

AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN
JEA
AND
HEIDRICK & STRUGGLES INTERNATIONAL INC
FOR

EXECUTIVE SEARCH SERVICES

THIS AGREEMENT, ("Agreement"), made and entered into in duplicate on this 24th day of May, 2018, (the "Effective Date") by and between JEA, located at 21 West Church Street, Jacksonville, Florida, 32202-3139, and Heidrick & Struggles International Inc, a corporation created under the laws of Delaware and authorized to do business in the State of Florida, with its principal office located at 233 South Wacker Drive, Willis Tower - Suite 4200, Chicago, IL 60606, (hereinafter called "CONSULTANT" or "COMPANY", which term shall mean and include the successors of the CONSULTANT, wherever the context so requires or admits).

WITNESSETH:

WHEREAS, JEA desires to engage the CONSULTANT to render professional services, advice and recommendations as hereinafter set forth; and

WHEREAS, the parties hereto have reached an understanding with each other regarding the professional services to be performed and the compensation to be paid for such services, and desire to set forth their understanding in the form of a written agreement; now therefore

IN CONSIDERATION of the premises and mutual covenants herein contained, it is agreed as follows:

1. NONEXCLUSIVE ENGAGEMENT OF CONSULTANT

JEA hereby engages the CONSULTANT on a non-exclusive basis, and the CONSULTANT hereby accepts said engagement for the purpose of providing to JEA professional services, as described in this Agreement and its Exhibits (collectively the "Services"), all of which are hereby incorporated herein by this reference, as if fully set out in their entirety and collectively referred to, for convenience, as the "Contract Documents".

- 1.1. There will be no obligation between the CONSULTANT and JEA for performance of Services until JEA engages the CONSULTANT with a written notice to proceed which shall be in the form of a purchase order.

2. COORDINATION AND SERVICES PROVIDED BY JEA

- 2.1. JEA shall designate, for the Services received, a Project Representative who will, on behalf of JEA, coordinate with the CONSULTANT and administer this Agreement. It shall be the responsibility of the CONSULTANT to coordinate all assignment related activities with the designated Project Representative. The Project Representative will be assigned to perform day-to-day administration and liaison functions, and to make available to the CONSULTANT appropriate personnel, to the extent practical, and to furnish records and available data necessary to conduct the Services. The Project Representative will also authorize the CONSULTANT to perform the Services under this Agreement.

For the purposes of this Agreement, the Project Representative is:

John McCarthy
21 W. Church Street, CC-6
Jacksonville, FL 32202

Phone: (904) 665-5544

The Project Representative may be revised by giving written notice to CONSULTANT.

3. DURATION OF AGREEMENT AND TERMINATION

- 3.1. This Agreement shall commence on the Effective Date, and continue and remain in full force and effect as to all its terms, conditions and provisions as set forth until the completion of the Chief Executive Officer recruitment (the "Services"), or until the Agreement's Maximum Indebtedness is reached,; unless JEA initiates a Change Order to increase the Maximum indebtedness, and it is accepted by the Consultant.
- 3.2. Notwithstanding the foregoing, JEA may at its option terminate this Agreement at any time, with or without cause, by the giving of not less than thirty (30) days prior written notice to the CONSULTANT. In the event this Agreement is terminated, the CONSULTANT shall be paid in accordance with **Exhibit B**.
- 3.3. Except as otherwise provided in ARTICLE 25 herein, upon such termination the rights and obligations of the CONSULTANT and JEA, which arise out of or in connection with the performance of this Agreement, shall cease.
- 3.4. Any other provision in this Agreement to the contrary notwithstanding, the duration of this Agreement after the initial year shall be contingent upon the existence of lawfully appropriated funds for each subsequent year of the term.

4. MEETINGS AND PUBLIC HEARINGS

The CONSULTANT will, upon request by JEA, attend all meetings and public hearings as required, in any capacity, as directed by JEA.

5. DELAYS

Neither party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligation is prevented or delayed by any cause beyond the reasonable control of the affected party, and the time for performance of either party hereunder shall in such event be extended for a period equal to any time lost due to such prevention or delay.

6. SUSPENSION OF SERVICES

JEA may suspend the performance of the Services rendered by providing CONSULTANT with five (5) days written notice of such suspension. Schedules for performance of the Services shall be amended by mutual agreement to reflect such suspension. Mutual agreement by the parties is required to resume service. Suspension of Services for reasons other than the CONSULTANT's negligence or failure to perform, shall not affect the CONSULTANT's compensation as outlined in this Agreement upon later completion of the Milestones shown on **Exhibit B**.

7. PAYMENTS

JEA will reimburse the CONSULTANT for the Services rendered hereunder in accordance with the following terms:

- 7.1. The maximum indebtedness of JEA for all fees, incentive payments, reimbursable items or other costs, including, but not limited to travel related costs, pursuant to this Agreement shall not exceed the sum of **One Hundred Ninety Thousand and 00/100 Dollars (\$190,000.00)** ("**Maximum Indebtedness**") for Services rendered during the initial term of this Agreement. CONSULTANT'S fees and Milestone payments are as stated in **Exhibit B** attached hereto.
- 7.2. Upon CONSULTANT 's completion of and JEA's verification of the completion of each predetermined Milestone as shown on **Exhibit B**, CONSULTANT shall submit to JEA an Invoice for the amount/percentage corresponding to that Milestone.
- 7.3. All of CONSULTANT's travel expenses shall be reimbursed in accordance with JEA's Travel Policy attached as **Exhibit C**, and incorporated herein.
- 7.4. JEA shall render payment to the CONSULTANT within thirty (30) days of the date of receipt by JEA of properly itemized and documented billings. JEA may reject any Invoice within 20 calendar days after receipt. JEA will return the Invoice to the CONSULTANT stating the reasons for rejection. Upon receipt of an acceptable revised Invoice or Application for Payment, JEA will pay the CONSULTANT the revised amount within 10 days.

- 7.5. Invoices shall be submitted to JEA Accounts Payable, P.O. Box 4910, Jacksonville, FL 32201-4310, and shall reference the JEA Purchase Order number.
- 7.6. CONSULTANT acknowledges that there is no expressed or implied obligation on the part of JEA to engage CONSULTANT to perform Services under the Agreement. To the extent that JEA elects to incur additional costs pursuant to this Agreement, payment of the related additional fees and costs shall be authorized by a written amendment to this Agreement signed by the parties.
- 7.7. JEA shall not pay any retainer or any other amounts to CONSULTANT except in the manner described in this Section 7 and Exhibit B.

8. CHANGES IN SCOPE OF SERVICES

From time to time JEA may direct changes and modifications in the scope of the services, as contained in the Agreement, to be performed under this Agreement, as may be necessary to carry out the purpose of this Agreement. The CONSULTANT is willing and agreeable to accommodate such changes, provided it is compensated for additional services in accordance with its professional fees and expenses under the terms of this Agreement. Such changes shall be in the form of a written amendment to this Agreement reflecting, as appropriate, an amendment to the Services rendered and adjustment to CONSULTANT's professional fees, including an extension to the duration of this Agreement, as well as the maximum indebtedness of JEA. Maximum indebtedness is the maximum total cost that may be paid to the CONSULTANT hereunder, including travel related costs, during the initial term of the Agreement for the Services rendered under the terms of this Agreement.

9. PERSONNEL & CHANGES IN CONSULTANT'S PROFESSIONAL PERSONNEL

- 9.1 Unless otherwise agreed in writing by the parties, all Services shall be rendered by employees: (a.) who are full time employees of CONSULTANT; (b.) qualified to perform the Services, and (c.) fluent in the English language.
- 9.2 Subsequent to the execution of this Agreement, CONSULTANT shall notify the JEA Project Representative in writing prior to making changes in professional personnel assigned, or to be assigned, as provided in CONSULTANT's proposal to manage or perform Services under this Agreement. The JEA Project Representative shall have the right to reject any personnel assigned by CONSULTANT to perform Services under this Agreement. If the right of rejection is exercised by the JEA Project Representative, CONSULTANT shall submit for approval of the JEA Project Representative, the name or names of substitute personnel to fill the positions resulting from said rejection. The JEA Project Representative shall have the right to require the removal of CONSULTANT's previously assigned personnel and CONSULTANT shall promptly replace the same, subject to the JEA Project Manager's approval at no cost to JEA.

10. INDEMNIFICATION

The CONSULTANT shall hold harmless, indemnify, and defend JEA against any third party claim, action, loss, damage, injury, liability, cost and expense of whatsoever kind or nature (including, but not by way of limitation, reasonable attorney's fees and court costs) arising out of injury (whether mental or corporeal) to persons, including death, or damage to property, arising out of or incidental to the negligence, recklessness or intentional wrongful misconduct of the Company and any person or entity used by Company in the performance of this Agreement or Services performed thereunder. For purposes of this Indemnification, the term "JEA" shall mean JEA as a body politic and corporate and shall include its governing board, officers, employees, agents, successors and assigns. This indemnification shall survive the term of the Agreement entered into pursuant to this solicitation, for events that occurred during the Agreement term. This indemnification shall be separate and apart from, and in addition to, any other indemnification provisions set forth elsewhere in this Agreement.

11. INSURANCE REQUIREMENTS

Before starting and until completion of the Services by JEA, and without further limiting its liability under the Agreement, CONSULTANT shall procure and maintain at its sole expense, insurance of the types and in the minimum amounts stated below:

<u>Schedule</u>	<u>Amount</u>
<u>Workers' Compensation</u> Florida Statutory coverage and Employer's Liability	Statutory Limits (Workers' Compensation) \$500,000 each accident (Employer's Liability)
<u>Commercial General Liability</u> <u>Premises-Operations</u> Products-Completed Operations Contractual Liability	\$1,000,000 each occurrence \$2,000,000 annual aggregate for bodily injury and property damage, combined single limit
<u>Automobile Liability</u> All autos-owned, hired, non-owned	\$1,000,000 each occurrence, combined single of limit
<u>Excess or Umbrella Liability</u> (This is additional coverage and limits above the following primary insurance: Employer's Liability, Commercial General Liability, and Automobile Liability)	\$2,000,000 each occurrence and annual aggregate
<u>Professional Liability</u> Errors & Omissions	\$1,000,000 each claim \$2,000,000 annual aggregate

CONSULTANT's Commercial General Liability, Excess or Umbrella Liability, and Professional Liability policies shall be effective for term of this Agreement. The above Indemnification provision is separate and is not limited by the type of insurance or insurance amounts stated above.

CONSULTANT shall specify JEA as an additional insured for all coverage except Workers' Compensation, Employer's Liability, and Professional Liability. Such insurance shall be primary to any and all other insurance or self-insurance maintained by JEA. CONSULTANT shall include a Waiver of Subrogation on all required insurance in favor of JEA, its governing board, officers, employees, agents, successors and assigns.

Such insurance shall be written by a company or companies licensed to do business in the State of Florida and satisfactory to JEA. Prior to commencing any Services under this Agreement, certificates evidencing the maintenance of the insurance shall be furnished to JEA for approval.

CONSULTANT's and its subcontractors' certificates of insurance shall be mailed to JEA (Attn. Procurement Services), Customer Care Center, 6th Floor, 21 West Church Street, Jacksonville, FL 32202-3139.

The insurance certificates shall provide that no material alteration or cancellation, including expiration and non-renewal, shall be effective until 30 days after receipt of written notice by JEA.

Any subcontractors of CONSULTANT shall procure and maintain the insurance required of CONSULTANT hereunder during the life of the subcontract. Subcontractors' insurance may be either by separate coverage or by endorsement under insurance provided by CONSULTANT. CONSULTANT shall submit subcontractors' Certificates of Insurance to JEA prior to allowing subcontractors to perform Services on JEA's job sites.

12. PATENTS & COPYRIGHTS

- 12.1. In consideration of ten dollars (\$10.00), receipt and sufficiency is hereby acknowledged, CONSULTANT shall hold harmless, indemnify, and defend JEA from and against third party liability or loss, including but not limited to any claims, judgments, court costs and attorneys' fees incurred in any claims, or any pretrial, trial or appellate

proceedings on account of infringements of patents, copyrighted or uncopyrighted works, secret processes, trade secrets, patented or unpatented inventions, articles or appliances, or allegations thereof, pertaining to the Services, or any part thereof, combinations thereof, processes therein or the use of any tools or implements used by CONSULTANT.

- 12.2. CONSULTANT will, at its own expense, procure for JEA the right to continue use of the Services, parts or combinations thereof, or processes used therein resulting from a suit or judgment on account of patent or copyright infringement.
- 12.3. If, in any such suit or proceeding, a temporary restraining order or preliminary injunction is granted, CONSULTANT will make every reasonable effort, by giving a satisfactory bond or otherwise, to secure the suspension of such restraining order or temporary injunction.
- 12.4. If, in any such suit or proceeding, any part of the Services is held to constitute an infringement and its use is permanently enjoined, CONSULTANT will, at once, make every reasonable effort to secure for JEA a license, authorizing the continued use of the Services. If CONSULTANT fails to secure such license for JEA, CONSULTANT will replace the Services with non-infringing Services, or modify the Services in a way satisfactory to JEA, so that the Services are non-infringing.

13. WARRANTY

The CONSULTANT represents and warrants that it has the full corporate right, power and authority to enter into the Agreement and to perform the Services, and that the performance of its obligations and duties hereunder does not and will not violate any Agreement to which the CONSULTANT is a party or by which it is otherwise bound.

The CONSULTANT represents and warrants that it will conduct the Services in a manner and with sufficient labor, materials and equipment necessary to affect a diligent pursuance of the Services.

The CONSULTANT represents and warrants that it has the responsibility and capacity to train and supervise its employees, Subcontractors and suppliers to ensure the Services comply with all safety requirements of the Contract Documents.

The CONSULTANT represents and warrants that its employees and Subcontractors shall exercise the degree of skill and care required by customarily accepted good practices and procedures.

The CONSULTANT warrants that all items provided under the Agreement shall be in accordance with the requirements of this Agreement and services shall be performed in a professional manner and with professional diligence and skill, consistent with the prevailing standards of the industry. The CONSULTANT warrants that the Services will meet the functional and performance requirements defined in the Agreement.

If any failure to meet the foregoing warranty appears within one year after Services are Accepted, the CONSULTANT shall again perform the Services directly affected by such failure at the CONSULTANT's sole expense.

CONSULTANT represents and warrants that all of the statements in its response to JEA's solicitation for the Services are true and correct, and to the extent that any statements or provisions of such response are more favorable to JEA than any conflicting terms of this Agreement, then in JEA's discretion and determination, the more favorable provisions shall apply.

14. NONWAIVER

Failure by either party to insist upon strict performance of any of the provisions of the Agreement will not release either party from any of its obligations under the Agreement.

15. OWNERSHIP OF DOCUMENTS AND EQUIPMENT

The CONSULTANT agrees that upon completion of the Services and full payment of any amounts due, all drawings, designs, specifications, renderings, notebooks, tracings, photographs, reference books, equipment, **expendable** equipment and materials, negatives, reports, findings, recommendations, data and memoranda of every description (hereinafter

referred to as "Works"), arising out of or relating to the Services rendered by the CONSULTANT under this Agreement, are to become the property of JEA. CONSULTANT and JEA agree that said Works shall be considered as works made for hire under the United States Copyright laws. JEA shall have the absolute and exclusive right to own and use all said Works together with any and all copyrights, patents, trademark and service marks associated with said Works. The use of these Works in any manner by JEA shall not support any claim by the CONSULTANT for additional compensation

16. PUBLIC RECORDS AND SUNSHINE LAW

This Agreement and any related documents are considered public records under the "Public Records Law", Chapter 119, Florida Statutes, unless specifically exempted by law. Any meetings involving two or more members of JEA at which official acts are to be taken are considered public meetings under the Florida "Government in the Sunshine Law", as contained in Chapter 286, Florida Statutes.

17. NON-DISCRIMINATION PROVISIONS

CONSULTANT shall comply with:

- 17.1. The provisions of Presidential Executive Order 11246, as amended and with all rules and regulations implementing that Executive Order. Said Executive Order and all rules and regulations implementing same are by this reference incorporated herein as if set out in their entirety.
- 17.2. CONSULTANT will comply with Section 503 of the Rehabilitation Act of 1973, as amended and the Americans with Disabilities Act (ADA) and with all rules and regulations implementing such Acts. Said Acts and all rules and regulations implementing same are by this reference incorporated herein as if set out in their entirety.
- 17.3. CONSULTANT will comply with The Employment and Training of Veterans Act, 38 U.S.C. 4212 (formerly 2012), as amended, and with all rules and regulations implementing such Act. Said Act and all rules and regulations implementing same are by this reference incorporated herein as if set out in their entirety.

18. PROHIBITION AGAINST CONTINGENT FEES

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 the Agreement, and that it has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for the CONSULTANT, any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of the Agreement. For the breach or violation of these provisions, JEA shall have the right to terminate the Agreement without liability and, at its discretion, to deduct from the Agreement price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration.

19. COST SAVINGS PLAN

During the term of the Agreement, JEA and CONSULTANT are encouraged to identify ways to reduce the total cost to JEA related to services provided by the CONSULTANT. JEA and CONSULTANT may negotiate Amendments to the Agreement that support and allow such reductions in total costs including, but not limited to, the sharing of savings resulting from implementation of cost-reducing initiatives between JEA and CONSULTANT. The decision to accept any cost savings plan shall be in the sole discretion of JEA, and JEA shall not be liable to CONSULTANT for any cost that may be alleged to be related to a refusal to accept a Cost Savings Plan.

20. AUDIT

The CONSULTANT's correspondence, records, vouchers and books of account related to the CONSULTANT'S direct interaction with JEA, insofar as work done or money expended under this Agreement are concerned, shall be open to JEA's inspection and audit during the CONSULTANT's regular business hours during the course of the work and for a period of two years after completion of the Services. JEA shall give CONSULTANT ten days written notice prior to audit or inspection.

21. APPLICABLE STATE LAW; VENUE; SEVERABILITY

The rights, obligations and remedies of the Parties as specified under the Agreement will be interpreted and governed in all respects by the laws of the State of Florida without giving effect to the principles of conflicts of laws thereof. Should any provision of the Agreement be determined by the courts to be illegal or in conflict with any law of the State of Florida, the validity of the remaining provisions will not be impaired. Litigation involving this Agreement or any provision thereof shall take place in the State or Federal Courts located in Jacksonville, Duval County, Florida.

22. HEADINGS

Headings appearing herein are inserted for convenience or reference only and shall in no way be construed to be interpretations of text.

23. ORDER OF PRECEDENCE

In the event of any conflict between the provisions of this Agreement and those of the documents incorporated herein by reference, said provisions shall be given effect in the following order: (1) Amendments to this Agreement, (2) this Agreement and Exhibit A through C attached hereto; and (3) JEA purchase order(s).

24. NEGOTIATED AGREEMENT

Except as otherwise expressly provided, all provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors and assigns. The parties agree that they have had meaningful discussion and negotiation of the provisions, terms and conditions contained in this Agreement. Therefore, doubtful or ambiguous provisions, if any, contained in the Agreement shall not be construed against the party who physically prepared this Agreement. The rule commonly referred to as *Fortius Contra Proferentum* shall not be applied to this Agreement or any interpretation thereof.

25. SURVIVAL

Any provision of this Agreement that, by its nature, is applicable to circumstances arising after the termination or expiration of this Agreement shall survive such termination or expiration and remain in full force and effect.

26. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties hereto for the Services to be performed and furnished by the CONSULTANT hereunder. No statement, representation, writing, understanding, or agreement made by either party, or any representative of either party, which are not expressed herein shall be binding. All changes to, additions to, modifications of, or amendment to this Agreement, or any of the terms, provisions and conditions hereof, shall be binding only when in writing and signed by the authorized officer, agent or representative of each of the parties hereto.

29. INDEPENDENT CONTRACTOR

CONSULTANT is performing the Services as an independent contractor and nothing in this Agreement will be deemed to constitute a partnership, joint venture, agency, or fiduciary relationship between JEA and CONSULTANT. Neither CONSULTANT nor JEA will be or become liable or bound by any representation, act, or omission of the other.

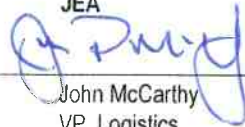
30. LIMITATION ON DAMAGES

Except for breaches of confidentiality, IP rights, or data privacy rights, neither party shall be liable to the other for any claims for an aggregate amount in excess of the fees actually paid by JEA under this Agreement, nor shall either party be liable for consequential, special, indirect, incidental, punitive or exemplary loss damage or expense (including, without limitation, lost profits and opportunity costs) relating to this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, in triplicate, the date and year first above written.

ATTEST:

Heather Beard
Manager, Procurement Contract
Admin.

JEA
By 
John McCarthy
VP, Logistics

ATTEST:

Signature
Janet L. Sheehan
Print or Type Name
Exec. Assistant
Title

HEIDRICK & STRUGGLES INTERNATIONAL INC

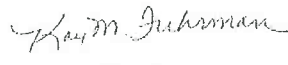
By: 
Signature
Name: Kay M. Fuhrman
Title: Partner

Exhibit A
SCOPE OF SERVICES

SCOPE OF SERVICES

Consultant shall provide a one-time chief executive officer (CEO) search. Such services shall include assisting management and the Board of JEA in recruiting external candidates; selecting candidates including internal and external candidates; screening, including background checks; negotiating employment contracts; and hiring the CEO.

EXHIBIT B
FEES AND EXPENSES

FEES AND EXPENSES

FEES BASED ON CHIEF EXECUTIVE OFFICER SALARY:

PROFESSIONAL FEES AND EXPENSES

The Consultant's fee for this executive search engagement is one-third of the total first year cash compensation for the executive employed directly or indirectly as a result of this engagement (the "Fee"), plus expenses. The executive salary will be established by JEA prior to the beginning of the executive search. Total first year cash compensation includes annualized base salary, target bonuses and incentives, and any sign-on bonuses as offered in any written offer of employment provided by JEA and accepted by the candidate (the "Offer Letter"). Total first year cash compensation shall not include cash payments intended to make the candidate whole for short- and long-term incentives, forfeited from the previous employer, or relocation allowances.

The Consultant's direct expenses described below (which shall not exceed \$10,000 without prior written approval from JEA), and indirect expenses described below (which shall in no event exceed \$5,000). Consultant will provide backup information for direct expenses upon request by JEA.

The Consultant requires a non-refundable retainer (the "Retainer"), which will be applied and credited against the final Fee, billed in three equal installments:

1. The first installment will be invoiced upon execution of this agreement (the "Letter")
2. The second installment will be invoiced at the earlier of the submission of three qualified candidates or sixty days.
3. The final installment will be invoiced on the earlier of the submission of an offer of employment to a candidate or 120 days following the execution of this agreement.

For this search, the Retainer will be \$100,000. All invoices are due and payable upon presentation.

When the engagement is complete, JEA will provide Consultant with a copy of the Offer Letter or other satisfactory compensation evidence and the Consultant will reconcile the Fee to the Retainer paid. The Consultant will send a final invoice for the amount (if any) by which the Fee exceeds the Retainer. The total Fee for this assignment is capped at \$175,000.

RECONCILIATION

At the conclusion of the search, if the placed executive is employed at a higher cash compensation level than originally estimated, a final Retainer invoice will be issued reflecting an adjustment to one-third of actual cash compensation for the CEO. If the CEO is employed at less than the originally estimated annual cash compensation, the full Retainer is considered earned. If this project is cancelled by JEA within the first 30 days, the CONSULTANT will charge one-third of the initial Retainer, plus expenses. Should an assignment be terminated by JEA after 30 days and before 90 days, JEA is obligated only for the pro rata portion of the cash Retainer (based upon 90 days), plus expenses. Should the search not be completed during the time the CONSULTANT's Retainer is billed to JEA, the CONSULTANT will continue to work for up to six months, if necessary, charging only direct out-of-pocket expenses, which will continue to be billed on a monthly basis until the assignment ends. In the unlikely event that a solution is not at hand after six months of effort, JEA and the CONSULTANT shall re-evaluate the entire project. If it becomes necessary to cancel the search after CONSULTANT's Retainer is billed, the full Retainer is considered earned.

DIRECT AND INDIRECT EXPENSES

1. The following direct expenses shall not exceed \$10,000, and will be reimbursed in accordance with JEA's Travel Policy, attached hereto as **Exhibit C**, with no mark-up:
 - Consultant's travel expenses to meet with JEA, if needed, for information gathering.
 - Travel expenses for Consultant to conduct face-to-face interviews with approved candidates in Jacksonville, Florida, or other approved locations.
 - Consultant travel expenses to attend JEA's interviews or additional meetings as requested by JEA.

The Consultant shall clearly mark on its invoices the reimbursable costs and shall provide backup information for those costs upon the request of JEA. JEA will incur expenses to interview candidates in Jacksonville, Florida, and expenses to relocate the selected individual.

2. JEA will also reimburse the Consultant for indirect expenses, which are costs that are attributable to client projects as incremental costs (such as telephone charges, mobile data usage, photocopying, and third-party database subscriptions). Indirect expenses are 10% of the Fee and billed in three increments (along with the Milestones), subject to a cap of \$5,000.

EXHIBIT C
JEA CONTRACTOR TRAVEL POLICY

PROCUREMENT SERVICES PROCEDURE: OS A0500 PS 120B Contractor Travel

TITLE: Travel Approval and Expense Reimbursement (Contractor)

CREATION DATE: May 26, 1988

REVISED: July 15, 2007

PROCEDURE:

I. TRAVEL REQUESTS - Contractors must request approval on travel for official JEA business prior to commencement of travel.

II. GENERAL TRAVEL GUIDELINES

A. Constructive Point of Origin - The application of the constructive point of origin regulation will ensure that the traveler travels the shortest reasonable distance on business. Travel shall be deemed to have begun at the usual place of business or residence, or the place where travel actually began, whichever is less.

B. Constructive Travel Time is the time the traveler actually departs for his/her destination, or at the latest time the traveler could reasonably have departed in order to arrive at his/her destination in time to accomplish the official business, whichever is later. The same applies to the return back to the point of origin.

1. Common Carrier (excluding rental automobile) Travel Time begins two hours prior to the time the traveler's conveyance actually departs.
2. Motor vehicle (including rental automobile) Travel Time begins at the time travelers actually begin driving to their destination.
3. If a traveler conducts personal business during official travel, the personal business shall be considered to have been conducted at the beginning or at the end of the travel.

C. Transportation

1. The traveler requesting approval to travel shall choose the most economical means of transportation, considering the nature of the business, the traveler's time, cost of transportation, meals, lodging and incidental expenses required.
2. Reimbursement shall be made only for travel performed over usually regularly traveled routes to the destination. When travel is by indirect route for the traveler's own convenience, reimbursement for expenses shall be based only on such charges as would have been incurred over the usually traveled route.

3. If the total miles from the departure point to destination exceeds 400 miles round trip, the mileage reimbursement for use of a private motor vehicle shall be limited to the lesser of:
 - a. IRS-authorized mileage rates described in Section 106.706 of the Ordinance Code, City of Jacksonville; or
 - b. the lowest airline common carrier coach fare available to the nearest airport plus IRS-authorized mileage rate per mile from the airport to the destination.

IV. AUTHORIZED EXPENSES

A. Airplane

1. Travel by Common Carrier shall be reimbursed at the lowest coach fare rate available (except that the first class rate is authorized if coach fare is not available). The Common Carrier shall complete The Certification of Unavailability of Coach Accommodation (Example at Exhibit A)

2. Reservations for a **Saturday night** stay over is encouraged if it results in a net savings **after considering all** incremental travel related expenses.

3. Reimbursement for rented aircraft shall be based on the hourly rental rate for the aircraft, including fuel, if the cost of renting the aircraft can be demonstrated to be less than the lowest available common carrier coach fare.

4. A copy of the ticket and itinerary must be submitted along with the expense statements.

B. Automobiles

1. If travel is by private automobile, reimbursement shall be based on IRS authorized mileage rate in existence at the time of travel. All mileage shall be completed from the constructive point of origin to the point of destination. Vicinity mileage incurred while driving on official business may also be reimbursed.
2. No other reimbursement for expenses related to the operation, maintenance and ownership of a vehicle shall be allowed when a private motor vehicle is used on public business.

C. Car Rental

1. Rental cars shall be approved only if taxis or other means of transportation are less economical or otherwise impractical.
2. Every effort shall be made to coordinate travel so that travelers share a rental car and thereby eliminate multiple cars at the same location.
3. Travelers shall use the Compact (Class B) vehicles unless the number of passengers or the volume of equipment makes the compact class impractical.

4. Personal accident insurance purchased by the traveler will not be reimbursed by JEA.
5. A copy of itemized rental car charges will be made and submitted with the expense statement.

D. Lodging

1. Reasonable reimbursement will be made for the cost of overnight lodging when a traveler is away from his/her place of residence. Travelers shall select lodging which is the most economically available, consistent with the duties being performed.
2. Travelers will be reimbursed for a single room rate; double occupancy rates may be obtained if two travelers share a room.
3. An extended stay facility may be obtained, however the expense must be reasonable and the daily cost shall not exceed \$100 per night.
4. Travelers must document all lodging expenses with itemized statement and paid receipt from lodging facility. A copy of the receipt must be submitted with the expense statement.

E. Meals

1. Meals will be reimbursed for all travelers at the following fixed subsistence rates:

a. Breakfast \$10 when Travel Time begins before 6:00 a.m. and extends beyond 8:00 a.m.

b. Lunch - \$14 when Travel Time begins before 12:00 noon and extends beyond 2:00 p.m.

c. Dinner - \$26 when Travel Time begins before 6:00 p.m. and extends beyond 8:00 p.m.

d. International Travel – for travel outside of the United States, the per diem rate is doubled to \$100 per day.

2. A per diem rate of \$50 will be paid for an entire day when Travel Time for that day begins before 6:00 a.m. and extends beyond 8:00 p.m.

3. Meal subsistence may not be claimed for meals (except those provided by common carrier transportation) made available without specific charge at a seminar, conference or training session.

F. Telephone Calls

1. Communication expenses, necessary to conduct official JEA business shall be allowed as a reimbursable expense.

2. Personal long distance phone charges shall be allowed as a reimbursable expense when travelers must call family members, or caretakers for dependents, to tell of travel delays. Any other routine or non-emergency personal calls shall be at the expense of the traveler and shall not be reimbursed.

2. A receipt documenting the telephone charges shall be submitted with the Travel Expense Statement.

G. Incidental Transportation Expenses

The following expenses incidental to transportation of the traveler may be reimbursed:

1. taxi fare
2. ferry fares, bridge, rail and tunnel tolls
3. storage and parking fees
4. reasonable tips for transportation of baggage (not to exceed \$1.00 per bag per transfer/2 bags maximum). (receipts not required)

V. TRAVEL REIMBURSEMENT:

- A. JEA will reimburse the contractor in accordance with the payment terms and conditions as outlined in the company's contract or purchase order. All invoices must be submitted to A/P for payment. Refer to Finance Procedure 300, regarding payment of suppliers.
- B. JEA will only reimburse the contractor for travel expenses that are documented with receipts that are submitted with the expense statement.
- C. The traveler's copy of itinerary, ticket stubs, detailed paid hotel bill, rental car receipt, parking receipts, toll receipts, storage receipts, taxi receipts, telephone charges receipt, must accompany the request for reimbursement.

VI. DOCUMENTATION AND FORMS REQUIRED:

The Contractor's Travel Reimbursement Form shall include, but not be limited to:

- A. Name of each traveler
- B. The destination of the traveler (place of departure and destination)
- C. The dates encompassed by the travel (the time & date of departure and the time & date of return)
- D. Each day of travel will be entered in a separate column/line. The items of travel applicable to that day will be entered on the appropriate column/line. The cost of transportation (air, rental car) may be entered on day 1 of the travel.

- E. Per diem or meal allowance will be claimed as provided in Section IV. E. of this document. Subsistence rates for eligible meals will be entered in the column/line of the day claimed.
- F. Traveler shall include the actual miles traveled on official business.
- G. All other expenses associated with travel are to be itemized and entered on the specific day incurred on the appropriate column/line of the form.

SIGNED: John P. McCarthy

EFFECTIVE DATE: July 15, 2007

Revised: 12/11/2001
6/18/2001
11/29/2000