

REQUEST FOR PROPOSALS

PROPOSAL NUMBER: 2018-03

THE EMERALD COAST UTILITIES AUTHORITY INVITES YOUR COMPANY TO SUBMIT A PROPOSAL ON ITEM (S) AS LISTED IN THIS PROPOSAL REQUEST. IT IS THE INTENT OF THE EMERALD COAST UTILITIES AUTHORITY TO RECEIVE PROPOSALS THAT WILL BE PUBLICLY OPENED AT **2:00 P.M., LOCAL TIME, FEBRUARY 13, 2018**, FOR THE FOLLOWING:

ITEM A – AUDITING SERVICES

SEALED PROPOSALS WILL BE RECEIVED UNTIL 2:00 P.M., LOCAL TIME, **FEBRUARY 13, 2018**, BY THE PURCHASING AND STORES MANAGER, EMERALD COAST UTILITIES AUTHORITY, 9255 STURDEVANT STREET, ELLYSON INDUSTRIAL PARK, PENSACOLA, FLORIDA 32514. THE PROPOSALS RECEIVED WILL THEN BE PUBLICLY OPENED AND READ. THE EMERALD COAST UTILITIES AUTHORITY RESERVES THE RIGHT TO WAIVE INFORMALITIES IN ANY PROPOSAL; REJECT ANY OR ALL PROPOSALS, IN WHOLE OR IN PART; RE-ADVERTISE A PROJECT, IN WHOLE OR IN PART; AND TO ACCEPT THE PROPOSAL THAT IN ITS JUDGEMENT IS THE BEST PROPOSAL OF A RESPONSIBLE RESPONDER. ECUA FURTHER RESERVES THE RIGHT TO ACCEPT ANY BID OR PROPOSAL IN WHOLE OR IN PART AND TO INCREASE OR DECREASE QUANTITIES AS MAY BE REQUIRED TO MEET THE NEEDS OF ECUA.

LEGAL ADVERTISEMENT

Sealed proposals for RFP Number 2018-03, Auditing Services, will be received by the Emerald Coast Utilities Authority Purchasing and Stores Manager, 9255 Sturdevant Street, Ellyson Industrial Park, Pensacola, FL 32514, until 2:00 p.m., February 13, 2018, at which time bids submitted will be publicly opened and read. The Auditor Review Committee of the Emerald Coast Utilities Authority (ECUA) in Pensacola, Florida invites Independent Certified Public Accountants licensed to practice in the State of Florida to submit proposals to audit its financial statements beginning with the fiscal year ending September 30, 2018, and for additional years (up to five years) as are mutually agreeable to both parties. Specifications and information may be obtained free of charge from ECUA, Purchasing and Stores Manager (850-969-3350), or via email at amy.williamson@ecua.fl.gov, or on the web at www.ecua.fl.gov. Proposals received after 2:00 p.m. (local time), February 13, 2018, will be returned unopened. ECUA reserves the right to reject any or all proposals and re-advertise.

Advertised 1-11-18

**Emerald Coast Utilities Authority
Purchasing Division
9255 Sturdevant Street
Pensacola, Florida 32514-7038
850-969-3350**

STATEMENT OF NO PROPOSAL

If you **do not** intend to make a proposal for this service, please return this form to the above address immediately. If this statement is not completed and returned, your company may be deleted from the Emerald Coast Utilities Authority Vendors' list for this commodity/service.

We, the undersigned, have declined to make a proposal on requested service **RFP Number 2018-03, Auditing Services** for the following reasons:

- _____ Specifications too "tight," i.e. geared toward one brand or manufacturer only (explain below).
- _____ Insufficient time to respond to the Request for Proposals.
- _____ We do not offer this service.
- _____ Our schedule would not permit us to perform.
- _____ Unable to meet bond/insurance requirements.
- _____ Specifications are unclear (explain below).
- _____ Remove us from your vendors' list for this commodity/service.
- _____ Other (specify below).

Remarks:

Company Name: _____

Signature: _____

Telephone: _____ Date: _____

NOTE: Statement of No Proposal may be faxed into the Purchasing Division (850-969-3384), Attention: Amy Williamson, or emailed to amy.williamson@ecua.fl.gov

INSTRUCTIONS TO BIDDERS

ALL THESE TERMS AND CONDITIONS ARE A PART OF THIS BID REQUEST.

1. BID SCHEDULE:

BIDS ARE PRESENTLY SCHEDULED TO BE PUBLICLY OPENED AND READ AT 2:00 P.M., FEBRUARY 13, 2018, IN THE ECUA PURCHASING SECTION, 2ND FLOOR, EMERGENCY OPERATIONS SUPPORT ADDITION, 9255 STURDEVANT STREET, ELLYSON INDUSTRIAL PARK, PENSACOLA, FL 32514. ECUA STAFF WILL REVIEW ALL BIDS AND FORWARD THEIR RECOMMENDATIONS TO THE ECUA CITIZENS' ADVISORY COMMITTEE SCHEDULED TO MEET AT 2:00 P.M., MARCH 21, 2018, IN THE ECUA BOARD ROOM, 9255 STURDEVANT STREET, PENSACOLA, FL 32514, ELLYSON INDUSTRIAL PARK. THE ECUA CITIZENS' ADVISORY COMMITTEE RECOMMENDATION WILL BE PRESENTED TO THE ECUA BOARD AT THEIR MEETING SCHEDULED FOR 3:00 P.M., MARCH 29, 2018, IN THE ECUA BOARD ROOM.

2. BID SUBMISSION:

ALL BIDS TO BE CONSIDERED MUST BE IN THE POSSESSION OF THE EMERALD COAST UTILITIES AUTHORITY PURCHASING AND STORES MANAGER. ONE (1) ORIGINAL AND FIVE (5) COPIES OF THE BID MAY BE MAILED OR DELIVERED TO HIS OFFICE AT 9255 STURDEVANT STREET, ELLYSON INDUSTRIAL PARK, PENSACOLA, FLORIDA, 32514, IN A SEALED ENVELOPE CLEARLY MARKED WITH THE TIME AND DATE OF THE OPENING. REGARDLESS OF THE METHOD OF DELIVERY, EACH BIDDER SHALL BE RESPONSIBLE FOR HIS BID(S) BEING DELIVERED ON TIME, AS THE EMERALD COAST UTILITIES AUTHORITY ASSUMES NO RESPONSIBILITY FOR SAME. PROPOSALS OFFERED OR RECEIVED AFTER THE TIME SET FOR THE BID OPENING WILL BE REJECTED AND RETURNED UNOPENED TO THE BIDDER.

3. CONVICTION OF PUBLIC ENTITY CRIME

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 BID ON A CONTRACT TO PROVIDE ANY GOODS OR SERVICES TO A PUBLIC ENTITY, MAY NOT SUBMIT A BID ON A CONTRACT WITH A PUBLIC ENTITY FOR THE CONSTRUCTION OR REPAIR OF A PUBLIC BUILDING OR PUBLIC WORK, MAY NOT SUBMIT BIDS 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, FOR CATEGORY TWO (\$35,000) FOR A PERIOD OF 36 MONTHS FROM THE DATE OF BEING PLACED ON THE CONVICTED VENDOR LIST.

4. BID WITHDRAWAL:

NO BID MAY BE WITHDRAWN FOR A PERIOD OF NINETY (90) DAYS FROM THE BID OPENING. PRICES MAY NOT BE MODIFIED DURING THIS PERIOD. PROPOSALS MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE BID OPENING TIME.

5. BID AUTHORIZATION:

ALL BIDS MUST BE SUBMITTED ON THE FORM PROVIDED BY THE EMERALD COAST UTILITIES AUTHORITY AND MUST BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE COMPANY PLACING THE BID. ONE COMPLETE SET OF BID FORMS WILL BE FURNISHED EACH COMPANY INTERESTED IN BIDDING.

6. BID ERRORS:

A BIDDER MAY NOT MODIFY ITS BID AFTER BID OPENING. ERRORS IN THE EXTENSION OF UNIT PRICES STATED IN A BID OR IN MULTIPLICATION, DIVISION, ADDITION, OR SUBTRACTION IN A BID MAY BE CORRECTED BY THE PURCHASING AND STORES MANAGER PRIOR TO AWARD. IN SUCH CASES, UNIT PRICES SHALL NOT BE CHANGED.

7. AWARD OF BID:

ECUA RESERVES THE RIGHT TO ESTABLISH PRIORITIES AND TO AWARD THE CONTRACT TO A SINGLE BIDDER BASED UPON THE TOTAL BID OR TO MULTIPLE VENDORS BASED UPON THE ITEMS INDIVIDUALLY BID. ECUA ALSO RESERVES THE RIGHT TO SELECTIVELY PURCHASE ANY SINGLE OR ANY MULTIPLE ITEMS FROM THIS BID.

8. TAXES:

DO NOT INCLUDE ANY TAX WITH YOUR BID. THE EMERALD COAST UTILITIES AUTHORITY IS EXEMPT FROM FEDERAL, STATE AND LOCAL TAXES. TAX EXEMPT NUMBER 85-8012640152C-4 APPLIES.

9. TERMS:

MINIMUM TERMS WILL BE NET 30 (30 DAYS AFTER RECEIPT OF MATERIAL/SERVICE) UNLESS A DISCOUNT IS INVOLVED. TERMS OFFERING A DISCOUNT FOR PROMPT PAYMENT WILL ONLY BE CONSIDERED IN DETERMINING THE LOW BID IF THE DISCOUNT PERIOD IS 15 DAYS OR GREATER (15 DAYS AFTER RECEIPT OF MATERIAL/SERVICE OR INVOICE, WHICHEVER IS GREATER).

10. BID TABULATIONS:

BID TABULATIONS WILL BE POSTED FOR REVIEW IN THE PURCHASE SECTION, 9255 STURDEVANT STREET, ELLYSON INDUSTRIAL PARK ON OR ABOUT FEBRUARY 13, 2018, AND WILL REMAIN POSTED FOR 72 HOURS EXCLUDING WEEKENDS AND HOLIDAYS.

11. BID QUESTIONS:

IF ANY BIDDER HAS A QUESTION CONCERNING THE BID SPECIFICATIONS OR BID PROCEDURES, PLEASE FORWARD THE INQUIRY TO THE PURCHASING AND STORES MANAGER BEFORE FEBRUARY 5, 2018, FOR CONSIDERATION.

EMERALD COAST UTILITIES AUTHORITY
ATTN: PURCHASING AND STORES MANAGER
9255 STURDEVANT STREET
PENSACOLA, FLORIDA 32514-7038
PHONE: 850-969-6531, Amy Williamson
FAX: 850-969-3384
EMAIL: amy.williamson@ecua.fl.gov

12. COMPLIANCE WITH SPECIFICATIONS:

IN ORDER TO DETERMINE THAT YOUR BID COMPLIES WITH BID SPECIFICATIONS, PRODUCT LITERATURE AND/OR DATA/INFORMATION SHOULD BE INCLUDED WITH THE BID PROPOSAL. ANY DEVIATIONS FROM THE BID SPECIFICATIONS SHOULD BE IDENTIFIED SEPARATELY.

14. UNIFORM COMMERCIAL CODE:

THE UNIFORM COMMERCIAL CODE (FLORIDA STATUTES, CHAPTER 672) SHALL PREVAIL AS THE BASIS FOR CONTRACTUAL OBLIGATIONS BETWEEN THE AWARDED VENDOR/CONTRACTOR AND EMERALD COAST UTILITIES AUTHORITY FOR ANY TERMS AND CONDITIONS NOT SPECIFICALLY STATED IN THIS INVITATION FOR BID.

14. EXECUTION OF CONTRACT:

ANY ACTION OF ECUA IN AWARDING THE PURCHASE OF ANY MATERIAL OR PERFORMANCE OF A SERVICE IS SUBJECT TO AND CONDITIONED UPON THE EXECUTION OF A WRITTEN PURCHASE CONTRACT AND/OR A PURCHASE ORDER BETWEEN ECUA AND THE VENDOR.

15. CONTRACTUAL AGREEMENT:

THIS INVITATION FOR BID SHALL BE INCLUDED AND INCORPORATED IN THE FINAL CONTRACT OR PURCHASE ORDER. THE ORDER OF CONTRACT PRECEDENCE WILL BE THE CONTRACT (PURCHASE ORDER), BID DOCUMENT AND RESPONSE. ANY AND ALL LEGAL ACTION NECESSARY TO ENFORCE THE CONTRACT WILL BE HELD IN ESCAMBIA COUNTY AND THE CONTRACT WILL BE INTERPRETED ACCORDING TO THE LAWS OF FLORIDA.

16. PROTESTS:

ANY PERSON WHOSE SUBSTANTIAL INTERESTS ARE DIRECTLY AND ADVERSELY AFFECTED BY THE AWARD OR INTENDED AWARD OF A PURCHASE ORDER OR CONTRACT OR BY PLANS OR SPECIFICATIONS CONTAINED IN AN INVITATION TO BID OR REQUEST FOR PROPOSALS MAY FILE A PROTEST IN ACCORDANCE WITH THE FOLLOWING RULES AND SECTION 12 OF THE ECUA ACT (CHAPTER 2001-324, LAWS OF FLORIDA AS AMENDED).

NOTICE OF PROTEST OF PLANS, SPECIFICATIONS OR OTHER REQUIREMENTS CONTAINED IN AN INVITATION TO BID OR IN A REQUEST FOR PROPOSALS SHALL BE FILED NOT LATER THAN 5:00 P.M. OF THE THIRD BUSINESS DAY FOLLOWING RECEIPT OF THE PLANS OR SPECIFICATIONS. NOTICE OF PROTEST OF THE REJECTION OF A BID OR PROPOSAL AS NON-RESPONSIVE SHALL BE FILED NOT LATER THAN 5:00 P.M. OF THE THIRD BUSINESS DAY FOLLOWING NOTICE TO THE BIDDER OF THE REJECTION. NOTICE OF PROTEST OF THE AWARD OR INTENDED AWARD OF A PURCHASE ORDER OR CONTRACT TO THE LOWEST BIDDER SHOWN ON A POSTED BID TABULATION SHALL BE FILED NOT LATER THAN 5:00 P.M. OF THE THIRD BUSINESS DAY FOLLOWING THE POSTING OF THE BID TABULATION. NOTICE OF PROTEST OF THE AWARD OR INTENDED AWARD OF A PURCHASE ORDER OR CONTRACT TO A BIDDER OTHER THAN THE LOWEST BIDDER SHOWN ON A POSTED BID TABULATION SHALL BE FILED NOT LATER THAN 5:00 P.M. OF THE THIRD BUSINESS DAY FOLLOWING NOTICE OF THE AWARD OF A PURCHASE ORDER OR CONTRACT.

A NOTICE OF PROTEST SHALL BE IN WRITING AND SHALL STATE THE SUBJECT MATTER OF THE PROTEST.

A FORMAL WRITTEN PROTEST SHALL BE FILED WITHIN SEVEN (7) BUSINESS DAYS AFTER THE FILING OF NOTICE OF PROTEST. A FORMAL WRITTEN PROTEST SHALL STATE WITH PARTICULARITY THE FACTS AND THE LAW ON WHICH THE PROTEST IS BASED.

NOTICE OF PROTEST AND FORMAL WRITTEN PROTEST OF PLANS OR SPECIFICATIONS FOR OR THE AWARD OR INTENDED AWARD OF A CONTRACT SHALL BE FILED WITH THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE.

FAILURE TO FILE A NOTICE OF PROTEST OR FAILURE TO FILE A FORMAL WRITTEN PROTEST WITHIN THE TIMES PERMITTED SHALL CONSTITUTE A WAIVER OF PROCEEDINGS UNDER THESE RULES AND UNDER SECTION 12 OF CHAPTER 2001-324, LAWS OF FLORIDA, AS AMENDED.

UPON RECEIPT OF A NOTICE OF PROTEST WHICH HAS BEEN TIMELY FILED, THE EXECUTIVE DIRECTOR SHALL STOP THE BID SOLICITATION OR PURCHASE ORDER OR CONTRACT AWARD PROCESS UNTIL THE PROTEST HAS BEEN RESOLVED. HOWEVER, THE BID SOLICITATION OR PURCHASE ORDER OR CONTRACT AWARD PROCESS MAY PROCEED WHEN THE EXECUTIVE DIRECTOR DETERMINES THAT DELAY WOULD BE DETRIMENTAL TO THE INTERESTS OF ECUA. ANY AWARD OF A PURCHASE ORDER OR CONTRACT UNDER SUCH CONDITIONS SHALL BE SUBJECT TO THE OUTCOME OF THE PROTEST. AFTER THE AWARD OF A CONTRACT OR PURCHASE ORDER RESULTING FROM A BID IN WHICH A TIMELY PROTEST WAS RECEIVED AND IN WHICH ECUA DID NOT PREVAIL, ECUA MAY TAKE SUCH ACTION AS IT CONSIDERS APPROPRIATE, WHICH MAY INCLUDE, BUT SHALL NOT BE LIMITED TO, AWARD OF THE CONTRACT OR PURCHASE ORDER TO THE PREVAILING PARTY, CANCELLATION OF THE CONTRACT OR PURCHASE ORDER, OR REBIDDING.

THE EXECUTIVE DIRECTOR SHALL PROVIDE REASONABLE OPPORTUNITY TO RESOLVE A PROTEST BY AGREEMENT. IF AGREEMENT IS NOT REACHED WITHIN SUCH TIME AS THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE CONSIDERS REASONABLE UNDER THE CIRCUMSTANCES, THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE SHALL REVIEW THE FACTS AND THE LAW ON WHICH THE PROTEST IS BASED, AND SHALL RENDER A DECISION WHICH SHALL BE IN WRITING AND SHALL BE PROMPTLY TRANSMITTED TO THE PROTESTOR.

IF THE PROTESTOR WISHES TO CONTINUE THE PROTEST BEYOND THE DECISION OF THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE, THE PROTESTOR SHALL BE REQUIRED TO FILE A PETITION FOR REVIEW BY THE ECUA BOARD. THIS PETITION SHALL BE MADE IN WRITING AND PRESENTED TO THE EXECUTIVE DIRECTOR WITHIN TEN (10) DAYS AFTER NOTICE OF THE DECISION OF THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE; OTHERWISE, THE DECISION OF THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE SHALL BE FINAL AND BINDING. SUCH PETITION SHALL STATE THE PARTICULAR GROUNDS ON WHICH IT IS BASED AND MAY INCLUDE PERTINENT DOCUMENTS AND EVIDENCE RELATING THERETO. ANY GROUNDS NOT STATED SHALL BE DEEMED TO HAVE BEEN WAIVED BY THE PROTESTOR. THIS PETITION MUST ALSO BE ACCOMPANIED BY A PROTEST BOND OF AN AMOUNT EQUAL TO 1.0 PERCENT (1%) OF THE VALUE OF THE SOLICITATION, BUT IN NO CASE LESS THAN \$1,000 NOR GREATER THAN \$10,000.00. THIS BOND SHALL BE IN THE FORM OF A MONEY ORDER, CERTIFIED CASHIER'S CHECK, OR CERTIFIED BANK CHECK MADE PAYABLE TO THE EMERALD COAST UTILITIES AUTHORITY. FAILURE TO POST SUCH BOND WITHIN TEN (10) BUSINESS DAYS AFTER THE DECISION OF THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE SHALL RESULT IN THE PROTEST BEING DISMISSED BY THE EXECUTIVE DIRECTOR.

THE BOND REQUIRED BY THE ABOVE PARAGRAPH SHALL BE CONDITIONED UPON THE PAYMENT OF ALL COSTS AND CHARGES WHICH MAY BE ADJUDGED AGAINST THE PERSON FILING THE PETITION FOR REVIEW. IF THE PROTESTOR PREVAILS, THE BOND SHALL BE RETURNED TO THE PROTESTOR. IF HOWEVER, ECUA PREVAILS, THE BOND SHALL BE FORFEITED, AND ECUA SHALL BE ENTITLED TO RECOVER THE COSTS AND CHARGES, EXCLUDING ATTORNEY'S FEES, OF SUCH HEARING. THE ENTIRE AMOUNT OF THE BOND ALSO SHALL BE FORFEITED IF IT IS DETERMINED THAT A PROTEST WAS FILED FOR A FRIVOLOUS OR IMPROPER PURPOSE, INCLUDING, BUT NOT LIMITED TO, THE

PURPOSE OF HARASSING, CAUSING UNNECESSARY DELAY, OR CAUSING NEEDLESS COST FOR ECUA OR ANOTHER INTERESTED PARTY/PARTIES.

ANY NOTICE REQUIRED OR PERMITTED UNDER THIS BID PROTEST PROCEDURE SHALL BE EFFECTIVE WHEN DELIVERED PERSONALLY, OR BY FACSIMILE, OR WHEN DEPOSITED IN THE U.S. MAIL. IF NOTICE IS GIVEN ONLY BY MAIL, THREE (3) DAYS SHALL BE ADDED TO THE TIME WITHIN WHICH A PROTESTOR MAY FILE A NOTICE OF PROTEST OR PETITION FOR REVIEW.

17. **CONTRACTS EXCEEDING ONE YEAR:**

WHEN APPLICABLE, A CONTRACT MAY BE RENEWED CONTINGENT UPON COST FACTORS, MUTUAL AGREEMENT, SATISFACTORY PERFORMANCE EVALUATIONS, AVAILABILITY OF FUNDS AND ECUA BOARD APPROVAL. ECUA'S PERFORMANCE AND OBLIGATION TO PAY FOR THE PURCHASE OF SERVICES OR TANGIBLE PERSONAL PROPERTY OF A PERIOD IN EXCESS OF ONE (1) FISCAL YEAR UNDER ANY CONTRACTUAL RELATIONSHIP IS CONTINGENT UPON AN ANNUAL BUDGET APPROVAL BY THE ECUA BOARD.

18. **CONDUCT OF PARTICIPANTS:**

AFTER THE ISSUANCE OF ANY SOLICITATION, ALL BIDDERS/PROPOSERS/PROTESTORS OR INDIVIDUALS ACTING ON THEIR BEHALF ARE HEREBY PROHIBITED FROM LOBBYING AS DEFINED HEREIN OR OTHERWISE ATTEMPTING TO PERSUADE OR INFLUENCE ANY ELECTED ECUA OFFICIALS, THEIR AGENTS OR EMPLOYEES OR ANY MEMBER OF THE RELEVANT REVIEW COMMITTEE AT ANY TIME DURING THE BLACKOUT PERIOD AS DEFINED HEREIN; PROVIDED, HOWEVER, NOTHING HEREIN SHALL PROHIBIT BIDDERS/PROPOSERS/PROTESTORS OR INDIVIDUALS ACTING ON THEIR BEHALF FROM COMMUNICATING WITH THE PURCHASING STAFF CONCERNING A PENDING SOLICITATION UNLESS OTHERWISE PROVIDED IN THE SOLICITATION OR UNLESS OTHERWISE DIRECTED BY THE PURCHASING MANAGER.

LOBBYING MEANS THE ATTEMPT TO INFLUENCE THE THINKING OF ELECTED ECUA OFFICIALS, THEIR AGENTS OR EMPLOYEES OR ANY MEMBER OF THE RELEVANT REVIEW COMMITTEE FOR OR AGAINST A SPECIFIC CAUSE RELATED TO A PENDING SOLICITATION FOR GOODS OR SERVICES, IN PERSON, BY MAIL, BY FACSIMILE, BY TELEPHONE, BY ELECTRONIC MAIL, OR BY ANY OTHER MEANS OF COMMUNICATION.

19. **BLACKOUT PERIOD:**

BLACKOUT PERIOD MEANS THE PERIOD BETWEEN THE TIME THE BIDS/PROPOSALS FOR INVITATION TO BID OR THE REQUEST FOR PROPOSAL, OR QUALIFICATIONS, OR INFORMATION, OR REQUESTS FOR LETTERS OF INTEREST, OR THE INVITATION TO NEGOTIATE, AS APPLICABLE, ARE ADVERTISED AND THE TIME THE ECUA BOARD AWARDS THE CONTRACT AND ANY RESULTING BID PROTEST IS RESOLVED OR THE SOLICITATION IS OTHERWISE CANCELLED. CONDUCT INCONSISTENT WITH THIS SECTION MAY BE GROUNDS FOR DISQUALIFYING THE OFFENDING PROPOSER FROM CONSIDERATION OR ANY FUTURE PROPOSAL.

OTHER PROVISIONS

Contractor is required to comply with public records laws codified in Chapter 119, Florida Statutes, and is specifically required to:

- a. Keep and maintain public records required by ECUA to perform the service.
- b. Upon request from ECUA's custodian of public records, provide ECUA with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119 or as otherwise provided by law.
- c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the Contractor does not transfer the records to ECUA.
- d. Upon completion of the contract, transfer, at no cost, to ECUA all public records in possession of the Contractor or keep and maintain public records required by ECUA to perform the service. If the Contractor transfers all public records to ECUA upon completion of the contract, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the contract, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to ECUA, upon request from ECUA's custodian of public records, in a format that is compatible with the information technology systems of ECUA.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT ECUA'S CUSTODIAN OF PUBLIC RECORDS AT [850-969-3302](tel:850-969-3302), LINDA.IVERSEN@ECUA.FL.GOV, AND LINDA IVERSEN, 9255 STURDEVANT STREET, PENSACOLA, FLORIDA 32514.

**EMERALD COAST UTILITIES AUTHORITY
REQUEST FOR PROPOSAL
AUDITING SERVICES
RFP NUMBER 2018-03**

I. Introduction

The Auditor Review Committee of the Escambia County Utilities Authority (ECUA) in Pensacola, Florida invites Independent Certified Public Accountants licensed to practice in the State of Florida to submit proposals to audit its financial statements beginning with the fiscal year ending September 30, 2018, and for additional years as are mutually agreeable to both parties.

To be considered, sealed proposals, in not less than five copies, shall be filed with Mr. Pete Wilkinson, Purchasing and Stores Manager, 9255 Sturdevant St., Pensacola, FL 32514. Proposals must be received by 2 PM, February 13, 2018. During the evaluation process, additional information or clarifications from proposers may be required. The top ranked firms may be required to make presentations to the Citizens Advisory Committee on March 21, 2018 at 2PM, and that Committee will make a recommendation to the ECUA Board of their order of preference. This recommendation will go to the ECUA Board at its March 29, 2018 meeting.

II. Nature of Services Required

A. General

ECUA desires that the auditor express an opinion on the fairness with which its financial statements present financial position, results of operations and cash flows in conformity with generally accepted government accounting principles, and an audit in accordance with Government Auditing Standards, issued by the Comptroller General of the United States. ECUA desires to receive the Certificate of Achievement for Excellence in Financial Reporting presented by the Government Finance Officers Association of the United States and Canada (GFOA) for FY 2018, and future years.

B. Scope of Work to be Performed

The audit shall be performed in accordance with the following as they exist or as each may be subsequently amended:

- Generally accepted governmental accounting principles as promulgated by GASB
- Statements on Auditing Standards (GAAS) promulgated by the American Institute of Certified Public Accountants (AICPA).
- Government Auditing Standards (GAS) issued by the Comptroller General of the United States
- OMB Uniform Guidance and other applicable OMB circulars
- The Federal and Florida Single Audit Acts

- The Federal Statutes as applicable
- Regulations of the Florida Department of Financial Services
- Rules of the Auditor General, State of Florida, Chapter 10.550
- Audits of State and Local Governmental Units (AICPA Audit Guide revised) or other authoritative standards
- Any applicable federal, state, local regulations or professional guidance not specifically listed above as well as any additional requirements which may be adopted by these organizations in the future.

The audit report shall contain the opinion of the auditor of the financial statements and a report on compliance with applicable legal provisions and bond covenants. ECUA's CAFR will additionally be expected to meet any present or to-be-established standards for disclosure attributed to the CAFR to enable inclusion in various municipal bonds continuing disclosure libraries and depositories.

The auditor shall assist the ECUA in meeting the requirements of the GFOA Certificate program including providing responses to the GFOA comments.

It is ECUA's intention to determine whether it is more feasible to prepare all statements, schedules, charts, and notes required by the Governmental Accounting Standards Board (GASB) utilizing its own staff while working with assistance from the auditors for advice and/or assistance on the appropriate disclosures. Pricing on the proposal should indicate the portion of fee that covers the financial statement preparation aspects of the engagement under the following scenarios: 1) auditor preparation of all statements, schedules, charts and notes or 2) ECUA staff preparation of all statements, schedules, charts and notes with auditor assistance/advice on GASB guidance.

The Auditor shall work with the Finance staff to develop a detailed audit plan, which shall include a list of all schedules to be prepared by ECUA staff. The auditor shall also be responsible for performing certain limited procedures involving required Management's Discussion and Analysis and the required supplementary information required by GASB as mandated by generally accepted auditing standards.

A final and complete report of the Comprehensive Annual Financial Report (CAFR) shall be submitted to ECUA not later than January 31. It is specifically understood that time is of the essence on any proposal. The auditor shall submit, not later than January 5, a draft management letter which shall identify management weaknesses observed, assess their effect on financial management, and propose steps to eliminate them.

The auditor shall provide 15 copies of applicable printed audit letters. Printed CAFRs will be provided as determined above. The auditor shall also provide ECUA with a copy of all adjusting and reclassifying entries using ECUA account numbers and any other schedules as may be requested to apply the audit adjusting entries to ECUA's general ledger.

The partner in charge of the audit and the audit manager shall be available to attend up to three public meetings for discussion of the audit report.

If ECUA issues debt, for which the official statement in connection with the debt contains basic financial statements and the report of independent accounts, the selected firm shall be required to issue a "consent of independent accountants" as auditor and any necessary "comfort letters".

C. Reports to be Issued

1. A report on the fair presentation of the basic financial statements as a whole, in conformity with accounting principles generally accepted in the United States.
2. A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.
3. A report on compliance with laws and regulations.
4. A "management letter" required by Section 218.39(4), Florida Statutes.
5. Reports required by the Single Audit Act of 1996, OMB Uniform Guidance and the Executive Office of the Governor's State Projects Compliance Supplement to include:
 - a. Schedule of Expenditures of Federal Awards and State Financial Assistance.
 - b. An opinion on the financial statements and on the supplementary Schedule of Expenditures of Federal Awards and State Financial Assistance.
 - c. A report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards.
 - d. A report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with OMB Uniform Guidance.
 - e. A schedule of findings and questioned costs.
 - f. For any irregularities and illegal acts, the auditor shall be required to make an immediate, written report of all irregularities and illegal acts of which they become aware to the Director of Finance, Executive Director and ECUA Board as appropriate.

D. Terms of Engagement

A five-year contract is contemplated, subject to the annual review and recommendation of staff, the satisfactory negotiation of terms (including an acceptable price) and the concurrence of the governing board and the annual availability of an appropriation.

E. Access to Working Papers and Working Paper Retention

The auditor shall without charge make available their work papers, upon request by the ECUA Board, the Executive Director or the Director of Finance or their designee. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance. All working papers and reports must be retained at the auditor's expense for at least five (5) years from the release date of the audit.

III. Description of the Authority:

A. Contact Person

The auditors' principal contact with ECUA will be Patricia Sheldon, Director of Finance, or a designated representative, who will coordinate the assistance to be provided by the Authority to the auditor. Requests for additional information should be addressed to Ms. Sheldon at patricia.sheldon@ecua.fl.gov or can be mailed to P O Box 17089, Pensacola, FL, 32522-7089, or by telephone at (850) 969-3320. For any questions pertaining to the proposal, contact Amy Williamson, Senior Purchasing Agent, by phone at 850-969-3350 or by email at amy.williamson@ecua.fl.gov.

B. Background Information

ECUA is a local government body created for the purpose of acquiring, constructing, financing, owning, managing, providing, promoting, improving, expanding, maintaining, operating, regulating, franchising, and otherwise having plenary authority with respect to certain utility systems within the territorial limits of Escambia County, Florida. ECUA is governed by a five-member board elected from districts located in Escambia County and employs an executive director as the chief executive officer. The Board adopted a \$190 million dollar budget for fiscal year 2018. ECUA operates water and wastewater system, a residential and commercial sanitation franchise serving approximately 109,500 customers in Escambia and Santa Rosa Counties, and a Materials Recycling Facility to keep recyclable materials out of the landfill.

The latest audit report is available upon request.

C. Fund Structure

Even though ECUA is a single enterprise fund, budget-to-actual comparisons are provided in the CAFR separately for the water and wastewater system, the sanitation system, and the materials recycling system, as well as for the entity as a whole.

D. Federal and State Assistance

Each year ECUA receives various types of federal, state and local financial assistance.

E. Retirement and Pension Plans

ECUA participates in the Florida Retirement System, a multiple-employer, cost-sharing public employee retirement system administered by the State of Florida. ECUA also sponsors a defined contribution retirement plan. The non-contributory plan is administered by the Florida League of Cities, Inc. The payroll for employees covered under these plans was \$31 million in fiscal year 2017.

IV. Time Requirements

Proposed Timeline (schedule is estimated and may change slightly). Subsequent year’s reporting schedules will be determined before June 1 each year.

| FY 2018 Timeline | Action |
|---------------------|--|
| June 1-Sept. 30 | Interim field work—As early as possible submit a listing of support schedules, listings, analysis work, etc. needed from Finance staff |
| Sept. 30-Oct 1 | Inventory testing |
| Oct. 1- Nov 22 | Books are closed and trial balance is provided to the auditor |
| Nov 26 – Dec 7 | Auditor fieldwork |
| Jan. 10 | Auditors provide a written draft of any internal control weaknesses and a draft management letter |
| Jan. 10 | First draft of financial statements (as determined in Section B above) |
| Jan. 23 | ECUA provides auditor with MD&A and Transmittal letter |
| Jan. 31 | Final draft of financial statements (as determined in Section B above) |
| Feb 5 | Exit interview |
| Feb 13 | Delivery of 15 copies of applicable audit letters (as determined in Section B above) |
| Feb 15 | Presentation of CAFR to the Citizens Advisory Committee |

V. Proposal Requirements

Sealed proposals, one original and not less than five copies, shall be filed with Mr. Pete Wilkinson, Purchasing and Stores Manager, 9255 Sturdevant St., Pensacola, FL 32514. Proposals must be received by 2 PM, local time, February 13, 2018.

A. Format of Response

1. Title Page: Title page marked, "Proposal for Annual Independent Financial Audit Services", the firm's name; the name, address, telephone number and e-mail address of a contact person; and the date of the proposal.
2. Table of Contents
3. Transmittal Letter: A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, and statements why the firm believes itself to be best qualified to perform the engagement.

4. Technical Proposal: This technical proposal should follow the order set forth in Section V.B. of this Request for Proposals.
5. Statement acknowledging receipt of each addendum issued by the ECUA (if any).

B. Technical Proposal

1. General Requirements

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the ECUA in conformity with the requirements of this Request for Proposals. The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the requirements outlined in the Request for Proposals. Although additional data may be included, the following items must be presented as they represent the criteria against which the proposal will be evaluated.

a. Independence

The firm should provide an affirmative statement that it is independent of the ECUA as defined by generally accepted auditing standards.

b. License to Practice in the State of Florida

An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly registered to practice in the State of Florida.

c. Firm Qualifications and Experience

The proposal should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted.

The firm is required to submit a copy of the report on its most recent external quality control review, the letter of comments, and a statement as to whether that quality control review included a review of specific governmental engagements.

The firm shall provide information on the results of any Federal or State desk reviews or field reviews of its audits during the past three years. In addition, the firm shall provide information on the circumstances and status of any

disciplinary action taken or pending against the firm during the past three years with State regulatory bodies or professional organizations.

d. Partner, Supervisory and Staff Qualifications & Experience

The firm should identify the staff to be assigned to the engagement and indicate whether each such person is registered to practice as a certified public accountant in the State of Florida. The firm should provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education of the specific staff to be assigned to this engagement, the number of years of local government audit experience, and experience as it relates to the latest GASB pronouncements.

e. Similar Engagement with Other Government Entities

The proposal should include no fewer than three references for which the firm has performed similar governmental auditing work. Also include a list of clients who have received the Certificate of Achievement.

f. Specific Audit Approach

The Proposal should include an express agreement to meet or exceed the performance specifications stated in Section II of this Request for Proposal and set forth a work plan, including an explanation of the audit methodology to be followed to perform the services required in Section II. Proposers shall be required to provide the following information on their audit approach:

1. Proposed segmentation of the engagement
2. Level of staff and number of hours to be assigned to each proposed segment of the engagement
3. Sample sizes and the extent to which statistical sampling is to be used in the engagement
4. Extent of use of EDP software in the engagement
5. Type and extent of analytical procedures to be used in the engagement
6. Approach to be taken to gain and document an understanding of ECUA's internal control structure
7. Approach to be taken in determining laws and regulations that will be subject to audit test work
8. Approach to be taken in drawing audit samples for purposes of tests of compliance

g. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the ECUA.

h. Noncompliance with Proposal Specifications

The proposal should identify each specific incident of noncompliance with the Request for Proposals' specifications.

2. Fees

- a. Fees for the complete audit will be negotiated in accordance with ECUA Auditor Review Procedures.
- b. Provide a specific price component for the preparation of the audit statement as described in Section B above. Price will not be the predominant factor in the selection of an audit firm.
- c. Any contracts for more than one year will contain a provision for an annual contract review.

VI. Proposal Evaluation

The Auditor Review Committee will evaluate proposals and select three proposals for submittal to the ECUA Citizens Advisory Committee.

A. Evaluation Factors

- 1. The quality of the firm's professional staff to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation
- 2. The firm's past experience and performance on comparable government engagements
- 3. The firm's past experience and performance with the Federal and Florida Single Audit Acts and test of compliance with laws and regulations
- 4. Ability and willingness to meet time requirements
- 5. Location of office

6. The firm's past experience with clients participating in the Certificate of Achievement Program
7. Adequacy of proposed staffing plan for various segments of the engagement, including supervision and involvement of experienced personnel. Another consideration will be the firm's commitment to keeping the same team assigned to this contract for each successive year's engagement whenever possible.
8. Adequacy of audit work plan and sampling technique
9. Adequacy of analytical and substantive procedures
10. Adequacy of study and evaluation of internal accounting and administrative controls

B. Oral Presentations

The top ranked firms may be required to make presentations to the Citizens Advisory Committee on March 21, 2018, at 2PM, local time, and that Committee will make a recommendation to the ECUA Board of their order of preference. This recommendation will go to the ECUA Board at its March 29, 2018 meeting.

VII. Award Process

A. Negotiations

The Executive Director will negotiate a contract with the firm ranked first. If the Executive Director is unable to negotiate a satisfactory contract with that firm, negotiations with that firm shall be formally terminated, and negotiations with the second-ranked firm will be undertaken. Failing accord with the second-ranked firm, negotiations shall then be terminated with that firm and undertaken with the third-ranked firm. The Executive Director may reopen formal negotiations with any one of the three top-ranked firms, but may not negotiate with more than one firm at a time. The Executive Director shall negotiate with the firm a basis of its fee for the engagement, the scope and quality of services. In making such determination, the Executive Director shall conduct a detailed analysis of the cost of the professional services required, in addition to considering their scope and complexity.

B. Billing and Payment

Progress payments may be billed monthly for work accomplished during the previous month. Final payment will be made upon receipt and acceptance of final audit reports.

EMERALD COAST UTILITIES AUTHORITY

GENERAL PROVISIONS

PURCHASE ORDER/CONTRACT

1.a. If you are unable to quote, please advise. This request does not commit Emerald Coast Utilities Authority to pay any cost incurred in the preparation or submission of this quotation or to procure or contract for supplies or services.

1. ENTIRE AGREEMENT – The terms, specifications and drawings included in this order when duly executed constitute the entire agreement between the parties unless otherwise stated on the face of the order. No modification or waiver of terms of this agreement shall be binding unless in writing signed by a duly authorized representative of ECUA and confirmed by such a representative of the Vendor. This agreement shall be interpreted in accordance with the laws of the State of Florida.

2. PAYMENTS –Invoices shall be submitted in triplicate (one copy shall be marked “Original”) unless otherwise specified, and shall contain the following information: Contract or Order number, item number, contract description of supplies or services, sizes, quantities, unit prices and extended totals. Bill of Lading number and weight of shipment will be shown for shipments of Bills of Lading. Unless otherwise specified, payment will be made on partial deliveries accepted by ECUA when the amount due on such deliveries so warrants.

3. CONVICT LABOR – In connection with the performance of work under this contract, the Contractor agrees not to employ any person undergoing sentence of imprisonment except as provided by Public Law 89.176, September 10, 1965 (18 U.S.C. 40821ch21) Executive Order 11755, December 29, 1973.

4. COVENANT AGAINST CONTINGENT FEES – The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty ECUA shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

5. CONTINGENCIES – Neither party shall be liable for delays or defaults due to acts of God, government authority or public enemy, war, fires, floods, epidemics, strikes, labor troubles, freight embargoes, or contingencies reasonably beyond its control. The party so affected upon prompt written notice to the other party shall be excused from making or taking deliveries hereunder to the extent of such prevention or restriction. At ECUA’s option, deliveries so omitted shall be made on notice thereof to the Vendor, upon cessation of such contingency even though such might have been operative at the date of this order.

6. GRATUITIES – (a) ECUA may, by written notice to the Contractor, terminate the right of the Contractor to proceed under this contract if it is found after notice and hearing by the Executive Director or his duly authorized representative, that gratuities (in the form of entertainment, gifts or otherwise) were offered or given by the Contractor, or any agent or representative of the Contractor, to any officer or employee of ECUA with a view toward securing a contract or securing favorable treatment with respect to

the awarding or amending, or the making of any determinations with respect to the performing of such contract, provided, that the existence of the facts upon which the Executive Director or his duly authorized representative make such findings shall be in issue and may be reviewed in any competent court, (b) in the event this contract is terminated as provided in paragraph (a) hereof, ECUA shall be entitled (1) to pursue the same remedies against the Contractor as it could pursue in the event of a breach of the contract by the Contractor and (2) as a penalty and in addition to any other damages to which it may be entitled by law to exemplary damages in an amount (as determined by the Executive Director or his duly authorized representative) which shall be not less than three nor more than ten times the costs incurred by the contractor in providing any such gratuities to any such officer or employee, (c) The rights and remedies of ECUA provided in this clause shall not be exclusive or in addition to any other rights and remedies provided by law or under the contract.

7. **CONDITION FOR ASSIGNMENT** – This (contract or purchase order) shall not be assigned in full or in part without the consent of ECUA. Such consent shall not relieve the Contractor from its obligations and liabilities.

8. **TAXES** – ECUA is exempt from Federal Taxes on transportation charges and any Federal Excise Tax. If you prepaid transportation, do not pay tax as ECUA will not reimburse you for the taxes paid. ECUA is exempt from State Sales Tax.

9. **CHANGES** – The Purchasing and Stores Manager may at any time, by written order, and without notice to the sureties, make changes, within the general scope of this contract, in (i) drawings, designs, or specifications, where the supplies to be furnished are to be specially manufactured for ECUA in accordance therewith; (ii) method of shipment or packing and (iii) place of delivery. If any such change causes an increase or decrease in the cost of, or the time required for the performance of this contract, whether changed or not changed by any such order, an equitable adjustment shall be made by written modification of this contract.

Any claim by the Contractor for adjustment under this clause must be asserted within 30 days from the date of receipt by the Contractor of the notification of change provided that the Purchasing and Stores Manager, if he decides that the facts justify such action, may receive and act upon any such claim asserted prior to final payment, under the contract. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled “Disputes.” However, nothing in this clause shall excuse the Contractor from proceeding with this contract as changed.

10. **TERMINATION FOR DEFAULT** – The Purchasing and Stores Manager, by written notice, may terminate this contract, in whole or in part, for failure of the Contractor to perform any of the provisions hereof, in such event, the Contractor shall be liable for damages; including the excess cost of re-procuring similar supplies or services; provided that if (i) it is determined for any reason that the Contractor was not in default or (ii) the Contractor’s failure to perform is without his and his subcontractors control, fault or negligence, the termination shall be deemed to be a termination for convenience under paragraph 17. As used in this provision the term “subcontractor” and “subcontractors” means subcontractors at any tier.

11. **TERMINATION FOR CONVENIENCE** – The Purchasing and Stores Manager by written notice, may terminate this contract, in whole or in part, when it is in the best interest of ECUA. If this contract is for supplies and is so terminated, the Contractor shall be compensated for goods delivered and accepted up to the date of termination at the discretion of the Executive Director. To the extent that this contract is for

services and is so terminated, ECUA shall be liable only for payment in accordance with the payment provisions of this contract for services rendered prior to the effective date of termination.

12. ASSIGNMENT OF CLAIMS – Claims for monies due or to become due under this Contract shall be assigned only pursuant to the Assignment of Claims Act of 1940, as amended (31 U.S.C 203, 41 U.S.C. 15). However, payments to an assignee of monies under this contract shall not, to the extent provided in said Act, as amended be subject to reduction or set-off (see Clause 12).

13. DEVIATION FROM SPECIFICATIONS – Emerald Coast Utilities Authority has the sole authority to determine if any deviation from the specifications cited is acceptable.

**RISK MANAGEMENT POLICY AND STANDARDS
FOR
AGREEMENTS, CONTRACTS AND LEASES**

DEFINITIONS

The following definitions apply to these Risk Management Provisions:

Contract - The contract or agreement of which these Risk Management Provisions are a part for the construction, alteration, repair, or demolition of a structure or facility.

Organization - The Emerald Coast Utilities Authority, a local governmental body of the State of Florida, its Board, officers, employees, volunteers, representatives, and agents.

Other Party - The other party to the Contract of which these Risk Management Provisions are a part, any subsidiaries or affiliates, officers, employees, volunteers, representatives, agents, contractors, and subcontractors.

HOLD HARMLESS

The Other Party agrees to hold the Organization and the members of its governing board and its other officers and employees harmless against all claims for bodily injury, sickness, disease, death, personal injury, or damage to property or loss of use resulting therefrom, arising out of or related to the Contract, to the extent such claims are caused by the negligence, recklessness, or intentional wrongful misconduct of the Other Party and persons or entities employed or utilized by the Other Party in the performance of the Contract.

PAYMENT ON BEHALF OF ORGANIZATION

The Other Party agrees to pay on behalf of the Organization all claims described in the above "Hold Harmless" paragraph, and to pay the reasonable costs and fees of the attorneys selected by the Organization, at trial and on appeal, to defend the Organization and its officers and employees against such claims. Provided, however, that the total liability of the Other Party to the Organization under the above "Hold Harmless" paragraph and this "Payment on Behalf of Organization" paragraph shall not exceed the sum of One Million Dollars (\$1,000,000) per claim or occurrence.

Such payment on behalf of the Organization shall be in addition to any and all other legal remedies available to the Organization and shall not be considered to the exclusive remedy of the Organization.

LOSS CONTROLS/SAFETY

Precaution shall be exercised at all times by the Other Party for the protection of all persons, including employees, and property. The Other Party shall comply with all laws, regulations, or ordinances relating to safety and health, and shall make special effort to detect hazardous

conditions and shall take prompt action where loss control/safety measures should reasonably be expected.

The Organization may order work to be stopped if conditions exist that present immediate danger to persons or property. The Other party acknowledges that such stoppage will not shift responsibility for any loss or damages from the Other Party to the Organization.

SEVERABILITY

The provisions of these Risk Management Provisions are severable. In the event a court of competent jurisdiction should declare any provision of these Risk Management Provisions to be void or contrary to public policy such provision shall be stricken from these Risk Management Provisions, and the remaining provisions shall be enforced as though the provision determined to be void or contrary to public policy had not been included herein.

INSURANCE - BASIC COVERAGES REQUIRED

The Other Party shall procure and maintain the following described insurance, except for coverages specifically waived by the Organization, on policies and with insurers acceptable to the Organization. These insurers shall have A.M. Best (or equivalent) rating of no less than A:VII unless otherwise agreed to by the Organization.

These insurance requirements shall not limit the liability of the Other Party. The Organization does not represent these types or amounts of insurance to be sufficient or adequate to protect the Other Party's interests or liabilities, but are merely minimums.

Except for workers compensation, the Other Party waives its right of recovery against the Organization, to the extent permitted by its insurance policies.

The Other Party's deductibles/self-insured retentions shall be disclosed to the Organization and may be disapproved by the Organization. They shall be reduced or eliminated at the option of the Organization. The Other Party is responsible for the amount of any deductible or self-insured retention.

Insurance required of the Other Party or any other insurance of the Other Party shall be considered primary, and insurance of the Organization, if any, shall be considered excess, as may be applicable to claims which arise out of the Hold Harmless, Payment on Behalf of Organization, Insurance, Certificates of Insurance and any Additional Insurance provisions of this agreement, contract or lease.

Additional Insured

Except for workers compensation and professional liability, the Other Party's insurance policies shall be endorsed to name the Organization as an additional insured for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by the Other Party's acts or omissions; or the acts or omissions of those acting on the Other Party's behalf; in the performance of the Other Party's ongoing operations for the Organization. The preferred Commercial General Liability coverage endorsement is ISO Form CG 20 10.

Workers Compensation Coverage

The Other Party shall purchase and maintain workers compensation insurance for all workers compensation obligations imposed by state law and employer's liability limits of at least \$100,000 each accident and \$100,000 each employee/\$500,000 policy limit for disease.

The Other Party shall also purchase any other coverages required by law for the benefit of employees.

General, Automobile and Excess or Umbrella Liability Coverage

The Other Party shall purchase and maintain coverage on forms no more restrictive than the latest editions of the Commercial General Liability and Business Auto policies of the Insurance Services Office.

Minimum limits of \$1,000,000 per occurrence for all liability must be provided, with excess or umbrella insurance making up the difference, if any, between the policy limits of underlying policies (including employers liability required in the Workers Compensation Coverage section) and the total amount of coverage required.

Commercial General Liability Coverage - Occurrence Form Required

Coverage A shall include bodily injury and property damage liability for premises, operations, products and completed operations, independent contractors, contractual liability covering this agreement, contract or lease, broad form property damage, and property damage resulting from explosion, collapse or underground (x,c,u) exposures.

Coverage B shall include personal injury.

Coverage C, medical payments, is not required.

The Other Party is required to continue to purchase products and completed operations coverage, at least to satisfy this agreement, contract or lease, for a minimum of three years beyond the Organization's acceptance of renovation or construction projects.

Business Auto Liability Coverage

Business Auto Liability coverage is to include bodily injury and property damage arising out of ownership, maintenance or use of any auto, including owned, nonowned and hired automobiles and employee nonownership use.

Excess or Umbrella Liability Coverage

Umbrella Liability insurance is preferred, but an Excess Liability equivalent may be allowed. Whichever type of coverage is provided, it should be at least "following form" and shall not be more restrictive than the underlying insurance policy coverages.

EVIDENCE/CERTIFICATES OF INSURANCE

Required insurance shall be documented in Certificates of Insurance, including indication that the policy(s) is endorsed to provide the Organization at least 30 days in advance notice of cancellation, nonrenewal or adverse change.

New Certificates of Insurance are to be provided to the Organization at least 15 days prior to coverage renewals.

If requested by the Organization, the Other Party shall furnish complete copies of the Other Party's insurance policies, forms and endorsements.

For Commercial General Liability coverage the Other Party shall, at the option of the Organization, provide an indication of the amount of claims payments or reserves chargeable to the aggregate amount of liability coverage.

Receipt of certificates or other documentation of insurance or policies or copies of policies by the Organization, or by any of its representatives, which indicate less coverage than required does not constitute a waiver of the Other Party's obligation to fulfill the insurance requirements herein.

PROFESSIONAL LIABILITY, MALPRACTICE AND/OR ERRORS OR OMISSIONS

If checked below, the Organization requires the following terms and types of insurance for professional, malpractice, and errors or omissions liability.

Hold Harmless

The following replaces the previous Hold Harmless wording.

The Organization shall be held harmless against all claims for bodily injury, sickness, disease, death or personal injury or damage to property or loss of use resulting therefrom arising out of performance of the agreement or contract, unless such claims are a result of the Organization's sole negligence.

The Organization shall also be held harmless against all claims for financial loss with respect to the provision of or failure to provide professional or other services resulting in professional, malpractice, or errors or omissions liability arising out of performance of the agreement or contract, unless such claims are a result of the Organization's sole negligence.

Professional Liability/Malpractice/Errors or Omissions Insurance

The Other Party shall purchase and maintain professional liability or malpractice or errors or omissions insurance with minimum limits of \$1,000,000 per occurrence.

If a claims made form of coverage is provided, the retroactive date of coverage shall be no later than the inception date of claims made coverage, unless the prior policy was extended indefinitely to cover prior acts.

Coverage shall be extended beyond the policy year either by a supplemental extended reporting period (ERP) of as great duration as available, and with no less coverage and with reinstated aggregate limits, or by requiring that any new policy provide a retroactive date no later than the inception date of claims made coverage.

EQUAL OPPORTUNITY CLAUSE

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, creed/religion, sex, national origin, disability/handicap, age, marital status, veteran status, or any other legally protected status. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed/religion, sex, national origin, disability/handicap, age, marital status, veteran status, or any other legally protected status. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(2) The contractor will in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, creed/religion, sex, national origin, disability/handicap, age, marital status, veteran status, or any other legally protected status.

(3) The contractor will send to each labor union or representative of workers which he has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further contracts with the Emerald Coast Utilities Authority. Provided, however, that no such action shall be taken without prior notice to the contractor and an opportunity for a hearing before the governing Board of the Emerald Coast Utilities Authority or its designee.

(5) The contractor will include the provisions of paragraphs (1) through (4) in every subcontract or purchase order for an amount exceeding ten thousand dollars (\$10,000) in any twelve (12) month period, so that such provisions will be binding upon each subcontractor or vendor.

Signature

Date

Name & Title of Signer

CERTIFICATION OF NONSEGREGATED FACILITIES

By the submission of this bid, the bidder, offeror, applicant, or subcontractor certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The bidder, offeror, applicant, or subcontractor agrees that a breach of this certification is a violation of the Equal Opportunity Clause in this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, creed/religion, national origin, age, marital status, or veteran status because of habit, local custom, or otherwise. He further agrees that (except where he has obtained identical certifications from proposed subcontractors for specific time periods) he will obtain identical certifications from proposed subcontractors prior to the award of subcontracts or purchase orders exceeding \$10,000; that he will retain such certifications in his files and make them available to the Emerald Coast Utilities Authority upon request.

Provided, however, that such certifications shall not be required in the case of purchase orders or contracts which, in case of a Federal Government contract or subcontract, would be exempt from compliance with the Equal Opportunity Clause by 41 CFR S60-1.5. This section provides for the exemption of transactions not exceeding \$10,000, contracts and subcontracts for indefinite quantities established not to exceed \$10,000 in any contract year, contracts with certain educational institutions, work on or near Indian reservations, facilities (including, but not limited to, agencies, instrumentalities or subdivision of state or local government) which are separate and distinct from activities of the prime contractor or subcontractor related to the performance of the contract or subcontract, and emergencies involving national security.

Signature

Date

Name & Title of Signer

DRUG-FREE WORKPLACE FORM

The undersigned vendor in accordance with Florida Statute 287.087 hereby certifies that _____ does:

(Name of Business)

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
4. In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of Chapter 1893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
5. Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is so convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.

Bidder's Signature

Date

Company: _____

Bid/RFP/PO: _____

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