

APPROVED  
RESOLUTION 2018-095

A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND ATTEST, RESPECTIVELY, THAT CERTAIN CONTRACT WITH HCT CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS, LLC, TO ACT AS THE CITY'S AUDITING SERVICES FIRM, A SUMMARY OF WHICH IS ATTACHED HERETO AS EXHIBIT A, AND A FACSIMILE COPY OF WHICH CAN BE INSPECTED IN THE OFFICES OF THE CITY CLERK; PROVIDING FOR INSTRUCTIONS TO THE CITY CLERK; PROVIDING FOR THE ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City determined to solicit proposals in connection with auditing services for a term of three (3) years, beginning October 1, 2018, and ending September 30, 2021, with two (2) one-year renewal options, in accordance with the Request for Proposal ("RFP") #18-3210-13R, for auditing services, and

WHEREAS, the Mayor and City Clerk have negotiated a contract for professional auditing services with HCT Certified Public Accountants and Consultants, LLC,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LAUDERDALE LAKES, as follows:

Section 1. ADOPTION OF REPRESENTATIONS: The foregoing Whereas paragraphs are hereby ratified and confirmed as being true, and the same are hereby made a specific part of this Resolution.

Section 2. AUTHORITY: The Mayor and City Clerk are hereby authorized and directed to execute and attest, respectively, that certain contract with HCT Certified Public Accountants and Consultants, LLC, to act as the City's auditing services firm, a summary of which is attached hereto as Exhibit A, and a facsimile copy of which can be inspected in the offices of the City Clerk.

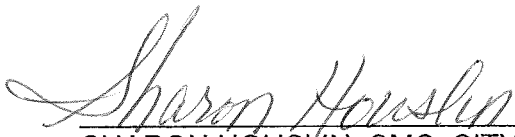
Section 3. INSTRUCTIONS TO THE CITY CLERK: The City Clerk is hereby authorized to obtain three (3) fully executed copies of the subject Agreement, with one to be maintained by the City, with one to be delivered to HCT Certified Public Accountants and Consultants, LLC, and with one to be directed to the Office of City Attorney.

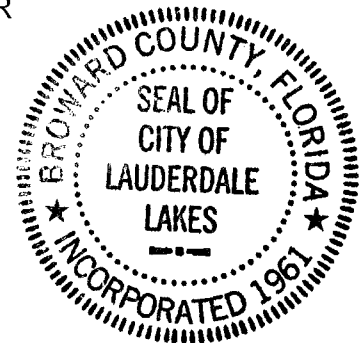
Section 4. EFFECTIVE DATE: This Resolution shall take effect immediately upon its final passage.

ADOPTED BY THE CITY COMMISSION OF THE CITY OF LAUDERDALE LAKES AT ITS SPECIAL MEETING HELD SEPTEMBER 17, 2018.

  
HAZELLE ROGERS, MAYOR

ATTEST:

  
SHARON HOUSLIN, CMC, CITY CLERK  
JCB:jla



Sponsored by: ASHELEY A. HEPBURN, Financial Services Administration Manager

**VOTE:**

Mayor Hazelle Rogers	<input checked="" type="checkbox"/> (For)	____ (Against)	____ (Other)
Vice-Mayor Beverly Williams	<input checked="" type="checkbox"/> (For)	____ (Against)	____ (Other)
Commissioner Sandra Davey	<input checked="" type="checkbox"/> (For)	____ (Against)	____ (Other)
Commissioner Gloria Lewis	<input checked="" type="checkbox"/> (For)	____ (Against)	____ (Other)
Commissioner Veronica Edwards Phillips	<input checked="" type="checkbox"/> (For)	____ (Against)	____ (Other)

## Exhibit A

### SCOPE OF WORK TO BE PERFORMED:

The following tasks are required of the selected auditor:

- A. Provide an independent audit and express an opinion as to whether the financial statements of the City are fairly presented, in all material respects, and in accordance with accounting principles generally accepted in the United States of America.
- B. Provide the City with an opinion on the fair presentation of the government-wide and fund financial statements and schedules in conformity with accounting principles generally accepted in the United States of America. The auditor is not required to audit the supporting schedules contained in the CAFR. However, the auditor is to provide an "in relation to" opinion on the supporting schedules based on the auditing procedures applied during the audit of the government-wide and fund financial statements and schedules. The auditor is not required to audit the introductory section of the report or the statistical section. Prepare the financial statements in accordance with GASB Statement 34.
- C. Perform certain limited procedures involving required supplementary information required by the Government Accounting Standards Board in accordance with auditing standards generally accepted in the United States of America
- D. Audit the schedule of expenditure of federal awards and state financial assistance in accordance with the Federal and Florida Single Audit Act
- E. Complete Audit in accordance with the Rules of the Auditor General, Chapter 10.550, the Single Audit Act, OMB Circular A-133, the GAO Yellow Book, Government Auditing Standards, and the AICPA auditing standards.
- F. Review and provide recommendations for required note disclosures for the City's Comprehensive Annual Financial Report.
- G. Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue the following reports and schedules for the City:
  - 1. An Independent Auditor's Report on the fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, pursuant to an audit conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.
  - 2. An Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other matters based on an audit of Financial Statements performed in Accordance with Government Auditing Standards.
  - 3. If applicable, an independent Auditor's Report on Compliance for Each Major Federal Program and Major State Project; Report on Internal Control over Compliance and Report of the Schedule of Expenditure of Federal Awards and State Financial Assistance required by the OMB Super Section 215.97 Florida Statutes, and Chapter 10.550, Rules of the Auditor General Circular.

4. An independent Auditor's Report to City Management in Accordance with Audits of States, Local Government, and Non-Profit Organization and Chapter 10.550 Rules of the Florida Auditor General.
5. In the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters, the auditor shall communicate any material weakness found during the audit. A material weakness is a deficiency or combination of deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.
6. Provide a report on compliance and internal controls that include all instances on noncompliance.
7. Disclose the following when reporting to the Mayor and the City Manager
  - The auditor's responsibility under auditing standards generally accepted in the United States of America, and assurances that the independent auditor is currently licensed, and that the members of the audit team have the minimum required continuing professional education credits required for performing audits under Government Auditing Standards
  - Significant accounting policies
  - Management judgements and accounting estimates
  - Significant audit adjustments
  - Other information in documents containing audited financial statements
  - Disagreements with management
  - Management consultation with other accountants
  - Major issues discussed with management prior to retention
  - Difficulties encountered in performing the audit
  - 
  - report on the fair presentation of the financial statements in conformity with General Accepted Accounting Principles.
  - A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.
  - Reports on compliance with specific requirements applicable to federal and state financial assistance programs.
  - Schedule of Findings and Questioned Costs – Federal Programs and State Projects.
  - The auditor shall communicate in a letter format to management, any reportable conditions found during the audit providing a reasonable amount of time for management to respond. Other reports as required by law or other governing bodies.
- F. Special Reports for the City:
  1. Data Collection Form to the Federal Audit Clearinghouse (SF-SAC) as required by OMB Circular A-133.
  2. Auditor will assist City in completing the on-line form within a timely manner but no later than 45 days after the receipt of the Audit.
- G. Assistance in providing guidance and implementing changes in governmental accounting standards.
- H. If the City does issue debt for which the official statement in connection with the debt contains basic financial statement and the report of independent accounts, the firm shall be required to issue a "consent and citation of expertise" as auditor and any necessary "comfort letters" at no additional cost to the City.
- I. The City will apply for the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Reports (CAFR) for each of the fiscal years covered by this RFP. The selected audit firm will be expected to provide technical assistance to help the City meet the program's requirements.

#### **ADDITIONAL PROFESSIONAL SERVICES:**

It is the intent of the City, that additional audit requirements in the future imposed on the City by applicable national and state agencies shall be provided by the auditor and included in the negotiated fee schedule between the City and the auditing firm.

#### **SCHEDULE FOR CONDUCTING AUDITS:**

Timeliness is critical in the performance of the audit. Demonstration of audits completed for Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Reports (CAFR) is required. The auditor should coordinate with the City's Project Manager, and endeavors to accomplish the audits in a phased approach throughout the year in order to reduce the year-end workload on both the audit team and the City's staff. The City will make necessary records available to the auditor through the year to assist in this regard. It is anticipated that each of the following will be completed by the auditor no later than the dates indicated as follows:

November 30, 2018	Year-end closing of books for the City
January 31, 2019	Completion of field work and preliminary management comments and recommendations provided to the City.
February 4, 2019	Draft of Basic Financial Statements delivered to the City
February 8, 2019	Written management comments delivered to the City.
February 10, 2019	Completion of audit letters for inclusion in the CAFR.
February 15, 2019	Draft of CAFR prepared by the Finance Services Department.
February 22, 2019	Final Basic Financial Statements; Final management comments; and Final audit letters delivered to the City.
February 28, 2019	Final CAFR to be printed and distributed by the Financial Services.

#### **RESPONSIBILITIES OF THE CITY:**

The Financial Services Department and responsible management personnel will be available during the audit process to assist the firm by providing information, documentation and explanations. In addition, the following will be performed:

1. Year-end closing of the books of account and preparation of necessary adjusting journal entries.
2. Preparation of the introductory, financial (excluding basic statements and related components) and statistical section, and the awards portion of the single audit section.
3. Preparation of work schedules and related materials as requested by the selected firm.
4. Assistance in providing paid invoices, copies of canceled checks, and other supporting documentation as requested by the audit firm.
5. Reasonable workspace, desks, chairs, and online access to the City's information system. City will also provide access to telephone, copying and facsimile machines.

## Exhibit B

### CONTRACTOR'S KEY PERSONNEL

Managing Partner	Roderick Harvey
Engagement Audit Manager	Ivan Perez Rijos
Lead Senior Auditor	Thomas Williams III
Info Tech/Rick Advisory Manager	Fred Hicks

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**ATTACHMENT "C"**  
**SCHEDULE OF PROFESSIONAL FEES**

**FINANCIAL STATEMENT AUDIT**

<u>JOB CLASSIFICATION</u>	<u>HOURS</u>	<u>PROPOSED HOURLY RATES</u>	<u>PROPOSED TOTAL</u>
Partners	40.00	\$ 215.00	\$ 8,600.00
Managers	16.00	\$ 195.00	\$ 3,120.00
Supervisors	120.00	\$ 175.00	\$ 21,000.00
Staff	160.00	\$ 135.00	\$ 21,600.00
	336.00		\$ 54,320.00
<b>Total Hours</b>			<b>Proposed Total</b>

**SINGLE AUDIT**

<u>JOB CLASSIFICATION</u>	<u>HOURS</u>	<u>PROPOSED HOURLY RATES</u>	<u>PROPOSED TOTAL</u>
Partners	2.00	\$ 215.00	\$ 430.00
Managers	8.00	\$ 195.00	\$ 1,560.00
Supervisors	16.00	\$ 175.00	\$ 2,800.00
Staff	24.00	\$ 135.00	\$ 3,240.00
	50.00		\$ 8,030.00
<b>Total Hours</b>			<b>Proposed Total</b>

**COMBINED TOTAL PROPOSED FEE**

*ORIGINAL*

<u>YEARS</u>	<u>SINGLE AUDIT</u>	<u>FINANCIAL AUDIT STATEMENT</u>	<u>TOTAL</u>
September 30, 2018	\$ 6,000.00 **	\$ 44,000.00 **	\$ 50,000.00 **
September 30, 2019	\$ 6,000.00 **	\$ 45,000.00 **	\$ 51,000.00 **
September 30, 2020	\$ 6,000.00 **	\$ 46,000.00 **	\$ 52,000.00 **
<b>TOTALS:</b>	\$ 18,000.00 **	\$ 135,000.00 **	\$ 153,000.00 **

\*\* = Discounted offered to the City of Lauderdale Lakes by HCT.



**CITY OF LAUDERDALE LAKES  
4300 N.W. 36<sup>TH</sup> STREET  
LAUDERDALE LAKES, FLORIDA, 33319-5599  
TEL (954) 535-2700  
FAX (954) 535-1892**

### **FINANCIAL AUDITING SERVICES**

This Contract is made as of the 17<sup>th</sup> day of September 2018, between THE CITY OF LAUDERDALE LAKES, a municipal corporation existing under the laws of the State of Florida, ("CITY"), and HCT Certified Public Accountants & Consultants, a Limited Liability Corporation, LLC, authorized to do business in the State of Florida, ("CONTRACTOR"), whose Federal I.D. number is 65-0984330 .

WHEREAS, the City of Lauderdale Lakes solicited proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal years , and

WHEREAS, at its meeting of September 17, 2018, by Resolution # \_\_\_\_\_-\_\_\_\_\_, the CITY Commission authorized the proper CITY officials to execute this Contract hereinafter referred to as Contract # RFP18-3210-13R; and

WHEREAS, the CONTRACTOR is willing and able to perform the work of Auditing Services for the compensation and on the terms hereinafter set forth; and

WHEREAS, the CONTRACTOR understands that its role as external auditor is to adhere to standards of ethics and performance and be independent in both fact and appearance; and

WHEREAS, the CONTRACTOR acknowledges that it has a fiduciary responsibility is to communicate first and primarily with the governing body.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants, agreements, terms, and conditions contained herein, do agree as follows:

#### **ARTICLE 1 - SERVICES**

The CONTRACTOR'S responsibility under this Contract is to provide professional auditing services in the area of as more specifically set in the Scope of Work detailed in Exhibit "A" attached hereto and made part hereof.

The CITY's Representative/Liaison during the performance of this Contract shall be Chandra Williams telephone (954) 535-2700.

#### **ARTICLE 2 - TERM**

The initial contract term shall be for three (3) years, beginning October 1, 2018, and ending September 30, 2021, unless sooner terminated or later extended or renewed, in accordance with the other terms and conditions set forth herein. At the CITY's sole option, the Term may be renewed for two (2) additional



years, in the absolute discretion of the CITY. In the event of an exercise of the option(s) to renew, the terms and conditions set forth herein, exclusive of the rights set forth in the specific subsection, shall apply equally to such renewed Term. The CITY may provide a minimum of ten (10) calendar days notice before the end of any effective Term, of its intent to renew the Term. Price may be adjusted per Article 3, Payments to CONTRACTOR.

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

Extension of Contract:

The CITY reserves the right to automatically extend the Contract for up to ninety (90) calendar days beyond the stated Contract term, under the same terms and conditions of said Contract. The CITY shall notify the CONTRACTOR in writing of such extensions. Additional extensions over the first ninety (90) day extension may occur, if the CITY and the CONTRACTOR are in mutual agreement of such extensions.

**ARTICLE 3 - PAYMENTS TO CONTRACTOR**

The total amount to be paid by the CITY under this Contract for all services and materials shall be priced using the pricing structure according to Exhibit "C", Schedule of Professional Fees. Such payment shall be made within thirty (30) days from the last day of each respective month in which CONTRACTOR has performed the Services and issued an invoice to the CITY's Accounts Payable Department.

CONTRACTOR, as appropriate, shall invoice the CITY for the work performed under this Contract. Invoices received from the CONTRACTOR pursuant to this Contract shall be reviewed and approved by the CITY's Representative. If there is no objection to the invoice, the CITY shall pay the full invoice amount within thirty (30) days of the CITY's receipt of the invoice. If there is a dispute as to the invoiced amount, the CITY shall notify the CONTRACTOR of the dispute within fifteen (15) days of the CITY's receipt of the invoice. The CITY shall pay the CONTRACTOR the undisputed invoiced amount within thirty (30) days of its receipt of the invoice. The disputed amount of the invoice shall not be paid by the CITY until a resolution has been reached between the CITY and the CONTRACTOR as to the disputed portions of the invoice.

Final Invoice: In order for both parties herein to close their books and records, the CONTRACTOR will clearly state "final invoice" on the CONTRACTOR'S final/last billing to the CITY on an annual basis. The final invoice certifies that all services have been properly performed and all charges and costs have been invoiced to the CITY. Since this account will thereupon be closed, and any other further charges if not properly included on this invoice are waived by the CONTRACTOR.

Approval by the CITY shall not constitute nor be deemed a release of the responsibility and liability of the CONTRACTOR, his employees, sub-contractors, agents and Contractors for the accuracy and competency of their designs, working drawings, and specifications or other documents and works; nor shall such approval be deemed to be an assumption of such responsibility by the CITY for a defect or omission in designs, working drawings, and specifications or other documents prepared by the CONTRACTOR, his employees, sub-contractors, agents and Contractors.

Appropriations: Payment under this Contract is subject to annual appropriations of the governing body. The CITY will immediately notify the CONTRACTOR to stop work if funds are not appropriated and will pay CONTRACTOR for all work performed up to the time of the stop work notice.

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

Signature of this Contract by the CONTRACTOR shall also act as the execution of a truth-in-negotiation certificate certifying that the wage rates, overhead 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 CONTRACTOR'S most favored customer for the same or substantially similar service.

Said rates and cost shall be adjusted to exclude any significant sums should the CITY determine that the rates and costs were increased due to inaccurate, incomplete or non-current wage rates. The CITY shall exercise its rights under this Article 4 within one (1) year following the rendering of the final invoice. Said date shall be extended if the Contract is renewed.

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

This Contract may be cancelled by the CONTRACTOR upon ninety (90) days prior written notice to the CITY's representative in the event of substantial failure by the CITY to perform in accordance with this Contract through no fault of the CONTRACTOR. The Contract may also be terminated, in whole or in part, by the CITY, with or without cause, immediately upon written Termination Notice to the CONTRACTOR. Unless the CONTRACTOR is in breach of this Contract, the CONTRACTOR shall be paid for services rendered to the CITY's satisfaction through the date of termination. In the event the CITY elects to terminate this Contract without cause, however, the CITY shall pay the CONTRACTOR a termination fee of One Hundred Dollars (\$100). After receipt of a Termination Notice and except as otherwise directed by the CITY, the CONTRACTOR shall:

- A. Stop work on the date 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 CITY.
- D. Continue and complete all parts of the work that have not been terminated.

Termination for Convenience: The CITY, by written notice, may terminate this Contract, in whole or in part, when it is in the CITY's best interest. If this Contract is terminated, the CITY shall be liable only for the goods and services delivered and accepted. The CITY may provide the CONTRACTOR thirty (30) days prior notice before said termination becomes effective. However, at the CITY's prerogative, a termination for convenience may be effective immediately and may apply to release orders (if applicable) or to the Contract in whole.

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

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

All of the services required hereunder shall be performed by the CONTRACTOR 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 laws to perform such services.

Any changes or substitutions in the CONTRACTOR's key personnel, as may be listed in Exhibit "B", must be made known to the CITY's Representative and written approval must be granted by the CITY's Representative before said change or substitution can become effective.

The CONTRACTOR warrants that all services shall be performed by skilled and competent personnel.

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

The CITY 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 CONTRACTOR is encouraged to seek local vendors for participation in subcontracting opportunities. If the CONTRACTOR 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 CONTRACTOR shall promptly do so, subject to acceptance of the new subContractor by the CITY. The substitution of a subContractor shall not be adequate cause to excuse a delay in the performance any portion of this Contract as set forth in the Scope of Work.

The CONTRACTOR, its subContractors, agents, servants, or employees agree to be bound by the Terms and Conditions of this Contract and its agreement with the subContractor for work to be performed for the CITY the CONTRACTOR must incorporate the terms of this Contract.

#### **ARTICLE 8 – INSURANCE**

- A. The CONTRACTOR shall not commence work under this Contract until it has obtained all insurance required under this paragraph and such insurance has been approved by the CITY.
- B. All insurance policies shall be issued by companies authorized to do business under the laws of the State of Florida. The CONTRACTOR shall furnish Certificates of Insurance to the CITY's Representative prior to the commencement of operations. The Certificates shall clearly indicate that the CONTRACTOR has obtained insurance of the type, amount, and classification as required for strict compliance with this paragraph and that no material change or cancellation of the insurance shall be effective without thirty (30) days prior written notice to the CITY'S Representative. Compliance with the foregoing requirements shall not relieve the CONTRACTOR of its liability and obligations under this Contract.
- C. The CONTRACTOR shall maintain during the term of this Contract, standard Professional Liability Insurance in the minimum amount of \$1,000,000 per occurrence.
- D. The CONTRACTOR shall maintain, during the life of this Contract, Comprehensive General Liability Insurance in the amount of \$1,000,000 per occurrence to protect the CONTRACTOR from claims for damages for bodily and personal injury, including wrongful death, as well as from claims of property damages which may arise from any operations under this Contract, whether such operations be by the CONTRACTOR or by anyone directly employed by or contracting with the CONTRACTOR.
- E. The CONTRACTOR shall maintain, during the life of this Contract, Comprehensive Automobile Liability insurance in the minimum amount of \$1,000,000 combined single limit for bodily injury and property damage liability to protect the CONTRACTOR from claims for damages for bodily and personal injury, including death, as well as from claims for property damage, which may arise from the ownership, use or maintenance of owned and non owned automobiles, including rented automobiles whether such operations be by the CONTRACTOR or by anyone directly or indirectly employed by the CONTRACTOR.
- F. The CONTRACTOR shall maintain, during the life of this Contract, adequate Workers' Compensation Insurance and Employer's Liability Insurance in at least such amounts as are required by law for all of its employees per Florida Statute 440.02.
- G. It shall be the responsibility of the CONTRACTOR to insure that all subContractors comply with the same insurance requirements referenced above.
- H. Compliance with the foregoing requirements shall not relieve the CONTRACTOR of its liability and obligation under this section or under any other section if this Section or under any other section of the Contract.
- I. CONTRACTOR shall be responsible for assuring that the insurance certificate required in conjunction with this Section remain in force for the duration of the period of performance for any contractual agreement(s) resulting from this solicitation. If insurance certificates are scheduled to expire during the term hereof, the CONTRACTOR shall be responsible for submitting new or renewed insurance certificates to the CITY at a minimum of thirty (30) calendar days in advance of such expiration. In the

event that expired certificates are not replaced with new or renewed certificates which cover the term hereof, the CITY shall suspend the Contract until such time as the new or renewed certificates are received by the CITY in a manner prescribed in this Section; provided however, that this suspension period does not exceed thirty (30) days, the CITY may at its sole discretion, terminate the Contract and seek re-purchasing charges from the CONTRACTOR.

- J. In the judgment of the CITY, prevailing conditions warrant the provision by CONTRACTOR of additional liability insurance coverage or coverage which is different in kind, the CITY reserves the right to require the provision by CONTRACTOR of an amount of coverage different from the amounts or kind previously required and shall afford written notice of such change in requirements thirty (30) days prior to the date on which the requirements shall take effect. Should the CONTRACTOR fail or refuse to satisfy the requirement of changed coverage within thirty (30) days following the CITY's written notice, the CITY, at its sole option, may terminate the Contract upon written notice to the CONTRACTOR, said termination taking effect on the date that the required change in policy coverage would otherwise take effect.
- K. All insurance, other than Professional Liability and Workers' Compensation, to be maintained by the CONTRACTOR shall specifically include the CITY of Lauderdale Lakes as "Additional Insured" and shall unequivocally provide thirty (30) days written notice to the CITY prior to any adverse changes, cancellation or non-renewal of coverage thereunder.

#### **ARTICLE 9 - INDEMNIFICATION**

The CONTRACTOR shall indemnify and hold harmless the CITY and its officers and employees, from liabilities, damages, losses, and costs, including but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the CONTRACTOR, and other persons employed or utilized by CONTRACTOR in the performance of this Contract.

The parties agree that 1% of the total compensation paid to the CONTRACTOR for performance of this Contract shall represent the specific consideration for the CONTRACTOR's indemnification of the Owner. It is the specific intent of the parties hereto that the foregoing indemnification complies with applicable Florida Statutes.

The CONTRACTOR, without exemption, shall indemnify and hold harmless the CITY, its employees, representatives and elected officials from liability of any nature or kind, including cost and expenses for or on account of any copyrighted, patented, or unpatented invention, process, or item manufactured by the CONTRACTOR. Further, if such a claim is made, or is pending, the CONTRACTOR may, at its option and expense, procure for the CITY the right to use, replace, or modify the item to render it non-infringing. If none of the alternatives are reasonably available, the CITY agrees to return the article on request to the CONTRACTOR and receive reimbursement. If the CONTRACTOR used any design, device or materials covered by letters, patent or copyright, it is mutually agreed and understood, without exception, that the Contract prices shall include all royalties or cost arising from the use of such design, device or materials in any way involved in the work.

It is further the specific intent of the parties that all of the Contract Documents on this Project are hereby amended to include the foregoing indemnification and the "Specific Consideration" thereof.

#### **ARTICLE 10 - SUCCESSORS AND ASSIGNS**

The CITY and the CONTRACTOR each binds itself and its partners, successors, executors, administrators, and assigns to the other party of this Contract to the partners, successors, executors, administrators, and assigns of such other party, in respect to all covenants of this Contract. Except as above noted, neither the CITY nor the CONTRACTOR shall assign, sublet, convey or transfer its interest in this Contract. Nothing herein shall be construed as creating any rights or benefits hereunder to anyone other than the CITY and the CONTRACTOR.

#### **ARTICLE 11 - REMEDIES**

This Contract shall be governed by the laws of the State of Florida. The venue of all actions in State or Federal Court relating to this Contract will be held in Broward County, Florida. 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 now or hereafter existing at law or in equity. No single or partial exercise by any part of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

#### **ARTICLE 12 - CONFLICT OF INTEREST**

The CONTRACTOR represents that it presently has no interest and shall acquire no interest, either direct or indirect, in the CITY, which would conflict in any manner with the performance or services required hereunder, as provided for in Florida Statutes 112.311. The CONTRACTOR further represents that no person having such interest shall be employed in the performance hereof.

The CONTRACTOR shall promptly notify the CITY's Representative, in writing, by certified mail, of all potential conflicts of interest for any prospective business association, interest or other circumstance which may influence or appear to influence the CONTRACTOR'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 CONTRACTOR undertakes and request an opinion of the CITY, whether or not such association, interest or circumstances will in the CITY's opinion constitute a conflict of interest if entered into by the CONTRACTOR. The CITY agrees to notify the CONTRACTOR of its opinion by certified mail within 30 days of receipt of notification by the CONTRACTOR. If, in the opinion of the CITY, the prospective business association, interest or circumstances would not constitute a conflict of interest by the CONTRACTOR, the CITY shall so state in the notification and the CONTRACTOR may enter into said association, interest or circumstance and it shall be deemed not in conflict of interest with respect to services provided to the CITY by the CONTRACTOR under the terms of this Contract.

#### **ARTICLE 13 - EXCUSABLE DELAYS**

The CONTRACTOR shall not be considered in default by reason of any failure in performance if such failure arises as a result of a "Force Majeure." Force Majeure shall mean any delay occasioned by superior or irresistible force occasioned by violence in nature without the interference of human agency such as hurricanes, tornados, flood and total loss caused by fire and other similar unavoidable casualties, changes in federal, state or local laws, ordinances, codes or regulations, enacted after the date of this Agreement and having a substantial impact on the project, or other causes beyond the CONTRACTOR's control or by any other such causes which the CONTRACTOR and the CITY Commission decide in writing justify the delay. Provided, however, that market conditions, labor conditions, construction industry price trends and similar matters which normally impact on the bidding process shall not be considered a Force Majeure.

#### **ARTICLE 14 - PLEDGE OF CREDIT, ARREARS**

The CONTRACTOR shall not pledge the CITY's credit or make it a guarantor of payment of surety for any contract, debt, obligation, judgment, lien, or any form of indebtedness.

The CONTRACTOR further warrants and represents that it has no obligation or indebtedness that would impair its ability to fulfill the terms of this Contract.

#### **ARTICLE 15 - DISCLOSURE AND OWNERSHIP OF DOCUMENTS**

The CONTRACTOR shall deliver to the CITY for approval and acceptance, and before being eligible for final payment of any amounts due, all documents and materials, in both hard copy and electronic mail, prepared by and for the CITY under this Contract.

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 CITY or at its expense will be kept confidential by the CONTRACTOR and will not be disclosed to any other party directly or indirectly, without the CITY's prior written consent, unless required by a lawful order. All drawings, maps, sketches, programs, database, reports and other data developed or purchased under this Contract for or at the CITY's expense shall be and remain the CITY's property and may be reproduced and reused at the discretion of the CITY.

The CITY and the CONTRACTOR shall comply with provisions of Chapter 119, Florida Statutes (Public Records Law).

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

#### **ARTICLE 16 - INDEPENDENT CONTRACTOR RELATIONSHIP**

The CONTRACTOR and all employees and/or agents of the CONTRACTOR are, 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 CITY. 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 CONTRACTOR'S sole direction, supervision, and control. The CONTRACTOR shall exercise control over the means and manner in which it and its employees perform the work and in all respects the CONTRACTOR'S relationship and the relationship of its employees to the CITY shall be that of an independent Contractor and not as employees or agents of the CITY.

The CONTRACTOR does not have the power or authority to bind the CITY in any promise, agreement or representation other than specifically provided for in this Agreement. The CONTRACTOR shall be responsible to the CITY for all work or services performed by the Contractor or any person or entity on the CONTRACTOR's behalf, in fulfillment of this Contract.

#### **ARTICLE 17 - CONTINGENT FEES**

The CONTRACTOR warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the CONTRACTOR 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 its bona fide employee working solely for the CONTRACTOR, any fee, commission, percentage, gift, or any other consideration contingent upon resulting from the Award or making of this Contract.

#### **ARTICLE 18 - ACCESS AND AUDITS**

The CONTRACTOR 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 of this Contract. The CITY 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 CONTRACTOR'S place of business.

#### **ARTICLE 19 - NONDISCRIMINATION**

The CONTRACTOR 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 20 - ENFORCEMENT COSTS**

If any legal action or other proceeding is brought for the enforcement of this Contract, or because of an alleged dispute, breach, default or misrepresentation in connection with any provisions of this Contract, the successful or prevailing party or parties shall be entitled to recover reasonable attorney's fees, expenses and court costs, including appellate fees incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled.

#### **ARTICLE 21 - AUTHORITY TO PRACTICE**

The CONTRACTOR 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 CITY's Representative on an annual basis.

#### **ARTICLE 22 - 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 provisions to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term provision of this Contract shall be deemed valid and enforceable to the extent permitted by law.

#### **ARTICLE 23 - ENTIRETY OF CONTRACTUAL CONTRACT**

The CITY and the CONTRACTOR agree that this Contract sets forth the entire Contract 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 24 - MODIFICATIONS OF WORK**

The CITY reserves the right to make changes in Scope of Work, including alterations, reductions therein or additions thereto. Upon receipt by the CONTRACTOR of the CITY's notification of a contemplated change, the CONTRACTOR shall, **in writing**:

- (1) Provide a detailed estimate for the increase or decrease in cost due to the contemplated change,
- (2) Notify the CITY of any estimated change in the completion date, and
- (3) Advise the CITY if the contemplated change shall effect the CONTRACTOR'S ability to meet the completion dates or schedules of this Contract.

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

If the CITY elects to make the change, the CITY shall initiate a contract amendment and the CONTRACTOR shall not commence work on any such change until such written amendment is signed by the authorized representative for the CITY.

Such changes, if any, shall be set forth in writing, which may be transmitted, at the CITY'S discretion, digitally.

#### **ARTICLE 25 - NOTICE**

All notices required in this Contract shall be sent by certified mail, return receipt requested, and if sent to the CITY shall be mailed to:

Attn: Phil Alleyne, City Manager  
City of Lauderdale Lakes  
4300 NW 36<sup>th</sup> Street  
Lauderdale Lakes, FL 33319-5599  
Tel (954) 535-2700  
Fax (954) 535-1892

Copy to: Financial Services Department  
City of Lauderdale Lakes  
4300 NW 36<sup>th</sup> Street  
Lauderdale Lakes, FL 33319-5599  
Tel (954) 535-2700  
Fax (954) 535-1892

and if sent to the CONTRACTOR shall be mailed to:

HCT Certified Public Accountants &  
Consultants, LLC  
3816 Hollywood Blvd, Suite 203  
Hollywood, FL 33021  
Attn: Roderick Harvey  
TEL: 954-966-4435  
FAX: 954-962-7747

#### **ARTICLE 26 - CAPTIONS AND PARAGRAPH HEADINGS**

Captions and paragraph headings contained in this Contract are for convenience and reference only and in no way define, describe, extend or limit the scope and intent of this Contract, nor the intent of any provisions hereof.

#### **ARTICLE 27 - JOINT PREPARATION**

The preparation of this Contract has been a joint effort of the parties, and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other. It is the parties' further intention that this Contract be construed liberally to achieve its intent.

#### **ARTICLE 28 - WAIVER**

No waiver by the CITY of any provision of this Contract shall be deemed to be a waiver of any other provisions hereof or of any subsequent breach of the same or any other provision or the enforcement hereof. CITY's consent to or approval of any act by Contractor requiring consent or approval shall not be deemed to render unnecessary the obtaining of CITY's consent or approval of any subsequent act by Contractor requiring the CITY'S consent or approval, whether or not similar to the act so consented to or approved.

#### **ARTICLE 29 - COUNTERPARTS**

This Contract may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same Contract.

#### **ARTICLE 30 - EXHIBITS ARE INCLUSIONARY**

All exhibits attached hereto or mentioned herein which contain additional terms shall be deemed incorporated by reference. Typewritten or handwritten provisions inserted in this form or attached hereto shall control all printed provisions in conflict therewith.

#### **ARTICLE 31 - CONTRACT DOCUMENTS**

The Contract documents are as follows: Request for Proposal, Contract, Exhibits, Addenda, All Representations, and Warranties, to make this Contract.



