other provider and who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to City, may not submit a bid on a contract with City for the construction or repair of a public building or public work, may not submit bids on leases of real property to City, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with City, and may not transact any business with City in excess of the threshold amount provided in Section 287.017, Florida Statutes,

as may be amended from time to time, for category two purchases for a period of 36 months from the date of being placed on the convicted vendor list. Violation of this section shall result in termination of this Agreement and recovery of all monies paid by City pursuant to this Agreement, and may result in debarment from City's competitive procurement activities.

**L. Independent Contractor**

Contractor is an independent contractor under this Agreement. Services provided by Contractor pursuant to this Agreement shall be subject to the supervision of the Contractor. In providing such services, neither Contractor nor Contractor's agents shall act as officers, employees, or agents of City. No partnership, joint venture, or other joint relationship is created hereby. City does not extend to Contractor or Contractor's agents any authority of any kind to bind City in any respect whatsoever.

**M. Inspection and Non-Waiver**

Contractor shall permit the representatives of CITY to inspect and observe the Work at all times.

The failure of the City to insist upon strict performance of any other terms of this Agreement or to exercise any rights conferred by this Agreement shall not be construed by Contractor as a waiver of the City's right to assert or rely on any such terms or rights on any future occasion or as a waiver of any other terms or rights.

**N. Assignment and Performance**

Neither this Agreement nor any right or interest herein shall be assigned, transferred, or encumbered without the written consent of the other party. In addition, Contractor shall not subcontract any portion of the work required by this Agreement, except as provided in the Schedule of Subcontractor Participation. City may terminate this Agreement, effective immediately, if there is any assignment, or attempted assignment, transfer, or encumbrance, by Contractor of this Agreement or any right or interest herein without City's written consent.

Contractor represents that each person who will render services pursuant to this Agreement is duly qualified to perform such services by all appropriate governmental authorities, where required, and that each such person is reasonably experienced and skilled in the area(s) for which he or she will render his or her services.

Contractor shall perform Contractor's duties, obligations, and services under this Agreement in a skillful and respectable manner. The quality of Contractor's performance and all interim and final product(s) provided to or on behalf of City shall be comparable to the best local and national standards.

In the event Contractor engages any subcontractor in the performance of this Agreement, Contractor shall ensure that all of Contractor's subcontractors perform in accordance with the terms and conditions of this Agreement. Contractor shall be fully responsible for all of Contractor's subcontractors' performance, and liable for any of Contractor's subcontractors' non-performance and all of Contractor's subcontractors' acts and omissions. Contractor shall defend at Contractor's expense, counsel being subject to

City's approval or disapproval, and indemnify and hold City and City's officers, employees, and agents harmless from and against any claim, lawsuit, third party action, fine, penalty, settlement, or judgment, including any award of attorney fees and any award of costs, by or in favor of any of Contractor's subcontractors for payment for work performed for City by any of such subcontractors, and from and against any claim, lawsuit, third party action, fine, penalty, settlement, or judgment, including any award of attorney fees and any award of costs, occasioned by or arising out of any act or omission by any of Contractor's subcontractors or by any of Contractor's subcontractors' officers, agents, or employees. Contractor's use of subcontractors in connection with this Agreement shall be subject to City's prior written approval, which approval City may revoke at any time.

**O. Conflicts**

Neither Contractor nor any of Contractor's employees shall have or hold any continuing or frequently recurring employment or contractual relationship that is substantially antagonistic or incompatible with Contractor's loyal and conscientious exercise of judgment and care related to Contractor's performance under this Agreement.

Contractor further agrees that none of Contractor's officers or employees shall, during the term of this Agreement, serve as an expert witness against City in any legal or administrative proceeding in which he, she, or Contractor is not a party, unless compelled by court process. Further, Contractor agrees that such persons shall not give sworn testimony or issue a report or writing, as an expression of his or her expert opinion, which is adverse or prejudicial to the interests of City in connection with any such pending or threatened legal or administrative proceeding unless compelled by court process. The limitations of this section shall not preclude Contractor or any persons in any way from representing themselves, including giving expert testimony in support thereof, in any action or in any administrative or legal proceeding.

In the event Contractor is permitted pursuant to this Agreement to utilize subcontractors to perform any services required by this Agreement, Contractor agrees to require such subcontractors, by written contract, to comply with the provisions of this section to the same extent as Contractor.

**P. Schedule and Delays**

Time is of the essence in this Agreement. By signing, Contractor affirms that it believes the schedule to be reasonable; provided, however, the parties acknowledge that the schedule might be modified as the City directs.

**Q. Materiality and Waiver of Breach**

City and Contractor agree that each requirement, duty, and obligation set forth herein was bargained for at arm's-length and is agreed to by the parties in exchange for *quid pro quo*, that each is substantial and important to the formation of this Agreement and that each is, therefore, a material term hereof.

City's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement. A waiver of any breach of a provision

of this Agreement shall not be deemed a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

**R. Compliance With Laws**

Contractor shall comply with all applicable federal, state, and local laws, codes, ordinances, rules, and regulations in performing Contractor's duties, responsibilities, and obligations pursuant to this Agreement.

**S. Severance**

In the event a portion of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, the provisions not having been found by a court of competent jurisdiction to be invalid or unenforceable shall continue to be effective.

**T. Limitation of Liability**

The City desires to enter into this Agreement only if in so doing the City can place a limit on the City's liability for any money damages due to an alleged breach by the City of this Agreement, so that it's liability for any such breach is the amount owed by the City to the Contractor as per the terms of the contract.

Nothing contained in this paragraph or elsewhere in this Agreement is in any way intended to be a waiver of the limitation placed upon City's liability as set forth in Article 768.28, Florida Statutes.

**U. Jurisdiction, Venue, Waiver, Waiver of Jury Trial**

This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Venue for any lawsuit by either party against the other party or otherwise arising out of this Agreement, and for any other legal proceeding, shall be in the Seventeenth Judicial Circuit in and for Broward County, Florida, or in the event of federal jurisdiction, in the Southern District of Florida, Fort Lauderdale Division.

In the event Contractor is a corporation organized under the laws of any province of Canada or is a Canadian federal corporation, the City may enforce in the United States of America or in Canada or in both countries a judgment entered against the Contractor. The Contractor waives any and all defenses to the City's enforcement in Canada of a judgment entered by a court in the United States of America.

**V. Amendments**

No modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document prepared with the same or similar formality as this Agreement and executed by the Mayor-Commissioner and/or City Manager, as determined by City Charter and Ordinances, and Contractor or others delegated authority to or otherwise authorized to execute same on their behalf.

**W. Prior Agreements**

This document represents the final and complete understanding of the parties and incorporates or supersedes all prior negotiations, correspondence, conversations,

agreements, and understandings applicable to the matters contained herein. The parties agree that there is no commitment, agreement, or understanding concerning the subject matter of this Agreement that is not contained in this written document. Accordingly, the parties agree that no deviation from the terms hereof shall be predicated upon any prior representation or agreement, whether oral or written.

**X. Payable Interest**

Except as required and provided for by the Florida Local Government Prompt Payment Act, City shall not be liable for interest for any reason, whether as prejudgment interest or for any other purpose, and in furtherance thereof Contractor waives, rejects, disclaims and surrenders any and all entitlement it has or may have to receive interest in connection with a dispute or claim based on or related to this Agreement.

**Y. Representation of Authority**

Each individual executing this Agreement on behalf of a party hereto hereby represents and warrants that he or she is, on the date he or she signs this Agreement, duly authorized by all necessary and appropriate action to execute this Agreement on behalf of such party and does so with full legal authority.

**AA. Uncontrollable Circumstances ("Force Majeure")**

The City and Contractor will be excused from the performance of their respective obligations under this agreement when and to the extent that their performance is delayed or prevented by any circumstances beyond their control including, fire, flood, explosion, strikes or other labor disputes, act of God or public emergency, war, riot, civil commotion, malicious damage, act or omission of any governmental authority, delay or failure or shortage of any type of transportation, equipment, or service from a public utility needed for their performance, provided that:

A. The non performing party gives the other party prompt written notice describing the particulars of the Force Majeure including, but not limited to, the nature of the occurrence and its expected duration, and continues to furnish timely reports with respect thereto during the period of the Force Majeure;

B. The excuse of performance is of no greater scope and of no longer duration than is required by the Force Majeure;

C. No obligations of either party that arose before the Force Majeure causing the excuse of performance are excused as a result of the Force Majeure; and

D. The non-performing party uses its best efforts to remedy its inability to perform. Notwithstanding the above, performance shall not be excused under this Section for a period in excess of two (2) months, provided that in extenuating circumstances, the City may excuse performance for a longer term. Economic hardship of the Contractor will not constitute Force Majeure. The term of the agreement shall be extended by a period equal to that during which either party's performance is suspended under this Section.

**BB. Scrutinized Companies**

This Section applies to any contract for goods or services of \$1 million or more:

The Contractor certifies that it is not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List as provided in section 287.135, Florida Statutes (2011), as may be amended or revised. The City may terminate this Contract at the City's option if the Contractor is found to have submitted a false certification as provided under subsection (5) of section 287.135, Florida Statutes (2011), as may be amended or revised, or been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List.

IN WITNESS WHEREOF, the City and the Contractor execute this Contract as follows:

CITY OF FORT LAUDERDALE

By: [Signature]  
Procurement Services Director

ATTEST

By: [Signature]  
Print Name: DAVE SEDVOCHA  
Title: SR. VP

CONTRACTOR

By: [Signature]  
Print Name: Keith Laake  
Title: President

(CORPORATE SEAL)

STATE OF New York :  
COUNTY OF Warren :

The foregoing instrument was acknowledged before me this 28<sup>th</sup> day of November, 2011, by Keith Laake as (title): President for Cost Control Associates, Inc., a New York corporation.

(SEAL)

Janis L Porter  
Notary Public, State of New York  
(Signature of Notary Public)

Janis L. Porter  
(Print, Type, or Stamp Commissioned Name of Notary Public)

Personally Known  OR Produced Identification \_\_\_\_\_  
Type of Identification Produced \_\_\_\_\_

JANIS L PORTER  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 01PO6217113  
Qualified in Warren County  
My Commission Expires February 08, 2014

CONTRACT  
COPY

**Solicitation 715-10820**

**Telecommunications Billing Audit**



CITY OF FORT LAUDERDALE

**City of Fort Lauderdale**

## **Bid 715-10820 Telecommunications Billing Audit**

Bid Number	<b>715-10820</b>
Bid Title	<b>Telecommunications Billing Audit</b>
Bid Start Date	<b>Aug 19, 2011 2:58:54 PM EDT</b>
Bid End Date	<b>Sep 20, 2011 2:00:00 PM EDT</b>
Question & Answer End Date	<b>Sep 1, 2011 5:00:00 PM EDT</b>
Bid Contact	<b>Richard Ewell Procurement Specialist II Procurement Services</b>

**Description**

The City of Fort Lauderdale, Florida is seeking proposals from qualified proposers to conduct an audit of the voice and data telecommunications billing for the City's Information Technology Services Department, in accordance with the terms, conditions, and specifications contained in this Request for Proposals.

For a copy of the RFP, go to [www.bidsync.com](http://www.bidsync.com).

**RFP #715-10820****TITLE: Telecommunications Billing Audit****PART I – INTRODUCTION/INFORMATION****01. PURPOSE**

The City of Fort Lauderdale, Florida (City) is seeking proposals from qualified proposers, hereinafter referred to as the Contractor, to conduct an audit of the voice and data telecommunications billing for the City's Information Technology Services Department, in accordance with the terms, conditions, and specifications contained in this Request for Proposals (RFP).

**02. INFORMATION OR CLARIFICATION**

For information concerning technical specifications, please utilize the question / answer feature provided by BidSync at [www.bidsync.com](http://www.bidsync.com) . Questions of a material nature must be received prior to the cut-off date specified in the RFP Schedule. Material changes, if any, to the scope of services or bidding procedures will only be transmitted by written addendum. (See addendum section of BidSync Site). Contractor's please note: Proposals shall be submitted as stated in PART VI – Requirements of the Proposal. No part of your proposal can be submitted via FAX. No variation in price or conditions shall be permitted based upon a claim of ignorance. Submission of a proposal will be considered evidence that the Contractor has familiarized themselves with the nature and extent of the work, and the equipment, materials, and labor required. The entire proposal must be submitted in accordance with all specifications contained in this solicitation.

**03. TRANSACTION FEES**

The City of Fort Lauderdale uses BidSync ([www.bidsync.com](http://www.bidsync.com)) to distribute and receive bids and proposals. There is no charge to vendors/contractors to register and participate in the solicitation process, nor will any fees be charged to the awarded vendor.

**04. ELIGIBILITY**

To be eligible for award of a contract in response to this solicitation the Contractor must demonstrate that they have successfully completed services, as specified in the Technical Specifications / Scope of Services section of this solicitation, are normally and routinely engaged in performing such services and are properly and legally licensed to perform such work. In addition, the Contractor must have no conflict of interest with regard to any other work performed by the Contractor for the City of Fort Lauderdale.

**05. PRICING/DELIVERY**

All pricing should be identified in PART VII - PROPOSAL PAGES – COST PROPOSAL. No additional costs may be accepted, other than the costs stated on the Proposal pages.

**06. RFP DOCUMENTS**

The Contractor shall examine this RFP carefully. Ignorance of the requirements will not relieve the Contractor from liability and obligation under the Contract.

**07. AWARD**

Award will be made to the highest ranked responsive and responsible proposer, for that product/service that will best serve the needs of the City of Fort Lauderdale.

The City reserves the right to waive minor variations in the specifications and in the bidding

process. The City further reserves the right to accept or reject any and/or all proposals and to award or not award a contract based on this bid solicitation.

08. PRICE VALIDITY

Prices provided in this Request for Proposal (RFP) are valid for 120 days from time of RFP opening. The City shall award contract within this time period or shall request to the recommended awarded vendor an extension to hold pricing, until products/services have been awarded.

**PART II - RFP SCHEDULE**

Release RFP	8/22/11
Last Date for Receipt of Questions of a Material Nature	9/1/11
Addendum Release (If required)	9/7/11
PROPOSAL DUE (Prior to 2:00 PM EST)	9/20/11

**PART III - SPECIAL CONDITIONS**

01. **GENERAL CONDITIONS**  
RFP General Conditions Form G-107 Rev. 11/10 (GC) are included and made a part of this RFP.
02. **NEWS RELEASES/PUBLICITY**  
News releases, publicity releases, or advertisements relating to this contract or the tasks or projects associated with the project shall not be made without prior City approval.
03. **RFP DOCUMENTS**  
The Contractor shall examine this RFP carefully. Ignorance of the requirements will not relieve the Contractor from liability and obligations under the Contract.
04. **CONTRACTORS' COSTS**  
The City shall not be liable for any costs incurred by Contractor in responding to this RFP.
05. **RULES AND PROPOSALS**  
The signer of the proposal must declare that the only person(s), company or parties interested in the proposal as principals are named therein; 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.
06. **CONTRACT PERIOD**  
The initial contract term shall commence upon date of award by the City and shall expire one year from that date.

In the event services are scheduled to end because of the expiration of this contract, the Contractor shall continue the service upon the request of the City as authorized by the awarding authority. The extension period shall not extend for more than ninety (90) days beyond the expiration date of the existing contract. The Contractor shall be compensated for the service at the rate in effect when this extension clause is invoked by the City.

07. **INSURANCE**  
The Contractor shall furnish proof of insurance requirements as indicated below. The coverage is to remain in force at all times during the contract period. The following minimum insurance coverage is required. The City is to be added as an "additional insured" with relation to General Liability Insurance. This MUST be written in the description section of the insurance certificate, even if you have a check-off box on your insurance certificate. Any costs for adding the City as "additional insured" will be at the contractor's expense.

The City of Fort Lauderdale shall be given notice 10 days prior to cancellation or modification of any stipulated insurance. The insurance provided shall be endorsed or amended to comply with this notice requirement. In the event that the insurer is unable to accommodate, it shall be the responsibility of the Contractor to provide the proper notice. Such notification will be in writing by registered mail, return receipt requested and addressed to the Procurement Services Department.

The Contractor's insurance must be provided by an A.M. Best's "A-" rated or better insurance company authorized to issue insurance policies in the State of Florida, subject to approval by

the City's Risk Manager. Any exclusions or provisions in the insurance maintained by the contractor that precludes coverage for work contemplated in this RFP shall be deemed unacceptable, and shall be considered breach of contract.

### **Workers' Compensation and Employers' Liability Insurance**

Limits: Workers' Compensation – Per Florida Statute 440  
Employers' Liability - \$500,000

Any firm performing work on behalf of the City of Fort Lauderdale must provide Workers' Compensation insurance. Exceptions and exemptions can only be made if they are in accordance with Florida Statute. For additional information contact the Department of Financial Services, Workers' Compensation Division at (850) 413-1601 or on the web at [www.fldfs.com](http://www.fldfs.com).

### **Commercial General Liability Insurance**

Covering premises-operations, products-completed operations, independent contractors and contractual liability.

Limits: Combined single limit bodily injury/property damage \$1,000,000.

This coverage must include, but not limited to:

- a. Coverage for the liability assumed by the contractor under the indemnity provision of the contract.
- b. Coverage for Premises/Operations
- c. Products/Completed Operations
- d. Broad Form Contractual Liability
- e. Independent Contractors

### **Automobile Liability Insurance**

Covering all owned, hired and non-owned automobile equipment.

Limits: Bodily injury	\$250,000 each person, \$500,000 each occurrence
Property damage	\$100,000 each occurrence

### **Professional Liability (Errors & Omissions)**

#### Consultants

Limits: \$2,000,000 per occurrence

A copy of **ANY** current Certificate of Insurance should be included with your proposal.

In the event that you are the successful bidder, you will be required to provide a certificate naming the City as an "additional insured" for General Liability.

Certificate holder should be addressed as follows:

City of Fort Lauderdale  
Procurement Services Department  
100 N. Andrews Avenue, Room 619  
Ft. Lauderdale, FL 33301

08. SUBCONTRACTORS

If the Contractor proposes to use subcontractors in the course of providing these services to the City, this information shall be a part of the bid response. Such information shall be subject to review, acceptance and approval of the City, prior to any contract award. The City reserves the right to approve or disapprove of any subcontractor candidate in its best interest and to require Contractor to replace subcontractor with one that meets City approval.

Contractor shall ensure that all Contractor's subcontractors perform in accordance with the terms and conditions of this Contract. Contractor shall be fully responsible for all of Contractor's subcontractors' performance, and liable for any of Contractor's subcontractors' non-performance and all of Contractor's subcontractors' acts and omissions. Contractor shall defend, counsel being subject to the City's approval or disapproval, and indemnify and hold harmless the City and the City's officers, employees, and agents from and against any claim, lawsuit, third-party action, or judgment, including any award of attorney fees and any award of costs, by or in favor of any Contractor's subcontractors for payment for work performed for the City.

09. INSURANCE – SUBCONTRACTORS

Contractor shall require all of its subcontractors to provide the aforementioned coverage as well as any other coverage that the contractor may consider necessary, and any deficiency in the coverage or policy limits of said subcontractors will be the sole responsibility of the contractor.

10. UNCONTROLLABLE CIRCUMSTANCES ("Force Majeure")

The City and Contractor will be excused from the performance of their respective obligations under this agreement when and to the extent that their performance is delayed or prevented by any circumstances beyond their control including, fire, flood, explosion, strikes or other labor disputes, act of God or public emergency, war, riot, civil commotion, malicious damage, act or omission of any governmental authority, delay or failure or shortage of any type of transportation, equipment, or service from a public utility needed for their performance, provided that:

A. The non performing party gives the other party prompt written notice describing the particulars of the Force Majeure including, but not limited to, the nature of the occurrence and its expected duration, and continues to furnish timely reports with respect thereto during the period of the Force Majeure;

B. The excuse of performance is of no greater scope and of no longer duration than is required by the Force Majeure;

C. No obligations of either party that arose before the Force Majeure causing the excuse of performance are excused as a result of the Force Majeure; and

D. The non performing party uses its best efforts to remedy its inability to perform. Notwithstanding the above, performance shall not be excused under this Section for a period in excess of two (2) months, provided that in extenuating circumstances, the City may excuse

performance for a longer term. Economic hardship of the Contractor will not constitute Force Majeure. The term of the agreement shall be extended by a period equal to that during which either party's performance is suspended under this Section.

11. PUBLIC ENTITY CRIMES

NOTE: Contractor, by submitting a proposal attests they have not been placed on the convicted vendor list.

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a proposal on a contract to provide any goods or services to a public entity, may not submit a proposal on a contract with a public entity for the construction or repair of a public building or public work, may not submit proposals on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for Category Two for a period of 36 months from the date of being placed on the convicted vendor list.

12. CANADIAN COMPANIES

The City may enforce in the United States of America or in Canada or in both countries a judgment entered against the Contractor. The Contractor waives any and all defenses to the City's enforcement in Canada, of a judgment entered by a court in the United States of America. All monetary amounts set forth in this Contract are in United States dollars.

13. LOBBYING ACTIVITIES

ALL CONTRACTORS PLEASE NOTE: Any contractor submitting a response to this solicitation must comply, if applicable, with City of Fort Lauderdale Ordinance No. C-00-27 & Resolution No. 07-101, Lobbying Activities. Copies of Ordinance No. C-00-27 and Resolution No. 07-101 may be obtained from the City Clerk's Office on the 7th Floor of City Hall, 100 N. Andrews Avenue, Fort Lauderdale, Florida. The ordinance may also be viewed on the City's website at:

<http://www.fortlauderdale.gov/clerk/LobbyistDocs/lobbyistord1009.pdf> .

14. BID TABULATIONS/INTENT TO AWARD

(Notice of Intent to Award Contract/Bid, resulting from the City's Formal solicitation process, requiring City Commission action, may be found at [http://www.fortlauderdale.gov/purchasing/notices\\_of\\_intent.htm](http://www.fortlauderdale.gov/purchasing/notices_of_intent.htm). Tabulations of receipt of those parties responding to a formal solicitation may be found at <http://www.fortlauderdale.gov/purchasing/bidresults.htm>, or any interested party may call the Procurement Office at 954-828-5933.

## **PART IV - TECHNICAL SPECIFICATIONS/SCOPE OF SERVICES**

### **1. GENERAL**

The City of Fort Lauderdale (hereinafter, the "City") is soliciting the services of a qualified consultant or auditing firm (hereinafter, the "auditor") with a proven track record in auditing and negotiating/recovering savings related to the billing of telephone and data communication services. This is to include the review of billing records related to local and long distance voice services and data communication/Internet services.

The City is issuing this Request for Proposals to provide potential auditors with information, guidelines, and rules to prepare and submit a proposal. The selection of an auditor will be based on the proposal that is, in the sole opinion of the City, in the best interest of the City. Among the factors the City will consider when evaluating the proposals are the relevant experience of the auditor (based on verifiable references), the contingent fee percentage, and the auditor qualifications.

The contractor shall be responsible to not only review and audit invoices, but to negotiate on the City's behalf for the final recovery of all owed amounts.

### **2. CURRENT BILLING OVERVIEW**

The City, at this time, obtains local voice and data communications from AT&T (formerly BellSouth). The monthly bill from AT&T is approximately \$33,000 for these services. The City obtains its long distance services and primary Internet access via the State of Florida's SUNCOM program. The current monthly bill for long distance is approximately \$640. And Internet services cost approximately \$3,000 per month.

The total billing encompasses approximately 7,000 telephone numbers and 100 data communication lines. Proposers should be prepared to analyze the bills in both paper and electronic formats.

### **3. SERVICES TO BE PROVIDED**

The auditor will audit records of the City and the City's telecommunication vendors to determine whether the City is being billed correctly. This will include both current and past bills (up to one year) so that corrections can be made retroactively if necessary. The auditor must identify any incorrect billing amounts for current services as well as identifying any charges for non-existent services.

Once the City has reviewed and agreed to the auditor's findings, the auditor will assist in obtaining any refunds owed and be prepared to act on the City's behalf when presenting the findings to the City's telecommunications vendors.

In addition to recovering refunds, the auditor will identify possible cost saving recommendations that will result in reduced ongoing expenses. The City will decide if these recommendations are in the City's best interest and may choose not to implement some or any of the recommendations.

#### 4. CONTINGENCY PAYMENTS

- (1) The City will pay the proposed contractual percentage of any verified refund within forty-five days of receiving a refund from any of our telecommunications providers. The City will owe the vendor nothing unless and until a refund is received.
- (2) For recommendations and/or negotiations that will result in a future savings for the City, the City will pay the auditor the proposed contractual percentage within forty-five days of receiving the invoice that includes the verifiable savings. This will continue for one year after the date of receiving each of the savings or until the City is no longer receiving those savings, whichever is shorter.

The above fees (1) and (2) will be the total compensation for services under this RFP. No additional fees (e.g. travel, research fees) will be paid to the auditor as part of this service.

#### 5. SUBMISSION REQUIREMENTS

All respondents must include (at a minimum) the following in their proposal:

- a) Three references of previous engagements with other businesses and public sector clients. A strong preference is for auditors to have experience working with other local governments similar in size to the City of Fort Lauderdale and to also have experience working with our specific providers. For all references given, the proposer must include:
  1. Overview and description of the service provided, type of business (e.g. government), name, phone number, and address.
  2. Size in dollars of the bills that were analyzed.
  3. The results achieved, including the dollar value of any refunds and the dollar amounts of future annual savings.
  4. The names of the company or companies with which you negotiated to obtain the above refunds or savings (e.g. AT&T, Comcast, SUNCOM, etc.).
- b) Qualifications of the auditor. This should include any credentials, relevant experience, and any other information that the City can use to evaluate the auditor's ability to perform the requested service.

## PART V – PROPOSAL EVALUATION CRITERIA

The award of the contract will be based on certain objective and subjective considerations listed below:

Demonstration of project understanding and the proposed approach.	10%
Auditor qualifications and credentials.	10%
Quality of references and similarity to the City.	15%
The feedback from references, and the results achieved.	15%
One-time contingency payment.	25%
Ongoing payment (for up to one year).	25%
<b>TOTAL PERCENT AVAILABLE:</b>	<b>100%</b>

An evaluation committee of qualified City Staff or other persons selected by the City will conduct evaluations of proposals. It may be a two-step process. In step one; the committee will evaluate all responsive proposals based upon the information and references contained in the proposals as submitted. The committee will score and rank all responsive proposals and determine a minimum of three (3), if more than three (3) proposals are responsive, to be finalists for further consideration. In the event there are less than three (3) responsive proposals, the committee will give further consideration to all responsive proposals received. In step two, the committee may then conduct discussions (oral presentations), for clarification purposes only, with the finalists and re-score and re-rank the finalists' proposals. The evaluation committee may then make a recommendation, resulting from this process, to the City Manager for award of a contract.

The City may require visits to customer installations or demonstrations of product by Contractor's, as part of the evaluation process.

The City of Fort Lauderdale reserves the right, before awarding the contract, to require a Proposer to submit any evidence of its qualifications as the City may deem necessary, and to consider any evidence available of financial, technical and other qualifications and capabilities, including performance experience with past and present users.

The City of Fort Lauderdale reserves the right to request additional clarifying information and request an oral presentation from any and all Proposers prior to determination of award.

The City reserves the right to award the contract to that Proposer who will best serve the interest of the City. The City reserves the right based upon its deliberations and in its opinion, to accept or reject any or all proposals. The City also reserves the right to waive minor irregularities or variations to the specifications and in the bidding process.

The City uses a mathematical formula for determining allocation of cost points to each responsive, responsible proposer. The highest, responsive, responsible proposer receives the maximum allowable points. When using this formula, a proposer that submits a cost or fee which is two times lower than the cost/fee of the lowest responsive, responsible proposer, will result in receiving zero points for cost.

## PART VI - REQUIREMENTS OF THE PROPOSAL

All proposals must be submitted as specified on the proposal pages, which follow. Any attachments must be clearly identified. To be considered, the proposal must respond to all parts of the RFP. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. If publications are supplied by a proposer to respond to a requirement, the response should include reference to the document number and page number. Proposals not providing this reference will be considered to have no reference material included in the additional documents. The City prefers all responses to this RFP to be less than 50 pages and that the Contractor utilize recyclable materials as much as possible. Expensive or fancy binders are not preferred.

All proposals must be submitted in a sealed package with the RFP number, due and open date, and RFP title clearly marked on the outside. If more than one package is submitted they should be marked 1 of 2, etc.

**THIS IS A PAPER RFP WITH CD.** All proposals must be received by the City of Fort Lauderdale, in the Procurement Services Department, Room 619, City Hall, 100 North Andrews Avenue, Fort Lauderdale, Florida, 33301 prior to 2:00 pm on the date specified in PART II – RFP SCHEDULE. Submittal of response by fax or e-mail will NOT be acceptable.

**PROPOSERS MUST SUBMIT AN IDENTIFIED ORIGINAL COPY PLUS (7) COPIES OF THE PROPOSAL PAGES INCLUDING ANY ATTACHMENTS**

**THE ABOVE REQUIREMENT TOTALS 8 COPIES OF YOUR PROPOSAL. CONTRACTOR SHOULD SUBMIT YOUR PROPOSAL ALSO ON A CD. FAILURE TO PROVIDE PROPOSALS AS STATED ABOVE, MAY BE GROUNDS TO FIND CONTRACTOR NON-RESPONSIVE.**

The proposer understands that the information contained in these Proposal Pages is to be relied upon by the City in awarding the proposed Agreement, and such information is warranted by the proposer to be true. The proposer agrees to furnish such additional information, prior to acceptance of any proposal, relating to the qualifications of the proposer, as may be required by the City.

**A representative who is authorized to contractually bind the Contractor shall sign the Bid/Proposal Signature page. Omission of a signature on that page may result in rejection of your proposal.**

**PART VII - PROPOSAL PAGES – COST PROPOSAL**

Proposer should include detailed supplemental information regarding the proposal as outlined above that will enable the City to evaluate the proposal. The proposer should include any information not covered above that may further indicate the auditor's suitability for performing the requested service. However, for ease in initially evaluating the proposals, the following questions must be answered completely:

1. One-time contingency payment as a percent of verifiable refunds obtained: \_\_\_\_\_%
2. Ongoing payment (for up to one year) for any verifiable and executed savings the City will obtain after completion of audit: \_\_\_\_\_%

**PART VIII - PROPOSAL PAGES - TECHNICAL PROPOSAL**

The following issues should be fully responded to in your proposal in concise narrative form. Additional sheets should be used, but they should reference each issue and be presented in the same order.

- Tab 1: Bid/Proposal Signature page
- Tab 2: Cost Proposal Page
- Tab 3: Non-Collusion Statement
- Tab 4: Statement of Proposed Services in narrative form demonstrating proposer's understanding of the scope of work and the proposed methodology
- Tab 5: Proposer qualifications. Include resumes, copies of certifications or other credentials, and any other information that provides the City the ability to judge proposers capability to perform the job.
- Tab 6: Business Licenses. Evidence that your firm and/or persons performing the work are licensed to do business in the State of Florida.
- Tab 7: Evidence of Insurance. Certificate of Insurance showing coverage, forms, limits. Actual insurance certificates will be required from recommended contractor, prior to award.
- Tab 8: List of clients/references for whom you have provided similar services in the last five years; Provide agency name, address, telephone number, contact person, and date service was provided. Be prepared to provide, upon request, evidence of work product, ability to meet schedules, cooperation, and responsiveness. Attach additional sheets if necessary. Proposer must include any dollar amounts saved or recovered as part of the assignment.

**City of Fort Lauderdale  
GENERAL CONDITIONS**

These instructions are standard for all contracts for commodities or services issued through the City of Fort Lauderdale Procurement Services Department. The City may delete, supersede, or modify any of these standard instructions for a particular contract by indicating such change in the Invitation to Bid (ITB) Special Conditions, Technical Specifications, Instructions, Proposal Pages, Addenda, and Legal Advertisement. In this general conditions document, Invitation to Bid (ITB) and Request for Proposal (RFP) are interchangeable.

**PART I BIDDER PROPOSAL PAGE(S) CONDITIONS:**

- 1.01 BIDDER ADDRESS:** The City maintains automated vendor address lists that have been generated for each specific Commodity Class item through our bid issuing service, BidSync. Notices of Invitations to Bid (ITB'S) are sent by e-mail to the selection of bidders who have fully registered with BidSync or faxed (if applicable) to every vendor on those lists, who may then view the bid documents online. Bidders who have been informed of a bid's availability in any other manner are responsible for registering with BidSync in order to view the bid documents. There is no fee for doing so. If you wish bid notifications be provided to another e-mail address or fax, please contact BidSync. If you wish purchase orders sent to a different address, please so indicate in your bid response. If you wish payments sent to a different address, please so indicate on your invoice.
- 1.02 DELIVERY:** Time will be of the essence for any orders placed as a result of this ITB. The City reserves the right to cancel any orders, or part thereof, without obligation if delivery is not made in accordance with the schedule specified by the Bidder and accepted by the City.
- 1.03 PACKING SLIPS:** It will be the responsibility of the awarded Contractor, to attach all packing slips to the OUTSIDE of each shipment. Packing slips must provide a detailed description of what is to be received and reference the City of Fort Lauderdale purchase order number that is associated with the shipment. Failure to provide a detailed packing slip attached to the outside of shipment may result in refusal of shipment at Contractor's expense.
- 1.04 PAYMENT TERMS AND CASH DISCOUNTS:** Payment terms, unless otherwise stated in this ITB, will be considered to be net 30 days after the date of satisfactory delivery at the place of acceptance and receipt of correct invoice at the office specified, whichever occurs last. Bidder may offer cash discounts for prompt payment but they will not be considered in determination of award. If a Bidder offers a discount, it is understood that the discount time will be computed from the date of satisfactory delivery, at the place of acceptance, and receipt of correct invoice, at the office specified, whichever occurs last.
- 1.05 TOTAL BID DISCOUNT:** If Bidder offers a discount for award of all items listed in the bid, such discount shall be deducted from the total of the firm net unit prices bid and shall be considered in tabulation and award of bid.
- 1.06 BIDS FIRM FOR ACCEPTANCE:** Bidder warrants, by virtue of bidding, that the bid and the prices quoted in the bid will be firm for acceptance by the City for a period of ninety (90) days from the date of bid opening unless otherwise stated in the ITB.
- 1.07 VARIANCES:** For purposes of bid evaluation, Bidder's must indicate any variances, no matter how slight, from ITB General Conditions, Special Conditions, Specifications or Addenda in the space provided in the ITB. No variations or exceptions by a Bidder will be considered or deemed a part of the bid submitted unless such variances or exceptions are listed in the bid and referenced in the space provided on the bidder proposal pages. If variances are not stated, or referenced as required, it will be assumed that the product or service fully complies with the City's terms, conditions, and specifications.
- By receiving a bid, City does not necessarily accept any variances contained in the bid. All variances submitted are subject to review and approval by the City. If any bid contains material variances that, in the City's sole opinion, make that bid conditional in nature, the City reserves the right to reject the bid or part of the bid that is declared, by the City as conditional.
- 1.08 NO BIDS:** If you do not intend to bid please indicate the reason, such as insufficient time to respond, do not offer product or service, unable to meet specifications, schedule would not permit, or any other reason, in the space provided in this ITB. Failure to bid or return no bid comments prior to the bid due and opening date and time, indicated in this ITB, may result in your firm being deleted from our Bidder's registration list for the Commodity Class Item requested in this ITB.
- 1.09 MINORITY AND WOMEN BUSINESS ENTERPRISE PARTICIPATION AND BUSINESS DEFINITIONS:** The City of Fort Lauderdale wants to increase the participation of Minority Business Enterprises (MBE), Women Business Enterprises (WBE), and Small Business Enterprises (SBE) in its procurement activities. If your firm qualifies in accordance with the below definitions please indicate in the space provided in this ITB.

Minority Business Enterprise (MBE) "A Minority Business" is a business enterprise that is owned or controlled by one or more socially or economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such persons include, but are not limited to: Blacks, Hispanics, Asian Americans, and Native Americans.

The term "Minority Business Enterprise" means a business at least 51 percent of which is owned by minority group members or, in the case of a publicly owned business, at least 51 percent of the stock of which is owned by minority group members. For the purpose of the preceding sentence, minority group members are citizens of the United States who include, but are not limited to: Blacks, Hispanics, Asian Americans, and Native Americans.

Women Business Enterprise (WBE) a "Women Owned or Controlled Business" is a business enterprise at least 51 percent of which is owned by females or, in the case of a publicly owned business, at least 51 percent of the stock of which is owned by females.

Small Business Enterprise (SBE) "Small Business" means a corporation, partnership, sole proprietorship, or other legal entity formed for the purpose of making a profit, which is independently owned and operated, has either fewer than 100 employees or less than \$1,000,000 in annual gross receipts.

BLACK, which includes persons having origins in any of the Black racial groups of Africa.

WHITE, which includes persons whose origins are Anglo-Saxon and Europeans and persons of Indo-European decent including Pakistani and East Indian.

HISPANIC, which includes persons of Mexican, Puerto Rican, Cuban, Central and South American, or other Spanish culture or origin, regardless of race.

NATIVE AMERICAN, which includes persons whose origins are American Indians, Eskimos, Aleuts, or Native Hawaiians.

ASIAN AMERICAN, which includes persons having origin in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands.

#### 1.09 MINORITY-WOMEN BUSINESS ENTERPRISE PARTICIPATION

It is the desire of the City of Fort Lauderdale to increase the participation of minority (MBE) and women-owned (WBE) businesses in its contracting and procurement programs. While the City does not have any preference or set aside programs in place, it is committed to a policy of equitable participation for these firms. Proposers are requested to include in their proposals a narrative describing their past accomplishments and intended actions in this area. If proposers are considering minority or women owned enterprise participation in their proposal, those firms, and their specific duties have to be identified in the proposal. If a proposer is considered for award, he or she will be asked to meet with City staff so that the intended MBE/WBE participation can be formalized and included in the subsequent contract.

#### Part II DEFINITIONS/ORDER OF PRECEDENCE:

**2.01 BIDDING DEFINITIONS** The City will use the following definitions in it's general conditions, special conditions, technical specifications, instructions to bidders, addenda and any other document used in the bidding process:

INVITATION TO BID (ITB) when the City is requesting bids from qualified Bidders.

REQUEST FOR PROPOSALS (RFP) when the City is requesting proposals from qualified Proposers.

BID – a price and terms quote received in response to an ITB.

PROPOSAL – a proposal received in response to an RFP.

BIDDER – Person or firm submitting a Bid.

PROPOSER – Person or firm submitting a Proposal.

RESPONSIVE BIDDER – A person whose bid conforms in all material respects to the terms and conditions included in the ITB.

RESPONSIBLE BIDDER – A person who has the capability in all respects to perform in full the contract requirements, as stated in the ITB, and the integrity and reliability that will assure good faith performance.

FIRST RANKED PROPOSER – That Proposer, responding to a City RFP, whose Proposal is deemed by the City, the most advantageous to the City after applying the evaluation criteria contained in the RFP.

SELLER – Successful Bidder or Proposer who is awarded a Purchase Order or Contract to provide goods or services to the City.

CONTRACTOR – Successful Bidder or Proposer who is awarded a Purchase Order, award Contract, Blanket Purchase Order agreement, or Term Contract to provide goods or services to the City.

CONTRACT – A deliberate verbal or written agreement between two or more competent parties to perform or not to perform a certain act or acts, including all types of agreements, regardless of what they may be called, for the procurement or disposal of equipment, materials, supplies, services or construction.

CONSULTANT – Successful Bidder or Proposer who is awarded a contract to provide professional services to the City.

The following terms may be used interchangeably by the City: ITB and/or RFP; Bid or Proposal; Bidder, Proposer, or Seller; Contractor or Consultant; Contract, Award, Agreement or Purchase Order.

**2.02 SPECIAL CONDITIONS:** Any and all Special Conditions contained in this ITB that may be in variance or conflict with these General Conditions shall have precedence over these General Conditions. If no changes or deletions to General Conditions are made in the Special Conditions, then the General Conditions shall prevail in their entirety,

#### PART III BIDDING AND AWARD PROCEDURES:

**3.01 SUBMISSION AND RECEIPT OF BIDS:** To receive consideration, bids must be received prior to the bid opening date and time. Unless otherwise specified, Bidder's should use the proposal forms provided by the City. These forms may be duplicated, but failure to use the forms may cause the bid to be rejected. Any erasures or corrections on the bid must be made in ink and initialed by Bidder in ink. All information submitted by the Bidder shall be printed, typewritten or filled in with pen and ink. Bids shall be signed in ink. Separate bids must be submitted for each ITB issued by the City in separate sealed envelopes properly marked. When a particular ITB or RFP requires multiple copies of bids or proposals they may be included in a single envelope or package properly sealed and identified. Only send bids via facsimile transmission (FAX) if the ITB specifically states that bids sent via FAX will be considered. If such a statement is not included in the ITB, bids sent via FAX will be rejected. Bids will be publicly opened in the Procurement Office, or other designated area, in the presence of Bidders, the public, and City staff. Bidders and the public are invited and encouraged to attend bid openings. Bids will be tabulated and made available for review by Bidder's and the public in accordance with applicable regulations.

**3.02 MODEL NUMBER CORRECTIONS:** If the model number for the make specified in this ITB is incorrect, or no longer available and replaced with an updated model with new specifications, the Bidder shall enter the correct model number on the bidder proposal page. In the case of an updated model with new specifications, Bidder shall provide adequate information to allow the City to determine if the model bid meets the City's requirements.

**3.03 PRICES QUOTED:** Deduct trade discounts, and quote firm net prices. Give both unit price and extended total. In the case of a discrepancy in computing the amount of the bid, the unit price quoted will govern. All prices quoted shall be F.O.B. destination, freight prepaid (Bidder pays and bears freight charges, Bidder owns goods in transit and files any claims), unless otherwise stated in Special Conditions. Each item must be bid separately. No attempt shall be made to tie any item or items contained in the ITB with any other business with the City.

**3.04 TAXES:** The City of Fort Lauderdale is exempt from Federal Excise and Florida Sales taxes on direct purchase of tangible property. Exemption number for EIN is 59-6000319, and State Sales tax exemption number is 85-8013875578C-1.

**3.05 WARRANTIES OF USAGE:** Any quantities listed in this ITB as estimated or projected are provided for tabulation and information purposes only. No warranty or guarantee of quantities is given or implied. It is understood that the Contractor will furnish the City's needs as they arise.

- 3.06 APPROVED EQUAL:** When the technical specifications call for a brand name, manufacturer, make, model, or vendor catalog number with acceptance of APPROVED EQUAL, it shall be for the purpose of establishing a level of quality and features desired and acceptable to the City. In such cases, the City will be receptive to any unit that would be considered by qualified City personnel as an approved equal. In that the specified make and model represent a level of quality and features desired by the City, the Bidder must state clearly in the bid any variance from those specifications. It is the Bidder's responsibility to provide adequate information, in the bid, to enable the City to ensure that the bid meets the required criteria. If adequate information is not submitted with the bid, it may be rejected. The City will be the sole judge in determining if the item bid qualifies as an approved equal.
- 3.07 MINIMUM AND MANDATORY TECHNICAL SPECIFICATIONS:** The technical specifications may include items that are considered minimum, mandatory, or required. If any Bidder is unable to meet or exceed these items, and feels that the technical specifications are overly restrictive, the bidder must notify the Procurement Services Department immediately. Such notification must be received by the Procurement Services Department prior to the deadline contained in the ITB, for questions of a material nature, or prior to five (5) days before bid due and open date, whichever occurs first. If no such notification is received prior to that deadline, the City will consider the technical specifications to be acceptable to all bidders.
- 3.08 MISTAKES:** Bidders are cautioned to examine all terms, conditions, specifications, drawings, exhibits, addenda, delivery instructions and special conditions pertaining to the ITB. Failure of the Bidder to examine all pertinent documents shall not entitle the bidder to any relief from the conditions imposed in the contract.
- 3.09 SAMPLES AND DEMONSTRATIONS:** Samples or inspection of product may be requested to determine suitability. Unless otherwise specified in Special Conditions, samples shall be requested after the date of bid opening, and if requested should be received by the City within seven (7) working days of request. Samples, when requested, must be furnished free of expense to the City and if not used in testing or destroyed, will upon request of the Bidder, be returned within thirty (30) days of bid award at Bidder's expense. When required, the City may request full demonstrations of units prior to award. When such demonstrations are requested, the Bidder shall respond promptly and arrange a demonstration at a convenient location. Failure to provide samples or demonstrations as specified by the City may result in rejection of a bid.
- 3.10 LIFE CYCLE COSTING:** If so specified in the ITB, the City may elect to evaluate equipment proposed on the basis of total cost of ownership. In using Life Cycle Costing, factors such as the following may be considered: estimated useful life, maintenance costs, cost of supplies, labor intensity, energy usage, environmental impact, and residual value. The City reserves the right to use those or other applicable criteria, in its sole opinion that will most accurately estimate total cost of use and ownership.
- 3.11 BIDDING ITEMS WITH RECYCLED CONTENT:** In addressing environmental concerns, the City of Fort Lauderdale encourages Bidders to submit bids or alternate bids containing items with recycled content. When submitting bids containing items with recycled content, Bidder shall provide documentation adequate for the City to verify the recycled content. The City prefers packaging consisting of materials that are degradable or able to be recycled. When specifically stated in the ITB, the City may give preference to bids containing items manufactured with recycled material or packaging that is able to be recycled.
- 3.12 USE OF OTHER GOVERNMENTAL CONTRACTS:** The City reserves the right to reject any part or all of any bids received and utilize other available governmental contracts, if such action is in its best interest.
- 3.13 QUALIFICATIONS/INSPECTION:** Bids will only be considered from firms normally engaged in providing the types of commodities/services specified herein. The City reserves the right to inspect the Bidder's facilities, equipment, personnel, and organization at any time, or to take any other action necessary to determine Bidder's ability to perform. The Procurement Director reserves the right to reject bids where evidence or evaluation is determined to indicate inability to perform.
- 3.14 BID SURETY:** If Special Conditions require a bid security, it shall be submitted in the amount stated. A bid security can be in the form of a bid bond or cashiers check. Bid security will be returned to the unsuccessful bidders as soon as practicable after opening of bids. Bid security will be returned to the successful bidder after acceptance of the performance bond, if required; acceptance of insurance coverage, if required; and full execution of contract documents, if required; or conditions as stated in Special Conditions.
- 3.15 PUBLIC RECORDS:** Florida law provides that municipal records shall at all times be open for personal inspection by any person. Section 119.01, F.S., the Public Records Law. Information and materials received by City in connection with an ITB response shall be deemed to be public records subject to public inspection upon award, recommendation for award, or 10 days after bid opening, whichever occurs first. However, certain exemptions to the public records law are statutorily provided for in Section 119.07, F.S. If the Proposer believes any of the information contained in his or her response is exempt from the Public Records Law, then the Proposer, must in his or her response, specifically identify the material which is deemed to be exempt and cite the legal authority for the exemption. The City's determination of whether an exemption applies shall be final, and the Proposer agrees to defend, indemnify, and hold harmless the City and the City's officers, employees, and agents, against any loss or damages incurred by any person or entity as a result of the City's treatment of records as public records.
- 3.16 PROHIBITION OF INTEREST:** No contract will be awarded to a bidding firm who has City elected officials, officers or employees affiliated with it, unless the bidding firm has fully complied with current Florida State Statutes and City Ordinances relating to this issue. Bidders must disclose any such affiliation. Failure to disclose any such affiliation will result in disqualification of the Bidder and removal of the Bidder from the City's bidder lists and prohibition from engaging in any business with the City.
- 3.17 RESERVATIONS FOR AWARD AND REJECTION OF BIDS:** The City reserves the right to accept or reject any or all bids, part of bids, and to waive minor irregularities or variations to specifications contained in bids, and minor irregularities in the bidding process. The City also reserves the right to award the contract on a split order basis, lump sum basis, individual item basis, or such combination as shall best serve the interest of the City. The City reserves the right to make an award to the responsive and responsible bidder whose product or service meets the terms, conditions, and specifications of the ITB and whose bid is considered to best serve the City's interest. In determining the responsiveness of the offer and the responsibility of the Bidder, the following shall be considered when applicable: the ability, capacity and skill of the Bidder to perform as required; whether the Bidder can perform promptly, or within the time specified, without delay or interference; the character, integrity, reputation, judgment, experience and efficiency of the Bidder; the quality of past performance by the Bidder; the previous and existing compliance by the Bidder with related laws and ordinances; the sufficiency of the Bidder's financial resources; the

availability, quality and adaptability of the Bidder's supplies or services to the required use; the ability of the Bidder to provide future maintenance, service or parts; the number and scope of conditions attached to the bid.

If the ITB provides for a contract trial period, the City reserves the right, in the event the selected bidder does not perform satisfactorily, to award a trial period to the next ranked bidder or to award a contract to the next ranked bidder, if that bidder has successfully provided services to the City in the past. This procedure to continue until a bidder is selected or the contract is re-bid, at the sole option of the City.

- 3.18 LEGAL REQUIREMENTS:** Applicable provisions of all federal, state, county laws, and local ordinances, rules and regulations, shall govern development, submittal and evaluation of all bids received in response hereto and shall govern any and all claims and disputes which may arise between person(s) submitting a bid response hereto and the City by and through its officers, employees and authorized representatives, or any other person, natural or otherwise; and lack of knowledge by any bidder shall not constitute a cognizable defense against the legal effect thereof.
- 3.19 BID PROTEST PROCEDURE: ANY PROPOSER OR BIDDER WHO IS NOT RECOMMENDED FOR AWARD OF A CONTRACT AND WHO ALLEGES A FAILURE BY THE CITY TO FOLLOW THE CITY'S PROCUREMENT ORDINANCE OR ANY APPLICABLE LAW MAY PROTEST TO THE DIRECTOR OF PROCUREMENT SERVICES DEPARTMENT (DIRECTOR), BY DELIVERING A LETTER OF PROTEST TO THE DIRECTOR WITHIN FIVE (5) DAYS AFTER A NOTICE OF INTENT TO AWARD IS POSTED ON THE CITY'S WEB SITE AT THE FOLLOWING LINK: [http://www.fortlauderdale.gov/purchasing/notices\\_of\\_intent.htm](http://www.fortlauderdale.gov/purchasing/notices_of_intent.htm)**

**THE COMPLETE PROTEST ORDINANCE MAY BE FOUND ON THE CITY'S WEB SITE AT THE FOLLOWING LINK: <http://www.fortlauderdale.gov/purchasing/protestordinance.pdf>**

#### **PART IV BONDS AND INSURANCE**

- 4.01 PERFORMANCE BOND:** If a performance bond is required in Special Conditions, the Contractor shall within fifteen (15) working days after notification of award, furnish to the City a Performance Bond, payable to the City of Fort Lauderdale, Florida, in the face amount specified in Special Conditions as surety for faithful performance under the terms and conditions of the contract. If the bond is on an annual coverage basis, renewal for each succeeding year shall be submitted to the City thirty (30) days prior to the termination date of the existing Performance Bond. The Performance Bond must be executed by a surety company of recognized standing, authorized to do business in the State of Florida and having a resident agent.

Acknowledgement and agreement is given by both parties that the amount herein set for the Performance Bond is not intended to be nor shall be deemed to be in the nature of liquidated damages nor is it intended to limit the liability of the Contractor to the City in the event of a material breach of this Agreement by the Contractor.

- 4.02 INSURANCE:** If the Contractor is required to go on to City property to perform work or services as a result of ITB award, the Contractor shall assume full responsibility and expense to obtain all necessary insurance as required by City or specified in Special Conditions.

The Contractor shall provide to the Procurement Services Department original certificates of coverage and receive notification of approval of those certificates by the City's Risk Manager prior to engaging in any activities under this contract. The Contractor's insurance is subject to the approval of the City's Risk Manager. The certificates must list the City as an **ADDITIONAL INSURED for General Liability Insurance**, and shall have no less than thirty (30) days written notice of cancellation or material change. Further modification of the insurance requirements may be made at the sole discretion of the City's Risk Manager if circumstances change or adequate protection of the City is not presented. Bidder, by submitting the bid, agrees to abide by such modifications.

#### **PART V PURCHASE ORDER AND CONTRACT TERMS:**

- 5.01 COMPLIANCE TO SPECIFICATIONS, LATE DELIVERIES/PENALTIES:** Items offered may be tested for compliance to bid specifications. Items delivered which do not conform to bid specifications may be rejected and returned at Contractor's expense. Any violation resulting in contract termination for cause or delivery of items not conforming to specifications, or late delivery may also result in:
- Bidders name being removed from the City's bidder's mailing list for a specified period and Bidder will not be recommended for any award during that period.
  - All City Departments being advised to refrain from doing business with the Bidder.
  - All other remedies in law or equity.
- 5.02 ACCEPTANCE, CONDITION, AND PACKAGING:** The material delivered in response to ITB award shall remain the property of the Seller until a physical inspection is made and the material accepted to the satisfaction of the City. The material must comply fully with the terms of the ITB, be of the required quality, new, and the latest model. All containers shall be suitable for storage and shipment by common carrier, and all prices shall include standard commercial packaging. The City will not accept substitutes of any kind. Any substitutes or material not meeting specifications will be returned at the Bidder's expense. Payment will be made only after City receipt and acceptance of materials or services.
- 5.03 SAFETY STANDARDS:** All manufactured items and fabricated assemblies shall comply with applicable requirements of the Occupation Safety and Health Act of 1970 as amended, and be in compliance with Chapter 442, Florida Statutes. Any toxic substance listed in Section 38F-41.03 of the Florida Administrative Code delivered as a result of this order must be accompanied by a completed Material Safety Data Sheet (MSDS).
- 5.04 ASBESTOS STATEMENT:** All material supplied must be 100% asbestos free. Bidder, by virtue of bidding, certifies that if awarded any portion of the ITB the bidder will supply only material or equipment that is 100% asbestos free.
- 5.05 OTHER GOVERNMENTAL ENTITIES:** If the Bidder is awarded a contract as a result of this ITB, the bidder may, if the bidder has sufficient capacity or quantities available, provide to other governmental agencies, so requesting, the products or services awarded in accordance with the terms and conditions of the ITB and resulting contract. Prices shall be F.O.B. delivered to the requesting agency.

- 5.06 VERBAL INSTRUCTIONS PROCEDURE:** No negotiations, decisions, or actions shall be initiated or executed by the Contractor as a result of any discussions with any City employee. Only those communications which are in writing from an authorized City representative may be considered. Only written communications from Contractors, which are assigned by a person designated as authorized to bind the Contractor, will be recognized by the City as duly authorized expressions on behalf of Contractors.
- 5.07 INDEPENDENT CONTRACTOR:** The Contractor is an independent contractor under this Agreement. Personal services provided by the Proposer shall be by employees of the Contractor and subject to supervision by the Contractor, and not as officers, employees, or agents of the City. Personnel policies, tax responsibilities, social security, health insurance, employee benefits, procurement policies unless otherwise stated in this ITB, and other similar administrative procedures applicable to services rendered under this contract shall be those of the Contractor.
- 5.08 INDEMNITY/HOLD HARMLESS AGREEMENT:** The Contractor agrees to protect, defend, indemnify, and hold harmless the City of Fort Lauderdale and its officers, employees and agents from and against any and all losses, penalties, damages, settlements, claims, costs, charges for other expenses, or liabilities of every and any kind including attorneys fees, in connection with or arising directly or indirectly out of the work agreed to or performed by Contractor under the terms of any agreement that may arise due to the bidding process. Without limiting the foregoing, any and all such claims, suits, or other actions relating to personal injury, death, damage to property, defects in materials or workmanship, actual or alleged violations of any applicable Statute, ordinance, administrative order, rule or regulation, or decree of any court shall be included in the indemnity hereunder.
- 5.09 TERMINATION FOR CAUSE:** If, through any cause, the Contractor shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if the Contractor shall violate any of the provisions of this Agreement, the City may upon written notice to the Contractor terminate the right of the Contractor to proceed under this Agreement, or with such part or parts of the Agreement as to which there has been default, and may hold the Contractor liable for any damages caused to the City by reason of such default and termination. In the event of such termination, any completed services performed by the Contractor under this Agreement shall, at the option of the City, become the City's property and the Contractor shall be entitled to receive equitable compensation for any work completed to the satisfaction of the City. The Contractor, however, shall not be relieved of liability to the City for damages sustained by the City by reason of any breach of the Agreement by the Contractor, and the City may withhold any payments to the Contractor for the purpose of setoff until such time as the amount of damages due to the City from the Contractor can be determined.
- 5.10 TERMINATION FOR CONVENIENCE:** The City reserves the right, in its best interest as determined by the City, to cancel contract by giving written notice to the Contractor thirty (30) days prior to the effective date of such cancellation.
- 5.11 CANCELLATION FOR UNAPPROPRIATED FUNDS:** The obligation of the City for payment to a Contractor is limited to the availability of funds appropriated in a current fiscal period, and continuation of the contract into a subsequent fiscal period is subject to appropriation of funds, unless otherwise authorized by law.
- 5.12 RECORDS/AUDIT:** The Contractor shall maintain during the term of the contract all books of account, reports and records in accordance with generally accepted accounting practices and standards for records directly related to this contract. The Contractor agrees to make available to the City's Internal Auditor, during normal business hours and in Broward, Miami-Dade or Palm Beach Counties, all books of account, reports and records relating to this contract should be retained for the duration of the contract and for three years after the final payment under this Agreement, or until all pending audits, investigations or litigation matters relating to the contract are closed, whichever is later.
- 5.13 PERMITS, TAXES, LICENSES:** The successful Contractor shall, at their own expense, obtain all necessary permits, pay all licenses, fees and taxes, required to comply with all local ordinances, state and federal laws, rules and regulations applicable to business to be carried out under this contract.
- 5.14 LAWS/ORDINANCES:** The Contractor shall observe and comply with all Federal, state, local and municipal laws, ordinances rules and regulations that would apply to this contract.
- 5.15 NON-DISCRIMINATION:** There shall be no discrimination as to race, sex, color, creed, age or national origin in the operations conducted under this contract.
- 5.16 UNUSUAL CIRCUMSTANCES:** If during a contract term where costs to the City are to remain firm or adjustments are restricted by a percentage or CPI cap, unusual circumstances that could not have been foreseen by either party of the contract occur, and those circumstances significantly affect the Contractor's cost in providing the required prior items or services, then the Contractor may request adjustments to the costs to the City to reflect the changed circumstances. The circumstances must be beyond the control of the Contractor, and the requested adjustments must be fully documented. The City may, after examination, refuse to accept the adjusted costs if they are not properly documented, increases are considered to be excessive, or decreases are considered to be insufficient. In the event the City does not wish to accept the adjusted costs and the matter cannot be resolved to the satisfaction of the City, the City will reserve the following options:
1. The contract can be canceled by the City upon giving thirty (30) days written notice to the Contractor with no penalty to the City or Contractor. The Contractor shall fill all City requirements submitted to the Contractor until the termination date contained in the notice.
  2. The City requires the Contractor to continue to provide the items and services at the firm fixed (non-adjusted) cost until the termination of the contract term then in effect.
  3. If the City, in its interest and in its sole opinion, determines that the Contractor in a capricious manner attempted to use this section of the contract to relieve themselves of a legitimate obligation under the contract, and no unusual circumstances had occurred, the City reserves the right to take any and all action under law or equity. Such action shall include, but not be limited to, declaring the Contractor in default and disqualifying him for receiving any business from the City for a stated period of time.

If the City does agree to adjusted costs, these adjusted costs shall not be invoiced to the City until the Contractor receives notice in writing signed by a person authorized to bind the City in such matters.

- 5.17 ELIGIBILITY:** If applicable, the Contractor must first register with the Department of State of the State of Florida, in accordance with Florida State Statutes, prior to entering into a contract with the City.

- 5.18 PATENTS AND ROYALTIES:** The Contractor, without exception, shall indemnify and save harmless the City and its employees from liability of any nature and kind, including cost and expenses for or on account of any copyrighted, patented or un-patented invention, process, or article manufactured or used in the performance of the contract, including its use by the City. If the Contractor uses any design, device, or materials covered by letters, patent or copyright, it is mutually agreed and understood without exception that the bid prices shall include all royalties or costs arising from the use of such design, device, or materials in any way involved in the work.
- 5.19 ASSIGNMENT:** Contractor shall not transfer or assign the performance required by this ITB without the prior written consent of the City. Any award issued pursuant to this ITB, and the monies, which may become due hereunder, are not assignable except with the prior written approval of the City Commission or the City Manager or City Manager's designee, depending on original award approval.
- 5.20 LITIGATION VENUE:** The parties waive the privilege of venue and agree that all litigation between them in the state courts shall take place in Broward County, Florida and that all litigation between them in the federal courts shall take place in the Southern District in and for the State of Florida.

**NON-COLLUSION STATEMENT:**

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

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

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

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

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

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

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

**NAME**

**RELATIONSHIPS**

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

**BID/PROPOSAL SIGNATURE PAGE**

**How to submit bids/proposals:** Proposals must be submitted by hard copy only. 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.

**Please Note:** All fields below **must** be completed. If the field does not apply to you, please note N/A in that field.

Submitted by: \_\_\_\_\_  
(signature) (date)

Name (printed) \_\_\_\_\_ Title: \_\_\_\_\_

Company: (Legal Registration) \_\_\_\_\_

**CONTRACTOR, IF FOREIGN CORPORATION, MAY BE REQUIRED TO OBTAIN A CERTIFICATE OF AUTHORITY FROM THE DEPARTMENT OF STATE, IN ACCORDANCE WITH FLORIDA STATUTE §607.1501 (visit <http://www.dos.state.fl.us/> ).**

Address: \_\_\_\_\_

City \_\_\_\_\_ State: \_\_\_\_\_ Zip \_\_\_\_\_

Telephone No. \_\_\_\_\_ FAX No. \_\_\_\_\_ Email: \_\_\_\_\_

Delivery: Calendar days after receipt of Purchase Order (section 1.02 of General Conditions): \_\_\_\_\_

Payment Terms (section 1.04): \_\_\_\_\_ Total Bid Discount (section 1.05): \_\_\_\_\_

Does your firm qualify for MBE or WBE status (section 1.09): MBE \_\_\_\_\_ WBE \_\_\_\_\_

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

Addendum No. \_\_\_\_\_ Date Issued \_\_\_\_\_

**P-CARDS: Will your firm accept the City's Credit Card as payment for goods/services?**

**YES** \_\_\_\_\_ **NO** \_\_\_\_\_

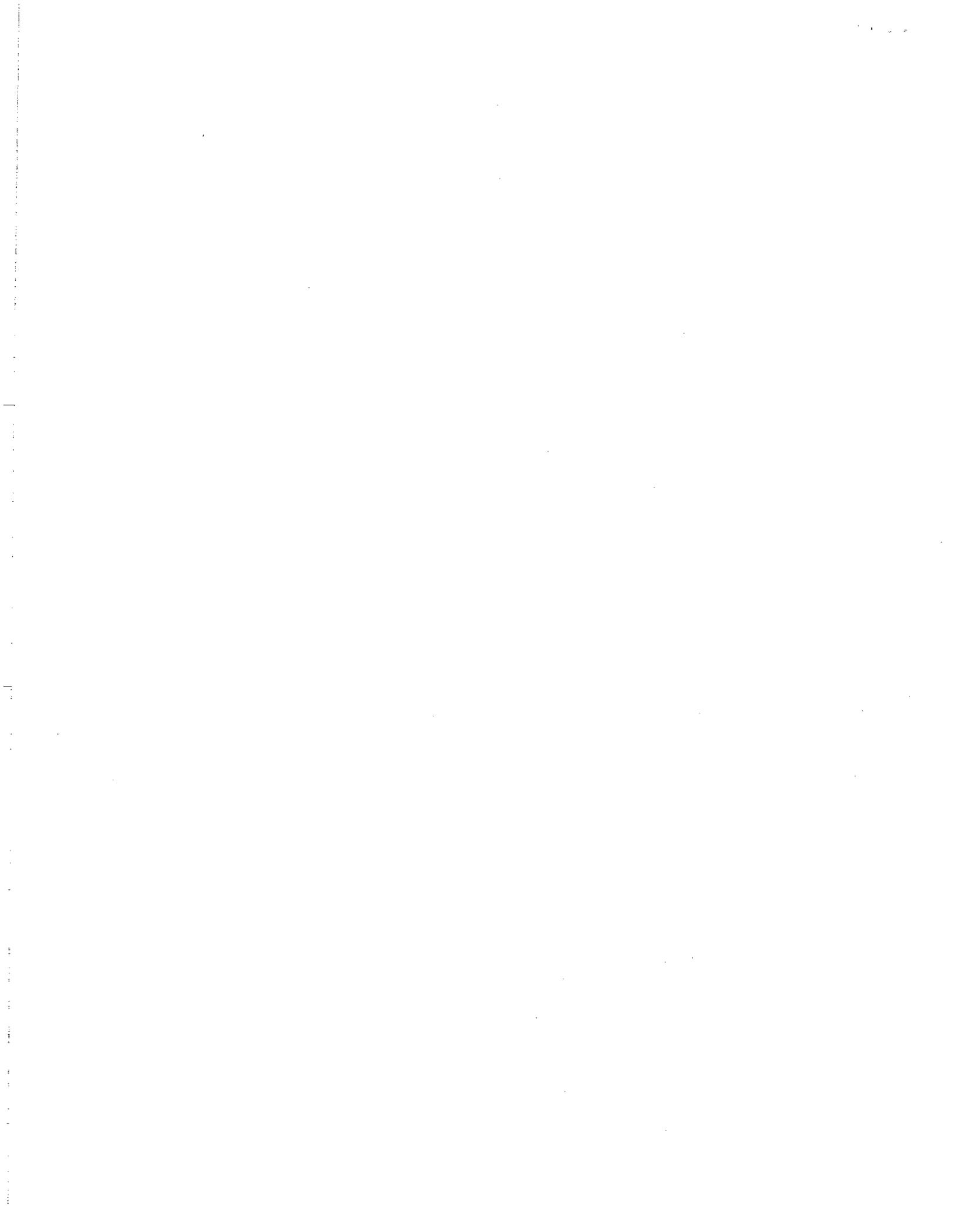
**VARIANCES:** State any variations to specifications, terms and conditions in the space provided below or reference in the space provided below all variances contained on other pages of bid, attachments or bid pages. No variations or exceptions by the Proposer will be deemed to be part of the bid submitted 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.** If this section does not apply to your bid, simply mark N/A in the section below.  
Variances:

\_\_\_\_\_

## **Question and Answers for Bid #715-10820 - Telecommunications Billing Audit**

### **OVERALL BID QUESTIONS**

**There are no questions associated with this bid. If you would like to submit a question, please click on the "Create New Question" button below.**



**PROPOSAL TO PROVIDE**

---

**TELECOM CONSULTING SERVICES**

**RFP #715-10820**

CONTRACT  
COPY

**FOR THE**

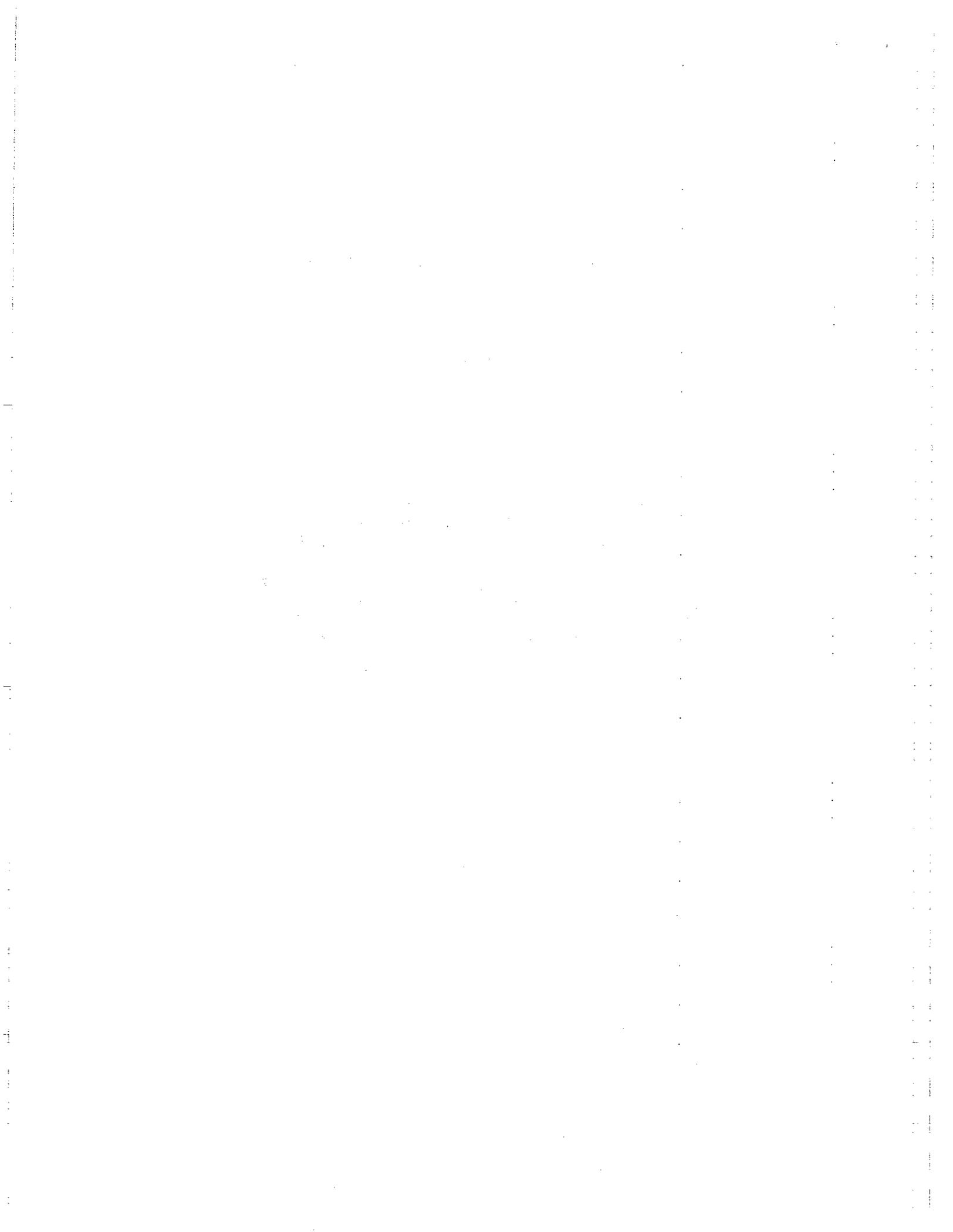
**CITY OF FORT  
LAUDERDALE, FL**

September 20, 2011



310 Bay Road • Queensbury • New York • 12804

Phone: (518) 798-4437 • Fax: (518) 798-1735 • [www.costcontrolassociates.com](http://www.costcontrolassociates.com)





**TABLE OF CONTENTS**

---

**1. SIGNATURE PAGE.....1**

**2. COST PROPOSAL.....2**

**3. NON-COLLUSION STATEMENT.....4**

**4. PROPOSED SERVICES .....5**

    A. COST RECOVERY AND REDUCTION™ SERVICES.....5

    B. TELECOM COST RECOVERY AND REDUCTION™ SERVICES.....7

    C. OPTIONAL PROGRAMS AVAILABLE .....8

**5. OUR QUALIFICATIONS .....11**

**6. BUSINESS LICENSES.....13**

**7. EVIDENCE OF INSURANCE .....14**

**8. PROJECT EXAMPLES AND REFERENCES .....21**

    A. PROJECT EXAMPLES .....21

    B. REFERENCES .....26

    C. KEY PERSONNEL .....27

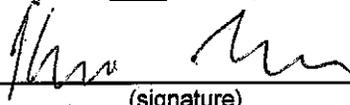


**BID/PROPOSAL SIGNATURE PAGE**

**How to submit bids/proposals:** Proposals must be submitted by hard copy only. 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.

**Please Note:** All fields below must be completed. If the field does not apply to you, please note N/A in that field.

Submitted by:  9/19/2011  
(signature) (date)

Name (printed) Keith Laake Title: President

Company: (Legal Registration) Cost Control Associates, Inc.

**CONTRACTOR, IF FOREIGN CORPORATION, MAY BE REQUIRED TO OBTAIN A CERTIFICATE OF AUTHORITY FROM THE DEPARTMENT OF STATE, IN ACCORDANCE WITH FLORIDA STATUTE §607.1501 (visit <http://www.dos.state.fl.us/>).**

Address: 310 Bay Road

City Queensbury State: New York Zip 12804

Telephone No. 518-798-4437 FAX No. 518-798-1735 Email: keith.laake@costcontrolassociates.com

Delivery: Calendar days after receipt of Purchase Order (section 1.02 of General Conditions): See page 6 of RFP Response

Payment Terms (section 1.04): Net 30 Days Total Bid Discount (section 1.05): 0%

Does your firm qualify for MBE or WBE status (section 1.09): MBE N/A WBE N/A

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

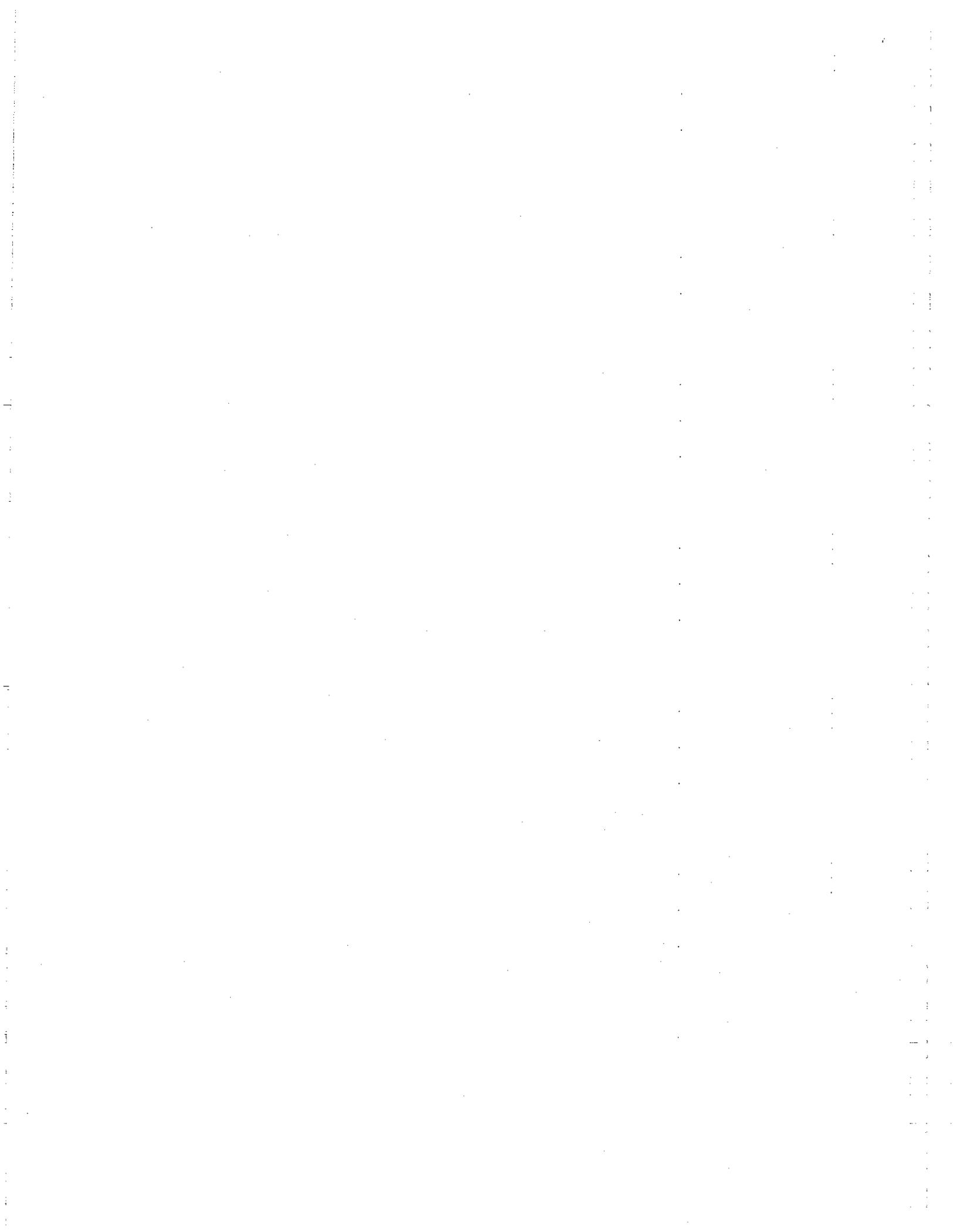
Addendum No. Date Issued

**P-CARDS: Will your firm accept the City's Credit Card as payment for goods/services?**

YES \_\_\_\_\_ NO x \_\_\_\_\_

**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.** If this section does not apply to your bid, simply mark N/A in the section below.

Variances: \_\_\_\_\_  
N/A



## PART VII - PROPOSAL PAGES – COST PROPOSAL

Proposer should include detailed supplemental information regarding the proposal as outlined above that will enable the City to evaluate the proposal. The proposer should include any information not covered above that may further indicate the auditor's suitability for performing the requested service. However, for ease in initially evaluating the proposals, the following questions must be answered completely:

1. One-time contingency payment as a percent of verifiable refunds obtained: 29 %
2. Ongoing payment (for up to one year) for any verifiable and executed savings the City will obtain after completion of audit: 39 %





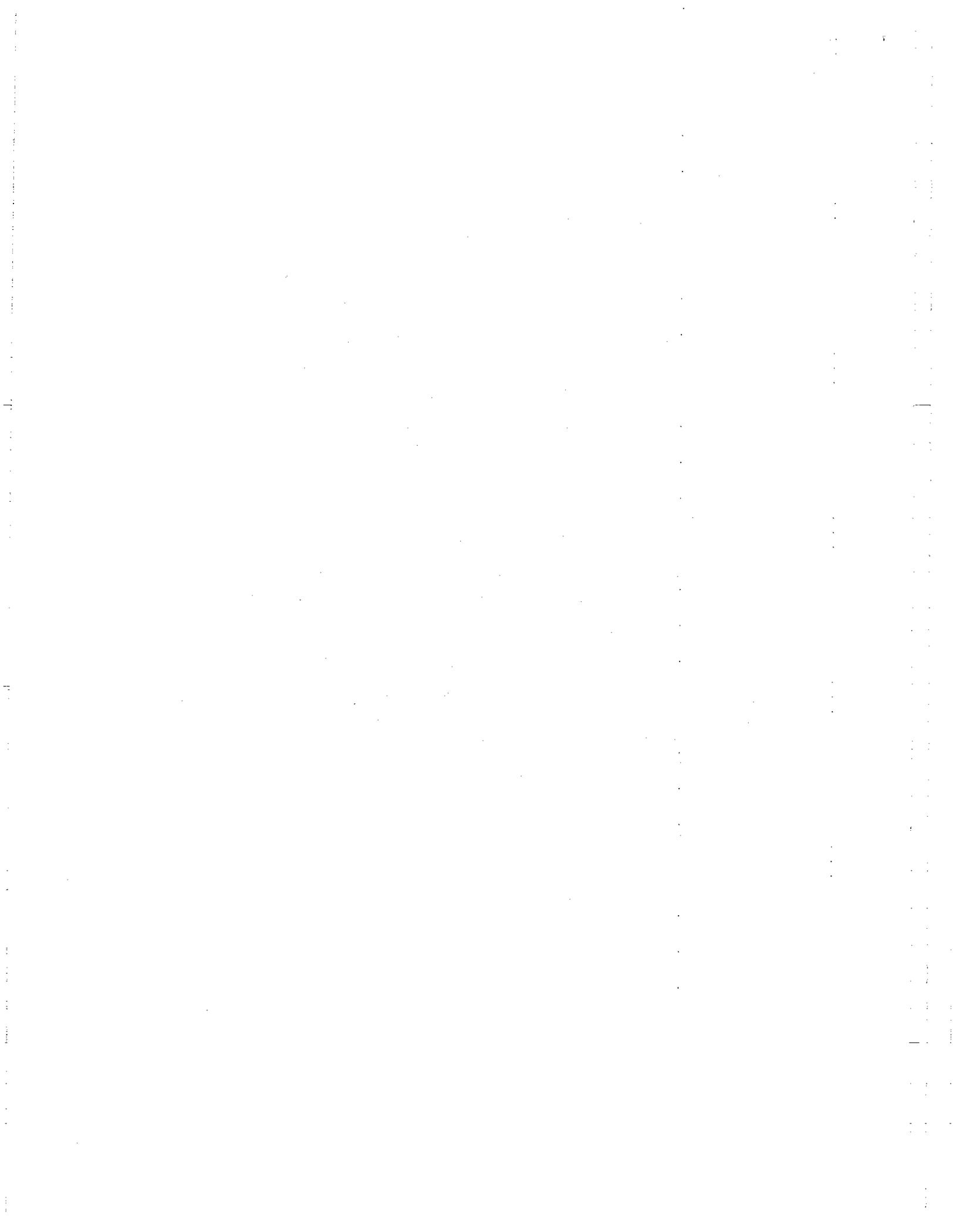
There are no up-front fees for our Telecom Cost Recovery and Reduction™ services. Cost Control Associates simply shares in the savings and refunds with you after you have received them. We operate entirely on a contingency fee basis. Unless we are successful in obtaining refunds or securing savings, we earn no fee.

Fees for services are 29% of refunds and 39% of savings from service and rate changes. Findings will consist of the following items:

- **Refunds:** Any refunds recovered due to Cost Control Associates' efforts are subject to a one-time fee of each refund at the percentage indicated in the schedule above. This fee is payable after the refund check or credit is received; and
- **Client-approved Cost Reductions:** For any cost reductions recommended by Cost Control Associates and approved for implementation by the City, Cost Control Associates will share in the resulting savings at the percentage indicated in the schedule above for the first 12 months following implementation of the changes. This fee will be payable on a monthly basis, or the City may elect to prepay the entire amount at a discount.

Any compensation due to Cost Control Associates will continue to be payable, regardless of cancellation or expiration of the contract, for findings in process at the time of cancellation or expiration of the agreement. Findings in process include refunds identified, but not yet collected; cost reductions implemented, but for which all fees have not yet been billed; and cost reductions identified, but not yet implemented, in the event they are eventually implemented.

This document is confidential to Cost Control Associates and is intended to be used by the addressee only.



**NON-COLLUSION STATEMENT:**

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

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

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

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

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

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

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

NAME

RELATIONSHIPS

\_\_\_\_\_ N/A \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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





#### 4. PROPOSED SERVICES

The following pages detail the services being offered to the City of Fort Lauderdale.

##### A. Cost Recovery and Reduction™ Services

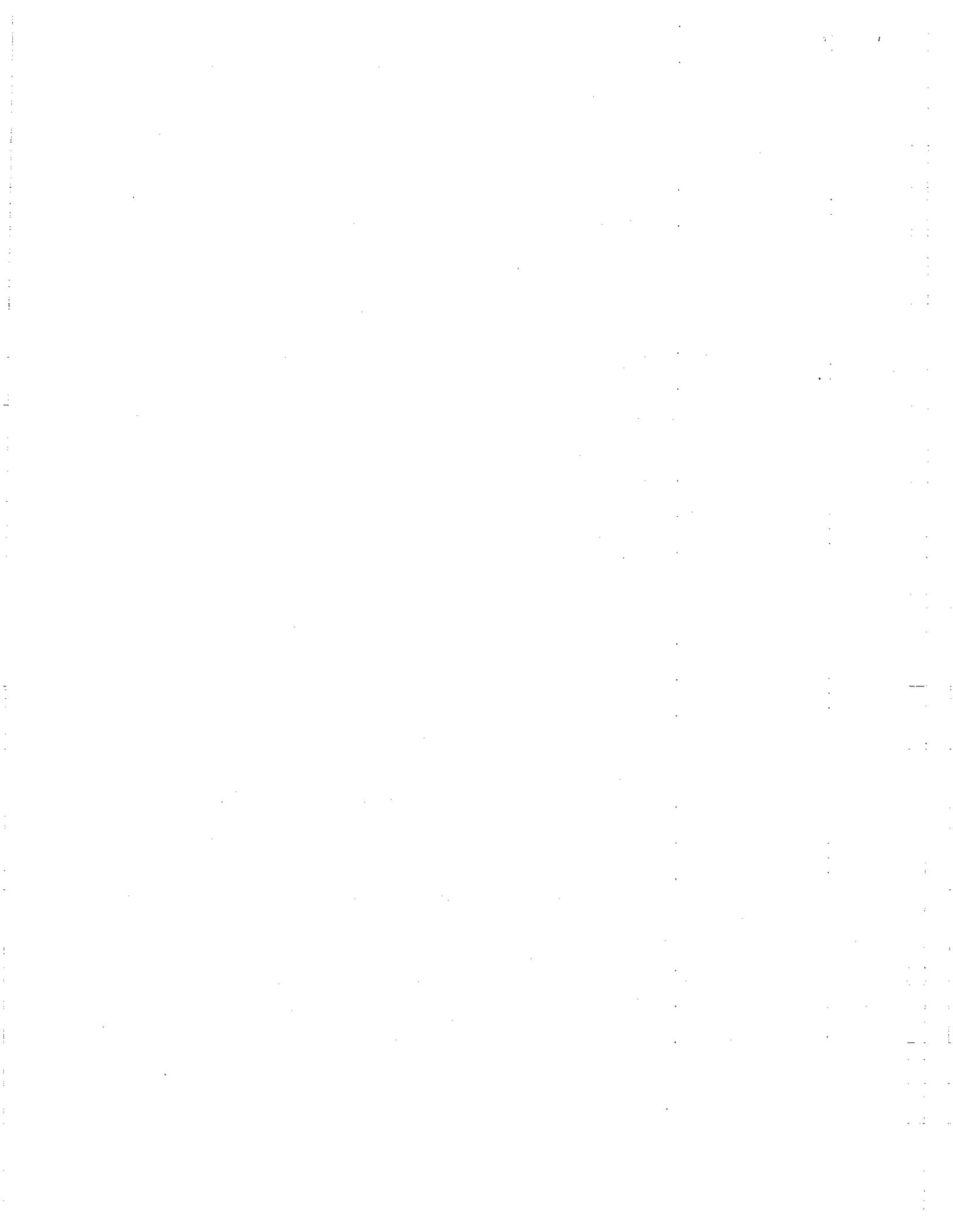
Cost Control Associates offers various programs designed to reduce telecom costs, and our core program, Cost Recovery and Reduction™, is offered on a contingency fee basis. The contingency fee arrangement allows vigilant administrators, financial officers, purchasing officers, and others to have a due diligence review of these expenses conducted by Cost Control Associates with no risk. Even if you have had such reviews done in the past, this process should be done periodically (normally every 2-4 years) due to changes that typically take place over time with respect to vendors, tariffs, technology, internal staff, etc.

We require no fees to initiate the program, and there will be no cost if we are not successful in obtaining refunds or cost savings. We have been providing this service since 1991 and we are successful in over 90% of our cases.

Organizations realize two primary benefits from our Cost Recovery and Reduction™ program:

- **Refunds:** We recover money from your providers due to billing errors.
- **Cost Saving Recommendations:** In addition to recovering refunds, we will identify possible cost saving recommendations that will result in reduced expenses with your existing vendors, primarily through the identification of alternate tariffs and rates that may be available. Our recommendations are not mandatory on your part, and we will be responsible for implementation of only those recommendations that are approved by you.

We will identify errors and submit claims to the service providers. We will undertake refund negotiations when necessary and any follow up work needed to collect the refunds. We will arrange for the providers to credit refunds to your accounts or issue refund checks. We will submit recommendations for other savings opportunities and discuss these recommendations with you. After approval by you, we will assume full responsibility for implementing those recommendations you have chosen, or we will provide assistance if you prefer to implement them on your own.





More specifically, our program consists of the following components:

Program Component	Time from Start
1. <b>Data Collection:</b> Recent and historical bill data and copies of vendor contracts are collected and sorted. Master file listings of accounts and services are prepared.	0-1 Months
2. <b>Data Analysis:</b> Historical data is compiled and an in-depth check of bills is performed. Savings from rate and service changes are calculated.	1-4 Months
3. <b>Report of Findings:</b> A report of findings is made which provides a short narrative on each refund item and cost-saving recommendation. Schedules detailing the calculated savings are included with the report. The report may also detail any unanswered questions. We discuss the report with you and you choose the cost-saving recommendations to be implemented.	2-4 Months
4. <b>Claims Preparation:</b> Claims with detailed documentation are prepared and submitted to your vendors.	2-4 Months
5. <b>Cost-Saving Recommendations Implementation:</b> Rate changes and other cost-saving recommendations that have been approved are implemented.	2-4 Months
6. <b>Status Reports:</b> Status reports detailing the progress of each item and any new findings are made until all items are complete.	Every 2 Months
7. <b>Verification of Refunds and Savings:</b> Vendors' progress in approving and processing refund claims is continually monitored. Refunds and cost savings are verified.	3-9 Months
8. <b>Final Report:</b> A final report is made which recaps refunds and savings achieved.	6-9 Months

This document is confidential to Cost Control Associates and is intended to be used by the addressee only.





## **B. Telecom Cost Recovery and Reduction™ Services**

Our Telecom Cost Recovery and Reduction™ services can include local telephone, long distance, voice and data services. Clients can select from the types of bills they wish to include in the review.

Our programs produce results. Once we gather and compile your historical data (usually one recent month of bills and customer service records obtained from all carriers), our analysts conduct a comprehensive review of the billing information. Our analysts evaluate the results of the data checks and make judgments on additional steps to take. These steps lead to the identification of errors that include:

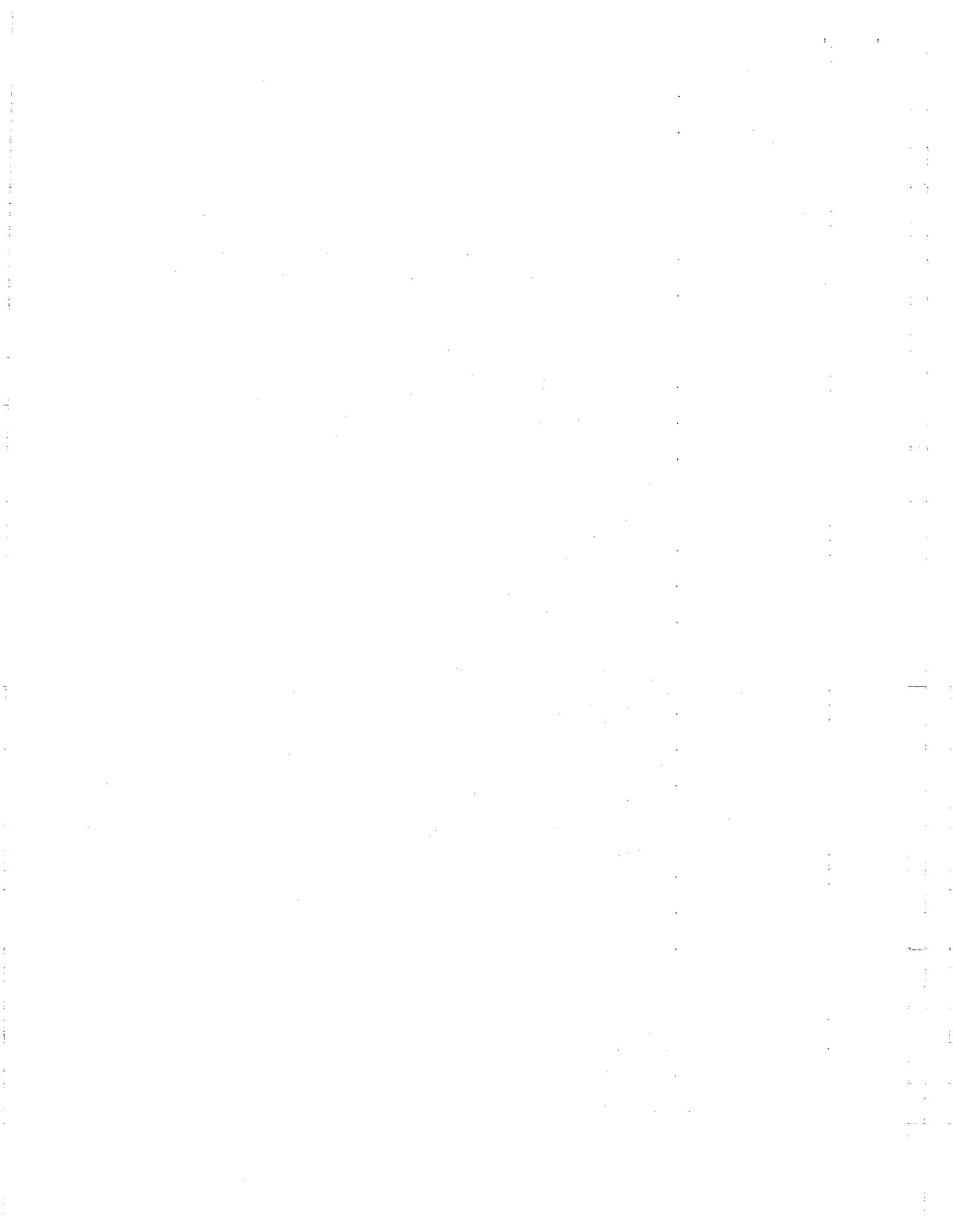
- Charges billed for incorrect or nonexistent services and equipment
- Wrong rates applied
- Optional services billed in error
- Clerical errors in bill computations
- Wrong circuit service type or feature functions
- Wrong factors applied
- Incorrect tax charges

In addition to error detection, Cost Control Associates analyzes rates and other available options to reduce on-going costs. Cost-saving recommendations relate to:

- Eliminating unneeded or unnecessary lines and circuits
- Optimizing costs for needed services
- Reducing underutilized optional services

Cost-saving recommendations are always subject to the review and approval of our clients prior to implementation.

This document is confidential to Cost Control Associates and is intended to be used by the addressee only.



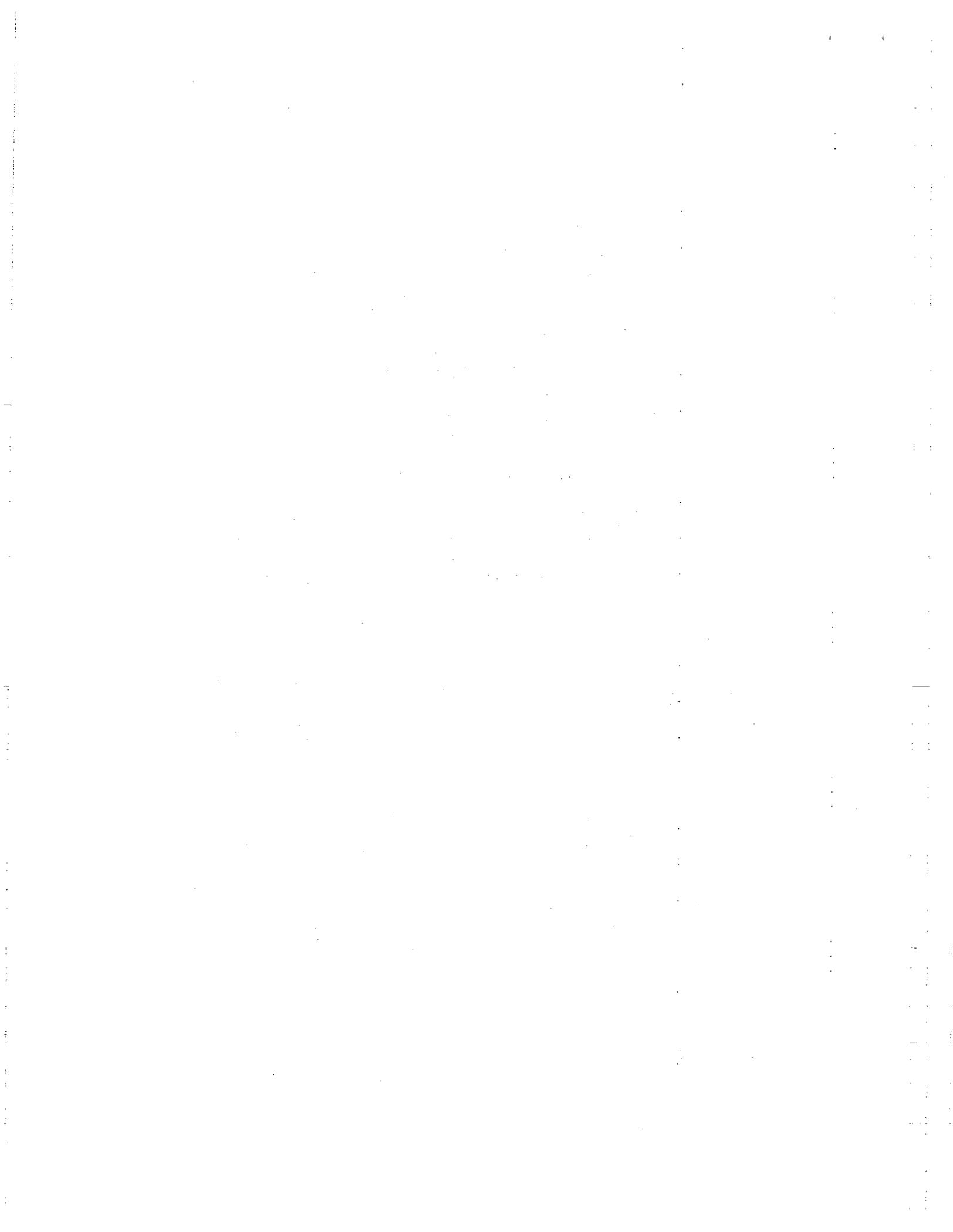


### C. Optional Programs Available

While this proposal is focused on the service detailed above, we would be glad to provide other services to your organization that are focused on helping reduce costs. These additional services include:

- **Telecom Consulting Services:** Our consulting services include helping clients select PBX and other telecom systems including voice mail systems, designing network services, negotiating contracts, and providing project management. We can also provide assistance in reviewing opportunities to implement Voice Over Internet Protocol (VOIP) or other technologies.
- **Telecom Services Procurement:** Our services include complete management of the procurement process. Our goal is not only to reduce costs, but also to maximize supplier service and to minimize financial risks associated with the telecom marketplace. We can provide help with local voice and data services, long distance services, Internet access, broadband data networks, and VOIP.
- **Cellular Phone and Wireless Device Services:** We will review cellular bills to identify errors and other savings opportunities. We can help your organization maximize the cost-effectiveness of your cellular/wireless services. Our services include analyzing existing usage and costs, making recommendations for plan and other cost improvements, and implementing the approved recommendations. We can also help you with contract negotiation and preparation of cellular phone usage policies.
- **Energy Cost Recovery and Reduction™ Services:** We will identify errors and submit claims to the energy companies. We will undertake refund negotiations when necessary and any follow up work needed to collect the refunds. We will arrange for the utility companies to credit refunds to your accounts or issue refund checks directly to you. We will also submit recommendations for savings opportunities and discuss these recommendations with you. After approval by you, we will implement those recommendations you have chosen.

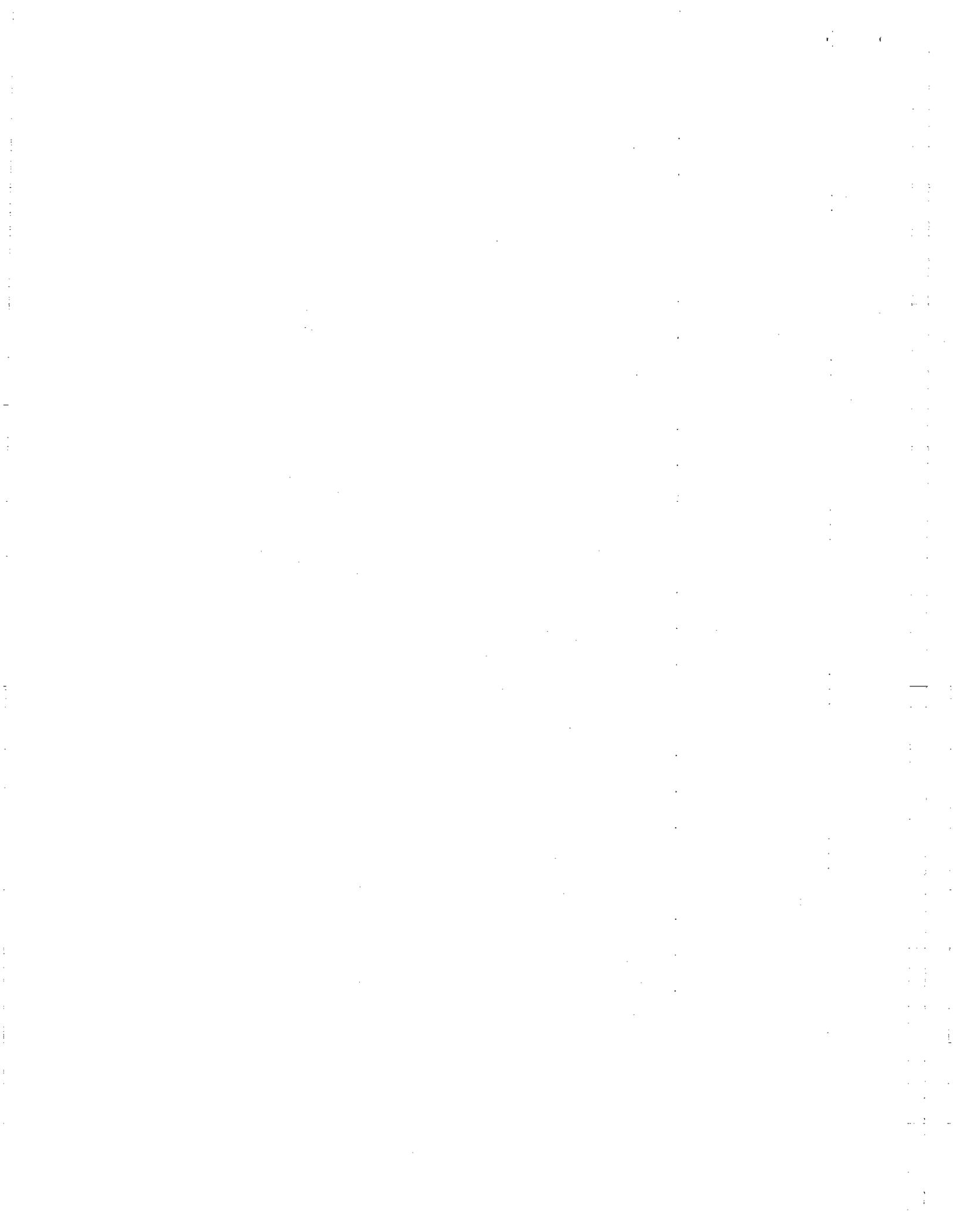
This document is confidential to Cost Control Associates and is intended to be used by the addressee only.





- **Energy Procurement Services:** Working directly with you, our goal is to manage the procurement process to obtain energy supplies at minimum cost within an acceptable level of market risk. We can also help you solve the challenge of how to develop annual energy budgets and strategic energy procurement plans. Although Cost Control Associates has been helping clients purchase gas, electricity, and other energy supplies since 1996, we are not an energy supplier or marketer. This independence from suppliers means we will be providing advice that is best for you.
- **Energy Invoice Processing and Payment Services:** These services are provided to help multi-site organizations get the data needed to properly manage energy costs. Our services include creating a database of building location and utility account data, and data entry of utility bills as received each month to produce a comprehensive database of energy usage and cost data. While standard reports are produced, web access to the database is also provided. In addition, we can also make payment to utility vendors on your behalf.
- **Location Opening and Closing Services.**
  - Opening services to include:
    - ▶ Contacting each utility to initialize service
    - ▶ Insuring that only appropriate services are established
    - ▶ Negotiating to waive or lower opening deposits
    - ▶ Making certain accounts are on the correct/most beneficial rate schedule
    - ▶ Identifying potential rate and service discounts
    - ▶ Verifying first bill to insure that billing information is accurate
  - Closing of existing accounts services to include:
    - ▶ Contacting each utility to end service
    - ▶ Verifying that closing is completed as requested
    - ▶ Ensuring that original deposits are credited or refunded
    - ▶ Ensuring that all final account credits are returned
- **Budgeting and Forecasting:** Developing utility expense budgets including at choice of client, regulated markets, deregulated markets, or both.

This document is confidential to Cost Control Associates and is intended to be used by the addressee only.





- 
- **Site Performance Benchmarking:** Compare usage data for each site against industry benchmarks such as Energy Star to identify locations outside normal ranges.
  - **Emission Reporting and Consulting:** Green/carbon footprint reports and advisement services.
  - **Deposit Identification and Recovery:** Contact each utility supplier to identify the amounts of outstanding deposits and recover deposits eligible to be refunded.

This document is confidential to Cost Control Associates and is intended to be used by the addressee only.





## 5. OUR QUALIFICATIONS

---

Cost Control Associates was founded in 1991 and has helped clients across all industry segments reduce energy and telecom costs for the full period of its existence. Our clients range in size from small businesses to large Fortune 1000 firms with scores of locations. Cost Control Associates' clients include state, county, and municipal governments, school systems, retail and service companies, manufacturers, and a variety of other organizations. We have performed work in all 50 states in the U.S. and certain provinces of Canada as well.

Cost Control Associates has filed thousands of refund claims with service providers resulting in the recovery of millions of dollars for its clients. In addition, the firm has successfully negotiated thousands of rate reductions and cost-savings changes in contract and/or tariff terms for our clients. We rank among the best in terms of refund recovery and cost-savings realized by our clients. Over 90% of our clients realize refunds and/or savings from our programs.

Our successful track record is the result of our detailed approach combined with the knowledge acquired by our very talented group of analysts that have available to them highly effective tools to maximize refunds and cost savings for clients. We are well versed in the rate options that are available and know where and how to obtain the most favorable terms for your organization. We also understand applicable State Public Service Commission and other regulatory agency rules and regulations, and the intricacies of rate structures.

Through our years of experience, we have learned from our clients what is important to them. Several characteristics set us apart from other consulting firms:

- **Our Detailed Approach.** Some firms concentrate solely on easy-to-find refunds and will utilize a "cherry picking" approach to recover only refunds that they are accustomed to finding. Our firm takes a more comprehensive approach to both large and modest sized refund opportunities. In addition to refunds, we will analyze your bills for alternate rate opportunities and other cost reduction items.

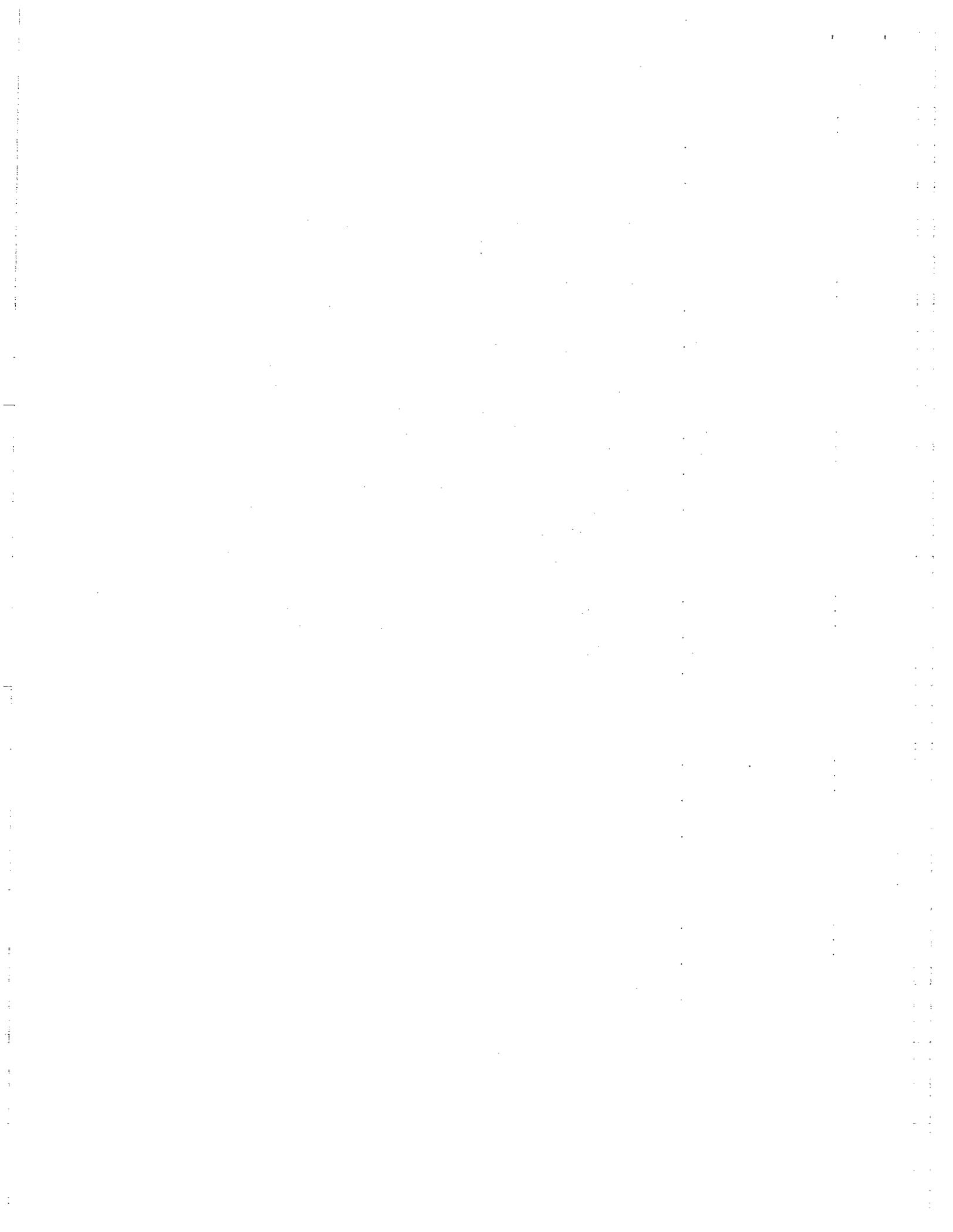




- **Our Flexibility.** We do not lock clients into a long-term contract and do not insist that they send us their bills every month before they have a chance to check them. Our clients choose which of our recommendations they wish to carry out. We are willing to customize our service offer to each client on an individual basis.
- **Our Professionalism.** We pride ourselves on our professional relationships with all suppliers and carriers. We are happy to work directly with your providers on errors that we identify and rate changes that we process. Because of the respect we have earned, many service providers have complimented us on our professionalism during negotiations.
- **Our Success.** Our volume of business and daily interaction with major suppliers can be leveraged to produce maximum recoveries for our clients. This is partially the reason for our high success rate in negotiating thousands of cost reductions and refunds for clients.

Because our programs deliver proven results and a high degree of customer satisfaction, Cost Control Associates has grown to become one of the largest consulting firms of its kind.

This document is confidential to Cost Control Associates and is intended to be used by the addressee only.





## 6. BUSINESS LICENSES

---

As we have been providing services to Florida Clients for 20 years, we believe we already hold all the necessary licenses, permits, certifications, approvals and authorizations to meet all of the requirements in order to perform the requested services.

This document is confidential to Cost Control Associates and is intended to be used by the addressee only.



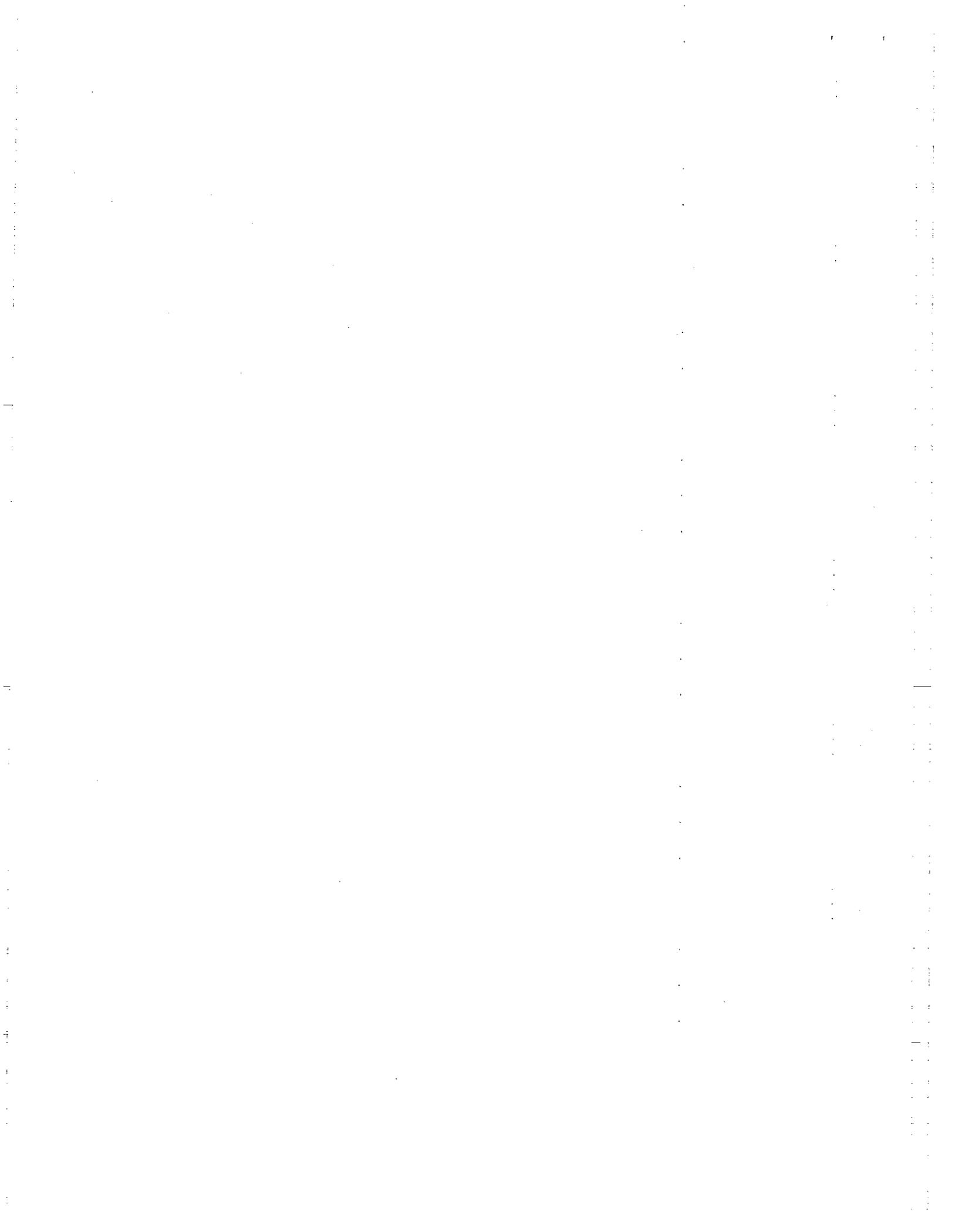


## 7. EVIDENCE OF INSURANCE

---

Please see the attached. If the City desires additional coverage beyond existing limits, Cost Control Associates will endeavor to do obtain additional coverage upon notification of contract award.

This document is confidential to Cost Control Associates and is intended to be used by the addressee only.





# CERTIFICATE OF LIABILITY INSURANCE

OP ID: KI

DATE (MM/DD/YYYY)

09/15/11

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

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

<b>PRODUCER</b> Rose and Kiernan, Inc. 99 Troy Road East Greenbush, NY 12061 Lee Pollock	518-244-4245 518-244-4262	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: <b>COSTC-2</b>	FAX (A/C, No):																				
	<b>INSURED</b> Cost Control Associates Inc Keith Laake 310 Bay Rd. Queensbury, NY 12804		<table border="1"> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A:</td> <td><b>Selective Way</b></td> <td><b>316</b></td> </tr> <tr> <td>INSURER B:</td> <td><b>Twin City Fire Insurance Co.</b></td> <td><b>347</b></td> </tr> <tr> <td>INSURER C:</td> <td></td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A:	<b>Selective Way</b>	<b>316</b>	INSURER B:	<b>Twin City Fire Insurance Co.</b>	<b>347</b>	INSURER C:			INSURER D:			INSURER E:			INSURER F:	
INSURER(S) AFFORDING COVERAGE		NAIC #																					
INSURER A:	<b>Selective Way</b>	<b>316</b>																					
INSURER B:	<b>Twin City Fire Insurance Co.</b>	<b>347</b>																					
INSURER C:																							
INSURER D:																							
INSURER E:																							
INSURER F:																							

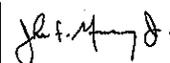
**COVERAGES**                      **CERTIFICATE NUMBER:**                      **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> <b>Business Owners</b> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC	X	S182610100	07/31/11	07/31/12	EACH OCCURRENCE \$ <b>2,000,000</b> DAMAGE TO RENTED PREMISES (Ea occurrence) \$ <b>300,000</b> MED EXP (Any one person) \$ <b>10,000</b> PERSONAL & ADV INJURY \$ <b>2,000,000</b> GENERAL AGGREGATE \$ <b>4,000,000</b> PRODUCTS - COMP/OP AGG \$ <b>4,000,000</b>
	<b>AUTOMOBILE LIABILITY</b> <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					S182610100 S182610100
A	<b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE RETENTION \$ <b>10,000</b>		S182610100	07/31/11	07/31/12	EACH OCCURRENCE \$ <b>1,000,000</b> AGGREGATE \$ <b>1,000,000</b> \$ \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A	01WECTU4912	07/31/11	07/31/12	<input type="checkbox"/> WC STATUTORY LIMITS <input checked="" type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ <b>1,000,000</b> E.L. DISEASE - EA EMPLOYEE \$ <b>1,000,000</b> E.L. DISEASE - POLICY LIMIT \$ <b>1,000,000</b>

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

All operations of the insured in connection with cost recovery and reductive services under contract for the City of Ft. Lauderdale. The city of Ft. Lauderdale is named as additional insured as respects General Liability as required by written contract and as per attached BP7194 01/07.

<b>CERTIFICATE HOLDER</b>  CITYF10  City of Fort Lauderdale Procurement Services Dept 100 N Andrews Avenue Room 619 Ft. Lauderdale, FL 33301	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
---	--

© 1988-2009 ACORD CORPORATION. All rights reserved.





# CERTIFICATE OF LIABILITY INSURANCE

OP ID: KI

DATE (MM/DD/YYYY)  
09/15/11

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

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

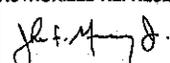
<b>PRODUCER</b> Rose and Kiernan, Inc. 99 Troy Road East Greenbush, NY 12061 Lee Pollock	518-244-4245 518-244-4262	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: <b>COSTC-2</b>	FAX (A/C, No):
	<b>INSURED</b> Cost Control Associates Inc Keith Laake 310 Bay Rd. Queensbury, NY 12804		<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A: <b>Executive Risk Indemnity</b> INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

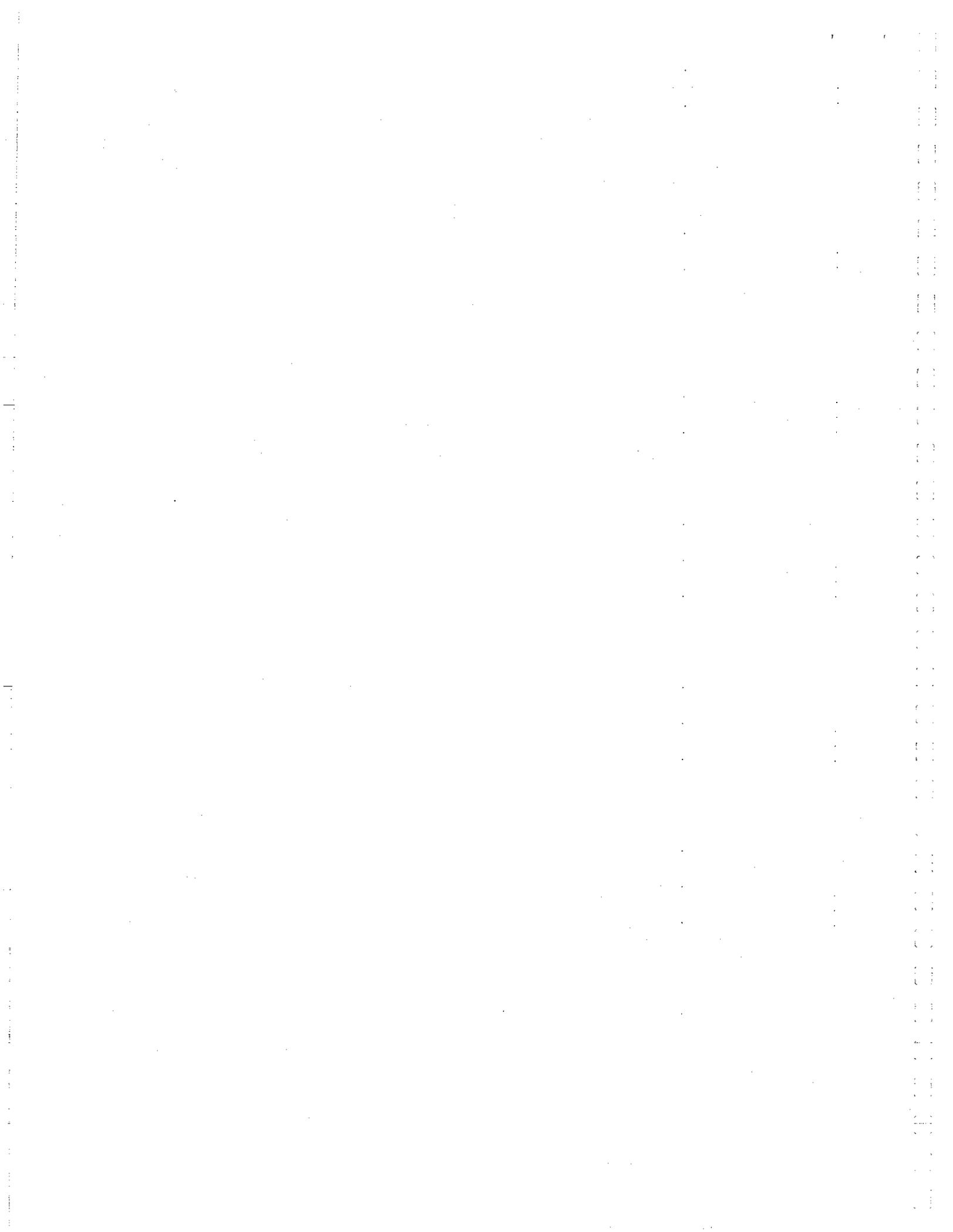
**COVERAGES**                      **CERTIFICATE NUMBER:**                      **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b>		82083133	07/31/11	07/31/12	EACH OCCURRENCE \$ <b>1,000,000</b>
	<input type="checkbox"/> COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Ea occurrence) \$
	<input checked="" type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR					MED EXP (Any one person) \$
	<input checked="" type="checkbox"/> <b>Professional Liab</b>					PERSONAL & ADV INJURY \$
	GEN'L AGGREGATE LIMIT APPLIES PER:					GENERAL AGGREGATE \$ <b>3,000,000</b>
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					PRODUCTS - COM/OP AGG \$
	<b>AUTOMOBILE LIABILITY</b>					COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO					BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS					BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS					PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS					\$
	<input type="checkbox"/> NON-OWNED AUTOS					\$
	<b>UMBRELLA LIAB</b>	<input type="checkbox"/> OCCUR				EACH OCCURRENCE \$
	<b>EXCESS LIAB</b>	<input type="checkbox"/> CLAIMS-MADE				AGGREGATE \$
	DEDUCTIBLE					\$
	RETENTION \$					\$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>					WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/>
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y <input type="checkbox"/> N	N/A			E.L. EACH ACCIDENT \$
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. DISEASE - EA EMPLOYEE \$
						E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 All Operations usual and incidental to the business of the named insured.

<b>CERTIFICATE HOLDER</b>  CITYF10  City of Fort Lauderdale Procurement Services Dept 100 N Andrews Avenue Room 619 Ft. Lauderdale, FL 33301	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
---	--



**MERCHANTSPRO PLUS  
LIABILITY ENHANCEMENT**  
(INCLUDING BUSINESSOWNERS COMMON POLICY  
CONDITIONS AMENDMENTS)

BUSINESSOWNERS  
BP 71 94 01 07

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS COVERAGE FORM**

The sections of the above forms identified in this endorsement will be amended as shown below. With respect to coverage provided by this endorsement, the provisions of the above forms apply unless modified by the endorsement. But, when two or more Coverage Parts of this policy apply to a loss, only the broadest coverage of this policy will apply, unless specifically stated otherwise within the particular amendment covering that loss

**SECTION I — BUSINESSOWNERS COMMON POLICY  
CONDITIONS — Amendments**

**A. UNINTENTIONAL FAILURE TO DISCLOSE  
HAZARDS**

The following is added to Paragraph C. **Concealment, Misrepresentation Or Fraud:**

It is agreed that based on our reliance on your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of this policy or during the policy period, we shall not deny coverage under this Policy because of such failure.

**B. Paragraph G. Liberalization** is replaced by the following:

**G. LIBERALIZATION**

If we revise this Coverage Form to provide more coverage without additional premium charge, subject to our filed company rules, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

**C. The following is added to Paragraph 2. Applicable to Businessowners Liability Coverage of K. Transfer Of Rights Of Recovery Against Others To Us:**

We will amend this provision to waive any right of recovery we may have against a person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard", if:

- a. The waiver of such rights is required in a written contract or written agreement with that person or organization; and

- b. The provisions of the **BLANKET ADDITIONAL INSURED — BROAD FORM VENDORS** section of this form also apply to that same contract; and

- c. You have assumed the liability of that person or organization in that same contract, and it is an "insured contract"

This amendment only applies to that person or organization identified above, and only if the injury or damage occurs subsequent to the execution of the written contract or written agreement.

**SECTION II — BUSINESSOWNERS LIABILITY  
COVERAGES — Amendments**

**A. SUPPLEMENTARY PAYMENTS**

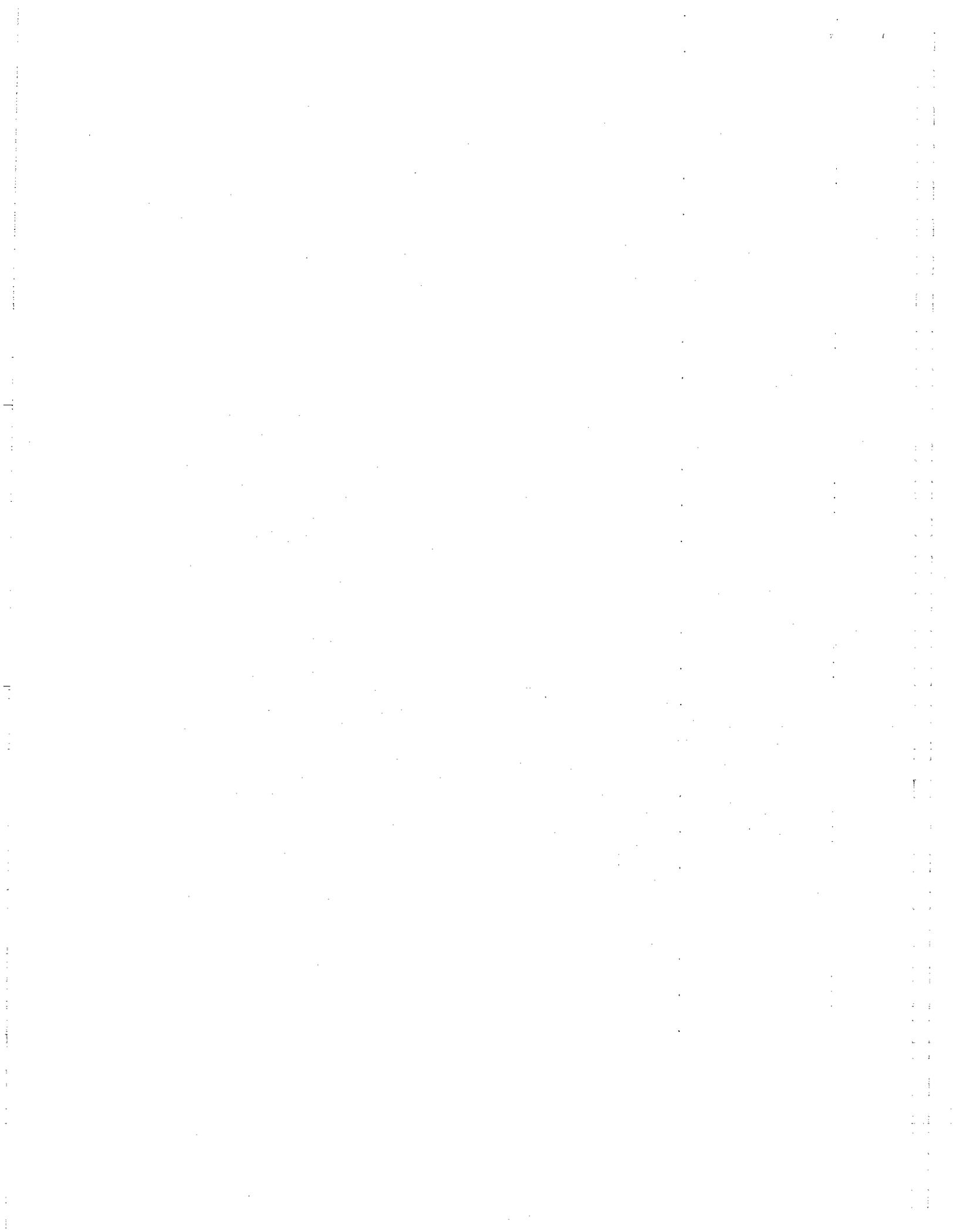
Paragraphs 1.(b) and 1.(d) of Section A. **Coverages** are replaced by the following:

- (b) Up to \$2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Business Liability Coverage applies. We do not have to furnish these bonds

- (d) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$500 a day because of time off from work.

**B. NON-OWNED AIRCRAFT**

- a. Exclusion g. of Section B. **EXCLUSIONS** does not apply to any aircraft, not owned or operated by any insured, that is hired, chartered or loaned with a paid crew.



- b. If the insured has any other valid and collectible insurance for "bodily injury" or "property damage" that would be covered under this provision, or on any other basis, this coverage is then excess and subject to the **Other Insurance** provisions of this policy for Excess Insurance.



**E. BLANKET ADDITIONAL INSUREDS — BROAD FORM VENDORS**

WHO IS AN INSURED is amended to include as an additional insured any person or organization with whom you have agreed in a written contract, written agreement or written permit that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by:

1. Your ongoing operations performed for that person or organization, "your product" or premises owned or used by you.
2. Your maintenance, operation or use of equipment, other than aircraft, "auto" or watercraft rented or leased to you by such person or organization. A person or organization's status as an additional insured under this endorsement ends when their written contract or written agreement with you for such rented or leased equipment ends. With respect to the insurance afforded to these additional insured, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.
3. "Bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of a vendor's business, but the insurance afforded the vendor does not apply to:
  - a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a written contract or written agreement; but this exclusion does not apply to liability for damages that the vendor would have in the absence of the written contract or written agreement;
  - b. Any express warranty unauthorized by you;
  - c. Any physical or chemical change in the product made intentionally by the vendor;
  - d. Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

**C. NON-OWNED WATERCRAFT**

- a. Exclusion **g.(2)** of Section **B. EXCLUSIONS** is replaced by the following:

(2) A watercraft you do not own that is:

- (a) Less than 51 feet long; and
- (b) Not being used to carry persons or property for a charge

- b. With respect to Paragraph a. above, any person is an insured who uses or is responsible for the use of such watercraft with your expressed or implied consent.

- c. If the insured has any other valid and collectible insurance for "bodily injury" or "property damage" that would be covered under this provision, or on any other basis, this coverage is then excess and subject to the **Other Insurance** provisions of this policy for Excess Insurance.

**D. DAMAGE TO PREMISES RENTED TO YOU**

- a. The last paragraph under Section 1. **Applicable to Business Liability Coverage of B. EXCLUSIONS** is replaced by the following:

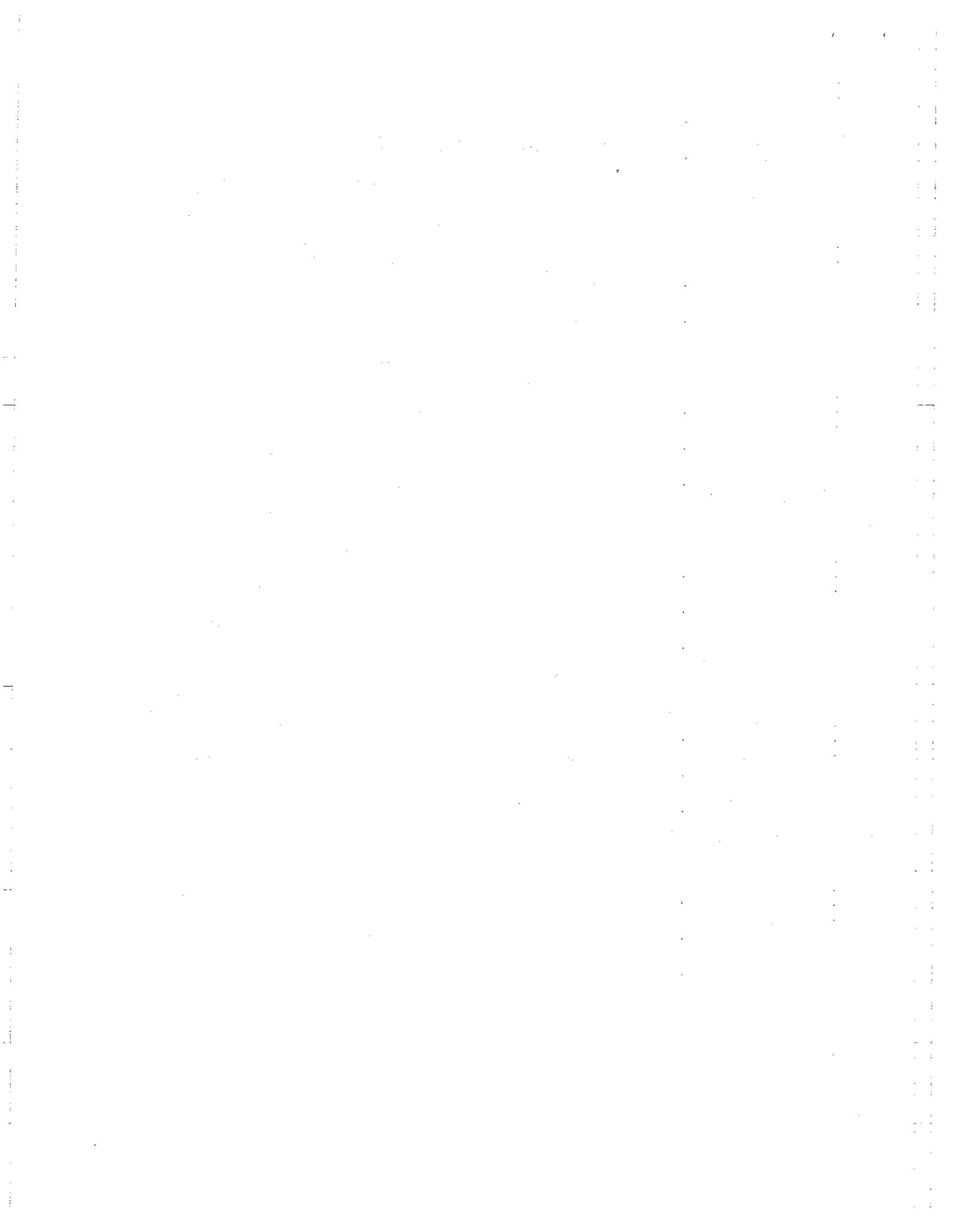
Exclusions **c., d., e., f., g., h., i., k., l., m., n.** and **o.** in **Section II — Liability** do not apply to damage by fire, lightning, explosion or water release to premises rented to you. A separate limit of insurance applies to this coverage as described in Section **D., Liability And Medical Expenses Limits Of Insurance.**

- b. Paragraph **3.** of Section **D., Liability And Medical Expenses Limits Of Insurance** is replaced by the following:

3. Subject to 2. above, the Damage To Premises Rented To You Limit is the higher of:

- a. \$300,000; or
- b. The amount shown in the Declarations for the Damage To Premises Rented To You Limit.

This limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to premises rented to you proximately caused by the same event, whether such damage results from fire, lightning, explosion, or water release or any combination of those



- e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business in connection with the sale of the product; or
- f. Products which, after distribution or sale by you, have been labeled or re-labeled or used as a container, or part of an ingredient of any other thing or substance by or for the vendor; but this insurance does not apply to any insured person or organization, from who you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products

This coverage shall be excess with respect to the person or organization included as an additional insured by its provisions; any other insurance that person or organization has shall be primary with respect to this insurance, unless this coverage is required to be primary and not contributory in the contract, agreement or permit referred to above.

The provisions of this coverage extension do not apply unless the written contract or written agreement has been executed (executed means signed by the named insured and additional insured) or written permit issued prior to the:

- 1. "Bodily injury" or "property damage" with respect to a vendor as an additional insured, or
- 2. "Bodily injury," "property damage," "personal and advertising injury" with respect to other additional insureds.

#### F. INCIDENTAL MALPRACTICE

(This provision does not apply in Illinois). Paragraph 2.a.(1)(d) of Who Is An Insured is replaced by the following:

(d) Arising out of his or her providing or failing to provide professional health care services. However, if:

- (I) You have "employees" who are pharmacists in your retail druggist or drugstore operation; or
- (II) You have employees who are nurses, emergency medical technicians or paramedics, and you are not in the business or occupation of providing any such professional health care services,

those employees are insured with respect to such professional services.

#### G. NEWLY FORMED OR ACQUIRED ORGANIZATIONS

a. The following Paragraph 4. is added to Section C. WHO IS AN INSURED:

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However,

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. This coverage does not apply if the newly formed or acquired organization's coverage is excluded either by the provisions of this Policy or by endorsement; and
- c. This coverage does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- d. This coverage does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

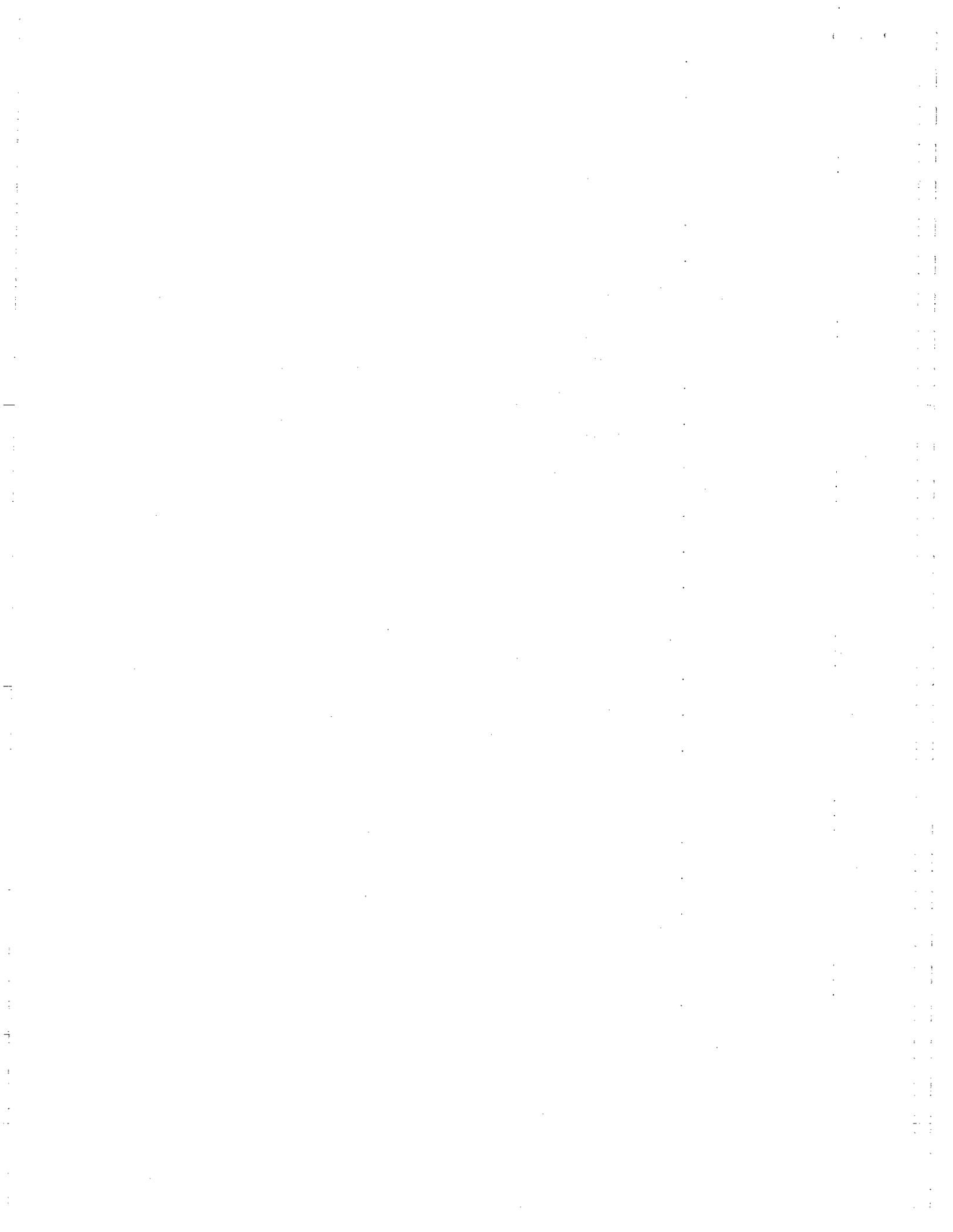
#### H. AGGREGATE LIMITS AMENDMENT

Paragraph D.4. of Liability and Medical Expenses Limits of Insurance is replaced by the following:

##### 4. Aggregate Limits

The most we will pay for:

- a. All "bodily injury" or "property damage" that is included in the "products-completed operations hazard" is the Product Aggregate Limit shown in the Declarations and applies separately to each "location" owned by or rented to you
- b. All:
  - (1) "Bodily injury" or "property damage" except damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard";
  - (2) Plus medical expenses;
  - (3) Plus all "personal and advertising injury" caused by offenses committed;



Is the General Aggregate Limit shown in the Declarations and applies separately to each "location" owned by or rented to you.

This Aggregate Limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with the permission of the owner, arising out of fire or explosion

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by street, roadway, waterway, or right-of-way of a railroad.

**I. KNOWLEDGE OF OCCURRENCE, CLAIM, SUIT OR OFFENSE**

a. Condition 2.a. of Section E. **LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS** will not apply until after the "occurrence" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership;
- (3) An executive officer or insurance manager, if you are a corporation; or
- (4) Your members, managers or insurance manager, if you are a limited liability company.

b. Condition 2.b. of Section E. **LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS** will not apply until after the "occurrence" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation; or
- (4) Your members, managers or insurance manager, if you are a limited liability company.

**J. MENTAL ANGUISH**

Definition 3. "**bodily injury**" of Section F. **LIABILITY AND MEDICAL EXPENSES DEFINITIONS** is replaced by the following:

3. (This provision does not apply in New York.) "Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish or death resulting from any of these at any time. (In New York, mental anguish has been determined to be "bodily injury.")

**K. MOBILE EQUIPMENT**

(This provision does not apply in the states of New York or Virginia.) Paragraph f.(1)(a)(b)(c) of Definition 12. "**mobile equipment**" of Section F. **LIABILITY AND MEDICAL EXPENSES DEFINITIONS** does not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight.

**L. PERSONAL AND ADVERTISING INJURY**

a. Definition 14. "**personal and advertising injury**" of Section F. **LIABILITY AND MEDICAL EXPENSES DEFINITIONS** is amended by the addition of the following:

h. Discrimination or humiliation that results in injury to the feelings or reputation of a natural person, but only if such discrimination or humiliation is:

(1) Not done intentionally by or at the direction of:

- (a) The insured; or
- (b) Any executive officer, director, stockholder, partner or member of the insured; and

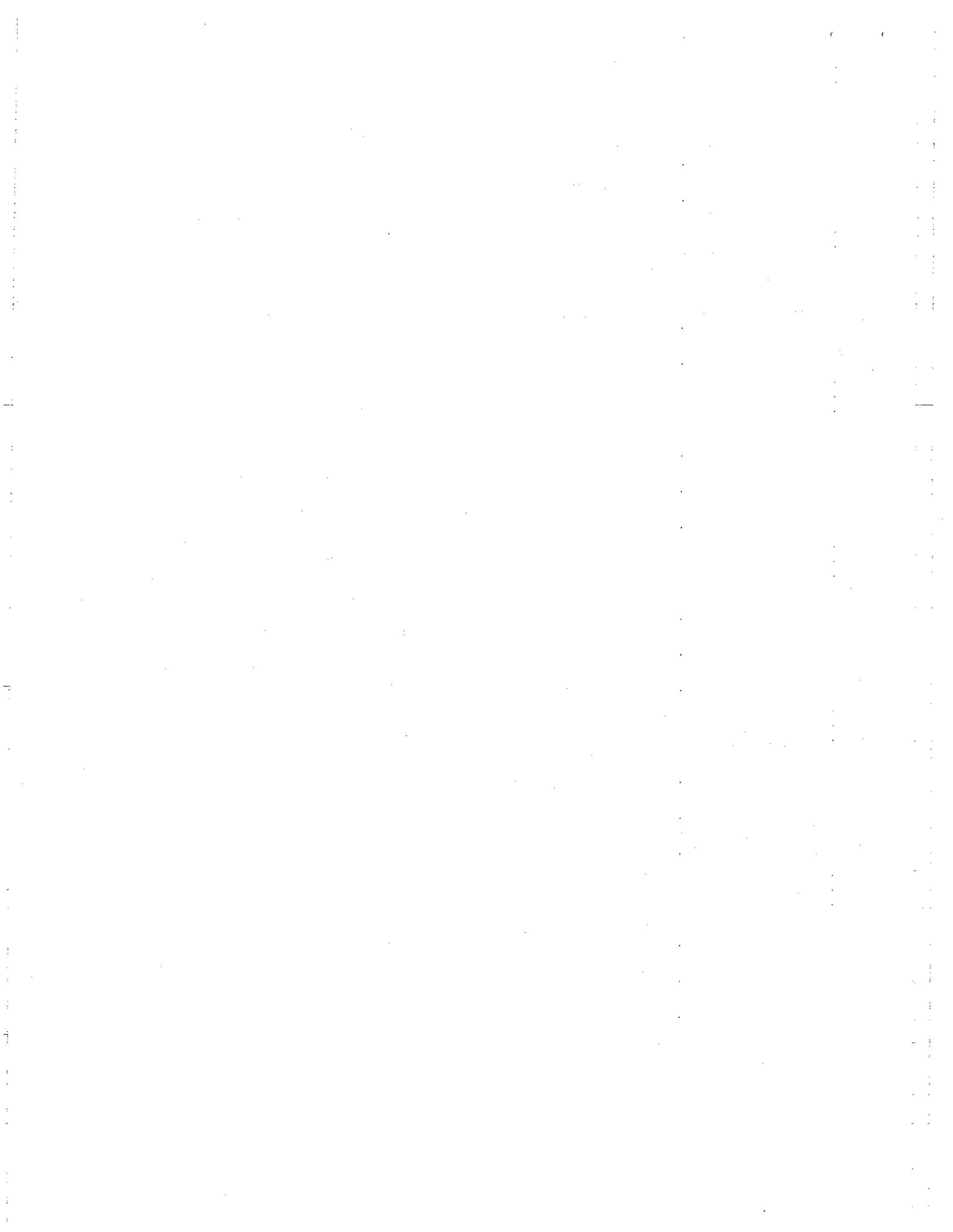
(2) Not directly or indirectly related to the employment, prospective employment or termination of employment of any person or persons by any insured

(3) Not arising out of any advertisement by the insured.

b. Exclusion p.(5) of Section B. **EXCLUSIONS** is amended to apply only to damages arising out of advertisement.

c. Paragraph a. above does not apply in the State of New York.

d. Paragraphs a. and b. above do not apply if "personal and advertising injury" coverage is excluded either by the provisions of this policy or by endorsement





## 8. PROJECT EXAMPLES AND REFERENCES

### A. Project Examples

#### BREVARD COUNTY, FL

**Project Summary:** Energy and Telecom Cost Recovery and Reduction™ Services performed for 500 energy accounts and 1,063 telecom lines

**Results:** \$43,427 in refunds along with a total annual energy and telecom savings of \$65,214

**Project Dates:** December 2009 –November 2010

**Project Description:** Just 35 miles east of Orlando, Brevard County prides itself as the home of Kennedy Space Center, the only facility in the world that launches the Space Shuttle; Port Canaveral, the second-busiest cruise port in the world; 72 miles of beautiful Atlantic Ocean beaches; and the largest collection of endangered wildlife and plants in the continental United States.

In an effort to reduce overall expenses, Brevard County contracted with Cost Control Associates (CCA) to conduct an extensive review of both the County's energy and telecom accounts. The primary purpose of the review was to discover over-charges that could result in refunds for the County and to evaluate the existing rates and services with the hope of producing on-going cost savings.

The only constraints were budgetary. The County had no funds budgeted to pay for such an extensive review. Cost Control Associates agreed to perform the entire review on a contingency basis, taking their fees out of the refunds and savings that their program would produce. If their efforts failed to produce refunds or savings, there would be no cost to Brevard County whatsoever.

The telecom carriers used by the county and where the subsequent savings were realized were AT&T and Sprint. Cost Control Associates' review uncovered \$43,427 in refunds for the County, and over \$65,200 in additional annual cost savings. The County took great pleasure in knowing that the savings produced saved a position that would have otherwise been eliminated.





## CITY OF CLEVELAND, OH

**Project Summary:** Energy/Telecom Cost Recovery and Reduction™ Services performed for over 500 energy accounts and 6,500 telecom lines

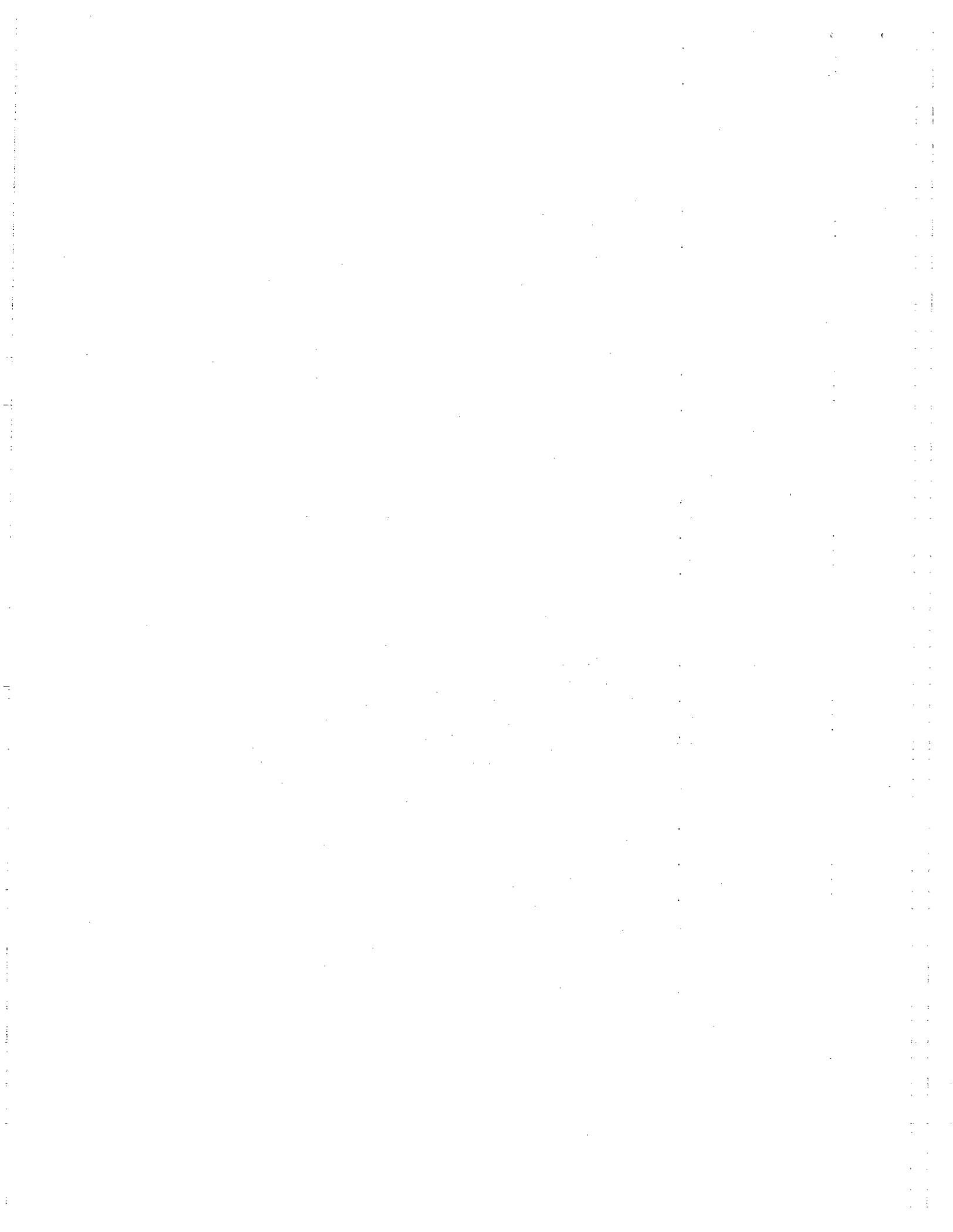
**Results:** \$468,807 in refunds and \$657,803 in annual telecom and energy cost reductions. That is a combined savings of over \$1.1 million

**Project Dates:** September 2003 – June 2008

**Project Description:** The goals established for the Cost Control Associates' team were to review the records for both the City's energy and telecommunication bills to identify and obtain all refunds that might be due the City for erroneous billing and to help put in place any cost savings that might be available through rate and other reductions.

A major constraint on the review process was the large number of accounts in use by the City - 454 AT&T accounts with 6,341 lines and 534 circuits. In addition, the City had 1,444 cell phones billed. Since the City's detailed line and circuit inventory records were incomplete, extensive verifications had to be carried out to create detailed inventory records. A second constraint on the review process was the decentralized management of telecom costs. With the exception of cell phones, each department had the responsibility for its own telephone costs. The fact that there was no one "go-to person" for questions on phone usage and costs often delayed the review process and decision-making. Finally, the fact that Cleveland had no funds allocated to pay a consulting firm to undertake this sizable project, and very few personnel who could expend time to support the process.

Cost Control Associates' Cost Recovery and Reduction™ program produced maximum results by utilizing a combination of its own unique software and its team of seasoned professional analysts to review all energy and telecom accounts. Cost Control Associates created its own databases and relied on its vast utility knowledge and relationships to affect savings. In addition, since Cost Control Associates works on a contingency basis, the company's fees were funded from the refunds and savings that Cost Control Associates produced for the City.





## DALLAS COUNTY, TX

**Project Summary:** Telecom Cost Recovery and Reduction™ Services performed for 480 telecom lines/circuits with AT&T

**Results:** Over \$65,700 in refunds and \$32,200 in annual telecom cost reductions – a combined savings of over \$97,000

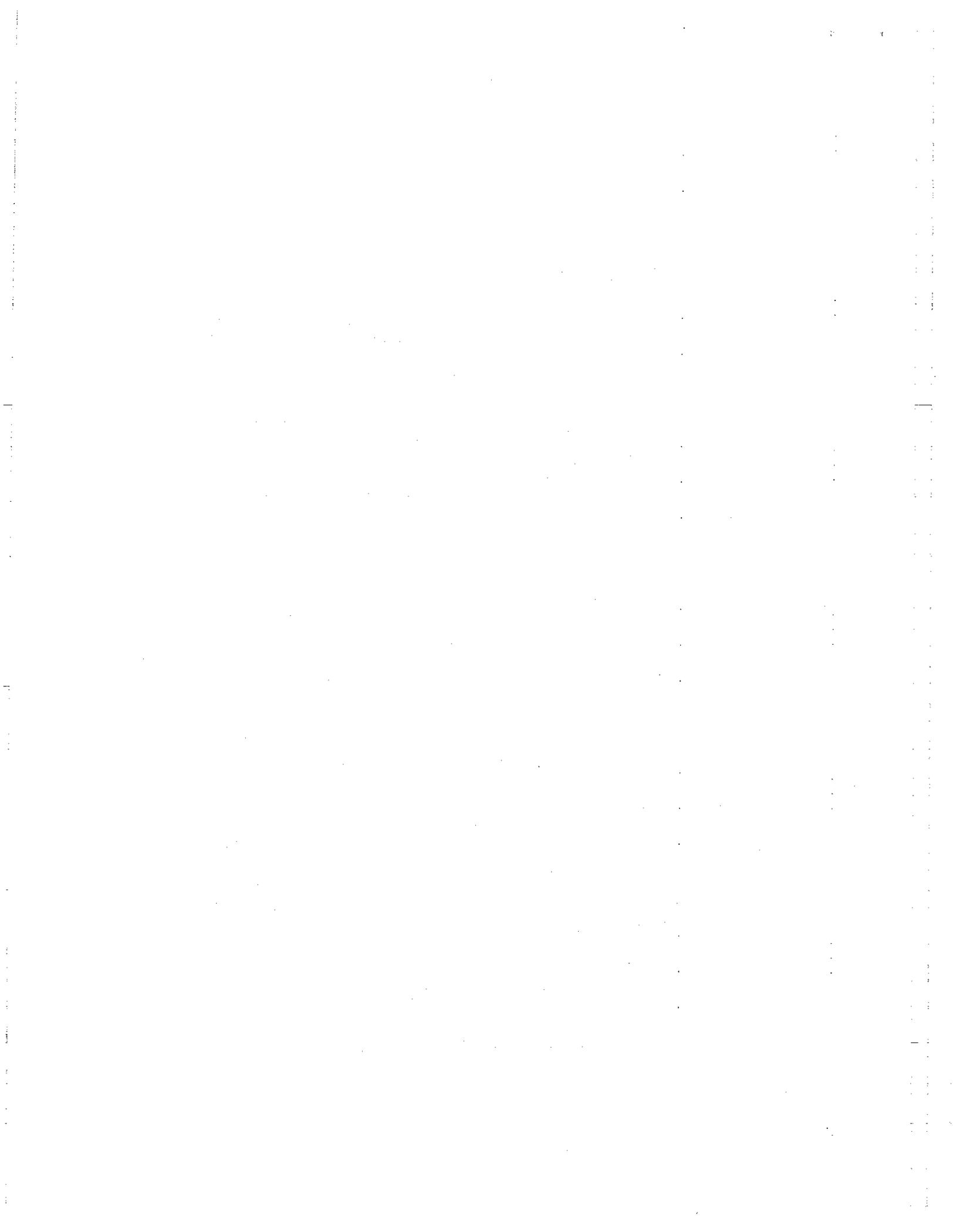
**Project Dates:** October 2007 – October 2008

**Project Description:** Dallas County, acting in partnership with the National Association of Counties (NACo), published a Request For Proposals (RFP) for cost containment services. The primary purpose of the RFP was to develop a national contract for services that could help counties reduce costs. This national contract would allow other government entities around the Country to utilize the same beneficial services and terms by simply piggybacking on the Dallas County contract.

NACo's main requirements for establishing the contract were that it be solicited on a national basis and that it had to be competitively bid. After evaluating the responses from 26 different suppliers, and with input from the National Association of Counties, Dallas County awarded Cost Control Associates, Inc. (CCA) a contract for energy, telecom, and cellular phone cost containment services.

Dallas County had decided early on to allow Cost Control Associates to begin its cost reduction efforts within the County by reviewing telecom and cellular phone bills. A major constraint on the review process was the fact that Dallas County was nearing the completion of a major telecommunications project which changed both the types of services for the County's 45+ locations as well as the service provider. This situation required CCA to analyze two sets of telecom bills, deal with two separate telecom organizations and review bills for past and current service types at each location. CCA created its own databases and relied on its vast telecom industry knowledge and relationships in its efforts to create savings in this case.

The CCA Team was able to discover substantial over-billings on the part of the County's previous vendor for Dallas County. In addition, CCA has instituted both new rates and other changes with the new vendor and wireless providers that will save the County money.





## SOLANO COUNTY

**Project Summary:** Energy/Telecom Cost Recovery and Reduction Services performed for 200 energy accounts and 2,300 telecom lines  
**Results:** The combined results include more than \$200,000 in refunds and annual energy cost reductions

**Project Dates:** December 2007 – February 2010

**Project Description:** Solano County is one of the original California counties created in 1850 at the time of statehood. Solano County today has a population of over 400,000 and one of the most diverse arrays of business and industry in the Bay Area.

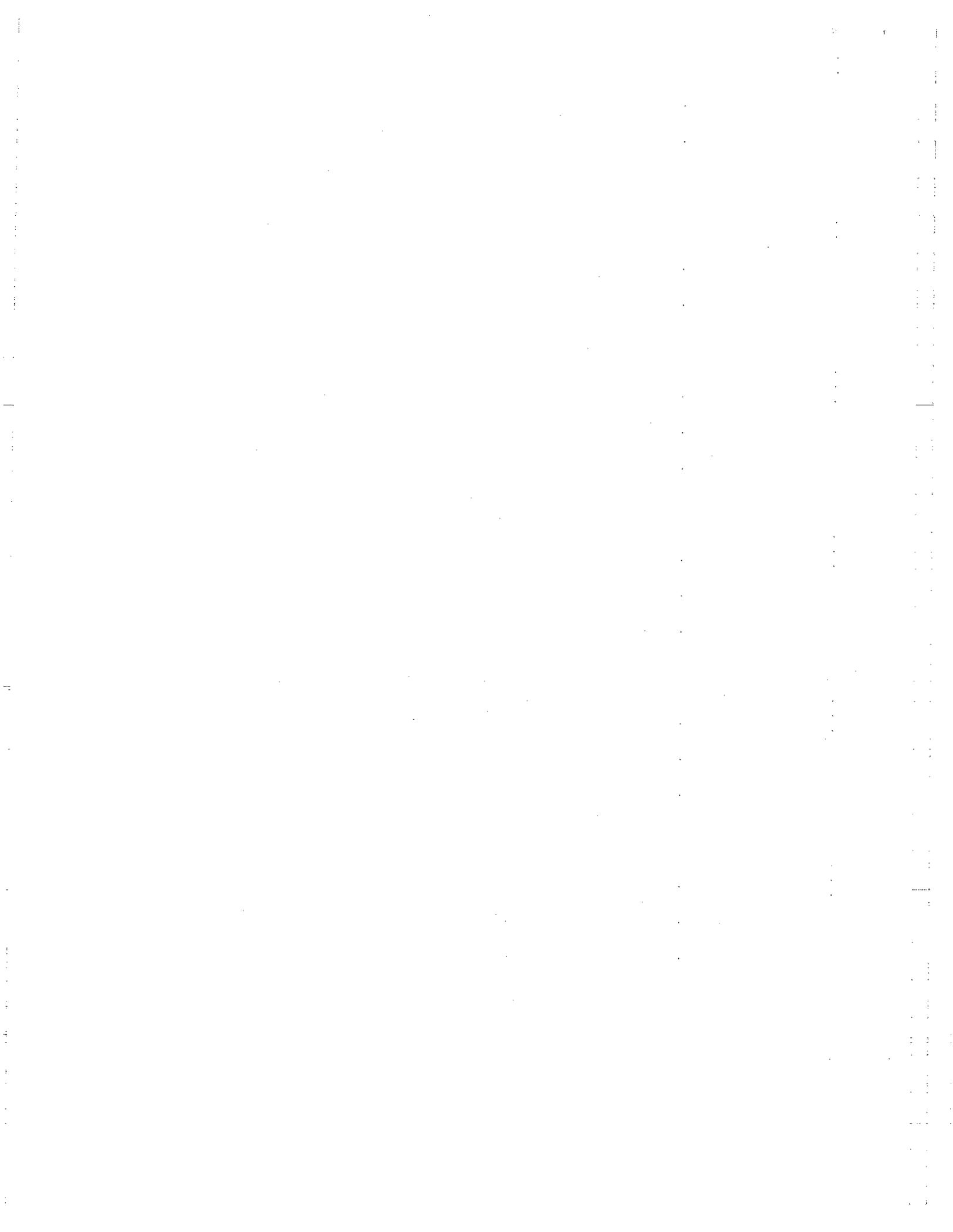
The goals established for the Cost Control Associates' (CCA) Team were to review both the County's energy and telecom bills to:

- Identify and obtain all refunds that might be due the County as a result of erroneous billing.
- Help put in place any cost-saving measures that might be available through rate and other reductions.

CCA's program is a "no-risk approach," meaning it is totally contingency fee based. Since the County could simply "piggyback" on an existing national contract that had been awarded to CCA by Dallas County, Texas, contracting for CCA's services was easy. The County also liked the fact that CCA's programs are endorsed by both the National Association of Counties and the California State Association of Counties.

A unique challenge existed on the telecom side of the review. The County currently buys most of its services under a state contract called Calnet2. The County had recently transitioned from the old state contract (Calnet1) to the new one (Calnet2).

In the conversion from one contract to the other, the carrier (AT&T) discovered that they had been billing certain items incorrectly under the Calnet1 Agreement. The carrier corrected the mistakes when converting the services, but failed to make any refunds for these errors. CCA's review revealed the errors, and was successful in obtaining the refunds due.





## THE OHIO LOTTERY COMMISSION, OH

**Project Summary:** Telecom/Cellular Cost Recovery and Reduction™  
Services performed for 890 telecom lines and 76 cell phones

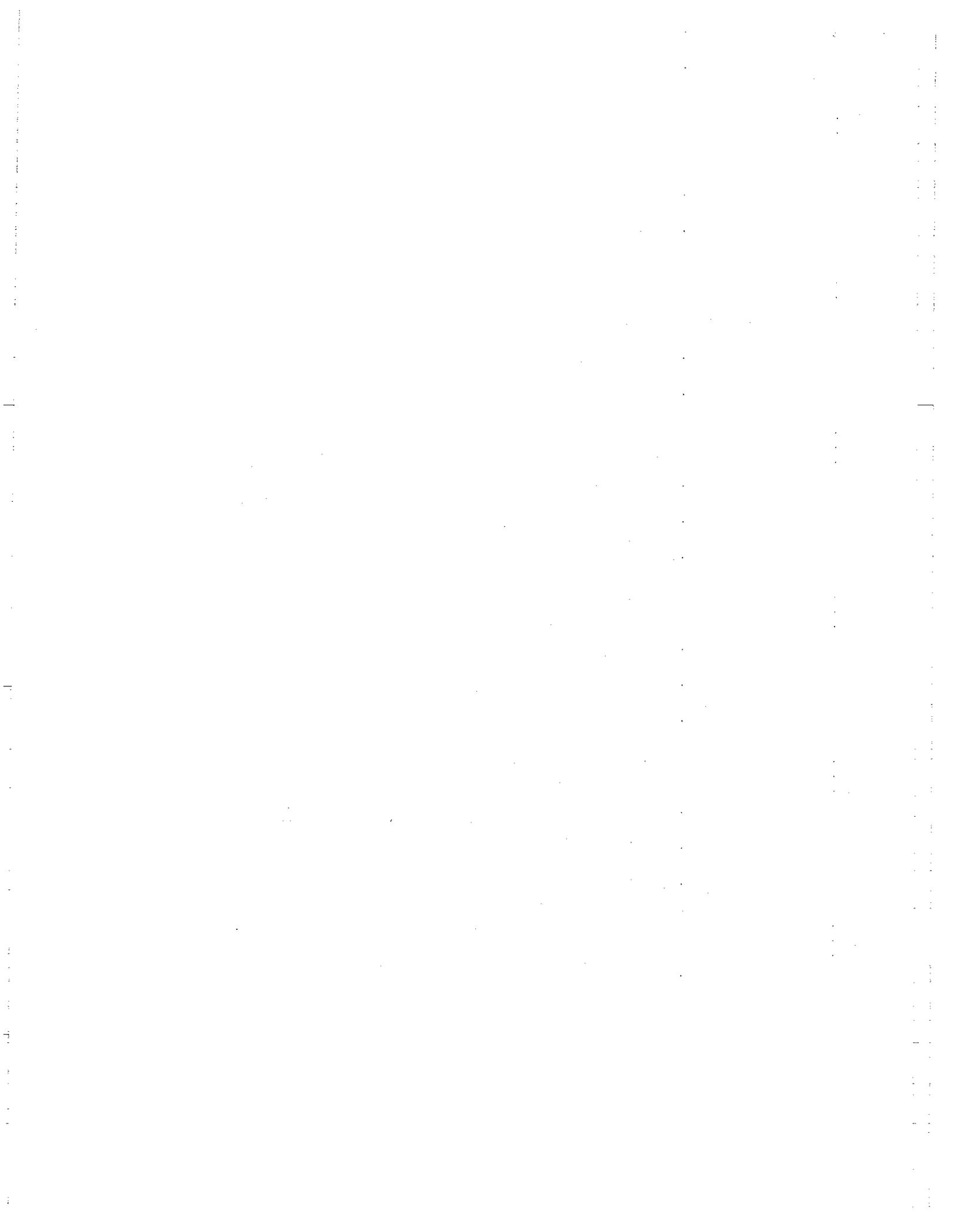
**Results:** Refunds of \$451,950 and annual cost savings of \$105,109

**Project Dates:** October 2007 –December 2010

**Project Description:** The Ohio Lottery Commission (Lottery) was created in May 1973 by a voter-approved constitutional amendment. The first tickets went on sale in August 1974. Today, the Lottery offers customers a wide variety of instant games and on-line games to play at over 8,800 licensed retailer locations across the state. In 2005, the Lottery added on another task - to administer and monitor charitable bingo licensing for the state. Annually, the Lottery provides about 4.5% of the funding needed for public education - an effort shared by local, state and federal governments. Since 1974, the Lottery has provided more than \$16 billion to public education.

In an effort to reduce overall expenses, the Lottery contracted with Cost Control Associates (CCA) to conduct an extensive review of the Lottery's telecom accounts. The primary purpose of the audit was to discover over-charges that could result in refunds for the Lottery and to evaluate the existing rates and services with the hope of producing future savings.

CCA's Cost Recovery and Reduction Program was extremely successful identifying over \$450,000 in refunds from billing errors. One of the most significant findings was that the carrier (AT&T) was billing for circuit drops to lottery terminals that had either never been installed or had been removed years earlier. While the carrier agreed to a refund of \$251,950 for the circuit drops for which the starting date of the error could be established, it refused to issue a refund for the remaining drops as the starting date of the error could not be determined. CCA consulted with the Office of the Attorney General of the State of Ohio regarding referring the matter to the Public Service Commission. With the aid of the Office of the Ohio Attorney General and, without any litigation, a reasonable settlement offer was eventually achieved.





**B. References**

Mr. Jon Sellers  
Director, Information Technology Department  
Brevard County  
2725 Judge Fran Jamieson Way, C203  
Viera, FL 32940  
Phone: 321-637-5376  
Jon.Sellers@brevardcounty.us

Mr. Chris Thompson  
Director, Communications & Central Services  
Dallas County  
509 Main Street  
6th Floor, Room 608  
Records Building  
Dallas, TX 75202  
Phone: 214 -653-6434  
CThompson@dallascounty.org

Mr. George L. Untal  
Senior Management Analyst  
Solano County  
675 Texas Street  
Suite 6500  
Fairfield, CA 94533  
Phone: 707-784-6111  
gluntal@solanocounty.com

Ms. Kenitha Sturdivant  
Information Services Coordinator  
City of Cleveland Division of Water  
205 St. Clair, 4th Floor  
Cleveland, OH 44113  
Phone: 216-664-2444, Ext. 4602  
kenitha\_sturdivant@ClevelandWater.com

This document is confidential to Cost Control Associates and is intended to be used by the addressee only.





Mr. Mike Petro  
Deputy Director  
Ohio Lottery Commission  
Division of Finance and Administration  
615 W. Superior Ave.  
Cleveland, OH 44113  
Phone: 216-774-5511  
michael.petro@olc.state.oh.us

**C. Key Personnel**

**Keith Laake, President**

Role: Dedicated Contract Manager

Job Description: Responsible for strategic planning, marketing and sales, and overall management of the Firm. Keith has developed highly systematic and successful programs to help clients reduce costs.

Industry Certification(s) & Educational Background: B.B.A. from the University of Wisconsin and Certified Public Accountant

Background and Experience: Prior to founding Cost Control Associates in 1991, he was Chief Financial Officer for a retail company and prior to that, was a Senior Manager with Ernst & Young. His articles describing strategies for reducing energy and telecom costs have appeared in a number of regional and national publications. Keith currently serves on the Board of the Fort Hudson Healthcare and is active in a number of volunteer organizations.

**Bonnie Ellis, Senior Analyst**

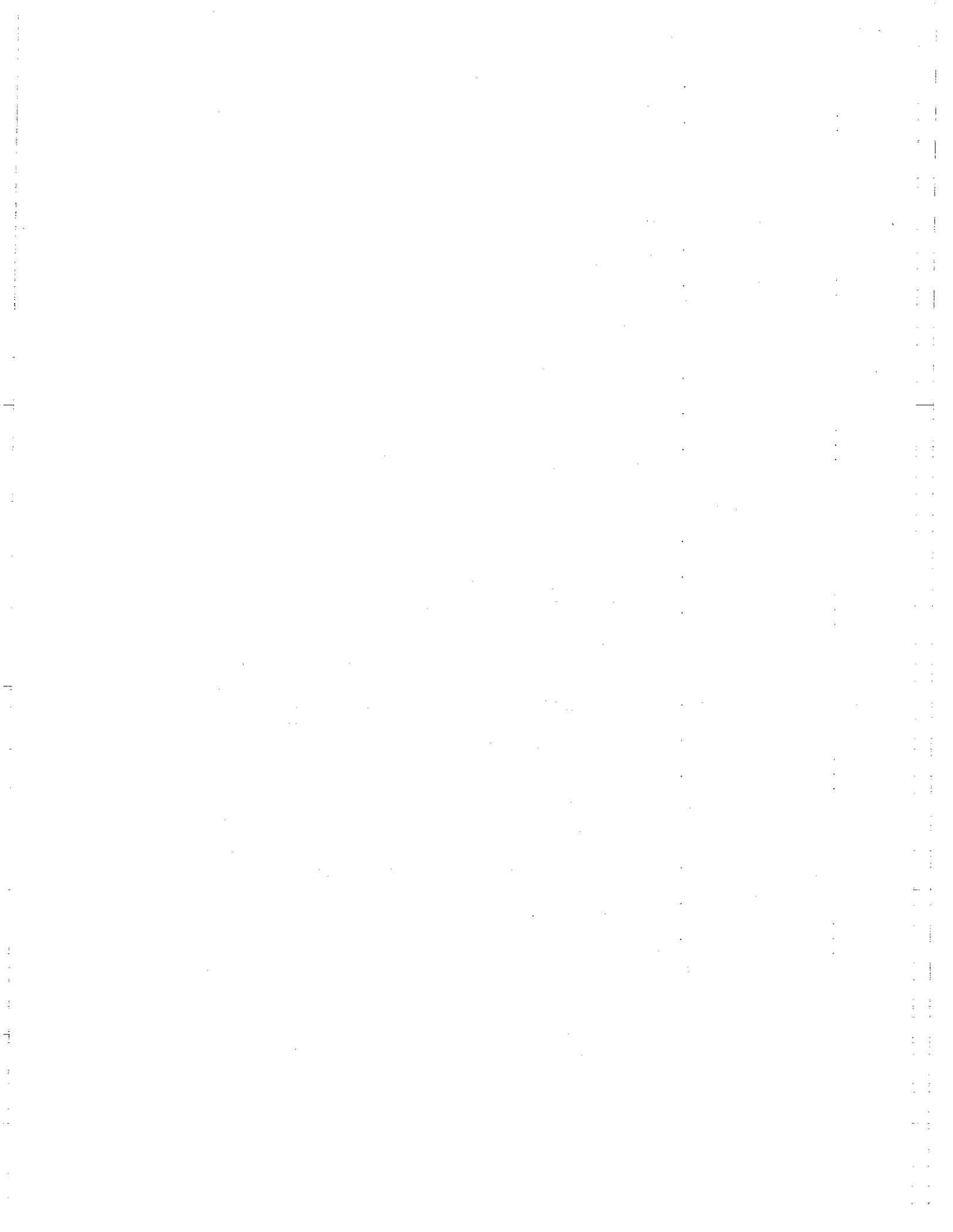
Proposed Role: Telecom Services – Senior Analyst

Job Description: Provides telecom bill review services to a variety of multi-site clients. She specializes in complex comparative analyses and assists clients in evaluating alternative suppliers for local, long distance, and wireless services. She is also involved in training the telecom team.

Industry Certification(s) & Educational Background: Business Administration degree with a concentration in management from SUNY Adirondack.

Work History: Prior to joining Cost Control Associates in 1999, she worked in operations for several locations of a major grocery chain.

This document is confidential to Cost Control Associates and is intended to be used by the addressee only.





This document is confidential to Cost Control Associates and is intended to be used by the addressee only.

**Tina Croke, Analyst**

**Proposed Role:** Telecom Services – Analyst

**Job Description:** Provides telecom bill review services to a variety of clients. Tina's primary responsibilities include negotiating and securing refunds due to billing errors, and recommending and implementing cost reductions.

**Industry Certification(s) & Educational Background:** Business Administration courses at Middlesex County College in Edison, NJ.

**Work History:** Prior to joining Cost Control Associates in 2008, Tina worked accounts payable & telecommunications for a large corporation.

**Deann Paddock, Department Assistant**

**Proposed Role:** Telecom Services – Support Services

**Job Description:** Provides support and assistance to the Telecom Analysts in a variety of functions such as contacting carriers to obtain client data and rate information, researching tariff and contract terms and conditions, and preparing documentation for the Analysts.

**Industry Certification(s) & Educational Background:** Certificate from Stafford Technical Center, Rutland, VT

**Background and Experience:** Prior to joining Cost Control Associates, Dee held administrative support positions in local professional offices.

**Janis Porter, Coordinator-New Client Accounts**

**Proposed Role:** Support Services

**Job Description:** Prepares all bills, historical data and relevant information for review by our Analysts. Janis also has primary responsibility for timely data collection.

**Industry Certification(s) & Educational Background:** Various business and computer courses at SUNY Adirondack.

**Background and Experience:** Prior to joining Cost Control Associates in 2001, Janis owned and operated a successful business for 15 years.

