




County Auditor

115 S. Andrews Avenue, Room 520 • Fort Lauderdale, Florida 33301 • 954-357-7590 • FAX 954-357-7592

Date May 7, 2014

To: Mayor and Members, Board of County Commissioners

From: Evan A. Lukic, County Auditor 

Subject: Review of Hourly Billing Rates – Gresham Smith and Partners (GSP) Contract for Consultant Services for Terminal Modernization at the Fort Lauderdale-Hollywood International Airport

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GSP provided the attached correspondence clarifying that the subconsultants hourly billing rates were provided by the County during contract negotiations (as opposed to being submitted by GSP). The Contract Administrator confirmed the accuracy of GSP's clarification. Regardless, as stated in our report, the rates for the subconsultants were noncompliant with the provisions of the contract and corrective action was required. As also stated in the report, we found no exceptions pertaining to hourly billing rates for the services performed by GSP.

EAL/besa



G R E S H A M  
S M I T H   A N D  
P A R T N E R S

## Transmittal

**ID:** 00198  
**Date Sent:** 4/24/2014

**Project:** FLL - Terminal Modernization  
**Number:** 28964.00\_000

**To:** Evan Lukic  
115 S. Andrews Ave., Room 520  
Ft. Lauderdale FL 33301  
United States

**From:** Elvira Castillo  
Gresham, Smith and Partners  
elvira\_castillo@gspnet.com

**Subject:** Review of Hourly Billing Rates - Gresham Smith and Partners Contract for Consultant Services for Terminal Modernizatio

**Via:** US Mail

**Purpose:** For your review and comment

**Remarks:** Good afternoon,

Please reference the attached Review of Hourly Billing Rates - Gresham, Smith and Partners Contract for Consultant Services for Terminal Modernization at Ft. Lauderdale-Hollywood International Airport (FLL). If you should have any questions regarding the attached please don't hesitate in contacting our office.

Thank you,

**CC:**

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G R E S H A M  
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P A R T N E R S

April 16, 2014

Mr. Evan A. Lukic, CPA  
Office of the County Auditor  
Broward County Government Center  
115 S. Andrews Avenue, Room 520  
Ft. Lauderdale, FL 33301

Subject:       **Review of Hourly Billing Rates – Gresham, Smith and Partners  
Contract for Consultant Services for Terminal Modernization at  
Ft. Lauderdale-Hollywood International Airport (FLL)  
RLI# R0900601R1**

Dear Mr. Lukic,

Gresham, Smith and Partners (GSP) is requesting the County Auditor's approval of this letter as clarification to statements contained in the report by the Office of the County Auditor of the County's desk review of hourly billing rates invoiced under the contract between Broward County and Gresham, Smith and Partners for consultant services for Terminal Modernization at the Ft. Lauderdale-Hollywood International Airport. The clarification pertains to the report section titled Background, paragraph Subconsultants, page 5. GSP agrees with the County's statement "GSP contracted with 17 subconsultants to perform architectural, engineering and construction administration services for Terminals 1, 2 and 3 Modernization (see Table 1 on page 5 for a list of subconsultants). GSP and its subconsultants' hourly billing rates are established in Exhibit B of the contract."

GSP requests the following clarification:

During our initial contract negotiation with the County, the County provided GSP with Exhibit B – Salary Costs for subconsultants having existing agreements with the County prior to the GSP contract. The Exhibit B's for subconsultants having prior agreements with the County varied for County contract periods of time ranging from 2005 to 2009, with billing rates and multipliers calculated from the subconsultants' audited overhead and fringe benefits for time periods prior to 2010. During the County's 2012 audit of GSP and our subconsultants, inconsistencies were found by the County when comparing Exhibit B's for some subconsultants from earlier time periods with Exhibit B's based on the 2010 FAR reports or financial statements of the subconsultants.

Design Services For The Built Environment

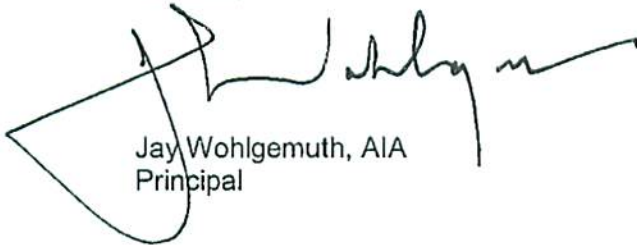
6030 Hollywood Blvd., Suite 210 / Hollywood, Florida 33024 / Phone 954.981.9100 / [www.gspnet.com](http://www.gspnet.com)  
Firm's Florida Cert. No. AAP000034 / CA3806 / IB26000797 / LC26000381



Mr. Evan Lukic, CPA  
April 16, 2014  
Page 2

Your prompt attention to our request to include the clarification contained in this letter is appreciated. If you have any questions regarding this request, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay Wohlgemuth", written over a large, stylized, hand-drawn triangle.

Jay Wohlgemuth, AIA  
Principal

Copy –      Marc Gambrill, Jim Davis – BCAD  
                 Dwayne West, Joe Thompson, Carl Munkel, Ben Goebel - GSP