

**RESOLUTION NO. 2017-67**

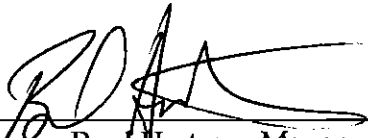
**A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL CONSULTING SERVICES AGREEMENT WITH SAWVEL AND ASSOCIATES INCORPORATED FOR THE PROVISION OF A CONSULTING ENGINEER'S REPORT (CER), IN AN AMOUNT NOT TO EXCEED THIRTEEN THOUSAND TWO HUNDRED THIRTY FIVE AND 00/100 DOLLARS (\$13,235.00)**

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HURON, OHIO:**

**SECTION 1.** That the Council of the City of Huron authorizes and directs the City Manager to enter into an agreement with Sawvel and Associates, Inc., for the provision of a Consulting Engineer's Report (CER) necessary in connection with AMP's issuance of an Electric System Improvement Revenue Bond Anticipation Note, in an amount not to exceed Thirteen Thousand Two Hundred Thirty Five and 00/100 Dollars (\$13,235.00); which shall be in substantially the form of Exhibit "A" attached hereto and made a part hereof.

**SECTION 2.** That this Council hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Council and that all deliberations of this Council and of its Committees, if any, which resulted in formal action, were taken in meetings open to the public in full compliance with applicable legal requirements, including O.R.C. §121.22.

**SECTION 3.** That this Resolution shall be in full force and effect from and immediately after its adoption.

  
\_\_\_\_\_  
Brad Hartung, Mayor

ATTEST:   
Clerk of Council

ADOPTED: OCT 10 2017

**PROFESSIONAL CONSULTING SERVICES  
AGREEMENT  
BETWEEN**

**CITY OF HURON, OHIO  
AND  
SAWVEL AND ASSOCIATES, INC.**

This is an Agreement made and entered into this 8th day of September, 2017 by and between Sawvel and Associates, Inc. ("Sawvel"), and City of Huron, Ohio ("Client").

**WITNESSETH:**

WHEREAS, Client desires the services of a consultant to assist in analyses or other activities requested by Client; and

WHEREAS, Sawvel is willing to provide such services, as described in the specific Service Exhibits, under the terms and conditions set forth in this Agreement;

NOW THEREFORE, in consideration of the mutual covenants set forth herein, the parties agree as follows:

**SECTION 1 - SAWVEL SERVICES**

- 1.1. Sawvel shall perform the consulting services set forth in Service Exhibits to this Agreement.
- 1.2. Service Exhibits shall outline the scope of work to be provided, schedule, fee and billing arrangements and any other key service commitments as may be agreed to in writing by Sawvel and Client.
- 1.3. Service Exhibits may be added or modified only upon mutual agreement of Sawvel and Client, as evidenced by authorized signature of the parties.
- 1.4. If any time period or date by which any of Sawvel's services are to be completed is exceeded through no fault of Sawvel, the time for completion of performance shall be subject to equitable adjustment.
- 1.5. From time to time Client may request certain miscellaneous services of Sawvel that are not set forth in a specific Service Exhibit. These miscellaneous services shall be subject to this Agreement and shall be provided as agreed by Sawvel and Client. These services will typically be minor consultations or analyses that the parties determine do not merit a new or modified Service Exhibit.

**SECTION 2 - TERM OF AGREEMENT**

- 2.1. This Agreement shall become effective the date first written above.
- 2.2. The term of this Agreement shall continue until either party terminates this Agreement by giving the other party a written, sixty (60) day notice.
- 2.3. In the event of any termination of this Agreement, including the terms under Section 2.2, Sawvel will be paid for all services rendered and reimbursable expenses incurred to the date of termination and, in addition, all reimbursable expenses directly attributable to termination.

SECTION 3 – CLIENT’S RESPONSIBILITIES

- 3.1. Client shall furnish to Sawvel all pertinent studies, reports and other available data; obtain or authorize Sawvel to obtain or provide additional reports and data as required; and furnish to Sawvel any required services of others. Sawvel shall be entitled to use and rely upon all such information and services provided by Client or others as accurate without independent verification.
- 3.2. Client shall arrange for safe access to and make all provisions for Sawvel and Sawvel’s consultants to enter upon public and private property as required for Sawvel to perform services hereunder.
- 3.3. Client shall designate in writing a person with authority to act on Client’s behalf on all matters concerning the services.
- 3.4. Client shall perform the responsibilities outlined in this Section 3 in a timely manner so as not to delay the services of Sawvel.
- 3.5. Client shall bear all costs incident to compliance with requirements of this Section 3.

SECTION 4 - PAYMENTS TO SAWVEL

- 4.1. Unless otherwise stated in the applicable Service Exhibit, Client shall pay Sawvel for services rendered under this Agreement for labor and expenses as follows:
  - A. Labor shall be billed in accordance with Sawvel’s standard labor billing rates for personnel, independent professional associates and consultants associated with the services.
  - B. Expenses will be those incurred in completing the services at the cost or rate associated with the expense. Expenses shall include, but are not limited to, travel, telephone, facsimile, copy, postage and shipping, computer services and other direct expenses.
- 4.2. If, through no fault of Sawvel, schedules are extended or continuous progress is interrupted, Sawvel compensation will be subject to equitable adjustment.
- 4.3. Sawvel’s fees and expenses are based on prompt payment of monthly statements rendered, any schedule set forth for the services, and continuous progress of the work on the services until completion of the services.
- 4.4. Sawvel shall submit monthly statements for services rendered during the prior month. Client shall make prompt monthly payments in response to Sawvel’s monthly statements. If Client fails to make any payment due Sawvel for services and expenses within thirty (30) days after Sawvel’s statement date, the amounts due Sawvel will be increased at the rate of 1.5% per month from said thirtieth (30<sup>th</sup>) day; and in addition, Sawvel may, after giving seven (7) days’ written notice to Client, suspend services under this Agreement until Sawvel has been paid in full all amounts due for services, expenses and charges.

Client shall remit payments to:

Sawvel and Associates, Inc.  
Attention: Accounting Department  
100 East Main Cross St., Suite 300  
Findlay, OH 45840-4889

- 4.5. Client shall pay Sawvel for all services not included in the scope of this Agreement on the basis agreed to in writing by the parties at the time such services are authorized by Client.

#### SECTION 5 - LIABILITY AND INDEMNIFICATION

- 5.1. General. Client and Sawvel having considered the potential liabilities that may exist during the performance of services, the benefits of services, and Sawvel's fee for services, and in consideration of the promises contained in this Agreement, Client and Sawvel agree to allocate and limit such liabilities in accordance with this Section 5.
- 5.2. Indemnification. Sawvel and Client each agrees to indemnify and hold harmless each other, its agents and employees, from and against legal liability for all claims, losses, damages, and expenses arising in any manner of providing services under this Agreement. To the extent such claims, losses, damages or expenses are caused by the joint or concurrent negligence of Sawvel and Client, they shall be borne by each party in proportion to its own negligence.
- 5.3. Consequential damages. To the fullest extent permitted by law, Sawvel shall not be liable to Client for any special, indirect, or consequential damages resulting in any way from the performance of services.
- 5.4. Limitations of liability. To the fullest extent permitted by law, Sawvel's total liability to Client for all claims, losses, damages, and expenses resulting in any way from the performance of Services shall not exceed the total compensation received within the Service Exhibit or range of services.
- 5.5. Standard of Care. Sawvel shall exercise the same degree of care, skill, and diligence in the performance of services as is ordinarily possessed and exercised by a professional consultant under similar circumstances. No warranty, expressed or implied, is included in this Agreement or in any drawing, specification, report or opinion produced pursuant to this Agreement.
- 5.6. Survival. All express representations, indemnifications, or limitations of liability included in this Agreement will survive its completion or termination for any reason.

#### SECTION 6 - DISPUTE RESOLUTION

- 6.1. Client and Sawvel agree to negotiate all disputes between them in good faith for a period of ten days from the date of notice prior to exercising their rights under other provisions of this Agreement, or under law.
- 6.2. All disputes between Client and Sawvel shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association in effect on the effective date of the Agreement. This agreement to arbitrate and any other agreement or consent to arbitrate entered into in accordance herewith as provided in this Section 6 will be specifically enforceable under prevailing law of any court having jurisdiction.
- 6.3. Notice of the demand for arbitration must be filed in writing with the other party to the Agreement and with the American Arbitration Association. The demand must be made within a reasonable time after the dispute has arisen. In no such event may the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such dispute would be barred by the applicable statute of limitations.
- 6.4. The award rendered by the arbitrators will be final, and judgement may be entered upon it in any court having jurisdiction thereof.

#### SECTION 7 - USE OF ELECTRONIC MEDIA

- 7.1 Copies of documents that may be relied upon by Client are limited to the printed copies (also known as hard copies) that are signed by Sawvel. Files in electronic media format of text, data, graphics, or of other types that are furnished by Sawvel to Client are only for convenience of Client. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk.
- 7.2 When transferring documents in electronic media format, Sawvel makes no representations as to long-term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by Sawvel at the beginning of services rendered.
- 7.3 If there is a discrepancy between the electronic files and the hard copies, the hard copies govern.
- 7.4 Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within 60 days, after which the receiving party shall be deemed to have accepted the data thus transferred. Any errors detected within the 60-day acceptance period will be corrected by the party delivering the electronic files. Sawvel shall not be responsible to maintain documents stored in electronic media format after acceptance by Client.

#### SECTION 8 - HAZARDOUS ENVIRONMENTAL CONDITIONS

- 8.1. It is acknowledged by both parties that Sawvel's scope of services described in the applicable Service Exhibit does not include any services related to a "Hazardous Environmental Condition," i.e. the presence at the site of asbestos, PCBs, petroleum, hazardous waste, or radioactive materials in such quantities or circumstances that may present a substantial danger to persons or property exposed thereto. In the event Sawvel or any other party encounters a Hazardous Environmental Condition, Sawvel may, at its option and without liability for consequential or any other damages, suspend performance of the portion of the services affected thereby until Client: (i) retains appropriate specialist consultant(s) or contractor(s) to identify and, as appropriate, abate, remediate, or remove the Hazardous Environmental Condition; and (ii) warrants that the site is in full compliance with applicable laws and regulations. Client acknowledges that Sawvel is performing professional services for Client and that Sawvel is not and shall not be required to become an "arranger," "operator," "generator," or "transporter" of hazardous substances, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1990 (CERCLA), which are or may be encountered at or near the site in connection with Sawvel's activities under this Agreement.

#### SECTION 9 - ASSIGNMENT AND RELATED MATTERS

- 9.1. Unless specifically stated otherwise in the applicable Service Exhibit, all documents and computer files prepared or furnished by Sawvel pursuant to this Agreement are Sawvel's work product and Sawvel shall retain an independent and unlimited ownership or property interest therein. Client shall not provide any third party with copies of such computer files without the written consent of Sawvel. Client shall not reuse Sawvel documents or computer files without written verification or adaptation by Sawvel for the specific purpose intended. Unauthorized reuse of Sawvel documents or computer files will be at Client's sole risk and without liability or legal exposure to Sawvel. Client agrees to indemnify, and hold Sawvel harmless from all claims, damages and expenses arising out of any such unauthorized reuse of documents or computer files by Client or by others acting through Client.

- 9.2. Assignment. Unless mandated by law, neither party may assign this Agreement or any privileges or obligation herein without the written consent of the other party; however, this in no way prevents Sawvel from employing such independent professional associates and consultants as Sawvel may deem appropriate to assist in the performance of service hereunder.
- 9.3. Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than Client and Sawvel.
- 9.4. Neither party shall be liable to the other for any delay in the performance of the services, or for any other breach, or for any loss or damage arising from uncontrollable forces such as fire, theft, storm, pestilence, war, power outage or any other force majeure which could not have been reasonably avoided by exercise of due diligence by the parties.

#### SECTION 10 – COMPLIANCE WITH LAWS AND RELATED MATTERS

- 10.1. Compliance With Laws. Sawvel agrees that in performing services, Sawvel will comply with applicable regulatory requirements including federal, state, and local laws, rules, regulations, orders, codes, criteria and standards. Sawvel shall procure only those permits, certificates, and licenses necessary to allow Sawvel to perform services described in the applicable Service Exhibit.
- 10.2. Controlling Law. This Agreement shall be construed in accordance with the laws of the State of Ohio.
- 10.3. In the event any provision of this Agreement shall be held invalid or unenforceable, the remaining provisions shall be valid and binding upon the parties.
- 10.4. This Agreement, together with any signed amendments or exhibits, constitutes the entire Agreement between Client and Sawvel and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented or canceled by a duly executed written instrument.

#### SECTION 11 - GENERAL CONDITIONS

- 11.1. Sawvel shall not conduct patent searches in connection with its services under this Agreement and assumes no responsibility for any patent or copyright infringement arising therefrom. Nothing in the Agreement shall be construed as a warranty or representation that anything made, used, or sold arising out of the services performed under this Agreement will be free from infringement of patents copyrights.
- 11.2. Opinions of Cost and Schedule. Since Sawvel has no control over the cost of labor, materials, or equipment furnished by others, or over the resources provided by others, Sawvel's opinion of probable costs and schedules shall be made on the basis of experience and qualifications as a professional consultant. Sawvel does not guarantee that proposals, bids or actual costs will not vary from Sawvel's opinion of probable costs or that actual schedules will not vary from Sawvel's projected schedules.
- 11.3. Insurance. Sawvel will maintain insurance coverage for Workers' Compensation and will provide certificates of Insurance to Client upon request.
- 11.4. Independent Contractor. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Client and Sawvel and not for the benefit of any third party. Nothing contained in the Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either Client or Sawvel. Sawvel's services under this Agreement are being performed solely for Client's benefit, and no other entity shall have any claim against Sawvel because of this Agreement or the performance or nonperformance of services hereunder. Client agrees to include a

provision in all contracts with contractors and other entities involved to carry out the intent of this paragraph.

- 11.5. Notices. Any notice required under this Agreement will be in writing, addressed to the appropriate party at its address on the signature page and given personally, or by registered or certified mail postage prepaid, or by commercial courier service. All notices shall be effective upon the date of receipt.

IN WITNESS WHEREOF, the parties have made and caused this Agreement to be executed on their behalf by their authorized representatives as of the day and year first written above.

CLIENT

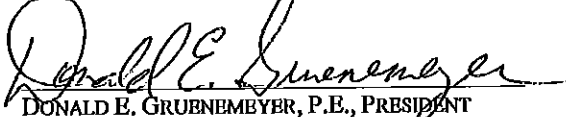
\_\_\_\_\_  
ANDY WHITE, CITY MANAGER

\_\_\_\_\_  
DATE

ADDRESS FOR GIVING NOTICES:

City of Huron  
417 Main Street  
Huron, OH 44839

SAWVEL AND ASSOCIATES, INC.

  
DONALD E. GRUBNEMEYER, P.E., PRESIDENT

September 8, 2017  
DATE

ADDRESS FOR GIVING NOTICES:

Sawvel and Associates, Inc.  
100 East Main Cross, Suite 300  
Findlay, OH 45840

**Service Exhibit 1**  
To the Professional Consulting Services Agreement  
Effective September 8, 2017 between  
The City of Huron, Ohio and Sawvel and Associates, Inc.

**Scope of Services Description**  
Prepare 2017 Consulting Engineer's Report

**PURPOSE:**

Sawvel and Associates, Inc. (Sawvel) will provide the City of Huron, Ohio (City) with a Consulting Engineer's Report (CER) made in connection with AMP's issuance of approximately \$3,500,000 Electric System Improvement Revenue Bond Anticipation Note (2017 BAN) pursuant to a Private Letter Ruling from the Internal Revenue Service for the purpose of loaning funds to the City pursuant to a loan agreement between the City and AMP to pay the costs of various system improvements. The 2017 BAN is comprised of various electric system improvements including construction of a new distribution substation and a street lighting project.

The City plans to utilize the Ohio Market Access Program (OMAP) for the short-term 2017 BAN. The OMAP is a credit enhancement program offered through the Ohio Treasurer's office. OMAP leverages the state's high short-term credit rating to help improve market access for local governments.

**ASSUMPTIONS:**

The following assumptions were used to prepare this scope of work and estimated compensation.

1. Update of historical financial data to be for the calendar years 2014 through 2016.
2. Historical and projected revenues and expenses for one electric operating fund.
3. Projection to be a five year projection for calendar years 2017 – 2021.
4. Projected electric customer retail sales (kWh) will be estimated using AMP projected energy requirement and historical losses.
5. Projected electric operating expenses (personnel services, travel and transportation, contractual services and materials and supply) will be escalated 3% for inflationary pressures unless notified otherwise.
6. American Municipal Power (AMP) to provide 2017 – 2021 annual projected power supply cost and energy requirement.



7. City to provide projected debt service principal and interest payment plan for years 2017 – 2021.
8. City to provide detailed description about the process that must be followed to implement a rate change and collect additional revenue (includes, but is not limited to: who decides on a rate increase, how often those individuals meet, the number of required readings for an ordinance, how long it would take for a new rate to become effective, and how long customers have to pay their bills).
9. City to provide detailed description of the Power Cost Adjustment (PCA) assessed by the electric utility (includes, but is not limited to: how the PCA is calculated, how often the PCA can change, a timeline showing the various steps and number of days it would take for increased generation costs to be reflected in customer invoices).
10. City to complete attached tables.
11. City to provide PCA formula.
12. City to provide work history or biography of City staff as applicable to the electric utility.
13. City to provide description of the electric improvements and cost as it relates to the 2017BAN.
14. City to provide a description of the electric service territory and any First Energy or Ohio Edison agreements.
15. CER to meet requirements of OMAP.

### **APPROACH:**

This approach responds to our understanding of the project as previously described in the Purpose section. We will work with City and AMP staff to complete the City of Huron, Ohio 2017 BAN Consulting Engineer's Report. The data and information requested will be provided by City and AMP staff. Sawvel will prepare the report with information provided by staff.

Based on the above approach, Sawvel will complete the following tasks:

### **■ TASK 1 – REVIEW DATA AND INFORMATION**

Sawvel will request data and information from City and AMP staff as follows:

- Historical energy requirement and peak demand for years 2014, 2015 and 2016.
- Annual projected power supply cost (AMP Capacity Plans) for years 2017 through 2021.
- 2014 through 2016 energy sales by rate class – Table 2 attached.
- 2014 through 2016 annual base rate sales revenues by rate class – Table 2 attached.

- 2014 through 2016 annual PCA revenues – Table 2 attached.
- 2014 through 2016 end of year Revenue Status reports for the electric utility.
- 2014 through 2016 end of year actual expenses or Budget Appropriation reports for the electric utility.
- City typical date of monthly electric retail customer meter readings and invoice date.
- City 2016 top five electric retail customer sales data – Table 1 attached.
- Greenhouse electric rate schedule.
- All existing electric rate schedules.
- City historical debt service and principal and interest for the period 2014 through 2016 for each electric debt encumbrance.
- City projected (2017 – 2021) debt service principal and interest for each electric debt encumbrance.
- 2014 through 2016 electric utility revenues and expenses by account code if end of year Revenue Status and Budget Appropriation reports are too vague.
- 2014 through 2016 beginning and ending electric fund cash balances for each electric utility fund.
- Projected capital improvement expenses for years 2017 through 2021 with description of each project.
- City 2017 and/or 2018 adopted budget, if available.
- City to provide monthly PCA charges beginning January 1, 2014 through September 1, 2017.
- City known energy sales growth for the period 2017 through 2021.
- City estimated losses from energy requirement to retail sales concerning the greenhouse customer with explanation of said losses.
- City to provide description of the substation project and street lighting project.
- City to provide a description of the electric system's current interconnections and agreements with First Energy, Ohio Edison, and/or American Transmission Systems Inc. (ATSI).

City to complete Tables 1 and 2 for historical period 2014 through 2016. Sawvel will rely on the data and information provided by the City and by AMP as accurate and will not independently verify such information.

## **| TASK 2 – FINANCIAL AUDIT REPORT REVIEW**

Sawvel will review historical City financial audit reports for 2014 through 2016 if available. This review is done to gain an understanding of the City's business activities and existing debt obligations and type of debt. Any new revenue BAN associated with the electric utility may require the City to cover 110% of other existing debt obligations depending on the new revenue BAN's indenture. Understanding the new revenue BAN's indenture and the City's existing debt obligations will help with estimating whether the City's projected revenues will meet the City's debt obligations for the period 2017 through 2021.

## **| TASK 3 – RETAIL SALES FORECAST**

Sawvel will project sales (kWh) by rate class for the period 2017 – 2021 using AMP forecasted energy requirement minus energy losses estimated using an historical energy loss percentage. Projected sales to include sales growth expectations provided by the City. The City's sales growth expectations to be provided by month and include energy (kWh) and demand (kW) sales.

## **| TASK 4 – PROJECTED POWER SUPPLY MODEL**

Sawvel will use AMP provided projected power supply cost, energy and peak demand requirements and resources for years (2017 – 2021) to include in a projected operating statement. AMP projected power supply resources to be used to prepare a table detailing resource capacities, system capacity requirement and capacity reserves.

## **| TASK 5 – PROJECTED CAPITAL IMPROVEMENT EXPENSE**

Sawvel will use the City provided 2017 through 2021 capital improvement expenses to include in the projected operating statement.

## **| TASK 6 – PROJECTED OPERATING STATEMENT**

Sawvel will prepare a projected operating statement with projected revenues by base rate, other revenues identified from the historical Revenue Status reports and the following revenue requirements for the historical and projected period 2014 – 2021:

1. Power supply costs
2. Operating expenses
3. Debt service
4. Capital improvements
5. Transfers

6. Fund balances

**TASK 7 – PREPARE BILL COMPARISONS**

Sawvel to prepare estimated electric bills using Ohio Edison rates and the City's rates effective January 1, 2017 for the following City rate classes:

1. Industrial
2. Greenhouse

**TASK 8 - PREPARE CONSULTING ENGINEER'S REPORT AND REVIEW WITH CITY AND AMP**

Sawvel will prepare the draft CER and send it to AMP in electronic format for AMP's review. The draft CER will be updated with any AMP comments and sent back to AMP for forwarding to the City. The final CER will be updated based on all discussion and comments and sent to the City and AMP in electronic format. All final comments to be provided to Sawvel by October 20, 2017.

**SCHEDULE:**

Sawvel will prepare the draft CER by October 13, 2017 provided AMP and the City are responsive to the data request with complete and accurate information by October 22, 2017. Sawvel expects to complete the final CER by October 27, 2017.

**COMPENSATION:**

The estimated compensation amount for this effort is \$13,235. This compensation is based on assumptions 1 through 15 and compensation would be adjusted accordingly if data and information provided is not consistent with these assumptions. Sawvel will invoice monthly for time and expenses incurred during the previous month in accordance with the then current Standard Billing Schedule. The current Standard Billing Schedule effective as of the date of this Service Exhibit is attached and is subject to revision by Sawvel from time to time. Client shall make prompt payments in response of Sawvel's monthly invoices as set forth in Section 4 – Payments to Sawvel of the Professional Consulting Services Agreement.

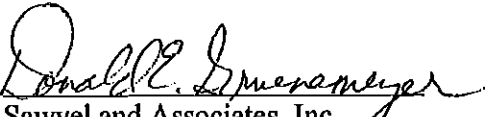
**CLIENT REPRESENTATIVE:**

The City has designated Andy White, City Manager, as the person with authority to act on the City's behalf on all matters concerning services of Sawvel provided under Service Exhibit 1.

Agreed:

\_\_\_\_\_  
Client

\_\_\_\_\_  
Date

  
Sawvel and Associates, Inc.

September 8, 2017  
Date

---

**SAWVEL AND ASSOCIATES, INC.**  
**STANDARD BILLING SCHEDULE FOR CONSULTING SERVICES**  
(Effective January 1, 2017)

**LABOR**

<u>Employee Classification</u>	<u>Hourly Rates</u> <u>As of 1/1/17</u>
Managing Executive	\$175.00
Principal Executive	\$165.00
Executive	\$150.00
Principal	\$137.00
Supervisor	\$126.00
Senior	\$116.00
Associate	\$106.00
Analyst	\$ 96.00
Assistant	\$ 86.00
Technician	\$ 71.00
Office Services	\$ 60.00

**EXPENSES**

Expenses will be at the cost or rate associated with the expense incurred in completing the services. Expenses include, but are not limited to, travel, facsimile, copying, postage and shipping, computer services and other direct expenses.

---