

RESOLUTION NO. 2025-3437

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA APPROVING THE PROFESSIONAL SERVICES AGREEMENT OF RAFTELIS FINANCIAL CONSULTANTS, INC. AS A FINANCIAL SUPPORT SERVICES CONSULTANT; FINDING THAT THE PURCHASE IS EXEMPT FROM COMPETITIVE BIDDING PURSUANT TO SECTION 3-13(3) OF THE TOWN CODE AS A CONTRACT FOR PROFESSIONAL SERVICES; AUTHORIZING THE TOWN MANAGER TO ENTER INTO A PURCHASE ORDER FOR SUCH PURCHASE; AND PROVIDING FOR IMPLEMENTATION AND AN EFFECTIVE DATE.

WHEREAS, the Town of Surfside (Town") seeks to retain a consultant to provide professional financial consulting services to the Town relating to a water, sewer, solid waste and stormwater revenue sufficiency study ("Consulting Services");

WHEREAS, pursuant to Section 3-13(3) of the Town's Code, contracts for professional services are exempt from competitive bidding;

WHEREAS, Raftelis Financial Consultants, Inc. has provided a Proposal attached hereto as Exhibit "A" to provide such Consulting Services in an amount not to exceed \$65,000 ("Proposal");

WHEREAS, the Town now wishes to authorize the Town Manager to purchase the Consulting Services, and enter into the Consulting Services Agreement in substantially the form attached hereto as Exhibit "B"; and

WHEREAS, the Town Commission finds that the Consulting Services Agreement is in the best interest and welfare of the Town.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, AS FOLLOWS:

Section 1. Recitals Adopted. Each of the above stated recitals are hereby

adopted, confirmed and incorporated herein.

Section 2. Approval of Consulting Services Agreement. The Consulting Services Agreement between Raftelis Financial Consultants, Inc. and the Town attached hereto as Exhibit "B" is hereby approved as of the Effective Date.

Section 3. Implementation of Agreement. The Town Manager is hereby authorized to take any and all necessary or further action to execute and implement said Consulting Services Agreement.

Section 4. Effective Date. This Resolution and Consulting Services Agreement shall be effective immediately upon adoption and as of the Effective Date.

PASSED AND ADOPTED on this 9th day of September, 2025.

Motion By: Commissioner Velasquez

Second By: Commissioner Vildostegui

FINAL VOTE ON ADOPTION:

Commissioner Ruben A. Coto	<u>Yes</u>
Commissioner Nelly Velasquez	<u>Yes</u>
Commissioner Gerardo Vildostegui	<u>Yes</u>
Vice Mayor Tina Paul	<u>Yes</u>
Mayor Charles W. Burkett	<u>Yes</u>

Attest



Sandra N. McCready, MMC
Town Clerk

Approved as to Form and Legal Sufficiency



Thais Hernandez, Town Attorney





Charles W. Burkett, Mayor

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF SURFSIDE
AND
RAFTELIS FINANCIAL CONSULTANTS, INC.**

THIS AGREEMENT (this "Agreement") is made effective as of the _____ day of _____, 2025 (the "Effective Date"), by and between the **TOWN OF SURFSIDE**, a Florida municipal corporation, (hereinafter the "Town"), and **RAFTELIS FINANCIAL CONSULTANTS, INC.**, a foreign for profit corporation, (hereinafter, the "Consultant").

WHEREAS, the Town seeks to retain a consultant to provide professional financial consulting services to the Town relating to a water, sewer, solid waste and stormwater revenue sufficiency study; and

WHEREAS, the Consultant has provided a Proposal attached hereto as Exhibit "A" for the work to be completed within 90 days from receipt of Notice to Proceed at a total cost not to exceed of \$65,000.00 (the "Services"); and

WHEREAS, the Consultant and Town, through mutual negotiation, have agreed upon a fee for the Services; and

WHEREAS, the Town desires to engage the Consultant to perform the Services and provide the deliverables as specified below.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the Consultant and the Town agree as follows:

1. Scope of Services.

- 1.1. Consultant shall provide the Services on a non-exclusive basis as set forth in the Proposal attached hereto as Exhibit "A" and incorporated herein by reference (the "Services").
- 1.2. Consultant shall furnish all reports, documents, books, records, reports, working drafts, maps and data pertaining to the Services and the project and information obtained and prepared by Consultant as a deliverable pursuant to this Agreement, and recommendations during the term of this Agreement (hereinafter "Deliverables") to the Town.

2. Term/Commencement Date.

- 2.1. The term of this Agreement shall be from the Effective Date through Dec. 31, 2025, unless terminated in accordance with Paragraph 8 below. Any renewal or extension of this Agreement shall require approval by the Town Manager.

2.2. Consultant agrees that time is of the essence and Consultant shall complete the Services within the term of this Agreement, unless extended by the Town Manager.

3. Compensation and Payment.

3.1. Total compensation for Services provided by Consultant shall be in an amount not to exceed \$65,000.00 and shall be based on the corresponding Pricing for the Services as set forth in Consultant's Proposal, which is attached hereto as Exhibit "A," and incorporated herein by reference.

3.2. Consultant shall deliver an invoice to Town no more often than once per month detailing Services completed and the amount due to Consultant under this Agreement. Fees shall be paid in arrears each month, pursuant to Consultant's invoice, which shall be based upon the percentage of work completed for each task invoiced. The Town shall pay the Consultant in accordance with the Florida Prompt Payment Act after approval and acceptance of the Services by the Town Manager.

4. Subconsultants.

4.1. The Consultant shall be responsible for all payments to any subconsultants and shall maintain responsibility for all work related to the Services.

4.2. Consultant may only utilize the services of a particular subconsultant with the prior written approval of the Town Manager, which approval may be granted or withheld in the Town Manager's sole and absolute discretion.

5. Town's Responsibilities.

5.1. Town shall make available any maps, plans, existing studies, reports, staff and representatives, and other data pertinent to the Services and in possession of the Town, and provide criteria requested by Consultant to assist Consultant in performing the Services. Consultant may rely on all data and information provided by or on behalf of Town to perform the Services.

5.2. Upon Consultant's request, Town shall reasonably cooperate in arranging access to public information that may be required for Consultant to perform the Services.

6. Consultant's Responsibilities; Representations and Warranties.

6.1. The Consultant shall exercise the same degree of care, skill and diligence in the performance of the Services as is ordinarily provided by a consultant under similar circumstances as of the time and at the location the Services are provided. If at any time during the term of this Agreement or within two (2) years from the completion of this Agreement, it is determined that the Consultant's Deliverables or Services are incorrect, not properly rendered, defective, or fail to conform to Town requests, the Consultant shall at Consultant's sole expense, immediately correct its Deliverables or Services.

6.2. The Consultant hereby warrants and represents that at all times during the term of this Agreement it shall maintain in good standing all required licenses, certifications and permits required under Federal, State and local laws applicable to and necessary to perform the Services for Town as an independent contractor of the Town. Consultant further warrants and represents that it has the required knowledge, expertise, and experience to perform the Services and carry out its obligations under this Agreement in a professional and first class manner.

6.3. The Consultant represents that is an entity validly existing and in good standing under the laws of Florida. The execution, delivery and performance of this Agreement by Consultant have been duly authorized, and this Agreement is binding on Consultant and enforceable against Consultant in accordance with its terms. No consent of any other person or entity to such execution, delivery and performance is required.

7. Conflict of Interest.

7.1. To avoid any conflict of interest or any appearance thereof, Consultant shall not, for the term of this Agreement, provide any consulting services to any private sector entities (developers, corporations, real estate investors, etc.), with any current, or foreseeable, adversarial issues in the Town.

8. Termination.

8.1. The Town Manager, without cause, may terminate this Agreement upon thirty (30) calendar days written notice to the Consultant, or immediately with cause.

8.2. Upon receipt of the Town's written notice of termination, Consultant shall immediately stop work on the project unless directed otherwise by the Town Manager.

8.3. The Consultant, without cause, may terminate this Agreement upon sixty (60) calendar days written notice to the Town Manager, or immediately with cause.

8.4. In the event of termination, the Consultant shall be paid for all work accepted by the Town Manager up to the date of termination, provided that the Consultant has first complied with the provisions of Paragraph 8.5.

8.5. The Consultant shall transfer all Deliverables to the Town, in a hard copy and electronic format within fourteen (14) days from the date of the written notice of termination or the date of expiration of this Agreement.

9. Insurance.

9.1. Consultant shall secure and maintain throughout the duration of this agreement insurance of such types and in such amounts not less than those specified below as satisfactory to Town, naming the Town as an Additional Insured, underwritten by a firm rated A-X or better by A.M. Best and qualified to do business in the State of Florida. The insurance coverage shall be primary insurance with respect to the

Town, its officials, employees, agents, and volunteers naming the Town as additional insured. Any insurance maintained by the Town shall be in excess of the Consultant's insurance and shall not contribute to the Consultant's insurance. The insurance coverages shall include at a minimum the amounts set forth in this section and may be increased by the Town as it deems necessary or prudent.

9.1.1. Commercial General Liability coverage with limits of liability of not less than a \$1,000,000 per Occurrence combined single limit for Bodily Injury and Property Damage. This Liability Insurance shall also include Completed Operations and Product Liability coverages and eliminate the exclusion with respect to property under the care, custody and control of Consultant. The General Aggregate Liability limit and the Products/Completed Operations Liability Aggregate limit shall be in the amount of \$2,000,000 each.

9.1.2. Workers Compensation and Employer's Liability insurance, to apply for all employees for statutory limits as required by applicable State and Federal laws. The policy(ies) must include Employer's Liability with minimum limits of \$1,000,000.00 each accident. No employee, subcontractor or agent of the Consultant shall be allowed to provide Services pursuant to this Agreement who is not covered by Worker's Compensation insurance.

9.1.3. Business Automobile Liability with minimum limits of \$1,000,000 per occurrence, combined single limit for Bodily Injury and Property Damage. Coverage must be afforded on a form no more restrictive than the latest edition of the Business Automobile Liability policy, without restrictive endorsements, as filed by the Insurance Service Office, and must include Owned, Hired, and Non-Owned Vehicles.

9.1.4. Professional Liability Insurance in an amount of not less than One Million Dollars (\$1,000,000.00) per occurrence, single limit.

9.2. Certificate of Insurance. Certificates of Insurance shall be provided to the Town, reflecting the Town as an Additional Insured (except with respect to Professional Liability Insurance and Worker's Compensation Insurance), no later than ten (10) days after award of this Agreement and prior to the execution of this Agreement by Town and prior to commencing Services. Each certificate shall include no less than (30) thirty-day advance written notice to Town prior to cancellation, termination, or material alteration of said policies or insurance. The Consultant shall be responsible for assuring that the insurance certificates required by this Section remain in full force and effect for the duration of this Agreement, including any extensions or renewals that may be granted by the Town. The Certificates of Insurance shall not only name the types of policy(ies) provided, but also shall refer specifically to this Agreement and shall state that such insurance is as required by this Agreement. The Town reserves the right to inspect and return a certified copy of such policies, upon written request by the Town. If a policy is due to expire prior to the completion of the Services, renewal Certificates of Insurance shall be furnished thirty (30) calendar days prior to the date of their policy expiration. Each policy certificate shall be endorsed with a provision that not less than thirty (30)

calendar days' written notice shall be provided to the Town before any policy or coverage is cancelled or restricted. Acceptance of the Certificate(s) is subject to approval of the Town.

9.3. Additional Insured. Except with respect to Professional Liability Insurance and Worker's Compensation Insurance, the Town is to be specifically included as an Additional Insured for the liability of the Town resulting from Services performed by or on behalf of the Consultant in performance of this Agreement. The Consultant's insurance, including that applicable to the Town as an Additional Insured, shall apply on a primary basis and any other insurance maintained by the Town shall be in excess of and shall not contribute to the Consultant's insurance. The Consultant's insurance shall contain a severability of interest provision providing that, except with respect to the total limits of liability, the insurance shall apply to each Insured or Additional Insured (for applicable policies) in the same manner as if separate policies had been issued to each.

9.4. Deductibles. All deductibles or self-insured retentions must be declared to and be reasonably approved by the Town. The Consultant shall be responsible for the payment of any deductible or self-insured retentions in the event of any claim.

9.5. The provisions of this section shall survive termination of this Agreement.

10. Nondiscrimination. During the term of this Agreement, Consultant shall not discriminate against any of its employees or applicants for employment because of their race, color, religion, sex, or national origin, and to abide by all Federal and State laws regarding nondiscrimination.

11. Attorneys Fees and Waiver of Jury Trial.

11.1. In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to recover its attorneys' fees and costs, including the fees and expenses of any paralegals, law clerks and legal assistants, and including fees and expenses charged for representation at both the trial and all appellate levels.

11.2. IN THE EVENT OF ANY LITIGATION ARISING OUT OF THIS AGREEMENT, EACH PARTY HEREBY KNOWINGLY, IRREVOCABLY, VOLUNTARILY AND INTENTIONALLY WAIVES ITS RIGHT TO TRIAL BY JURY.

12. Indemnification.

12.1. Consultant shall indemnify, defend and hold harmless the Town, its officers and employees, from and against any and all demands, claims, losses, suits, liabilities, causes of action, judgment or damages, to the extent caused by Consultant's negligent performance or negligent non-performance of any provision of this Agreement, including, but not limited to, liabilities caused by contracts between the Consultant and third parties made pursuant to this

Agreement. Consultant shall reimburse the Town for all its expenses including reasonable attorneys' fees and costs incurred in and about the defense of any such claim or investigation and for any judgment or damages arising from Consultant's negligent performance or negligent non-performance of this Agreement.

12.2. Nothing herein is intended to serve as a waiver of sovereign immunity by the Town nor shall anything included herein be construed as consent to be sued by third parties in any matter arising out of this Agreement or any other contract. The Town is subject to section 768.28, Florida Statutes, as may be amended from time to time.

12.3. The provisions of this section shall survive termination of this Agreement.

13. Notices/Authorized Representatives. Any notices required by this Agreement shall be in writing and shall be deemed to have been properly given if transmitted by hand-delivery, by registered or certified mail with postage prepaid return receipt requested, or by a private postal service, addressed to the parties (or their successors) at the addresses listed on the signature page of this Agreement or such other address as the party may have designated by proper notice.

14. Governing Law and Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of Florida. Venue for any proceedings arising out of this Agreement shall be proper exclusively in Miami-Dade County, Florida.

15. Entire Agreement/Modification/Amendment.

15.1. This writing contains the entire Agreement of the parties and supersedes any prior oral or written representations. No representations were made or relied upon by either party, other than those that are expressly set forth herein.

15.2. No agent, employee, or other representative of either party is empowered to modify or amend the terms of this Agreement, unless executed with the same formality as this document.

16. Ownership and Access to Records and Audits.

16.1. Consultant acknowledges that all Deliverables belong to the Town. Nothing in this Agreement shall be deemed or construed as a waiver, release, transfer, assignment or divestiture by Consultant of any of its intellectual property, know-how or trade secrets.

16.2. Consultant agrees to keep and maintain public records in Consultant's possession or control in connection with Consultant's performance under this Agreement. The Town Manager or her designee shall, during the term of this Agreement and for a period of three (3) years from the date of termination of this Agreement, have access to and the right to examine and audit any records of the Consultant involving transactions related to this Agreement. Consultant additionally agrees to comply specifically with the provisions of Section 119.0701,

Florida Statutes. Consultant shall 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 Agreement, and following completion of the Agreement until the records are transferred to the Town.

- 16.3. Upon request from the Town's custodian of public records, Consultant shall provide the Town 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 by Chapter 119, Florida Statutes, or as otherwise provided by law.
- 16.4. Unless otherwise provided by law, any and all records, including but not limited to reports, surveys, and other data and documents provided or created in connection with this Agreement are and shall remain the property of the Town.
- 16.5. Upon completion of this Agreement or in the event of termination by either party, any and all public records relating to the Agreement in the possession of the Consultant shall be delivered by the Consultant to the Town Manager, at no cost to the Town, within seven (7) days. All such records stored electronically by Consultant shall be delivered to the Town in a format that is compatible with the Town's information technology systems. Once the public records have been delivered upon completion or termination of this Agreement, the Consultant shall destroy any and all duplicate public records that are exempt or confidential and exempt from public records disclosure requirements.
- 16.6. Any compensation due to Consultant shall be withheld until all records are received as provided herein.
- 16.7. Consultant's failure or refusal to comply with the provisions of this section shall result in the immediate termination of this Agreement by the Town.
- 16.8. **Notice Pursuant to Section 119.0701(2)(a), Florida Statutes. IF THE CONSULTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONSULTANT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS.**

Custodian of Records: Sandra McCready, MMC
Mailing address: 9293 Harding Avenue
Surfside, FL 33154
Telephone number: 305-861-4863
Email: smccready@townofsurfsidefl.gov

17. **Nonassignability.** This Agreement shall not be assignable by Consultant unless such assignment is first approved by the Town Manager. The Town is relying upon the

apparent qualifications and expertise of the Consultant, and such firm's familiarity with the Town's area, circumstances and desires.

- 18. Severability.** If any term or provision of this Agreement shall to any extent be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.
- 19. Independent Contractor.** The Consultant and its employees, volunteers and agents shall be and remain an independent contractor and not an agent or employee of the Town with respect to all of the acts and services performed by and under the terms of this Agreement. This Agreement shall not in any way be construed to create a partnership, association or any other kind of joint undertaking, enterprise or venture between the parties.
- 20. Compliance with Laws.** The Consultant shall comply with all applicable laws, ordinances, rules, regulations, and lawful orders of public authorities in carrying out Services under this Agreement, including federal, State of Florida, Miami-Dade County, the Town of Surfside, and in particular shall obtain all required permits from all jurisdictional agencies to perform the Services under this Agreement at its own expense.
- 21. Waiver.** The failure of either party to this Agreement to object to or to take affirmative action with respect to any conduct of the other which is in violation of the terms of this Agreement shall not be construed as a waiver of the violation or breach, or of any future violation, breach or wrongful conduct.
- 22. Survival of Provisions.** Any terms or conditions of either this Agreement that require acts beyond the date of the term of the Agreement, shall survive termination of the Agreement, shall remain in full force and effect unless and until the terms or conditions are completed and shall be fully enforceable by either party.
- 23. Prohibition of Contingency Fees.** The Consultant warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Consultant, to solicit or secure this Agreement, and that it has not paid or agreed to pay any person(s), company, corporation, individual or firm, other than a bona fide employee working solely for the Consultant, any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
- 24. Public Entity Crimes Affidavit.** Consultant shall comply with Section 287.133, Florida Statutes (Public Entity Crimes Statute), notification of which is hereby incorporated herein by reference, including execution of any required affidavit.
- 25. Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original and such counterparts shall constitute one and the same instrument.

26. Conflicts. In the event of a conflict between the terms of this Agreement and any exhibits or attachments hereto, the terms of this Agreement shall control.

27. Boycotts. The Consultant is not currently engaged in, and will not engage in, a boycott, as defined in Section 3-1.1 of the Town of Surfside Code of Ordinances.

28. E-Verify Affidavit. In accordance with Section 448.095, Florida Statutes, the Town requires all contractors doing business with the Town to register with and use the E-Verify system to verify the work authorization status of all newly hired employees. The Town will not enter into a contract unless each party to the contract registers with and uses the E-Verify system. The contracting entity must provide its proof of enrollment in E-Verify. For instructions on how to provide proof of the contracting entity's participation/enrollment in E-Verify, please visit: <https://www.e-verify.gov/faq/how-do-i-provide-proof-of-my-participation-enrollment-in-e-verify>. By entering into this Agreement, the Contractor acknowledges that it has read Section 448.095, Florida Statutes; will comply with the E-Verify requirements imposed by Section 448.095, Florida Statutes, including but not limited to obtaining E-Verify affidavits from subcontractors; and has executed the required affidavit attached hereto and incorporated herein.

[Remainder of page intentionally left blank. Signature pages follow.]

E-VERIFY AFFIDAVIT

In accordance with Section 448.095, Florida Statutes, the Town requires all contractors doing business with the Town to register with and use the E-Verify system to verify the work authorization status of all newly hired employees. The Town will not enter into a contract unless each party to the contract registers with and uses the E-Verify system.

The contracting entity must provide its proof of enrollment in E-Verify. For instructions on how to provide proof of the contracting entity's participation/enrollment in E-Verify, please visit: <https://www.e-verify.gov/faq/how-do-i-provide-proof-of-my-participationenrollment-in-e-verify>

By signing below, the contracting entity acknowledges that it has read Section 448.095, Florida Statutes and will comply with the E-Verify requirements imposed by it, including but not limited to obtaining E-Verify affidavits from subcontractors.

☐ **Check here to confirm proof of enrollment in E-Verify has been attached to this Affidavit.**

In the presence of:

Signed, sealed and delivered by:

Witness #1 Print Name: _____

Print Name: _____

Title: _____

Witness #2 Print Name: _____

Entity Name: _____

ACKNOWLEDGMENT

State of Florida

County of _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 20__, by _____ (name of person) as _____ (type of authority) for _____ (name of party on behalf of whom instrument is executed).

Notary Public (Print, Stamp, or Type as
Commissioned)

_____ Personally known to me; or

_____ Produced identification (Type of Identification: _____)

_____ Did take an oath; or

_____ Did not take an oath

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year as first stated above.

TOWN OF SURFSIDE

By: _____
Mark Blumstein
Town Manager

Attest:

By: _____
Sandra McCready, MMC
Town Clerk

Approved as to form and legal
sufficiency:

By: _____
Thais Hernandez
Town Attorney

Addresses for Notice:

Mark Blumstein
Town of Surfside
Attn: Town Manager
9293 Harding Avenue
Surfside, FL 33154
305-861-4863 (telephone)
305-993-5097 (facsimile)
mblumstein@townofsurfsidefl.gov
(email)

With a copy to:

Thais Hernandez, Esq.
Office of the Town Attorney
Town of Surfside
9293 Harding Avenue
Surfside, FL 33154
305-861-4863 (telephone)
thernandez@townofsurfsidefl.gov
(email)

CONSULTANT

By: _____
Name: Joe Williams
Title: Senior Manager
Raftelis Financial Consultants, Inc.

Addresses for Notice:

Joe Williams
Senior Manager
Raftelis Financial Consultants, Inc.
341 N. Maitland Ave, Suite 300
Maitland, FL 32751
407-628-2600 (telephone)
407-628-2610 (facsimile)
jwilliams@raftelis.com (email)

EXHIBIT "A"

SCOPE OF SERVICES

The Scope of Services are those contained in the Proposal dated August 19, 2025, attached hereto and incorporated herein by reference.



August 19, 2025

Christopher Wallace
Interim Finance Director
Town of Surfside
9293 Harding Avenue
Surfside, FL 33154

Subject: Scope of Services – Water, Sewer, Solid Waste, and Stormwater Revenue Sufficiency Study

Dear Mr. Wallace:

Raftelis (Consultant) is pleased to provide this proposal to assist the Town of Surfside (Town) with a five-year utility revenue sufficiency study for the enterprise funds including water and sewer, solid waste, and stormwater. This letter proposal summarizes our understanding of the project, scope of services, schedule and our fee. We understand the Town is in need of an adjustment to the sewer rates in the near term and have identified a team that can help expedite this study and analysis. We appreciate the opportunity to be of service to the Town.

SECTION I -- SCOPE OF SERVICES TO BE PROVIDED

Task A. Revenue Sufficiency Study

We propose the following tasks will be necessary to complete the water, sewer, solid waste, and stormwater revenue sufficiency study.

Task 1: Project Initiation and Management

This task will involve working with Town staff to establish the financial and rate objectives, project schedule, and overall data needs and constraints. This task will include a web meeting with Town staff in order to initiate the project.

Task 2: Data Collection and Review

For the revenue sufficiency study, Consultant will collect and review relevant financial, operating, engineering, and legal information. This task will involve collecting and evaluating financial and operating data for recent fiscal years and budget information for FY 2026. Information related to capital costs, revenues from rates, fees, and other sources, the number and types of utility customers, consumption levels, and other pertinent information such as stormwater billing units, and attributes for solid waste billing for each utility will be collected and reviewed. This information will provide the basis for developing the customer billing statistics, financial forecast, debt service coverage ratios, bill impact information, documenting forecast assumptions and relevant operating characteristics. Subtasks are as follows:

- 2.1 Prepare data collection request list.
- 2.2 Review customer billing reports prepared by Town.
- 2.3 Review revenues from rates, fees, and other sources.
- 2.4 Review and evaluate relevant O&M and capital costs.
- 2.5 Evaluate amount and uses of reserve funds.

Task 3: Customer Billing Analysis

In order to provide a detailed revenue forecast, the Town's existing billing profile must be evaluated and understood for each enterprise fund. The consultant will coordinate with the Town's billing department to obtain detailed billing statistics in order to evaluate recent water and sewer consumption amounts and trends, stormwater billing units, and solid waste service locations, dumpsters, and frequency of pickup. This data will be used to review both historical trends and revenue patterns, but also to project revenue under existing and proposed rate levels. To the extent that data is available, Consultant will summarize up to the past two (2) years of billing statistics and provide a five (5) year projection of customers, sales, and revenue under existing rates.

Task 4: Net Revenue Requirements

This task involves the detailed projections of operating expenses, capital funding, existing and future debt service, and other utility income and expenditures for each enterprise fund. The projections will include the five-year projection period beginning with the Town's current budget year FY 2026 through FY 2030 and will take into account any known and anticipated changes, such as increased rates from wholesale/large user treatment providers. This task includes the projection of cash reserves available at the beginning of the projection period. The projected net revenue requirements will be compared to projected revenue under existing rates for each system to determine the sufficiency of existing rates. Based on a review of revenue sufficiency with Town staff rate adjustments will be calculated to meet the projected net revenue requirements. Subtasks are as follows:

- 4.1 Allocated O&M expenses among individual utilities.
- 4.2 Project O&M expenses.
- 4.3 Develop capital improvement funding analysis.
- 4.4 Project and allocate debt service for existing and future debt.
- 4.5 Project other utility transfers and obligations.
- 4.6 Project miscellaneous utility revenue and offsets.
- 4.7 Project revenue surplus/deficiencies over the five-year period.
- 4.8 Establish rate phasing strategy, if necessary.
- 4.9 Meet with staff to review results.

Task 5: Rate Comparisons

A comparison with several nearby utilities will be provided, for each of water, sewer, solid waste, and stormwater.

Task 6: Rate Study Report and Presentation

A revenue sufficiency study draft report, including sections for water and sewer, solid waste, and stormwater will be prepared for staff review. The draft report will be in the format of a technical memorandum and include descriptions of the approaches used along with the findings and recommendations. The assumptions utilized in the analysis will be documented in the report as well. The draft report will be provided to staff in electronic format for staff review and comment. After receiving comments, a final report will be prepared in electronic format. In addition, this task includes one draft report review meeting with Staff. This task includes one presentation to Town Commission. Consultant will also develop a briefing document to support the presentation to Commission. Subtasks as listed in our cost proposal are as follows:

- 6.1 Draft revenue sufficiency study report.
- 6.2 Web-meeting with staff to review draft study findings and discuss comments.
- 6.3 Final revenue sufficiency study report.
- 6.4 Preparation of presentation materials.
- 6.5 One public presentation to elected officials

Task 7: Ordinance Review

Consultant will review the Town's rate resolution(s) or ordinance(s) and recommend adjustments based on the report and other Town policy directives. Consultant will assist with developing the appropriate rate schedules to be included in the resolution(s) or ordinance(s). This task assumes the Town attorney will draft the resolution(s) or ordinance(s) for Consultant's review.

Task B. Additional Services

Pursuant to Task A of the above Scope of Services, the Consultant will respond to requests by the Town for additional services. The additional services may include, but are not limited to: verification of customer data at Town level; requests for development of alternative rate structures and/or customer classes; additional meetings not identified above including any one-on-one meetings with Town Commission officials or presentations to the Commission; preparation of draft ordinance/resolution; implementation assistance; negotiations with other entities relative to bulk services; utility strategic planning and other related matters not specifically address in Task A.

Additional Services will be provided based on the appropriate change orders provided by the Town.

Municipal Advisor Disclosure

As a registered Municipal Advisor under the Dodd-Frank Act, Raftelis is required to inform our clients of any existing or potential conflicts of interest that may be relevant to any proposed scope of services that may include providing "advice" as that term is defined in the Dodd-Frank Act. As of the date of this engagement letter, no conflicts of interest are known to exist. Under the Dodd-Frank Act the definition of "advice" includes providing any opinion, information or assumptions related to the size, timing and terms of possible future debt issues or borrowing. This type of information may be integrated into the capital and financial planning components of a rate model update. This definition is applicable regardless of whether this information is developed and used solely for planning and decision-making purposes. For the services addressed in the scope of work identified for this engagement, any information that is developed by Raftelis that falls under this definition of municipal advice is not intended to represent a recommendation that the respective Parties should issue debt based on analyses and evaluations performed associated with this Agreement. The information developed as part our financial analyses and evaluations is intended only to provide information useful in evaluating the potential service strategies of the Parties. If either Party decides at some future date to issue debt, then at that time the respective Party will need to engage an independent, registered Financial Advisor to assist in evaluating the availability of different types of debt, and the specific terms and conditions for issuing debt, which will be affected by market conditions and each respective Party's credit rating at the time of issuance. At that time, as a registered Municipal Advisor, RFC can also provide additional assistance related to a specific bond or debt issue, such as preparing a bond feasibility report or financial forecast for inclusion in bond documents, without requiring additional oversight or supervision by the Financial Advisor.

By acceptance of this Work Authorization and indicating its approval of the proposed scope of work and fees, the Parties are also explicitly acknowledging that Raftelis has provided the necessary disclosures addressing conflicts of interest and any limitations on the scope of Municipal Advisory services to be provided by Raftelis as part of this engagement.

The Municipal Securities Rulemaking Board ("MSRB") provides significant protections for municipal entities and obligated persons that are clients of a municipal advisor. To understand the protections provided and how to file a complaint with an appropriate regulatory authority, visit the MSRB web site at www.msrb.org.

SECTION II -- TIME OF PERFORMANCE

Task A Tasks 1 through 5 of the Scope of Services will be completed within ninety (90) days from receipt of Notice to Proceed except for delays beyond the reasonable control of the Consultant, such as availability and accuracy of data.

Task A Tasks 6 through 7 and Task B of the Scope of Services, as necessary, will be completed as mutually agreed.

SECTION III -- COMPENSATION

1. The proposed budget for the revenue sufficiency studies is a total of \$65,000. The table below provides a breakdown for budgeting purposes for the cost allocated to each enterprise fund. It should be noted that the pricing identified is for completion of a review of each enterprise funds revenue sufficiency in a single effort (combined report, meetings, presentations, etc.). Should the Town desire to move forward with a subset of the scope of services, revised pricing will be provided based on that direction.

Description	Amount
Water and Sewer Revenue Sufficiency	\$35,000
Solid Waste Revenue Sufficiency	\$15,000
Stormwater Revenue Sufficiency	\$15,000
Total Study Cost	\$65,000

2. The scope and fee level selected will be paid to Consultant on a lump sum basis. This cost includes professional fees and direct expenses anticipated to perform the Scope of Services. Consultant will submit invoices monthly reflecting the percentage completion of each revenue sufficiency study.
3. The cost for Task B and any additional services to the Scope of Services shall be as mutually agreed.

SECTION IV -- TOWN REPRESENTATIVE

Mr. Christopher Wallace, Finance Director

RAFTELIS

TOWN OF SURFSIDE, FLORIDA

By: _____

By: _____

Print: Joe Williams

Print: _____

Title: Senior Manager

Title: _____

Date: _____

Date: _____