



200962-A

February 22 2021

Cintya Ramos
Finance Director
City of Gainesville, Florida

Re: Proposal for Financial Modeling & Forecasting Services

Dear Ms. Ramos:

As requested, Stantec Consulting Services Inc. (Stantec) is pleased to present this proposal to develop customized financial forecasting models for certain of the City Gainesville's general, special, and enterprise funds as well as provide as needed consulting services on an annual basis, such as assistance in forecasting and financial planning as well as other tasks as may be deemed necessary by the City.

Project Understanding. Our primary efforts will be to develop and support ten-year expense and revenue forecasting models for eight of the City's funds: General Fund, Solid Waste, Stormwater, Regional Transit System, Building Code Enforcement, Wild Spaces, Tree Mitigation, and Roadway Resurfacing Program funds. The models will have the ability for City staff to create scenario-based comparisons to identify short-term and long-term impacts of financial decisions, provide a framework for scenario evaluation and sensitivity tests, and consider future cost requirements/events to ensure financial sustainability.

The models will be able to evaluate several factors, including but not limited to: millage rate, property tax growth, fire assessment, inter local agreements, state revenue sharing estimates, annual required pension contributions, collective bargaining agreements, capital investments including renewal and replacement, general fund transfers (GRU), debt service obligations, CPI, and maintaining reserve requirements.

Moreover, the models will be developed with the ability to interface with City's financial system of record and allow City staff to update and manage key datasets, such as operating and capital budgets.

In addition, we will provide annual support on the financial models and will be available to provide as needed financial consulting services, including but not limited to, review and recommendations on City forecasting, participate in periodic meetings or formal presentations, and provide assistance in development of ordinances and resolutions, bulk service agreements, development agreements, and inter-local agreements between the City and other public agencies.

Firm Background. Stantec's Management Consulting team is home to an impressive amount of experience and knowledge, including **35+ dedicated consultants with more than 400 years of combined financial planning experience**, and completing 1,500+ financial studies for local governments in just the past 10 years. It is this deep bench of national and local experience that brings value to the City.



Together we work and learn from each other's experiences. This combination of diverse backgrounds and experience has made us who we are today – **a trusted source to 350+ communities (including over 130 throughout Florida) in providing independent and objective financial planning and management services** to local governments throughout the country.

For over 30 years, our team has provided similar services to communities throughout the State of Florida and nationwide. Most notably, we have **served several area communities – including Alachua County, Marion County, Lake City, the JEA, Crystal River, Citrus County, and City of Palatka**. Moreover, we have gained a keen understanding of communities with major universities, through our ongoing work with agencies like the City of Ann Arbor, Michigan (University of Michigan), Orange Water & Sewer Authority, North Carolina (University of North Carolina), and the City of Tempe, Arizona (Arizona State University).

For each of these communities, Stantec provides a wide range of relevant services, including rate and fee studies, multi-year revenue sufficiency and sustainability analyses, special assessment development, impact fee studies, bond feasibility analysis, and other financial-related studies. Our approach focuses on dynamic models and interactive engagement where we work alongside our clients as partners to fully understand the issues and develop customized solutions and provide more than just outside consulting expertise. We look forward to the opportunity to provide similar services to the City of Gainesville.

Project Team. We have a tremendous amount of experience with and knowledge of a variety of accepted forecasting and cost-of-service methodologies in Florida, as well as accepted industry practices in various parts of the country. In addition, we are familiar with the financial criteria used by the municipal ratings agencies in evaluating the financial health of municipalities. In fact, our project team has conducted financial feasibility analyses and other services in support of the issuance of \$4 billion in bonds in the past five years.



20
Years

ANDREW BURNHAM
Project Director

Andy is the Vice President and Practice Leader of Management Consulting at Stantec. Andy has extensive experience in conducting as well as overseeing cost of service studies, financial planning analyses, and feasibility studies for a variety of municipal services. He has led over 500 studies for 150+ local governments and has supported the issuance of \$4 billion of bonds for projects in the past 5 years. Andy is presently the Project Director for several Florida communities, including Fort Lauderdale, Marion County, Pasco County, and St. Petersburg.



10
Years

KYLE STEVENS
Project Manager

Kyle is a Managing Consultant specializing in assisting public sector clients with the financial and managerial aspects of managing their infrastructure. He specializes in financial modeling, long-range planning, cost of service analysis, and economic analysis. Kyle brings a solid background in financial analysis and economic theory along with experience working with all types and sizes of utility systems across the country. Kyle is currently the Project Manager for our work with Fort Lauderdale, Tempe (AZ), and Ann Arbor (MI).



34
Years

WILLIAM ZIEBERTZ
Technical Advisor

Bill is an economist and management consultant experienced in economic, business process, financial planning, and socio-economic issues facing local governments. His diverse experience includes feasibility, economic impact, planning, regionalization, impact fee, fiscal impact, valuation, rate, and financing studies for local government and regional projects. Bill has recently been involved in several projects evaluating the fiscal and economic impacts of various infrastructure projects, utility services, and developments.





13
Years

ISALAH BARNES
Independent Reviewer

Isalah has over 13 years of experience in providing cost of service allocation analyses, long-term financial planning and sustainability analyses, evaluation of various fee structures, as well as the development of impact fees. She has participated in or managed over 100 such studies. Isalah has superior financial, business, and analytical skills, and has provided our consulting practice with exceptional financial analyses based upon applications of sound financial and economic concepts with an unparalleled attention to detail.



4
Years

JACOB SILENCE
Lead Analyst

Jacob has four years of experience at Stantec developing customized financial forecasting models, cost of service allocations, rate structure and benchmark analyses, impact fee models, and bond feasibility studies. His experience includes working with governmental funds as well as water, wastewater, stormwater, sanitation, and electric utilities. Jacob leverages his experience with financial models and data analysis to help provide our clients build strong financial modeling solutions.



2
Years

LAURA ARTURO
Analyst

Laura is an Analyst with a background in finance. She has been focused on developing and customizing financial forecasting models, benchmarking, impact fee models, and supporting bond feasibility studies. Laura utilizes her unique background in cloud-based financial modeling systems to provide our clients with customized tools that reflect their available data and user preferences. She is presently involved in several model configurations for communities, including Marion County, Union County and OWASA (NC), and Del-Co Water (OH).

Proposed Solution. Today's municipal leaders don't have it easy. Budgets are tight, fees and taxes are considered high, and the majority of infrastructure was built decades ago and is reaching the end of its useful life. These unprecedented times require real-time understanding of the impacts of changing conditions and the ability to quickly evaluate options to take decisive actions in a climate of uncertainty. To help our clients navigate these uncertain times, we have developed a dynamic online financial forecasting tool. FAMS is a cloud-based, online financial forecasting model that provides our clients with 24/7 access to an easy-to-use web-based interface as dynamic as the times we currently face.



Once set-up for the previously identified City funds, FAMS will allow City staff to evaluate the impacts of changes in economic conditions, alternative types of development, update revenue estimates, revise operating and capital costs, and evaluate the impact of scenarios that come up during and outside of the City's budget process. You will be able to use FAMS for the financial evaluation of potential decision alternatives when evaluating the impacts of potential "what if's" as well as for developing annual budget and forecasts. Moreover, the 24/7 access to FAMS financial modeling power is through an easy-to-use web-based interface that goes beyond MS Excel. This allows for ultimate flexibility and control in performing multiple high-level sensitivity analyses and scenario management activities before, during, and after your budget process.

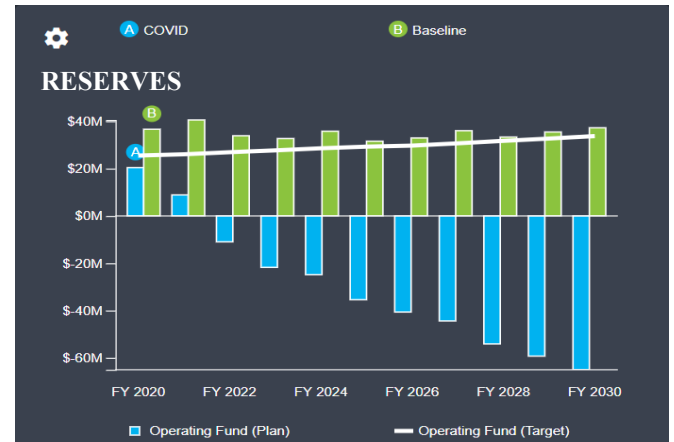
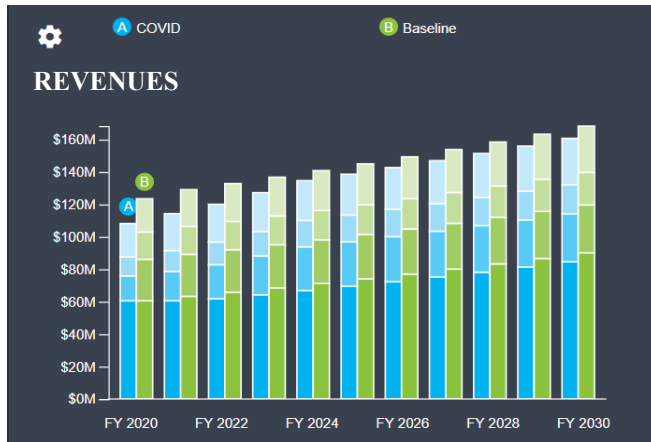


Excel-based models are often hard to understand, prone to errors, and limited by the capabilities of Excel. We developed FAMS to provide our clients a tool that is not limited by these constraints. FAMS offers multiple user account access defined by the City, instant and simultaneous access from any device (pc, smartphone or tablet), shared version-controlled scenarios that can be stored, recalled and compared with an unlimited number of other scenarios and a protected source code that eliminates errors.



FAMS has allowed agencies to make a fundamental shift from a passive to an active form of financial management. Our clients have come to realize that a dynamic financial model that they can trust and that is instantly available to assist in evaluating changes is essential. Gone are the days where staff are unable to answer key questions about the impacts of the inevitable issues or unplanned changes that will arise within the community. A timely example is the ongoing COVID-19 pandemic. Our clients have used FAMS to “stress-test” their financial plans given the potential and real-time impacts from the pandemic. FAMS is a vital tool in briefing stakeholders on the changing impacts of COVID and navigating a course of action necessary to maintain financial stability, level of service, and affordability in uncertain times.





Our proposed solution is to set-up (customize and configure) FAMS for the General Fund, Solid Waste, Stormwater, Regional Transit System, and Roadway funds during the FYE 2022 budget development process, and then the Building Code Enforcement, Wild Spaces, and Tree Mitigation funds during the FYE 2023 budget development process. We will work closely with City staff to understand desired functionality, data availability and integration opportunities, financial targets, and key variables/toggles. In FYE 2022 and FYE 2023, we will then provide annual access and support to each of the FAMS models for an annual subscription fee that will include a) IT costs and platform maintenance to ensure data is safe, secure, and accessible, b) unlimited technical support for questions on how to use the interface and troubleshooting, c) quality control to make sure all data entries are correct, scenarios and sensitivities are properly developed, and the results are accurate, d) modifying the key performance indicators (KPIs) you want FAMS to track as well as customizing toggles for key inputs and quick scenarios, and e) ability for City staff to upload and manage updated datasets (operating budgets, capital plans, fund balances) as well as modify assumptions.

The scope and technical parameters of FAMS, total set-up and subscription fees, and terms and conditions for our proposed solution are included in the attached agreement. Moreover, the agreement provides hourly rates by labor category that would be used for any as needed consulting services required by the City. In summary, the initial set-up and annual subscription fees by fund are presented in the following table:

Fund	Set-Up & Support (FYE 21)	Set-Up & Support (FYE 22)	Annual Support (FYE 23)
General Fund	\$25,785	\$9,906	\$10,203
Solid Waste (Fund 420)	\$19,295	\$7,413	\$7,635
Stormwater (Fund 413)	\$21,049	\$8,087	\$8,330
RTS (Fund 450)	\$22,803	\$8,761	\$9,024
Building Code (Fund 416)	\$17,541	\$6,739	\$6,941
Wild Spaces (Fund 358)	N/A	\$16,261	\$6,247
Tree Mitigation (Fund 140)	N/A	\$14,454	\$5,553
Roadway (Fund 353)	N/A	\$12,647	\$4,859
Total All Funds	\$106,473	\$84,268	\$58,792



Points of Contact. Andrew Burnham is a Vice President and Director of Management Consulting with Stantec. Andy is an authorized representative of Stantec with the Authority to contract with the City. He can be reached at 777 South Harbour Island Blvd., Suite 600, Tampa, FL 33602, by email at andrew.burnham@stantec.com or by phone at (813) 204-3331. Moreover, Kyle Stevens who will serve as our Project Manager is at the same office location and can be reached by email at kyle.stevens@stantec.com or by phone at (813) 204-3332.

Summary. Our breadth of local and national experience, our interactive modeling process, and communication skills are a unique combination. In short, our team provides the City with a value proposition that is unmatched in the industry:

- Dedicated project team of industry experts, with additional resources available if necessary
- Nationally recognized stature in governmental financial management
- Extensive experience with financial management practices of 130+ communities in Florida
- A cloud-based modeling system that is robust yet easy-to-use

We appreciate the opportunity to present this proposal and look forward to working with you on this assignment. If you have any questions, please do not hesitate to call me at 813-204-3331.

Very truly yours,



Andrew Burnham
Vice President, Management Consulting





Subscription Agreement

This Subscription Agreement (the “**Agreement**”) is dated February __, 2021 (the “**Effective Date**”) between Stantec Consulting Services Inc. (“**Stantec**”) and City of Gainesville, Florida (“**Client**”).

WHEREAS:

- A. FAMS is a financial planning platform and user interface offered by Stantec that simulates and projects the financial dynamics of an enterprise, including all data, source code, models, reporting tools, formats, work products, and any components (“**FAMS**”);
- B. Client wishes to subscribe for the use of FAMS by its employees and/or pre-approved consultants and contractors (collectively, “**Users**”); and
- C. The parties wish to enter into this Agreement to set out their respective rights in respect of Stantec’s provision of, and Client’s use of, FAMS.

NOW THEREFORE for good and valid consideration, the receipt and sufficiency of which is acknowledged by the parties, the parties agree as follows:

- 1. **Scope and Technical Parameters of FAMS.** Stantec shall provide Client with access to FAMS as described in Schedule A.
- 2. **Subscription Fees and Terms.** Client shall pay Stantec the fees for the term of the Agreement, all as described in Schedule B.
- 3. **Terms and Conditions.** This Agreement shall be subject to the terms and conditions set out in Schedule C.
- 4. **Counterparts and Electronic Execution.** This Agreement may be executed in two (2) or more counterpart copies, all of which counterparts when taken together shall have the same force and effect as if all parties had executed a single copy of this Agreement. Each party may execute this Agreement in electronic format, either by facsimile or portable document format (PDF) and delivery of such electronic executed document to the other party shall be proof of execution by the party thereto.

[Signature page to follow]



IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

STANTEC CONSULTING SERVICES INC.

CITY OF GAINESVILLE, FLORIDA

A handwritten signature in blue ink, appearing to read "A. Burnham", written over a horizontal line.

Name: Andrew Burnham

Title: Vice President

I have authority to bind the corporation.

A handwritten signature in blue ink, appearing to read "K. Stevens", written over a horizontal line.

Name: Kyle Stevens

Title: Managing Consultant

I have authority to bind the corporation.

Name:

Title:

I have authority to bind the **City**.

Name:

Title:

I have authority to bind the **City**.

Signature Page to Subscription Agreement

SCHEDULE A
SCOPE AND TECHNICAL PARAMETERS OF FAMS

1. FAMS components include, but are not limited to:
 - (a) User interface and user management systems that are based on industry standard web technologies.
 - (b) Data repositories and data management systems that are based on industry standard database structures and flat file data structures.
 - (c) Financial analytic engine used for all model calculation functions.
 - (d) Administration utilities specifically designed for maintenance and to provide enhanced functionality.
 - (e) Enhancements:
 - i. FAMS contains logging features which allow FAMS to be continually enhanced.
 - ii. If there are enhancements, or improvements made to FAMS, Stantec reserves the right to decide if user notification is warranted. Any modification which impacts availability or use of FAMS shall warrant notification to all users.
 - iii. Stantec reserves the right to make enhancements and improvements to FAMS without consent from Client.
 - iv. Any feedback rendered to Stantec regarding FAMS become the property of Stantec. If Client input leads to an improvement or enhancement to FAMS, Stantec is under no financial obligation, or royalty for such input, and Stantec takes full ownership of any idea once implemented.
2. **Setup Services** will be provided for:
 - (a) Configuration and customization of FAMS, including all tools and interfaces.
 - i. Data and assumption collection, review, and import into FAMS.
 - ii. Validating the FAMS calculations and presentation of key indicators.
 - iii. Customizing FAMS user interface based on defined functionality.
 - iv. Configuring FAMS access services for Client's authorized users.
3. **Technical Support** is provided to users during business hours (08:00-17:00 EST Monday to Friday). Support Includes:
 - (a) Service outage notification
 - (b) Service restoration
 - (c) Account creation
 - (d) Activate or deactivate a user
 - (e) Disaster Recovery of data
 - (f) Assistance in accessing FAMS hosted from the subscribed cloud service
 - (g) Troubleshooting and resolving questions regarding use of FAMS
4. **Training**
 - (a) Online documentation/user manual describing the features and functions of FAMS.
 - (b) Stantec will provide one, 2-hour training session on the features and use of FAMS upon completion of set-up. Additional training sessions can be arranged and would be provided based upon the rates for as-needed services identified in Schedule B.

5. **Security and Access**

(a) Stantec will take reasonable measures to secure and encrypt Client Data and User Access Credentials. Stantec shall not be liable for any loss, deletion or manipulation of Client Data or User Access Credentials, whether caused by Stantec, any third-party service provider or any other party. Stantec assumes no responsibility for the deletion, manipulation, destruction, loss, infringement of any Client Data or User Access Credentials.

(b) **Model Platform Security:**

- i. The FAMS data repository and analytics engine are secured by Stantec IT. FAMS can only be accessed by authorized users who have the correct permissions and privileges.
- ii. All content on, and use of, FAMS falls under the umbrella of Stantec's IT security policies, backup procedures, and disaster recovery protocols.
- iii. FAMS, all dependent interfaces, and user interface access is secured by an industry standard security model implementing two factor authentication (2FA).

(c) **Model Platform Accessibility:**

- i. FAMS is platform agnostic providing web-based access for authorized users with any web browser that supports HTML5 and JavaScript.
- ii. FAMS can support multiple users simultaneously from any supported device without degradation.

(d) **Model Platform Availability:**

- i. FAMS requires administrative maintenance from time to time and therefore during those periods access to FAMS could be affected. Stantec will make a reasonable effort to notify affected users of any planned outages.
- ii. FAMS is hosted on an industry standard cloud platform. Stantec has no control over the cloud provider's policies, procedures, and maintenance routines. If Stantec becomes aware of any activities being performed by the cloud service provider, Stantec shall make reasonable efforts to communicate the impact on FAMS during this period.
- iii. The cloud service subscribed for FAMS is a fault tolerant, multi-tenant cloud service which indemnifies Stantec in the unlikely event that the cloud service cannot provide hosting services for FAMS.
- iv. FAMS uses commercial-off-the-shelf Application Programming Interfaces ("**API**") that Stantec has secured the right to use. Although the APIs are widely used in the industry and are stable, Stantec cannot guarantee their availability in perpetuity. Stantec cannot be held responsible for loss of access or impacted performance if the API's proprietor chooses to modify or supplant the API. If this situation arises, Stantec will make reasonable efforts to modify FAMS to mitigate the API change while retaining expected performance.

(e) **User Access Credentials** will be secured as follows:

- i. All Users must be authorized by Stantec and Azure Active Directory, or other such authorization services as may be used by FAMS in the future, to access FAMS.

- ii. FAMS client-side user interface will be accessible by authorized users who have credentials defined in the security model for the hosting cloud provider. Once an authorized user accesses FAMS, a security token cookie is used for the session and subject to a timeout if there is no activity.
- iii. FAMS server-side will interact with users that hold an authentication token for the web page, which resides as a cookie on the user. This ensures that the server is engaging with the exact user served by the web page.
- iv. The API that communicates between the FAMS cloud service web host and the data repositories requires an authentication token for interaction. FAMS only permits data flow from the data repository to the cloud service web host application. This eliminates the possibility of data and model corruption derived from the cloud service web application.

(f) **Client Data** will be secured as follows:

- i. Client Data can only be accessed by authorized users via non-persistent tokens that are generated when the user interface requests FAMS to perform calculations.

(g) **Data Recovery:**

- i. FAMS data is backed up on a regular schedule and in the event of a data loss can be recovered from the backup.

6. **System Requirements**

- (a) FAMS can be accessed by any HTML5 compatible web browser which supports JavaScript and allows cookies. The browser must allow JavaScript execution.
- (b) Client web browser platform must also allow Content Delivery by Network (CDN) for the FAMS user interface to work correctly.
- (c) FAMS is operating system (OS) agnostic; however, FAMS outputs are prepared in *.xlsx (MS Excel) and *.pdf format.
- (d) For full benefit and functionality, a business-class broadband internet connection should be used. Bandwidth of at least 3 MBitS is recommended.

SCHEDULE B
SUBSCRIPTION FEES AND TERMS

1. **Fees.** Client shall pay Stantec the following fees:

- (a) **Initial Fee for Set-up & Support Through Fiscal Year Ending 2021.** Upon the execution of this Agreement, Client shall pay to Stantec a one-time configuration fee (which includes support and access through the end of Client's Fiscal Year Ending 2021) for 5 versions of FAMS in the amount of \$106,473 USD for the Client's General, Solid Waste, Stormwater, Regional Transit System, and Roadway Resurfacing Program Funds. The lump sum fee shall be invoiced to the Client via monthly progress billings based on the percent completion of the following tasks:

Initial Set-Up & Support Through FYE 21

Includes:

- Initial Data Collection & Review
- Data Table Format Standardization & Testing
- Identification of Other Desired Features, KPIs, etc.
- Data Integration & Initial FAMS Customization
- Assumption & Data Verification with City Staff
- QC and City Staff Review of FAMS
- Adjustments and KPI/Key Toggle Creation
- System Export/Reporting Set-up & Customization
- User Interface Training & User Manual
- IT Costs (Platform Maintenance, Security, Software & Data Storage)
- Unlimited phone support for ?'s, tech issues, build scenarios, confirming results, etc. for <5 Users

- (b) **Initial Fee for Set-up & Support Through Fiscal Year Ending 2022.** Client shall pay to Stantec a one-time configuration fee (which includes support and access through the end of Client's Fiscal Year Ending 2022) for 3 additional version(s) of FAMS in the amount of \$43,362 USD for the Client's Building Code Enforcement, Wild Spaces, and Tree Mitigation Funds. The lump sum fee shall be invoiced to the Client via monthly progress billings based on the percent completion of the following tasks:

Initial Set-Up & Support Through FYE 22

Includes:

- Initial Data Collection & Review
- Data Table Format Standardization & Testing
- Identification of Other Desired Features, KPIs, etc.
- Data Integration & Initial FAMS Customization
- Assumption & Data Verification with City Staff
- QC and City Staff Review of FAMS
- Adjustments and KPI/Key Toggle Creation
- System Export/Reporting Set-up & Customization
- User Interface Training & User Manual
- IT Costs (Platform Maintenance, Security, Software & Data Storage)
- Unlimited phone support for ?'s, tech issues, build scenarios, confirming results, etc. for <5 Users

Subscription Fees in Fiscal Year Ending 2022. The subscription fee schedule detailed below is based on a number of factors that impact the complexity of the service provided by Stantec, including the amount of data, the number of models, and the number of users, among other factors. Significant modification to one or more of these factors may require the renegotiation of the fee schedule detailed below before such modifications may be implemented.

Starting in Client's Fiscal Year Ending 2022 (effective October 1, 2021), Client will pay an annual subscription fee of \$40,906 for 5 versions of FAMS for the General, Solid Waste, Stormwater, Regional Transit System, and Roadway Resurfacing Program Funds, payable in monthly installments of \$3,408.83 in accordance with the terms of this Agreement for the following services:

Annual Access & Support Starting in FYE 22

Includes:

- Integrated Data Updating & Management
- IT Costs (Platform Maintenance, Security, Software & Data Storage)
- Unlimited phone support for ?'s, tech issues, build scenarios, confirming results, etc. for <5 Users
- QC Review and Reconciliation Assistance to Prior Results
- Scenario & KPI Updates

- (c) **Annual Subscription Fees Starting in Fiscal Year Ending 2023.** The subscription fee schedule detailed below is based on a number of factors that impact the complexity of the service provided by Stantec, including the amount of data, the number of models, and the number of users, among other factors. Significant modification to one or more of these factors may require the renegotiation of the fee schedule detailed below before such modifications may be implemented.

Starting in Client's Fiscal Year Ending 2023 (effective October 1, 2022), Client will pay an annual subscription fee of \$58,792 for 8 versions of FAMS for the General, Solid Waste, Stormwater, Regional Transit System, Building Code Enforcement, Wild Spaces, Tree Mitigation and Roadway Resurfacing Program Funds, payable in monthly installments of \$4,899.33 in accordance with the terms of this Agreement for the following services:

Annual Access & Support Starting in FYE 23

Includes:

- Integrated Data Updating & Management
- IT Costs (Platform Maintenance, Security, Software & Data Storage)
- Unlimited phone support for ?'s, tech issues, build scenarios, confirming results, etc. for <5 Users
- QC Review and Reconciliation Assistance to Prior Results
- Scenario & KPI Updates

- (d) **As-Needed Services.** Any consulting services as well as any modifications to FAMS to add, delete or alter any functions, scenarios, schedules or the user interface shall, upon the prior approval by Stantec, be provided by Stantec at the following rates:

- i. Project Director / Technical Advisor - \$335 per hour
- ii. Senior Principal - \$285 per hour
- iii. Principal - \$260 per hour
- iv. Project Manager / Independent Reviewer - \$230 per hour
- v. Senior Consultant - \$210 per hour
- vi. Consultant - \$180 per hour
- vii. Lead Analyst - \$150 per hour
- viii. Analyst - \$125 per hour

(e) **Out-of-Pocket Expenses.** Client shall reimburse Stantec for reasonable, out-of-pocket expenses incurred by Stantec in providing services to Client pursuant to the terms of this Agreement, so long as such out-of-pocket expenses receive Client's prior approval and Stantec provides proper documentation of such expenses

(f) **Fee Escalation.** All subscription fees, and hourly rates called for in this Agreement are subject to annual escalation of 3%, applied annually at the beginning of each fiscal year.

2. **Term.** The term of this Agreement shall commence on the Effective Date and shall continue through September 30, 2023. At the end of the initial term, this Agreement shall automatically renew for additional one (1) year periods unless otherwise terminated in accordance with the terms of this Agreement.

3. **Termination.** Client may terminate this Agreement by providing written notice of its intent not to renew this Agreement to Stantec at least ninety (90) days before the commencement of such automatic renewal period.

All confidentiality, intellectual property, ownership, limitation of liability, indemnity and limitation of warranty provisions contained in this Agreement shall survive upon the termination of this Agreement.

4. **Modifications.** Client may from time to time request that specific enhancements be made to FAMS. If specific modifications to FAMS are desired by Client, the feasibility and cost of making and installing such enhancements will be negotiated between Stantec and Client before such modifications are made.

SCHEDULE C

TERMS AND CONDITIONS

1. **Right to Use.** With effect from the Effective Date, Stantec hereby grants to Client a non-exclusive, non-transferable, non-sublicensable license to use FAMS and any reports, data or information derived from FAMS (collectively, “**Work Product**”), subject to Client’s compliance with the Agreement, including the terms and restrictions set out herein.
2. **Confidentiality.** Client agrees that FAMS and FAMS access credentials to be confidential commercial information (collectively, “**Confidential Information**”), created and/or compiled by Stantec. This proprietary information is protected under applicable trade secret, copyright and intellectual property laws. Client hereby agrees that it shall use FAMS solely in accordance with the provisions of this Agreement and that it shall not at any time during or after expiry or termination of this Agreement, disclose any Confidential Information, whether directly or indirectly, to any third party without Stantec's prior written consent which may be arbitrarily withheld in Stantec’s sole discretion.

Because FAMS is a trade secret under applicable state and federal laws, Client’s access to FAMS under this Agreement is exempt from disclosure under such public records laws. Client hereby agrees to provide prompt notice to Stantec of any public records requests seeking information relating in any way to FAMS, to allow Stantec the opportunity to object to the disclosure of any information relating to FAMS prior to disclosure. The requirements of this section shall survive the termination of this Agreement for any reason.

3. **Ownership.** Stantec uses FAMS in its business of providing consulting services and associated models to towns, cities, counties, utility authorities and other government agencies. Client agrees that the Confidential Information embedded in FAMS includes trade secrets that provide Stantec with significant market advantages in its business, and that the Confidential Information and trade secrets are owned exclusively by Stantec. Client agrees that any and all of the format, content, copyright, trade secrets, trademarks, trade names, patents and other intellectual property rights subsisting in or used in connection with FAMS, including all documentation and manuals relating thereto, shall be the sole property of Stantec. Client shall not during or at any time after the expiry or termination of this Agreement dispute the ownership of these properties by Stantec. Further, Client acknowledges and agrees that Stantec retains sole and exclusive ownership of FAMS (including all core configuration files, components and modifications) and any derivative works, and nothing herein, including license to use these properties, shall be construed to assign, transfer or otherwise convey to Client any ownership right, title or interest in FAMS (including core configuration files, components and modifications) or any derivative works.
4. **Invoicing & Payment.** Charges for Client’s FAMS set up and subscription will be made in accordance with the fees indicated in Schedule B. Client shall pay all invoices issued by Stantec within thirty (30) days of its receipt thereof. Client’s failure to make any payment when due is a material breach of this Agreement and will entitle Stantec, at its option, to suspend or terminate this Agreement and any licenses issued to Client under this Agreement. Interest will accrue on accounts overdue by thirty (30) days at the lesser of 1.5% per month (18% per annum) or the maximum legal rate of interest.
5. **Permitted Uses.**
 - (a) Use of Work Product – Stantec provides Client with a nontransferable license to use Work Products that are produced during the term of this Agreement, subject to the confidentiality restrictions contained herein, for its own purposes. Stantec retains all ownership rights in any Work Product.

- (b) Use of Client Data – Client shall own all data, information or material that is entered into FAMS (“**Client Data**”). Client provides Stantec with a license to use Client Data. Client is solely responsible for the accuracy, quality, integrity, legality, reliability and appropriateness of all Client Data and Stantec assumes no responsibility for the deletion, correction, destruction, loss, infringement or failure of FAMS to store any Client Data. Stantec shall have no liability for any loss, deletion or manipulation of Client Data, whether caused by Stantec, any third-party service provider or any other party.

6. **Client Responsibilities.** Client agrees not to, directly or indirectly, and shall ensure its Users do not:

- (a) upload or distribute in any way files that contain viruses, corrupted files or any similar software or programs that may damage the operation of FAMS;
- (b) use FAMS for illegal purposes;
- (c) interfere with or disrupt networks connected to FAMS;
- (d) transmit or post any material that encourages conduct that could constitute a criminal offence or give rise to civil liability;
- (e) duplicate, modify, decompile, reverse engineer, or disassemble FAMS or create any derivative works thereof;
- (f) copy, sub-license, sell, rent, lease, distribute or otherwise transfer rights or provide any party with access to FAMS or any portion of FAMS;
- (g) remove, delete or modify any copyright notices or other proprietary notices or legends on, in or from FAMS;
- (h) use or replicate FAMS, or allow other parties to review the model or source code, use, or replicate FAMS to compete with Stantec in any aspect of Stantec’s business;
- (i) provide access to FAMS to any third parties without the prior written consent of Stantec; or
- (j) use FAMS in any manner not authorized by this Agreement.

Client is solely responsible for, at Client’s own expense, all equipment, facilities, third-party licenses and services necessary to utilize FAMS (including without limitation computer hardware, software, and Internet access).

Upon the commencement of this Agreement, Client shall provide Stantec with a list of the names of the individuals to whom Client would like to provide FAMS access, identifying the organization which employs such individuals. Stantec shall have the right to reject any individuals who are not directly employed by Client. All individuals approved by Stantec shall be considered Users under this Agreement. Client shall request Stantec’s written approval in the manner described in this paragraph before providing access to any additional individuals. At any time, Stantec may request and Client shall provide a list of the active Users who have access to FAMS and any Work Product. Client shall ensure that all Users are legally required to comply with the terms of this Agreement, including the confidentiality provisions contained herein.

7. **No Warranty.** FAMS is provided “as is” without warranty of any kind, either express or implied, including (without limitation) the implied warranties of merchantability and fitness for a particular purpose. Stantec makes no warranty that FAMS will meet Client’s requirements, that FAMS will operate in combination with any other products, programs or software that Client may select for its use or will be error-free, uninterrupted, timely or secure. Client acknowledges that programs,

software and digital platforms in general are not error-free. Stantec further does not warrant or make any representations regarding the use, or the results of use, of FAMS or its interaction with Client's Data with respect to their correctness, accuracy, reliability, or otherwise.

8. **Limitation on Liability.** Stantec shall not be liable to Client for any loss or damage whatsoever or howsoever caused arising directly or indirectly in connection with this Agreement, FAMS, its use, application, support or otherwise, except to the extent to which it is unlawful to exclude such liability under the applicable law. Notwithstanding the generality of the above, Stantec expressly excludes liability for any indirect, special, incidental or consequential loss or damage which may arise in respect of FAMS, its use or in respect of damage to or losses relating to equipment or property or for loss of profit, business, revenue, goodwill or anticipated savings. In the event that any exclusion contained in this Agreement shall be held to be invalid for any reason and Stantec becomes liable for loss or damage that may lawfully be limited, Stantec's total liability to Client for all claims under this Agreement shall be limited to the lesser of: (i) the amount paid by Client to Stantec under this Agreement for the preceding twelve (12) month period before such claim arose; and (ii) \$50,000.00 USD.
9. **Indemnity.** Client releases Stantec from any liability and agrees to defend, indemnify and hold Stantec harmless from any and all claims, damages, losses, and/or expenses, direct and indirect, including but not limited to reasonable attorney's fees and charges and court and arbitration costs, arising out of, or claimed to arise out of, Client's use of FAMS, excepting liability arising from Stantec's gross negligence or willful misconduct.
10. **Enhancements.** Stantec may make enhancements to FAMS from time to time. Client acknowledges and agrees that it does not require or have entitlement to any upgrades to, or enhancements of, FAMS. Stantec shall not be liable for any loss or damage suffered by Client arising from any defect in FAMS. All enhancements to FAMS, whether requested by Client or otherwise, shall be the property of Stantec and all provisions of this Agreement will apply to such enhancements for the duration of the term of this Agreement.
11. **Force Majeure.** Except for the payment of a monetary amount which is due under the terms of this Agreement, neither party shall be responsible for a delay in performance under this Agreement if such delay is caused by a force majeure event or an event outside its reasonable control.
12. **Assignment.** Client shall not, without the prior written consent of Stantec, assign the benefit or in any way transfer the obligations of this Agreement or any part hereof. Stantec may assign this Agreement without Client's consent.
13. **Governing Law.** The validity, construction and performance of this Agreement shall be governed by the laws, without regard to the laws as to choice or conflict of laws, of the State of Florida. Client shall comply with all applicable laws and regulations of any country, state or government agency relating to the use, sale or export of FAMS, including, but not limited to, the *Export Administration Act*, the United States Departments of Commerce, Treasury or other United States law. The validity, construction and performance of the Agreement and all disputes between the parties arising out of this Agreement or as to any matters related to but not covered by this Agreement shall be governed by the laws, without regard to the laws as to choice or conflict of laws, of the State of Florida.
14. **Entire Agreement.** This Agreement embodies the entire agreement and understanding between the parties pertaining to the subject matter of this Agreement, and supersedes all prior agreements, understandings, negotiations, representations and discussions, whether verbal or written, of the parties, pertaining to that subject matter.

15. **Amendment and Waiver.** This Agreement may be amended or modified only by a written document executed by each of the parties. Either party may in writing waive any provisions of this Agreement to the extent such provision is for the benefit of the waiving party.
16. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the other provisions and shall be construed in all respects as if an invalid or unenforceable provision were omitted.
17. **Independent Parties.** Nothing in this Agreement is intended or shall be construed to establish or create an agency, partnership or joint venture relationship between the parties.
18. **No Third-Party Beneficiaries.** This Agreement is intended for the sole benefit of the signatories to this Agreement and is binding on their respective successors and permitted assigns. Nothing in this Agreement is intended or may be construed to give any person, firm, corporation or other entity, other than the signatories hereto any legal or equitable right, remedy or claim under this Agreement.