

AGREEMENT

State of Louisiana, Parish of Tangipahoa

This agreement is made this _____ day of July 2015, by and between the City of Hammond, hereinafter referred to as Client, and Spiller Consulting, LLC, hereinafter referred to as Auditor.

I. Purpose and Duration of Agreement

The purpose of Agreement is to state the terms and conditions under which Auditor is to provide Client with consulting services designed to obtain rebates and reductions in the areas of Utilities and Telephone Expenses for the benefit of Client. The duration of this Agreement shall be for one year from the date of this Agreement. Auditor may continue to be paid after expiration of this period only as stated below.

In consideration of the mutual promises contained within this Agreement, the parties agree to the following:

II. Services to be Performed

Auditor will review the way that client purchases Utilities and Telephone services. Auditor will advise Client of any cost saving actions that may be implemented or any overcharges that may have been paid by Client. When an error has occurred on Client’s invoices, the Auditor will endeavor to collect on behalf of the Client the amount of such overcharge. Auditor will summarize, in writing, all available cost saving actions. The method of measuring and/or calculating the savings will be clearly stated in the written summary. Should the implementation of any action require the Client’s participation, and that action is delayed for any reason, Auditor will receive compensation based on actual savings if that action is implemented within 24 months from the date of this Agreement.

III. Client Agrees to Compensate Auditor as follows:

A. Auditor will receive a fifty percent (50%) share of all the rebates/refunds received by Client as a result of Auditor’s efforts and a fifty percent (50%) share of the first 24 months of actual savings to Client which are created by Auditor efforts and implemented by Client, but not the result of any savings to Client due to any decrease of consumption or services, payable monthly. It is understood that the amounts to be paid to the Auditor shall not be calculated on savings as a result of the decrease of consumption or decrease of services, except as otherwise specifically agreed by Client in writing.

B. Each billing month, Auditor will obtain billing invoices via the vendor Internet portal to calculate the savings amounts. In the event Auditor cannot access the Client’s invoice via the vendor, the Client will mail or fax copies of its utility bills that pertain to Auditor actions implemented within 10 days of the receipt of the bill. Auditor will calculate the savings compensable under this Agreement and compare them to the actual costs. The difference is defined as the savings for that month. If bill access or copies are not provided to Auditor, invoices will be based on historical billing averages. A statement will be presented for verification to client and payable upon receipt.

C. Client agrees that its Utility and Telephone services are currently not under cost reduction evaluation by Client or any Third Party. Client also agrees that all savings identified by Auditor and implemented by Client will be eligible for full payment as defined in section III A above. Any item that is to be excluded from Auditor’s efforts will be identified by Client as an attachment to this agreement prior to the start of the audit. If an item is not excluded in writing prior to the audit and actual savings are obtained by Client on that item, full compensation will be due Auditor as stated within the terms of this Agreement.

IV. Miscellaneous

A. Nothing in the Agreement shall be deemed to limit or abridge the right of Client to change its business operations in such a manner as it shall, in its sole discretion, deem necessary or appropriate to the conduct of its business, regardless of the effect such change shall have on its consumption or cost of operations.

B. Parties to be bound: This Agreement shall be binding upon the parties hereto and their respective heirs, successors and assigns.

C. Amendments and Modifications: Modification of or amendment of this Agreement shall be in writing and signed by both parties hereto.

Client: _____ City of Hammond _____

Auditor: _____ Spiller Consulting LLC _____

By: _____

By: _____

Title: _____ Mayor _____

Title: _____ President _____