

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: November 21, 2006 Consent [X] Regular [ ]  
Public Hearing [ ]

Submitted By: Water Utilities Department  
Submitted For: Water Utilities Department

I. EXECUTIVE BRIEF

**Motion and Title:** Staff recommends motion to approve: a Contract for Asset Management Services with CH2M HILL, Inc.

**Summary:** This Contract is recommended for technical assistance with the Utility's ongoing Asset Management Program as prudent planning to ensure the integrity of the County's water and wastewater infrastructure. The Contract has a term of one (1) year, subject to two (2) annual renewals. The selected firm has agreed to meet or exceed a 15% small business participation goal. The consultant has included a list of certified small business (SBE) subcontractors which they intend to use to meet their goal.

(WUD 06-049)

Countywide

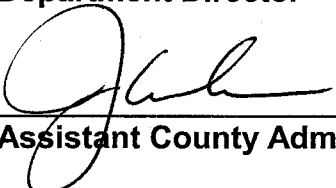
(JM)

**Background and Justification:** The on-going operation, maintenance and administration of the Water Utilities Department requires consulting engineering and planning services to supplement staff availability and expertise in order to advance and implement its Asset Management Program. The goal of better integrating advanced technologies, improving maintenance practices, and reducing life-cycle costs throughout the Utility is part of this Program. The Consultant will assist the Department throughout this ongoing effort. The selected firm was procured under the provisions of s. 287.055, Florida Statutes (Consultant Competitive Negotiation Act) and County-wide PPM No. CW-O-048. Assignment of tasks to the selected firm will be at the sole discretion of the County, and the County may choose to select another firm or use in-house staff to perform any task. Task scope and fee negotiation will be performed on a task by task basis subject to the standard County procedures outlined in Countywide PPM No. CW-F-050.

**Attachments:**

1. Location Map
2. Two (2) Original Contracts

Recommended By:  10/31/06  
Department Director Date

Approved By:  11-8-06  
Assistant County Administrator Date

✓

## II. FISCAL IMPACT ANALYSIS

### A. Five Year Summary of Fiscal Impact:

Fiscal Years	2006	2007	2008	2009	2010
Capital Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
External Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Program Income (County)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
In-Kind Match County	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET FISCAL IMPACT	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Budget Account No: Fund \_\_\_\_ Agency \_\_\_\_ Org \_\_\_\_ Object \_\_\_\_

Is Item Included in Current Budget? Yes \_\_\_\_ No \_\_\_\_

Reporting Category N/A

### B. Recommended Sources of Funds/Summary of Fiscal Impact:

This Contract does not encumber any funds. Consultant Service Authorizations will be issued under each of these Contracts on a task-by-task basis.

C. Department Fiscal Review: Laura M. West

## III. REVIEW COMMENTS

### A. OFMB Fiscal and/or Contract Development and Control Comments:

Fiscal impact undetermined at this time, fee negotiations will be on a task order basis.

[Signature] 11/2/06  
OFMB

[Signature] 11/6/06  
Contract Development and Control

### B. Legal Sufficiency:

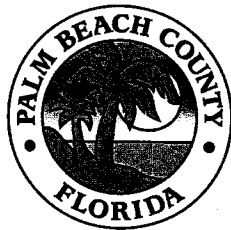
[Signature] 11/8/06  
Assistant County Attorney

This Contract complies with our contract review requirements.

### C. Other Department Review:

\_\_\_\_\_  
Department Director

This summary is not to be used as a basis for payment.



Palm Beach County  
Water Utilities  
Department  
Service Area (SA) and  
Major Facilities

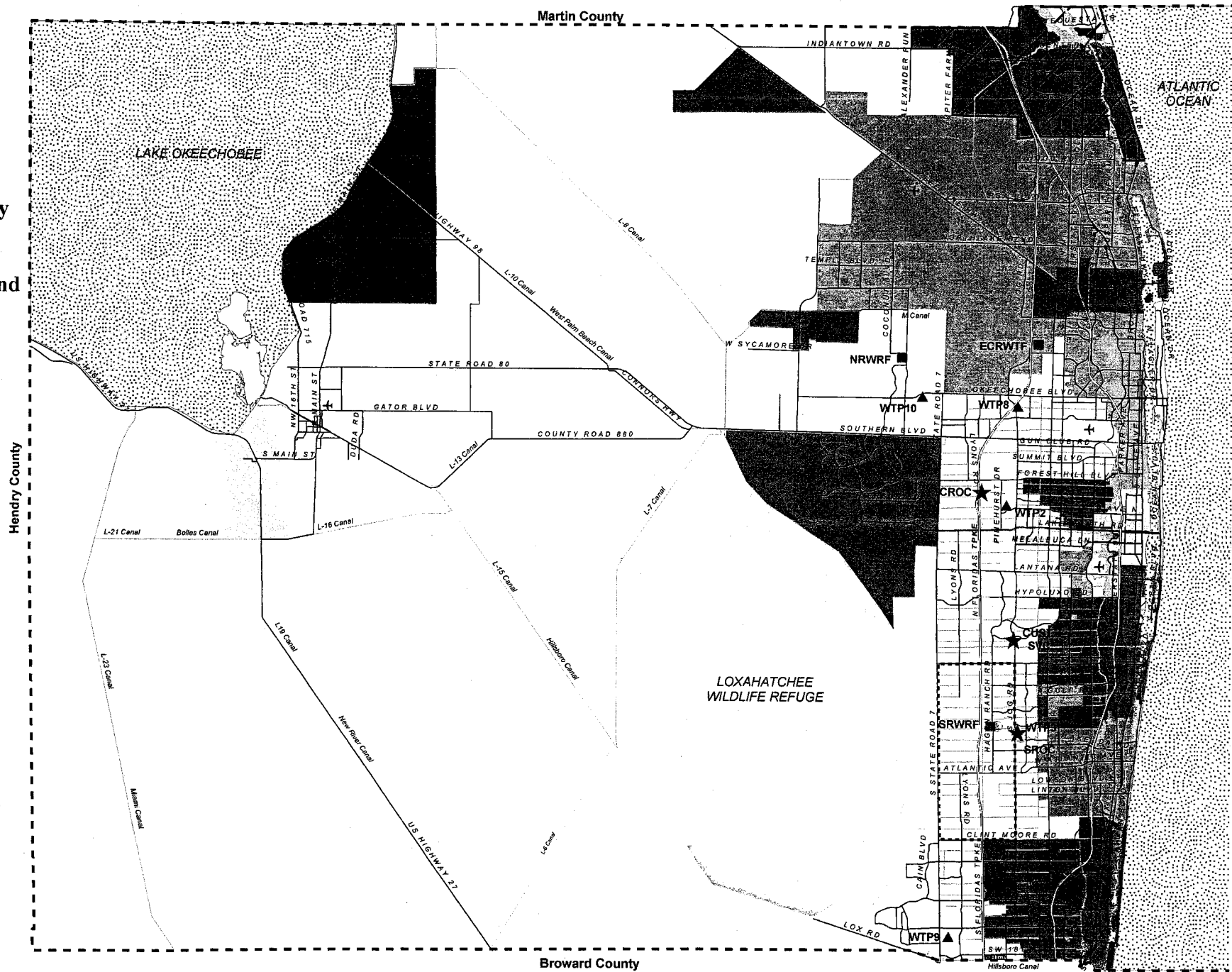
Attachment 1

Legend

- P.B.C.W.U.D. SA
- Mandatory Reclaimed SA
- - - - - Palm Beach County Limits
- ★ Administration
- Water Reclamation Facility
- ▲ Water Treatment Facility
- ☉ Wetlands



NOT TO SCALE



## CONTRACT FOR CONSULTING/PROFESSIONAL SERVICES

This Contract is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_, by and between Palm Beach County, a Political Subdivision of the State of Florida, by and through its Board of Commissioners, hereinafter referred to as the COUNTY, and CH2M HILL INC  
[ ] an individual, [ ] a partnership, [X] a corporation authorized to do business in the State of Florida, hereinafter referred to as the CONSULTANT, whose Federal I.D. is 59-0918189.

In consideration of the mutual promises contained herein, the COUNTY and the CONSULTANT agree as follows:

### ARTICLE 1 - SERVICES

The CONSULTANT'S responsibility under this Contract is to provide professional/consultation services in the area of Asset Management, as more specifically set forth in the Scope of Work detailed in Exhibit "A".

The COUNTY'S representative/liaison during the performance of this Contract shall be Larry Johnson P.E., telephone no. 561.493.6090.

The CONSULTANT'S representative/liaison during the performance of this Contract shall be Rick Morales P.E., telephone no. 954.415.1272.

### ARTICLE 2 - SCHEDULE

The CONSULTANT shall commence services on November 27, 2006 and complete all services by December 22, 2007 with annual renewals

Reports and other items shall be delivered or completed in accordance with the detailed schedule set forth in Exhibit "A".

### ARTICLE 3 - PAYMENTS TO CONSULTANT

- A. The total amount to be paid by the COUNTY under this Contract for all services and materials including, if applicable, "out of pocket" expenses (specified in paragraph C below) shall not exceed a total contract amount of N/A Dollars (\$ N/A). The CONSULTANT shall notify the COUNTY's representative in writing when 90% of the "not to exceed amount" has been reached. The CONSULTANT will bill the COUNTY on a monthly basis, or as otherwise provided, at the amounts set forth in Exhibit "B" for services rendered toward the completion of the Scope of Work. Where incremental billings for partially completed items is permitted, the total billings shall not exceed the estimated percentage of completion as of the billing date.

- B. Invoices received from the CONSULTANT pursuant to this Contract will be reviewed and approved by the COUNTY's representative, to verify that services have been rendered in conformity with the Contract. Approved invoices will then be sent to the Finance Department for payment. Invoices will normally be paid within thirty (30) days following the COUNTY representative's approval.
- C. "Out-of-pocket" expenses will be reimbursed up to an amount not to exceed P/A Dollars (\$ N/A), and in accordance with the list of the types and amounts of expenditures eligible for reimbursement as set forth in Exhibit "B". All requests for payment of "out-of-pocket" expenses eligible for reimbursement under the terms of this Contract shall include copies of paid receipts, invoices, or other documentation acceptable to the Palm Beach County Finance Department. Such documentation shall be sufficient to establish that the expense was actually incurred and necessary in the performance of the Scope of Work described in this Contract. Any travel, per diem, mileage, meals, or lodging expenses which may be reimbursable under the terms of this Contract will be paid in accordance with the rates and conditions set forth in Section 112.061, Florida Statutes.
- D. Final Invoice: In order for both parties herein to close their books and records, the CONSULTANT will clearly state "final invoice" on the CONSULTANT'S final/last billing to the COUNTY. This shall constitute CONSULTANT'S certification that all services have been properly performed and all charges and costs have been invoiced to Palm Beach County. Any other charges not properly included on this final invoice are waived by the CONSULTANT.

#### **ARTICLE 4 - TRUTH-IN-NEGOTIATION CERTIFICATE**

Signature of this Contract by the CONSULTANT shall also act as the execution of a truth-in-negotiation certificate certifying that the wage rates, over-head charges, and other costs used to determine the compensation provided for in this Contract are accurate, complete and current as of the date of the Contract and no higher than those charged the CONSULTANT'S most favored customer for the same or substantially similar service.

The said rates and costs shall be adjusted to exclude any significant sums should the COUNTY determine that the rates and costs were increased due to inaccurate, incomplete or noncurrent wage rates or due to inaccurate representations of fees paid to outside consultants. The COUNTY shall exercise its rights under this Article 4 within three (3) years following final payment.

#### **ARTICLE 5 - TERMINATION**

This Contract may be terminated by the CONSULTANT upon sixty (60) days' prior written notice to the COUNTY's representative in the event of substantial failure by the COUNTY to perform in accordance with the terms of this Contract through no fault of the CONSULTANT. It may also be terminated, in whole or in part, by the COUNTY,

with or without cause, immediately upon written notice to the CONSULTANT. Unless the CONSULTANT is in breach of this Contract, the CONSULTANT shall be paid for services rendered to the COUNTY'S satisfaction through the date of termination. After receipt of a Termination Notice and except as otherwise directed by the COUNTY the CONSULTANT shall:

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

#### **ARTICLE 6 - PERSONNEL**

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

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

Any changes or substitutions in the CONSULTANT'S key personnel, as may be listed in Exhibit "A", must be made known to the COUNTY'S representative and written approval must be granted by the COUNTY's representative before said change or substitution can become effective.

The CONSULTANT warrants that all services shall be performed by skilled and competent personnel to the highest professional standards in the field.

All of the CONSULTANT'S personnel (and all Subcontractors) while on County premises will comply with all COUNTY requirements governing conduct, safety and security.

#### **ARTICLE 7 - SUBCONTRACTING**

The COUNTY reserves the right to accept the use of a subcontractor or to reject the selection of a particular subcontractor and to inspect all facilities of any subcontractors in order to make a determination as to the capability of the subcontractor to perform properly under this Contract. The CONSULTANT is encouraged to seek additional small business enterprises for participation in subcontracting opportunities. If the

CONSULTANT uses any subcontractors on this project the following provisions of this Article shall apply:

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

The Palm Beach County Board of County Commissioners has established a minimum goal for SBE participation of 15% on all County solicitations.

The CONSULTANT agrees to abide by all provisions of the Palm Beach County Code establishing the SBE Program, as amended, and understands that failure to comply with any of the requirements will be considered a breach of contract.

The CONSULTANT understands that each SBE firm utilized on this Contract must be certified by Palm Beach County in order to be counted toward the SBE participation goal.

The CONSULTANT shall provide the COUNTY with a copy of the CONSULTANT's contract with any SBE subcontractor or any other related documentation upon request.

The CONSULTANT understands the requirements to comply with the tasks and proportionate dollar amounts throughout the term of this Contract as it relates to the use of SBE firms.

The CONSULTANT will only be permitted to replace a certified SBE subcontractor who is unwilling or unable to perform. Such substitutions must be done with another certified SBE in order to maintain the SBE percentages established in this Contract. Requests for substitutions of SBE's must be submitted to the COUNTY's representative and to the Office of Small Business Assistance.

The CONSULTANT shall be required to submit to the COUNTY Schedule 1 (Participation of SBE-M/WBE Contractors) and Schedule 2 (Letter of Intent) to further indicate the specific participation anticipated, where applicable.

The CONSULTANT agrees to maintain all relevant records and information necessary to document compliance pursuant to Palm Beach County Code, Chapter 2, Article III, Sections 2-71 through 2-80.13 and any revisions thereto, and will allow the COUNTY to inspect such records.

#### **ARTICLE 8 - FEDERAL AND STATE TAX**

The COUNTY is exempt from payment of Florida State Sales and Use Taxes. The COUNTY will sign an exemption certificate submitted by the CONSULTANT. The CONSULTANT shall not be exempted from paying sales tax to its suppliers for materials

used to fulfill contractual obligations with the COUNTY, nor is the CONSULTANT authorized to use the COUNTY'S Tax Exemption Number in securing such materials.

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

#### **ARTICLE 9 - AVAILABILITY OF FUNDS**

The COUNTY'S performance and obligation to pay under this contract for subsequent fiscal years is contingent upon annual appropriations for its purpose by the Board of County Commissioners.

#### **ARTICLE 10 - INSURANCE**

- A. CONSULTANT shall, at its sole expense, agree to maintain in full force and effect at all times during the life of this Contract, insurance coverages and limits (including endorsements), as described herein. CONSULTANT shall agree to provide the COUNTY with at least ten (10) day prior notice of any cancellation, non-renewal or material change to the insurance coverages. The requirements contained herein, as well as COUNTY'S review or acceptance of insurance maintained by CONSULTANT are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by CONSULTANT under the contract.
- B. **Commercial General Liability** CONSULTANT shall maintain Commercial General Liability at a limit of liability not less than **\$500,000** Each Occurrence. Coverage shall not contain any endorsement excluding Contractual Liability or Cross Liability unless granted in writing by County's Risk Management Department. CONSULTANT shall provide this coverage on a primary basis.
- C. **Business Automobile Liability** CONSULTANT shall maintain Business Automobile Liability at a limit of liability not less than **\$500,000** Each Accident for all owned, non-owned and hired automobiles. In the event CONSULTANT doesn't own any automobiles, the Business Auto Liability requirement shall be amended allowing CONSULTANT to agree to maintain only Hired & Non-Owned Auto Liability. This amended requirement may be satisfied by way of endorsement to the Commercial General Liability, or separate Business Auto coverage form. CONSULTANT shall provide this coverage on a primary basis.
- D. **Worker's Compensation Insurance & Employers Liability** CONSULTANT shall maintain Worker's Compensation & Employers Liability in accordance with Florida Statute Chapter 440. CONSULTANT shall provide this coverage on a primary basis.
- E. **Professional Liability** CONSULTANT shall maintain Professional Liability, or equivalent Errors & Omissions Liability at a limit of liability not less than



**\$1,000,000 Each Claim.** When a self-insured retention (SIR) or deductible exceeds **\$10,000**, COUNTY reserves the right, but not the obligation, to review and request a copy of CONSULTANT'S most recent annual report or audited financial statement. For policies written on a "Claims-Made" basis, CONSULTANT shall maintain a Retroactive Date prior to or equal to the effective date of this Contract. The Certificate of Insurance providing evidence of the purchase of this coverage shall clearly indicate whether coverage is provided on an "occurrence" or "claims - made" form. If coverage is provided on a "claims - made" form the Certificate of Insurance must also clearly indicate the "retroactive date" of coverage. In the event the policy is canceled, non-renewed, switched to an Occurrence Form, retroactive date advanced, or any other event triggering the right to purchase a Supplement Extended Reporting Period (SERP) during the life of this Contract, CONSULTANT shall purchase a SERP with a minimum reporting period not less than 3 years. CONSULTANT shall provide this coverage on a primary basis.

- F. **Additional Insured** CONSULTANT shall endorse the COUNTY as an Additional Insured with a CG 2026 Additional Insured - Designated Person or Organization endorsement, or its equivalent, to the Commercial General Liability. The Additional Insured endorsement shall read

"Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents." CONSULTANT shall provide the Additional Insured endorsements coverage on a primary basis.

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

- H. **Certificate(s) of Insurance** Prior to execution of this Contract, CONSULTANT shall deliver to the COUNTY'S representative as identified in Article 26, a Certificate(s) of Insurance evidencing that all types and amounts of insurance coverages required by this Contract have been obtained and are in full force and effect. Such Certificate(s) of Insurance shall include a minimum ten (10) day endeavor to notify due to cancellation or non-renewal of coverage. The certificate of insurance shall be issued to

Palm Beach County  
c/o Larry Johnson P.E. or Brian Shields P.E.  
8100 Forest Hill Blvd  
West Palm Beach, FL 33416

- I. **Umbrella or Excess Liability** If necessary, CONSULTANT may satisfy the minimum limits required above for either Commercial General Liability, Business Auto Liability, and Employer's Liability coverage under Umbrella or Excess Liability. The Umbrella or Excess Liability shall have an Aggregate limit not less than the highest "Each Occurrence" limit for either Commercial General Liability, Business Auto Liability, or Employer's Liability. The COUNTY shall be specifically endorsed as an "Additional Insured" on the Umbrella or Excess Liability, unless the Certificate of Insurance notes the Umbrella or Excess Liability provides coverage on a "Follow-Form" basis.
- J. **Right to Review** COUNTY, by and through its Risk Management Department, in cooperation with the contracting/monitoring department, reserves the right to review, modify, reject or accept any required policies of insurance, including limits, coverages, or endorsements, herein from time to time throughout the term of this Contract. COUNTY reserves the right, but not the obligation, to review and reject any insurer providing coverage because of its poor financial condition or failure to operate legally.

#### **ARTICLE 11 - INDEMNIFICATION**

CONSULTANT shall protect, defend, reimburse, indemnify and hold COUNTY, its agents, employees and elected officers harmless from and against all claims, liability, expense, loss, cost, damages or causes of action of every kind or character, including attorney's fees and costs, whether at trial or appellate levels or otherwise, arising during and as a result of their performance of the terms of this Contract or due to the acts or omissions of CONSULTANT.

#### **ARTICLE 12 - SUCCESSORS AND ASSIGNS**

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

### **ARTICLE 13 - REMEDIES**

This Contract shall be governed by the laws of the State of Florida. Any legal action necessary to enforce the Contract will be held in Palm Beach County. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

### **ARTICLE 14 - CONFLICT OF INTEREST**

The CONSULTANT represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance of services required hereunder, as provided for in Chapter 112, Part III, Florida Statutes . The CONSULTANT further represents that no person having any such conflict of interest shall be employed for said performance of services.

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

### **ARTICLE 15 - EXCUSABLE DELAYS**

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

Upon the CONSULTANT'S request, the COUNTY shall consider the facts and extent of any failure to perform the work and, if the CONSULTANT'S failure to perform was

without it or its subcontractors fault or negligence, the Contract Schedule and/or any other affected provision of this Contract shall be revised accordingly, subject to the COUNTY'S rights to change, terminate, or stop any or all of the work at any time.

#### **ARTICLE 16 - ARREARS**

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

#### **ARTICLE 17 - DISCLOSURE AND OWNERSHIP OF DOCUMENTS**

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

To the extent allowed by Chapter 119, Florida Statutes, all written and oral information not in the public domain or not previously known, and all information and data obtained, developed, or supplied by the COUNTY or at its expense will be kept confidential by the CONSULTANT and will not be disclosed to any other party, directly or indirectly, without the COUNTY'S prior written consent unless required by a lawful court order. All drawings, maps, sketches, programs, data base, reports and other data developed, or purchased, under this Contract for or at the COUNTY'S expense shall be and remain the COUNTY'S property and may be reproduced and reused at the discretion of the COUNTY.

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

#### **ARTICLE 18 - INDEPENDENT CONTRACTOR RELATIONSHIP**

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

The CONSULTANT does not have the power or authority to bind the COUNTY in any promise, agreement or representation.

#### **ARTICLE 19 - CONTINGENT FEES**

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

#### **ARTICLE 20 - ACCESS AND AUDITS**

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

#### **ARTICLE 21 - NONDISCRIMINATION**

The CONSULTANT warrants and represents that all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, or sexual orientation.

#### **ARTICLE 22 - AUTHORITY TO PRACTICE**

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

#### **ARTICLE 23 - SEVERABILITY**

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

#### **ARTICLE 24- PUBLIC ENTITY CRIMES**

As provided in F.S. 287.132-133, by entering into this contract or performing any work in furtherance hereof, the CONSULTANT certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the

convicted vendor list maintained by the State of Florida Department of Management Services within the 36 months immediately preceding the date hereof. This notice is required by F.S. 287.133(3)(a).

#### **ARTICLE 25 - MODIFICATIONS OF WORK**

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

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

If the COUNTY elects to make the change, the COUNTY shall initiate a Contract Amendment and the CONSULTANT shall not commence work on any such change until such written amendment is signed by the CONSULTANT and approved and executed on behalf of Palm Beach County.

#### **ARTICLE 26 - NOTICE**

All notices required in this Contract shall be sent by certified mail, return receipt requested, hand delivery or other delivery service requiring signed acceptance. If sent to the COUNTY, notices shall be addressed to:

Larry Johnson P.E.  
8100 Forest Hill Blvd  
West Palm Beach, FL 33416

With copy to:

Palm Beach County Attorney's Office  
301 North Olive Ave.  
West Palm Beach, Florida 33401

If sent to the CONSULTANT, notices shall be addressed to:

Rick Morales P.E.  
800 Fairway Drive Suite 350  
Deerfield Beach, Florida 33441

**ARTICLE 27 - ENTIRETY OF CONTRACTUAL AGREEMENT**

The COUNTY and the CONSULTANT agree that this Contract sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Contract may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto in accordance with Article 25- Modifications of Work.

**ARTICLE 28 - CRIMINAL HISTORY RECORDS CHECK**

The CONSULTANT shall comply with the provisions of Ordinance 2003-030, the Criminal History Records Check Ordinance ("Ordinance"), if CONSULTANT'S employees or subcontractors are required under this contract to enter a "critical facility" as identified in Resolution R-2003-1274. The CONSULTANT acknowledges and agrees that all employees and subcontractors who are to enter a "critical facility" will be subject to a fingerprint based criminal history records check. Although COUNTY agrees to pay for all applicable FDLE/FBI fees required for criminal history record checks, the CONSULTANT shall be solely responsible for the financial, schedule, and staffing implications associated in complying with Ordinance 2003-030.

**ARTICLE 29 - REGULATIONS; LICENSING REQUIREMENTS:**

The CONSULTANT shall comply with all laws, ordinances and regulations applicable to the services contemplated herein, to include those applicable to conflict of interest and collusion. CONSULTANT is presumed to be familiar with all federal, state and local laws, ordinances, codes and regulations that may in any way affect the services offered.

IN WITNESS WHEREOF, the Board of County Commissioners of Palm Beach County, Florida has made and executed this Contract on behalf of the COUNTY and CONSULTANT has hereunto set its hand the day and year above written.

**ATTEST:**

**SHARON R. BOCK  
CLERK AND COMPTROLLER**

**PALM BEACH COUNTY  
BOARD OF COUNTY  
COMMISSIONERS:**

By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
Addie L. Greene, Chairperson

**WITNESS:**

\_\_\_\_\_  
Signature

**CONSULTANT:**

\_\_\_\_\_  
CH2M HILL INC.  
Company Name

\_\_\_\_\_  
Name (type or print)

Paula W Chase  
Signature

PAULA W. CHASE  
Name (type or print) ASST. SECRETARY

Wendy Nero  
Signature

Wendy Nero  
Typed Name

Vice President  
Title

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY

(corp. seal)

By \_\_\_\_\_  
County Attorney

APPROVED AS TO TERMS  
AND CONDITIONS

By Bruce Beaman  
Department Director



## **EXHIBIT "A"**

**SCOPE OF WORK** is generally described as Asset Management Services. Specific Scope(s) of Work may be directed on a Task Order or Consulting Services Authorization basis. Payment for these services shall be based on attached rate table and invoicing shall conform to the Articles of the Contract.

## Chapter 3—Personnel

PBCWUD's goal of sustainable asset management can be met by implementation of a program that considers not only the physical assets of the system but also the personnel resources and the business practices they follow. The Department has already set the stage for implementation of this program with its current project team arrangement: the Asset Management Steering Team and the Core Teams in the key areas of asset management.

CH2M HILL brings back two key staff who have worked with you to date: Eric Rothstein and Roop Lutchman. In addition, we are proposing asset management professionals to lead our efforts in assisting each of your Core Teams. Finally, each team will have access to specialists to provide key expertise and to local Florida staff to ensure our responsiveness to your needs.

This team will implement the following approach based on our understanding of the assignment, which we describe here. Following the discussion of the approach, we introduce our team and present detailed information about their roles and qualifications.

### Our Understanding of the Assignment

Palm Beach County Water Utility Department (PBCWUD or the Department) is responsible for delivery of potable water and wastewater services to its customer base in the West Palm Beach County area. The Department has a mix of physical assets (linear – underground lines, discrete – plants) and technology assets (hardware, networking and business applications) at its disposal to meet desired service levels. The senior management team at the Department recognizes the need to identify and implement strategies to maintain service levels in the face of ongoing business drivers. These include growth in service demand, infrastructure deficit, hurricane threats, tighter regulations (e.g., CMOM), recruitment challenges, aging workforce, and loss of corporate knowledge. PBCWUD has identified Sustainable Asset Management as a key process that can help them meet these current business drivers and also set the stage for sustainability. In response, an Asset Management Team (AM Team) was established to oversee the design and implementation of an Asset Management Program that considered the unique

requirements of the County. The goal of the program is to improve long-term operability of the water and wastewater systems at minimum lifecycle costs.

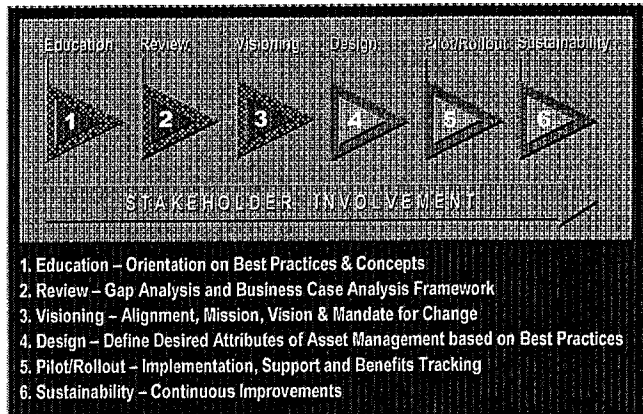
PBCWUD contracted CH2M HILL to work with the AM Team and develop an implementation plan for piloting the various concepts and setting the stage for rollout to the rest of the Utility's operations. The AM Team found merit in the unique approach to asset management (Exhibit 3-1) that identified that effectiveness, and eventually sustainability, can only be achieved by focusing on four key components at the same time: Strategy, Assets (physical and technology), Business Processes, and People.



**EXHIBIT 3-1**  
Components of an Asset Management Program

The AM Team is following a six-step implementation methodology (Exhibit 3-2) for the PBCWUD Asset

Management Program. At this time, Steps 1 to 3 (Education, Review, and Visioning) are completed. This Request for Proposals is for consulting services to support the AM Team in executing specific tasks related to Steps 4 and 5 of the implementation methodology.



**EXHIBIT 3-2**  
Six-Step Implementation Methodology

## Plan to Accomplish Scope of Work Items

The AM Team has identified a need for consulting services to work with Core Teams to develop the design elements of each of the asset management components, provide support for implementing the design elements in a pilot area, and develop a rollout plan to other areas of the operations. The RFP identifies the following major scope items, and we have provided a brief description of the service we will provide for each.

### Project Management (Task 1.0)

Deliver project activities within time, scope, and budget and with managed impact on the operations.

#### *Work Plan*

The CH2M HILL /EMA/Indigo team will provide support to the various PBCWUD Core Teams to develop the work plans and execute the defined activities. It will be necessary to ensure that there is appropriate integration across tracks (for example, data requirements for infrastructure assets will feed the technology assets track for configuration of Maximo). We will work with the various teams to review and expand on initial concepts, to define tactical objectives, performance metrics, and targets for frontline teams, and to ensure that cross-team

interconnections and interdependencies are reflected in the work plan. In addition, we will assist PBCWUD in determining how responsibilities will be assigned and how performance will be monitored and rewarded by providing examples of how this has been done successfully elsewhere. Specific goals and objectives are discussed below for each track.

### Strategy (Task 2.0)

Develop utilitywide performance goals, objectives, measures and scorecards for selected divisions/sections together with relevant tactical plans (built on previous work done in this area). Consolidate the Strategic Plan, Vision, Goals, Objectives, Section Scorecards, and Work Plans into a single comprehensive plan for the Department.

#### *Strategy Development Track*

We will assist the Strategy Development Core Team to fully define departmental goals, objectives, service levels and performance indicators and drill these down to the Division and Section levels. We will leverage our experiences at other utilities and from our research work to develop and explore examples that would make sense for PBCWUD. The Strategy Track will take a lead role in finalizing the Asset Management Program work plan and developing intra-departmental service level agreements necessary to ensure effective coordination around the asset life cycle. We will also leverage CH2M HILL's experiences in asset rehabilitation and renewals (R&R) to establish the needed R&R budget. We will develop a benefits tracking document that will help track and communicate the results of the program.

### Infrastructure Asset Management (Task 3.0)

Review and update the capital improvement project process (asset criticality, failure modes and effects, asset Repair, Rehabilitation and Replacement model, Business Case evaluation, prioritized CIP process, O&M asset management requirements).

#### *Infrastructure Assets Track*

We will support the Infrastructure Asset Core Team in the preparation of asset inventory and replacement costs, asset risk, and vulnerability analysis using a standard risk model and criticality matrix. Our previous experience in this area on similar asset classifications will be discussed with the team for

relevance and used as a basis for development of a PBCWUD model. We will also leverage the extensive work that the company has done in the infrastructure condition assessment area to develop condition assessment grading scales and techniques. In addition, our project team members will provide a standard methodology for analysis of lifecycle costs and identification of the expected return on investment of proposed CIP projects. We will also leverage our experience on previous new asset projects to establish data requirements and formats for new assets for electronic data population. This will result in a clear basis for determining R&R and O&M need, fairly evaluating CIPs (using a risk-based prioritization model) and reducing paper work for new projects.

### **Technology Asset Management (Task 4.0)**

Coordinate with the Maximo implementation (process mapping, configuration support, and post implementation review of Maximo in the Pilot area).

#### ***Technology Assets Track***

This track has the following technology assets goals:

- ♦ Design and implementation of an integrated technology solution to support maintenance management business processes
- ♦ A pilot study for mobile computing for O&M line crews and lift station personnel
- ♦ Development of automated data gathering applications
- ♦ An upgrade of the scanning quality and red-line capability for as-built drawings

These activities must be coordinated with the Maximo upgrade, must include use of customized work order forms and customized reports, and must enable integration with existing technologies. We have experienced staff who will be able to support this team in achieving the Maximo implementation goal and ensuring that the appropriate integration occurs for the other tasks. Our staff has successfully assisted other utilities in achieving fewer redundancies in information management, reduced paperwork, improved work order management, reduced customer complaints and unplanned work, and fewer unknowns in field. This experience enables us to provide useful guidance to the Technology Asset Core Team that will

ensure PBCWUD ends up with a practical and working technology solution.

### **People Effectiveness (Task 5.0)**

Provide input to review and update job descriptions, to reflect new roles, responsibilities, skills, qualifications, to support effective AM, training program development and delivery, rewards and recognition options)

#### ***People Effectiveness Track***

This team has a general goal of implementing practical solutions to enhance the skills of staff who manage assets. It includes confirmation of customer needs and establishment of job descriptions and development of training programs (e.g., for planner/schedulers to prepare job plans, plan work orders, and identify work order backlog). The training program should also focus on soft skills (e.g., leadership, communications, and teamwork) as well as technical skills (e.g., computer applications such as Maximo). The revised job descriptions must be re-evaluated based on pay scales to reflect additional skills and duties. We can provide guidance based on concepts that have worked in this or at other utilities. We will leverage our experience on similar projects to develop the necessary templates, documentation and training plans to achieve this goal.

With the Department re-designing business processes, updating roles and responsibilities, and expanding skills and competencies, we see a clear need for skills gap analysis and development of training programs to address these gaps. We will also suggest different ideas and concepts that have been used successfully in a municipal environment that can help PBCWUD recognize contributions of people facilitating asset management, particularly recognition of early wins. The end result should be the right staff in adequate numbers, with clear roles and responsibilities, and adequate training to do what is required for effective asset management.

### **Business Process (Task 6.0)**

Work order management (work processes mapping, work plans development), development of service level agreements for effective coordination among sections/divisions, CMOM analysis (review and identification of programs and practices that constitute an effective CMOM, risk assessment and identification of areas for improvement).

**Business Process Track**

CH2M HILL's operations business unit resources on our project team have extensive practical experience in improving business processes, developing job plans, and using a CMMS to enable the work order management process. We will make these resources available to the Business Process Core Team and provide the necessary assistance to

- ◆ Upgrade job plans, including feedback from supervisors and estimates of time, equipment, tools and material
- ◆ Implement work order planning, scheduling and tracking for O&M plant and line functions
- ◆ Work with the Maximo team to prepare customized work order forms and automated data input for O&M line and O&M plant functions
- ◆ Identify best practices, job plans, resources and priority for O&M valve maintenance
- ◆ Work with the infrastructure asset core team to evaluate criticality of existing R&R projects and establish needed R&R budget

Results expected from this track are effective coordination of work around the asset lifecycle and a work management process that maximizes asset reliability and performance levels by doing the right maintenance task at the right time.

**Phase 2 Planning (Task 7.0)**

Close out of Phase 1 activities based on an evaluation of Phase 1 (Pilot) and development of detailed plans by similar tracks as Phase 1 for rollout activities to the rest of the operations (Phase 2).

**On-Call Services (Task 8.0)**

Support the asset management program (as requested by the County)

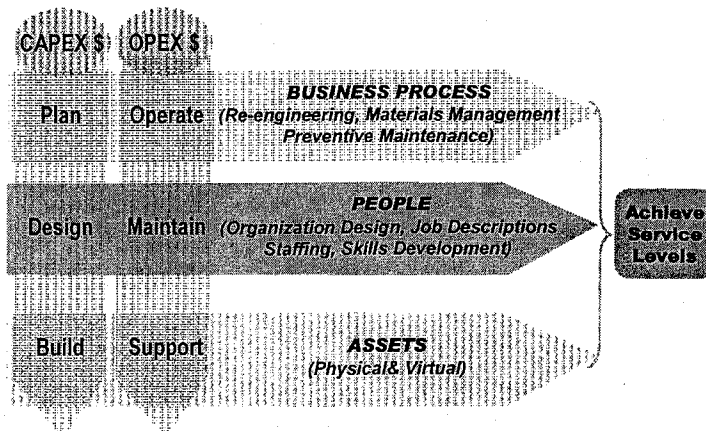
Our approach to sustainable asset management and implementation of an AM program necessary to meet the needs of PBCWUD is discussed in the following sections. More details on our approach and methodology specific to the individual tasks (1.0 to 8.0) are given in Chapter 14, Standard Form 330, Part I, Section H.

**Our Approach to Sustainable Asset Management**

PBCWUD is interested in an approach and implementation methodology for its AM Program that is robust and has been used successfully to help organizations effectively manage their assets with an end goal of sustainability. The Department is also interested in a rapid process that engages its key staff at all levels, maximizes the transfer of knowledge to staff, and builds on previous and current initiatives. The following discussion provides an overview of our approach to business optimization that we have successfully used at other clients in a similar business environment.

**A Simple Business Model for Sustainability**

A simplified view (Exhibit 3-3) of a water company's business model shows that capital investment dollars (CAPEX) are injected into the business at the start and at regular intervals as part of a Capital Asset Management (CAM) program to create new assets, modify or upgrade and eventually replace them. Operating dollars (OPEX) must be injected on an ongoing basis to ensure that people can execute the necessary business processes effectively so that the assets can meet agreed-on service levels at a minimum cost of ownerships. For this model to work well the four key elements of asset management must be in balance at all times: Strategy, Assets, People, and Processes.



**EXHIBIT 3-3**  
Simple Business Model for Utilities

Exhibit A

CH2M HILL, Inc. Bill Rates for 2006		
Position	Bill Rates	
	Minimum Bill Rate	Maximum Bill Rate
Engineer/Scientist 9	*See Note	*See Note
Engineer/Scientist 8	\$192.42	\$331.74
Engineer/Scientist 7	\$135.63	\$294.36
Engineer/Scientist 6	\$113.25	\$230.79
Engineer/Scientist 5	\$87.99	\$206.07
Engineer/Scientist 4	\$79.71	\$165.24
Engineer/Scientist 3	\$59.04	\$137.49
Engineer/Scientist 2	\$56.25	\$110.55
Engineer/Scientist 1	\$46.44	\$94.20
Engineer/Scientist 0	\$43.29	\$69.24
Technician 5	\$75.54	\$131.34
Technician 4	\$59.73	\$113.88
Technician 3	\$53.40	\$98.67
Technician 2	\$48.00	\$76.74
Technician 1	\$40.50	\$67.05
Technical Aide	\$21.00	\$45.00
Office	\$34.71	\$108.18

Note: These 2006 rates are subject to annual calendar year adjustments of 3.0%. The Rate for Position/Classification E-9 (Project Manager) will be priced based upon the individual's actual wage, and burdened consistent with the other Positions/Classifications listed above. Such rates will be established for each Work Authorization or other authorizing Contract Document. Rates reflected include all allowances for salary and payroll costs (including salaries and wages, social security contributions, unemployment compensation, excise and payroll taxes, workers compensation, health and retirement benefits, bonuses, sick leave, vacation pay and holiday pay applicable thereto), fringe benefits, overhead, G&A and profit. These rates do not include the costs of direct expenses, subconsultant costs, subcontractor costs, or other outside services and expense costs. Any travel, per diem, mileage, meals, or lodging expenses will be in accordance with the rates and conditions set forth in Section 112.061, Florida Statutes. Direct Expenses typically include, but may not be limited to: direct costs of transportation, meals and lodging; outside reproduction costs; mail. A service charge of 10% is applied to all subconsultant and outside service costs.

## EXHIBIT "B"

### SCHEDULE OF PAYMENTS

The Scope of Work to be completed by CONSULTANT as defined in Exhibit "A" consists of specific completion phases which shall be clearly identified on a phase-by-phase basis upon submission to the COUNTY of certain "deliverables"\* as expressly indicated below. Compensation for the work tasks stated herein shall be in accordance with the following Schedule of Payments:

#### PHASE 1

Task(s) to be Completed:

Completion Time: N/A Compensation for Phase 1:  
\$ N/A

Deliverable(s) Required:

#### PHASE 2

Task(s) to be Completed:

Completion Time: N/A Compensation for Phase 2:  
\$ N/A

Deliverable(s) Required:

#### PHASE 3

Task(s) to be Completed:

Completion Time: N/A Compensation for Phase 3:  
\$ N/A

Deliverable(s) Required:

\* "Deliverables" shall be defined as progress reports, prepared maps, bid documents, completed drawings, specific reports, work plans, documentation of meetings attended, assessment study reports, analysis reports, summary reports, recommendation reports and related draft reports and verifiable deliverables.

<b>MARSH</b>		<b>CERTIFICATE OF INSURANCE</b>		CERTIFICATE NUMBER SEA-000983352-01	
PRODUCER MARSH USA, INC. 1225 17TH STREET, SUITE 2100 DENVER, CO 80202-5534			THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.		
15114 -00005-ALL1-2000      DFB      983349			COMPANIES AFFORDING COVERAGE		
INSURED CH2M HILL, INC. 800 FAIRWAY DRIVE, SUITE 350 DEERFIELD BEACH, FL 33441-1831			COMPANY A    ZURICH AMERICAN INSURANCE COMPANY		
			COMPANY B		
			COMPANY C		
			COMPANY D		
COVERAGES      This certificate supersedes and replaces any previously issued certificate for the policy period noted below.      1					
THIS IS TO CERTIFY THAT POLICIES OF INSURANCE DESCRIBED HEREIN HAVE BEEN ISSUED TO THE INSURED NAMED HEREIN FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THE CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, CONDITIONS AND EXCLUSIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.					
CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input checked="" type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				GENERAL AGGREGATE    \$ PRODUCTS - COMP/OP AGG    \$ PERSONAL & ADV INJURY    \$ EACH OCCURRENCE    \$ FIRE DAMAGE (Any one fire)    \$ MED EXP (Any one person)    \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT    \$  BODILY INJURY (Per person)    \$  BODILY INJURY (Per accident)    \$  PROPERTY DAMAGE    \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT    \$ OTHER THAN AUTO ONLY:    \$ EACH ACCIDENT    \$ AGGREGATE    \$
	EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM				EACH OCCURRENCE    \$ AGGREGATE    \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY  THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				WC STATU- TORY LIMITS    OTH- ER    \$ EL EACH ACCIDENT    \$ EL DISEASE-POLICY LIMIT    \$ EL DISEASE-EACH EMPLOYEE    \$
A	OTHER PROFESSIONAL LIABILITY*	EOC3829621-04	05/01/06	05/01/07	\$1,000,000 EACH CLAIM AND TOTAL FOR ALL CLAIMS
DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS RE: PALM BEACH COUNTY ASSET MANAGEMENT; PROJECT NO. 348926.D1.BD PM: RICK MORALES *FOR PROFESSIONAL LIABILITY COVERAGE, THE AGGREGATE LIMIT IS THE TOTAL INSURANCE AVAILABLE FOR CLAIMS PRESENTED WITHIN THE POLICY PERIOD FOR ALL OPERATIONS OF THE INSURED. THE LIMIT WILL BE REDUCED BY PAYMENTS OF INDEMNITY AND EXPENSE.					
CERTIFICATE HOLDER  PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS ATTN. BRIAN SHIELDS 8100 FOREST HILL BOULEVARD PO BOX 16097 WEST PALM BEACH, FL 33416			CANCELLATION SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR THE ISSUER OF THIS CERTIFICATE. MARSH USA INC. BY: Dorothy A. Stevens <i>Dorothy A. Stevens</i> MM1(3/02)      VALID AS OF: 10/19/06		



**ENDORSEMENT -11**

Named Insured: CH2M Hill Companies, Ltd.

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
GLO3784726-02	5/1/06	5/1/07	5/1/06	29-253-000	\$	

Typed: 09/27/06

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

The Insured: CH2M Hill Companies, Ltd.

Mailing Address (including Zip Code): P.O. Box 22508  
Denver, CO 80222

This endorsement modifies insurance provided by the following:  
**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

It is agreed the following Broad Form Additional Insured is added effective May 1, 2006:

**BROAD FORM ADDITIONAL INSURED**

ALL PERSONS, ORGANIZATIONS OR ENTITIES FOR WHOSE PROTECTION AND BENEFIT THE NAMED INSURED HAS AGREED TO NAME THEM AS AN ADDITIONAL INSURED BY CONTRACT DURING THE TERM OF THIS POLICY INDICATING SUCH COVERAGE. HOWEVER, INSURANCE WITH RESPECT TO EACH PERSON, ORGANIZATION OR ENTITY SHALL NOT EXCEED SUCH COVERAGE AND/OR LIMITS OF LIABILITY OF THE NAMED INSURED.

All other terms and conditions of this policy remain unchanged.

Countersigned

Authorized Representative

# Architects And Engineers Professional Liability Declarations



This insurance is provided by the Company designated by a "X" in the box below:

- ☒ Zurich American Insurance Company  
☐ American Zurich Insurance Company  
☐ Zurich American Insurance Company of Illinois

Policy Number: EOC 3829621-04

Renewal of: EOC 3829621-03

Producer Number: 18339000

Producer Name: Marsh USA Inc.

**THIS POLICY PROVIDES CLAIMS-MADE COVERAGE. CLAIMS MUST FIRST BE MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND MUST BE REPORTED TO THE COMPANY DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD, IF EXERCISED. THE PAYMENT OF CLAIM EXPENSES REDUCES THE LIMITS OF INSURANCE. PLEASE READ THE ENTIRE POLICY CAREFULLY.**

Item 1. Named Insured: CH2M Hill Companies, Ltd. and its related or affiliated entities as named and described in Endorsement No. 1, Named Insured and Independent Subsidiary Schedule.

Item 2. Mailing Address: 9191 South Jamaica Street  
Englewood, CO 80112

Item 3. Policy Period: Inception Date: May 1, 2006 Expiration Date: May 1, 2007  
(12:01 A.M. Standard time at the address shown above)

Item 4. Limits of Liability: \$10,000,000 Each CLAIM

The total Limit of Liability of the Underwriters, including DAMAGES and CLAIMS EXPENSES, for all CLAIMS reported in writing to the Underwriters during the POLICY PERIOD, or within sixty (60) days after the expiration of the POLICY PERIOD and any discovery period provision shall not exceed in the Aggregate:

\$10,000,000 Aggregate - Each POLICY PERIOD

Item 5. Retention: \$250,000 Each CLAIM

The Retention amount shall be separately applicable to each CLAIM made during the POLICY PERIOD and shall apply to DAMAGES and CLAIM EXPENSES combined.

Item 6. Premium:

Item 7. Retroactive Date: N/A

This policy is a claims-made policy which provides liability coverage only if a claim is made during the policy period or any applicable extended reporting period.

( ) Insured (X) Producer ( ) U/W File ( ) NY Head Office ( ) Audits ( ) Claims ( ) CSS ( ) Other

U-PL-D-CH-1001-1-A CW (5/02)

Page1 of 2

**Item 8. Recipient of Notice of INSURED'S Cancellation and Recipient of Notice of INSURED'S intention to purchase Extended Reporting Period Coverage:**

Zurich American Insurance Company  
Environmental & Design Professional  
Attn: William M. Lynch  
5445 DTC Parkway, Suite 1200  
Greenwood Village, CO 80111

**Item 9. Recipient of Notice of INSURED'S CLAIMS or Circumstances as per Condition I of the Policy:**

Zurich American Insurance Group  
Architect & Engineer Liability Claims Department  
550 West Washington Street  
Chicago, IL 60661  
Attn: Managing Account Specialist

**Item 10. NAMED INSURED'S Legal Department:**

S. Wyatt McCallie, General Counsel  
Daniel S.M. Smith, Corporate Counsel  
D.K. Kirby Wright, Corporate Counsel  
D. Peter Hughes, Corporate Counsel

**Item 11. NOTICE OF CLAIMS-MADE POLICY:**

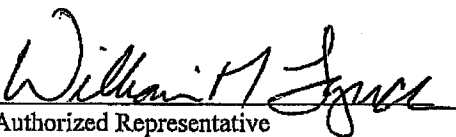
Professional Liability coverage is on a claims-made basis. It applies only to those claims that are first reported to the Company during the POLICY PERIOD.

**Item 12. NOTICE OF EXPENSE WITHIN THE LIMITS:**

Professional Liability coverage contains a provision that: (a) reduces the limits of liability stated in the Policy by the costs of allocated claims expenses and/or (b) permits allocated claims expenses to be applied against the retention amount.

**Item 13. Endorsements Effective At Inception: Refer to Schedule of Forms and Endorsements**

Signed by:

  
Authorized Representative

August 30, 2006  
Date

( ) Insured (X) Producer ( ) U/W File ( ) NY Head Office ( ) Audits ( ) Claims ( ) CSS ( ) Other

MARSH

## CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER  
SEA-000983349-01

## PRODUCER

MARSH USA, INC.  
1225 17TH STREET, SUITE 2100  
DENVER, CO 80202-5534THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS  
NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE  
POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE  
AFFORDED BY THE POLICIES DESCRIBED HEREIN.

## COMPANIES AFFORDING COVERAGE

## COMPANY

A ZURICH AMERICAN INSURANCE COMPANY

## COMPANY

B AMERICAN ZURICH INSURANCE CO.

## COMPANY

C

## COMPANY

D

15114 -00124-ALL-

DFB

983349

## INSURED

CH2M HILL, INC.  
800 FAIRWAY DRIVE, SUITE 350  
DEERFIELD BEACH, FL 33441-1831

## COVERAGES

This certificate supersedes and replaces any previously issued certificate for the policy period noted below.

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

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	GLO3784726-02	05/01/06	05/01/07	GENERAL AGGREGATE \$ 5,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG \$ 5,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY \$ 1,500,000
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE \$ 1,500,000
	<input checked="" type="checkbox"/> \$500,000 SIR				FIRE DAMAGE (Any one fire) \$ 1,500,000
					MED EXP (Any one person) \$
A	AUTOMOBILE LIABILITY	BAP8378516-11	05/01/06	05/01/07	COMBINED SINGLE LIMIT \$ 2,000,000
	<input checked="" 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 \$
	<input type="checkbox"/> HIRED AUTOS				
	<input type="checkbox"/> NON-OWNED AUTOS				
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: \$
					EACH ACCIDENT \$
					AGGREGATE \$
	EXCESS LIABILITY				EACH OCCURRENCE \$
	<input type="checkbox"/> UMBRELLA FORM				AGGREGATE \$
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WC8378566-12 (AOS)	05/01/06	05/01/07	<input checked="" type="checkbox"/> WC STATU- TORY LIMITS <input type="checkbox"/> OTH- ER \$
A	THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE:	<input checked="" type="checkbox"/> INCL WC8378565-11 (WI & MA)	05/01/06	05/01/07	EL EACH ACCIDENT \$ 1,000,000
A		<input type="checkbox"/> EXCL WC3784761-01 (HI & ID)	05/01/06	05/01/07	EL DISEASE-POLICY LIMIT \$ 1,000,000
	OTHER				EL DISEASE-EACH EMPLOYEE \$ 1,000,000

## DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

RE: PALM BEACH COUNTY ASSET MANAGEMENT; PROJECT NO. 348926.D1.BD PM: RICK MORALES  
PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA, ITS OFFICERS,  
EMPLOYEES AND AGENTS ARE NAMED AS ADDITIONAL INSURED AS THEIR INTEREST MAY APPEAR TO THE AUTOMOBILE LIABILITY AND AS  
PER THE BLANKET ENDORSEMENT TO THE GENERAL LIABILITY POLICY. COVERAGE PROVIDED BY THE ABOVE GENERAL LIABILITY AND AUTO

## CERTIFICATE HOLDER

PALM BEACH COUNTY BOARD OF  
COUNTY COMMISSIONERS  
ATTN. BRIAN SHIELDS  
8100 FOREST HILL BOULEVARD  
PO BOX 16097  
WEST PALM BEACH, FL 33416

## CANCELLATION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF,  
THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE  
CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR  
LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR THE  
ISSUER OF THIS CERTIFICATE.

MARSH USA INC.

BY: Dorothy A. Stevens

*Dorothy A. Stevens*

MM1(3/02)

VALID AS OF: 10/19/06

ADDITIONAL INFORMATION

SEA-000983349-01

DATE (MM/DD/YY)  
10/19/06

PRODUCER MARSH USA, INC. 1225 17TH STREET, SUITE 2100 DENVER, CO 80202-5534	COMPANIES AFFORDING COVERAGE	
	COMPANY E	
15114 -00124-ALL-                      DFB                      983349	COMPANY F	
	COMPANY G	
INSURED CH2M HILL, INC. 800 FAIRWAY DRIVE, SUITE 350 DEERFIELD BEACH, FL 33441-1831	COMPANY H	

TEXT

CONTINUED FROM DESCRIPTION SECTION:

POLICIES SHALL BE PRIMARY AND IS LIMITED TO THE LIABILITY RESULTING FROM THE NAMED INSURED'S OWNERSHIP AND/OR OPERATIONS. GENERAL LIABILITY, AUTO LIABILITY AND WORKERS' COMPENSATION POLICIES INCLUDE A WAIVER OF SUBROGATION.

CERTIFICATE HOLDER	
PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS ATTN. BRIAN SHIELDS 8100 FOREST HILL BOULEVARD PO BOX 16097 WEST PALM BEACH, FL 33416	
	MARSH USA INC. BY Dorothy A. Stevens • <i>Dorothy A. Stevens</i>
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