

CITY OF CORPUS CHRISTI
CONTRACT FOR PROFESSIONAL SERVICES

19060A Solid Waste Operational Assessment

The City of Corpus Christi, a Texas home rule municipal corporation, P.O. Box 9277, Corpus Christi, Nueces County, Texas 78469-9277 (City) acting through its duly authorized City Manager or Designee (Director) and Burns & McDonnell Engineering Company, Inc., a Missouri corporation, 8911 Capital of Texas Highway, Building 3, Suite 3100, Austin, Travis County, Texas 78759, (Consultant), hereby agree as follows:

TABLE OF CONTENTS

<u>ARTICLE NO.</u>	<u>TITLE</u>	<u>PAGE</u>
ARTICLE I	SCOPE OF SERVICES	2
ARTICLE II	QUALITY CONTROL.....	3
ARTICLE III	COMPENSATION.....	3
ARTICLE IV	TIME AND PERIOD OF SERVICE	4
ARTICLE V	OPINIONS OF COST	5
ARTICLE VI	INSURANCE REQUIREMENTS.....	5
ARTICLE VII	INDEMNIFICATION.....	5
ARTICLE VIII	TERMINATION OF AGREEMENT	6
ARTICLE IX	RIGHT OF REVIEW AND AUDIT	7
ARTICLE X	OWNER REMEDIES	7
ARTICLE XI	CONSULTANT REMEDIES.....	8
ARTICLE XII	CLAIMS AND DISPUTE RESOLUTION	8
ARTICLE XIII	MISCELLANEOUS PROVISIONS	10
EXHIBITS		

ARTICLE I – SCOPE OF SERVICES

1.1 The Consultant shall provide to Engineering Services its Scope of Services, to be incorporated herein and attached to this Agreement as **Exhibit A**. The Scope of Services shall include all associated services required for Consultant to provide such Services, pursuant to this Agreement, and any and all Services that would normally be required by law or common due diligence in accordance with the standard of care defined in Article XIII of this Agreement. The approved Scope of Services defines the services to be performed by Consultant under this Agreement.

1.2 Consultant shall follow City Codes and Standards effective at the time of the execution of the contract. At review milestones, the Consultant and City will review the progress of the plans to ensure that City Codes and Standards are followed unless specifically and explicitly excluded from doing so in the approved Scope of Services attached as **Exhibit A**. A request made by either party to deviate from City standards after the contract is executed must be in writing.

1.3 Consultant shall provide labor, equipment and transportation necessary to complete all services agreed to hereunder in a timely manner throughout the term of the Agreement. Persons retained by Consultant to perform work pursuant to this Agreement shall be employees or subconsultants of Consultant. Upon request, Consultant must provide City with a list of all subconsultants that includes the services performed by subconsultant and the % of work performed by subconsultant (in dollars). Changes in Consultant's proposed team as specified in the SOQ or Scope of Services must be agreed to by the City in writing.

1.4 Consultant shall not begin work on any phase/task authorized under this Agreement until they are briefed on the scope of the Project and are notified in writing to proceed. If the scope of the Project changes, either Consultant or City may request a review of the changes with an appropriate adjustment in compensation.

1.5 Consultant will provide monthly status updates (project progress or delays) in the format requested by the City with each monthly invoice.

1.6 For design services, Consultant agrees to render the professional services necessary for the advancement of the Project through Final Completion of the Construction Contract. Consultant acknowledges and accepts its responsibilities, as defined and described in City's General Conditions for Construction Contracts, ~~excerpt attached as Exhibit D.~~

1.6.1 The Consultant agrees to serve as the City's Designer as defined in the General Conditions and will consult and advise the City on matters related to the Consultant's Scope of Services during the performance of the Consultant's services.

1.6.2 The Consultant agrees to prepare plans, specification, bid and contract documents and to analyze bids and evaluate the documents submitted by bidders.

1.6.3 The Consultant agrees to assist the City in evaluating the qualifications of the prospective contractors, subcontractors and suppliers.

1.7 For projects that require subsurface utility investigation:

1.7.1 The Consultant agrees to prepare and submit to the City prior to the 60% submittal a signed and sealed report identifying all utilities within the project area at the Quality Level specified in **Exhibit A and A-4**. It is assumed that all utilities will be identified using Quality Level A exploratory excavation unless stated otherwise.

1.7.2 Utilities that should be identified include but are not limited to utilities owned by the City, local franchises, electric companies, communication companies, private pipeline companies and 3rd party owners/operators.

1.8 For project with potential utility conflicts:

1.8.1 The Consultant agrees to coordinate the verification and resolution of all potential utility conflicts.

1.8.2 The Consultant agrees to prepare and submit a monthly Utility Coordination Matrix to the City.

1.9 The Consultant agrees to complete the Scope of Services in accordance with the approved project schedule and budget as defined in **Exhibit A**, including completing the work in phases defined therein.

ARTICLE II – QUALITY CONTROL

2.1 The Consultant agrees to perform quality assurance-quality control/constructability reviews (QCP Review). The City reserves the right to retain a separate consultant to perform additional QCP services for the City.

2.2 The Consultant will perform QCP Reviews at intervals during the Project to ensure deliverables satisfy applicable industry quality standards and meet the requirements of the Project scope. Based on the findings of the QCP Review, the Consultant must reconcile the Project Scope and the Opinion of Probable Cost (OPC), as needed.

2.3 Final construction documents that do not meet City standards in effect at the time of the execution of this Agreement may be rejected. If final construction documents are found not to be in compliance with this Agreement, Consultant will not be compensated for having to resubmit documents.

ARTICLE III – COMPENSATION

3.1 The Compensation for all services (Basic and Additional) included in this Agreement and in the Scope of Services for this Agreement shall not exceed **\$144,800**.

3.2 The Consultant's fee will be on a lump sum or time and materials (T&M) basis as detailed in **Exhibit A** and will be full and total compensation for all services and for all expenses incurred in performing these services. Consultant shall submit a Rate Schedule with their proposal. City and Consultant agree that the Rate Schedule is considered confidential information that may be excluded from public disclosure under Texas Government Code Chapter 552 as determined by the Texas Attorney General.

3.3 The Consultant agrees to complete the Scope of Services in accordance with the approved project schedule and budget as defined in **Exhibit A**, including completing the work in phases defined therein.

3.4 The Director of Engineering Services may request the Consultant to undertake additional services or tasks provided that no increase in fee is required. Services or tasks requiring an increase of fee will be mutually agreed and evidenced in writing as an amendment to this contract. Consultant shall notify the City within three (3) days of notice if tasks requested requires an additional fee.

3.5 Monthly invoices will be submitted in accordance with the Payment Request as shown in **Exhibit B**. Each invoice will include the Consultant's estimate of the proportion of the contracted services completed at the time of billing. For work performed on a T&M Basis, the invoice shall include documentation that shows who worked on the Project, the number of hours that each individual worked, the applicable rates from the Rate Schedule and any reimbursable expenses associated with the work. City will make prompt monthly payments in response to Consultant's monthly invoices in compliance with the Texas Prompt Payment Act.

3.6 Principals may only bill at the agreed hourly rate for Principals (as defined in the Rate Schedule) when acting in that capacity. Principals acting in the capacity of staff must bill at applicable staff rates.

3.7 Consultant certifies that title to all services covered by a Payment Request shall pass to City no later than the time of payment. Consultant further certifies that, upon submittal of a Payment Request, all services for which Payment Requests have been previously issued and payments received from City shall, to the best of Consultant's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances in favor of Consultant or other persons or entities making a claim by reason of having provided labor or services relating to this Agreement. **CONSULTANT SHALL INDEMNIFY AND HOLD CITY HARMLESS FROM ANY LIENS, CLAIMS, SECURITY INTERESTS OR ENCUMBRANCES FILED BY ANYONE CLAIMING BY, THROUGH OR UNDER THE ITEMS COVERED BY PAYMENTS MADE BY CITY TO CONSULTANT.**

3.8 The final payment due hereunder shall not be paid until all reports, data and documents have been submitted, received, accepted and approved by City. Final billing shall indicate "Final Bill – no additional compensation is due to Consultant."

3.9 City may withhold compensation to such extent as may be necessary, in City's opinion, to protect City from damage or loss for which Consultant is responsible, because of:

3.9.1 delays in the performance of Consultant's work;

3.9.2 failure of Consultant to make payments to subconsultants or vendors for labor, materials or equipment;

3.9.3 damage to City; or

3.9.4 persistent failure by Consultant to carry out the performance of its services in accordance with this Agreement.

3.10 When the above reasons for withholding are removed or remedied by Consultant, compensation of the amount withheld shall be made within 30 days. City shall not be deemed in default by reason of withholding compensation as provided under this Agreement.

3.11 In the event of any dispute(s) between the Parties regarding the amount properly compensable for any phase or as final compensation or regarding any amount that may be withheld by City, Consultant shall be required to make a claim pursuant to and in accordance with the terms of this Agreement and follow the procedures provided herein for the resolution of such dispute. In the event Consultant does not initiate and follow the claims procedures as required by the terms of this Agreement, any such claim shall be waived.

3.12 Request of final compensation by Consultant shall constitute a waiver of claims except those previously made in writing and identified by Consultant as unsettled at the time of final Payment Request.

3.13 All funding obligations of the City under this Agreement are subject to the appropriation of funds in its annual budget. The City may direct the Consultant to suspend work pending receipt and appropriation of funds. The right to suspend work under this provision does not relieve the City of its obligation to make payments in accordance with section 3.5 above for services provided up to the date of suspension.

ARTICLE IV – TIME AND PERIOD OF SERVICE

4.1 This Agreement shall be effective upon the signature of the City Manager or designee (Effective Date).

~~4.2 This service shall be for a period of _____ years beginning on the Effective Date. The Agreement may be renewed for up to _____ one-year renewal options upon mutual agreement of the parties to be evidenced in writing prior to the expiration date of the prior term. Any renewals shall be at the same terms and conditions, plus any approved changes.~~

4.3 The Consultant agrees to begin work on those authorized Services for this contract upon receipt of the Notice to Proceed from the Director of Engineering Services. Work will not begin on any phase or any Additional Services until requested in writing by the Consultant and written authorization is provided by the Director of Engineering Services.

4.4 Time is of the essence for this Agreement. Consultant shall perform and complete its obligations under this Agreement in a prompt and continuous manner so as to not delay the Work for the Project, in accordance with the schedules approved by City. The Consultant and City are aware that many factors may affect the Consultant's ability to complete the services to be provided under this agreement. The Consultant must notify the City within ten business days of becoming aware of a factor that may affect the Consultant's ability to complete the services hereunder.

4.5 City shall perform its obligations of review and approval in a prompt and continuous manner so as to not delay the project.

4.6 This Agreement shall remain in force for a period which may reasonably be required for completion of the Project, including any extra work and any required extensions thereto, unless terminated as provided for in this Agreement. For construction design services, "completion of the Project" refers to acceptance by the City of the construction phase of the Project, i.e., Final Completion.

ARTICLE V – OPINIONS OF COST

5.1 The Opinion of Probable Cost (OPC) is computed by the Consultant and includes the total cost for construction of the Project.

5.2 The OPC does not include the cost of the land, rights-of-way or other costs which are the responsibility of the City.

5.3 Since Consultant has no control over a construction contractor's cost of labor, materials or equipment, or over the contractor's methods of determining prices, or over competitive bidding or market conditions, Consultant's opinions of probable Project Cost or Construction Cost provided herein are to be made on the basis of Consultant's experience and qualifications and represent Consultant's best judgment as a design professional familiar with the construction industry, but Consultant cannot and does not guarantee proposals, bids or the construction cost shall not vary from the OPC prepared by Consultant.

ARTICLE VI – INSURANCE REQUIREMENTS

6.1 Consultant must not commence work under this Agreement until all insurance required has been obtained and such insurance has been approved by the City. Consultant must not allow any subcontractor to commence work until all similar insurance required of any subcontractor has been obtained.

6.2 Insurance Requirements are shown in **EXHIBIT C**.

ARTICLE VII – INDEMNIFICATION

Consultant shall fully indemnify and hold harmless the City of Corpus Christi and its officials, officers, agents, employees, excluding the engineer or architect or that person's agent, employee or subconsultant, over which the City exercises control ("Indemnitee") from and against any and all claims, damages, liabilities or costs, including reasonable attorney fees and court costs, to the extent that the damage is caused by or results from an act of negligence, intentional tort, intellectual property infringement or failure to pay a subcontractor or supplier committed by

Consultant or its agent, Consultant under contract or another entity over which Consultant exercises control while in the exercise of rights or performance of the duties under this agreement. This indemnification does not apply to any liability resulting from the negligent acts or omissions of the City or its employees, to the extent of such negligence.

Consultant shall defend Indemnitee, with counsel satisfactory to the City Attorney, from and against any and all claims, damages, liabilities or costs, including reasonable attorney fees and court costs, if the claim is not based wholly or partly on the negligence of, fault of or breach of contract by Indemnitee. If a claim is based wholly or partly on the negligence of, fault of or breach of contract by Indemnitee, the Consultant shall reimburse the City's reasonable attorney's fees in proportion to the Consultant's liability.

Consultant must advise City in writing within 24 hours of any claim or demand against City or Consultant known to Consultant related to or arising out of Consultant's activities under this Agreement.

ARTICLE VIII – TERMINATION OF AGREEMENT

8.1 By Consultant:

8.1.1 The City reserves the right to suspend this Agreement at the end of any phase for the convenience of the City by issuing a written and signed Notice of Suspension. The Consultant may terminate this Agreement for convenience in the event such suspension extends for a period beyond 120 calendar days by delivering a Notice of Termination to the City.

8.1.2 The Consultant must follow the Termination Procedure outlined in this Agreement.

8.2 By City:

8.2.1 The City may terminate this agreement for convenience upon seven days written notice to the Consultant at the address of record.

8.2.2 The City may terminate this agreement for cause upon ten days written notice to the Consultant. If Consultant begins, within three days of receipt of such notice, to correct its failure and proceeds to diligently cure such failure within the ten days, the agreement will not terminate. If the Consultant again fails to perform under this agreement, the City may terminate the agreement for cause upon seven days written notice to the Consultant with no additional cure period. If the City terminates for cause, the City may reject any and all proposals submitted by Consultant for up to two years.

8.3 Termination Procedure

8.3.1 Upon receipt of a Notice of Termination and prior to the effective date of termination, unless the notice otherwise directs or Consultant takes action to cure a failure to perform under the cure period, Consultant shall immediately begin the phase-out and discontinuance of all services in connection with the performance of this Agreement. Within 30 calendar days after receipt of the Notice of Termination, unless Consultant has successfully cured a failure to perform, Consultant shall submit a statement showing in detail the services performed under this Agreement prior to the effective date of termination. City retains the option to grant an extension to the time period for submittal of such statement.

8.3.2 Consultant shall submit all completed and/or partially completed work under this Agreement, including but not limited to specifications, designs, plans and exhibits.

8.3.3 Upon receipt of documents described in the Termination Procedure and absent any reason why City may be compelled to withhold fees, Consultant will be compensated for its services based upon a Time & Materials calculation or Consultant and City's estimate of the proportion of the total services actually completed at the time of termination. There will be no compensation for anticipated profits on services not completed.

8.3.4 Consultant acknowledges that City is a public entity and has a duty to document the expenditure of public funds. The failure of Consultant to comply with the submittal of the statement and documents, as required above, shall constitute a waiver by Consultant of any and all rights or claims to payment for services performed under this Agreement.

ARTICLE IX – RIGHT OF REVIEW AND AUDIT

9.1 Consultant grants City, or its designees, the right to audit, examine or inspect, at City's election, all of Consultant's records relating to the performance of the Work under this Agreement, during the term of this Agreement and retention period herein. The audit, examination or inspection may be performed by a City designee, which may include its internal auditors or an outside representative engaged by City. Consultant agrees to retain its records for a minimum of four (4) years following termination of the Agreement, unless there is an ongoing dispute under this Agreement, then such retention period shall extend until final resolution of the dispute.

9.2 Consultant's records include any and all information, materials and data of every kind and character generated as a result of and relevant to the Work under this Agreement (Consultant's Records). Examples include billings, books, general ledger, cost ledgers, invoices, production sheets, documents, correspondence, meeting notes, subscriptions, agreements, purchase orders, leases, contracts, commitments, arrangements, notes, daily diaries, reports, drawings, receipts, vouchers, memoranda, time sheets, payroll records, policies, procedures, and any and all other agreements, sources of information and matters that may, in City's and Consultant's reasonable judgment, have any bearing on or pertain to any matters, rights, duties or obligations under or covered by any Agreement Documents.

9.3 City agrees that it shall exercise the right to audit, examine or inspect Consultant's Records only during Consultant's regular business hours. Consultant agrees to allow City's designee access to all of Consultant's Records, Consultant's facilities and Consultant's current employees, deemed necessary by City or its designee(s), to perform such audit, inspection or examination. Consultant also agrees to provide adequate and appropriate work space necessary to City or its designees to conduct such audits, inspections or examinations.

9.4 Consultant shall include this audit clause in any subcontractor, supplier or vendor contract.

ARTICLE X – OWNER REMEDIES

10.1 The City and Consultant agree that in the event the City suffers actual damages, the City may elect to pursue its actual damages and any other remedy allowed by law. This includes but is not limited to:

10.1.1 Failure of the Consultant to make adequate progress and endanger timely and successful completion of the Project, which includes failure of subconsultants to meet contractual obligations;

10.1.2 Failure of the Consultant to design in compliance with the laws of the City, State and/or federal governments, such that subsequent compliance costs exceed expenditures that would have been involved had services been properly executed by the Consultant.

10.1.3 Losses are incurred because of errors and/or omissions in the design, working drawings, specifications or other documents prepared by the Consultant to the extent that the financial losses are greater than the City would have originally paid had there not been errors and/or omissions in the documents.

10.2 When the City incurs non-value added work costs for change orders due to design errors and/or omissions, the City will send the Consultant a letter that includes:

- (1) Summary of facts with supporting documentation;
- (2) Instructions for Consultant to revise design documents, if appropriate, at Consultant's expense;
- (3) Calculation of non-value added work costs incurred by the City; and
- (4) Deadline for Consultant's response.

10.3 The Consultant may be required to revise bid documents and re-advertise the Project at the Consultant's sole cost if, in the City's judgment, the Consultant generates excessive addenda, either in terms of the nature of the revision or the actual number of changes due to the Consultant's errors or omissions.

10.4 The City may withhold or nullify the whole or part of any payment as detailed in Article III.

ARTICLE XI – CONSULTANT REMEDIES

11.1 If Consultant is delayed due to uncontrollable circumstances, such as strikes, riots, acts of God, national emergency, acts of the public enemy, governmental restrictions, laws or regulations or any other causes beyond Consultant's and City's reasonable control, an extension of the Project schedule in an amount equal to the time lost due to such delay shall be Consultant's sole and exclusive remedy. The revised schedule should be approved in writing with a documented reason for granting the extension.

11.2 The City agrees that the Consultant is not responsible for damages arising from any cause beyond Consultant's reasonable control.

11.3 If Consultant requests a remedy for a condition not specified above, Consultant must file a Claim as provided in this Agreement.

ARTICLE XII – CLAIMS AND DISPUTE RESOLUTION

12.1 Filing of Claims

12.1.1 Claims arising from the circumstances identified in this Agreement or other occurrences or events, shall be made by Written Notice delivered by the party making the Claim to the other party within twenty-one (21) calendar days after the start of the occurrence or event giving rise to the Claim and stating the general nature of the Claim.

12.1.2 Every Claim of Consultant, whether for additional compensation, additional time or other relief, shall be signed and sworn to by a person authorized to bind the Consultant by his/her signature, verifying the truth and accuracy of the Claim.

12.1.3 The responsibility to substantiate a claim rests with the party making the Claim.

12.1.4 Within thirty (30) calendar days of receipt of notice and supporting documentation, City will meet to discuss the request, after which an offer of settlement or a notification of no settlement offer will be sent to Consultant. If Consultant is not satisfied with the proposal presented, Consultant will have thirty (30) calendar days in which to (i) submit additional supporting data requested by the City, (ii) modify the initial request for remedy or (iii) request Mediation.

12.1.5 Pending final resolution of a claim, except as otherwise agreed in writing, Consultant shall proceed diligently with performance of the Agreement, and City shall continue to make payments in accordance with this Agreement.

12.2 Mediation

12.2.1 All negotiations pursuant to this clause are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

12.2.2 Before invoking mediation, the Parties agree that they shall first try to resolve any dispute arising out of or related to this Agreement through discussions directly between those senior management representatives within their respective organizations who have overall managerial responsibility for similar projects. This step shall be a condition precedent to the use of mediation. If the parties' senior management representatives cannot resolve the dispute within thirty (30) calendar days after a Party delivers a written notice of such dispute, then the Parties shall proceed with the mediation process contained herein.

12.2.3.1 In the event that City or Consultant shall contend that the other has committed a material breach of this Agreement, the Party alleging such breach shall, as a condition precedent to filing any lawsuit, request mediation of the dispute.

12.2.3.2 Request for mediation shall be in writing, and shall request that the mediation commence no less than thirty (30) or more than ninety (90) calendar days following the date of the request, except upon agreement of both parties.

12.2.3.3 In the event City and Consultant are unable to agree to a date for the mediation or to the identity of the mediator or mediators within thirty (30) calendar days of the request for mediation, all conditions precedent in this Article shall be deemed to have occurred.

12.2.3.4 The parties shall share the mediator's fee. Venue for mediation shall be Nueces County, Texas. Any agreement reached in mediation shall be enforceable as a settlement agreement in any court having jurisdiction thereof. No provision of this Agreement shall waive any immunity or defense. No provision of this Agreement is a consent to suit.

12.3 In calculating the amount of any Claim or any measure of damages for breach of contract, the following standards shall apply both to claims by Consultant and to claims by City:

12.3.1 In no event shall either Party be liable, whether in contract or tort or otherwise, to the other Party for loss of profits, delay damages or for any special incidental or consequential loss or damage of any nature arising at any time or from any cause whatsoever;

12.3.2 Damages are limited to extra costs specifically shown to have been directly caused by a proven wrong for which the other Party is claimed to be responsible.

12.4 In case of litigation between the parties, Consultant and City agree that neither party shall be responsible for payment of attorney's fees pursuant to any law or other provision for payment of attorneys' fees. Both Parties expressly waive any claim to attorney's fees should litigation result from any dispute between the parties to this Agreement.

12.5 No Waiver of Governmental Immunity. NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO WAIVE CITY'S GOVERNMENTAL IMMUNITY FROM LAWSUIT, WHICH IMMUNITY IS EXPRESSLY RETAINED TO THE EXTENT IT IS NOT CLEARLY AND UNAMBIGUOUSLY WAIVED BY STATE LAW.

ARTICLE XIII – MISCELLANEOUS PROVISIONS

13.1 Assignability. Neither party will assign, transfer or delegate any of its obligations or duties under this Agreement contract to any other person and/or party without the prior written consent of the other party, except for routine duties delegated to personnel of the Consultant staff. This includes subcontracts entered into for services under this Agreement. If the Consultant is a partnership or joint venture, then in the event of the termination of the partnership or joint venture, this contract will inure to the individual benefit of such partner or partners as the City may designate. No part of the Consultant fee may be assigned in advance of receipt by the Consultant without written consent of the City.

The City will not pay the fees of expert or technical assistance and consultants unless such employment, including the rate of compensation, has been approved in writing by the City.

13.2 Ownership of Documents. Consultant agrees that upon payment, City shall exclusively own any and all information in whatsoever form and character produced and/or maintained in accordance with, pursuant to or as a result of this Agreement, including contract documents (plans and specifications), drawings and submittal data. Consultant may make a copy for its files. Any reuse by the City, without specific written verification or adaptation by Consultant, shall be a City's sole risk and without liability or legal exposure to Consultant. The City agrees that any modification of the plans will be evidenced on the plans and be signed and sealed by a licensed professional prior to re-use of modified plans.

13.3 Standard of Care. Services provided by Consultant under this Agreement shall be performed with the professional skill and care ordinarily provided by competent licensed professionals practicing under the same or similar circumstances and professional license; and performed as expeditiously as is prudent considering the ordinary professional skill and care of a competent engineer or architect.

13.4 Licensing. Consultant shall be represented by personnel with appropriate licensure, registration and/or certification(s) at meetings of any official nature concerning the Project, including scope meetings, review meetings, pre-bid meetings and preconstruction meetings.

13.5 Independent Contractor. The relationship between the City and Consultant under this Agreement shall be that of independent contractor. City may explain to Consultant the City's goals and objectives in regard to the services to be performed by Consultant, but the City shall not direct Consultant on how or in what manner these goals and objectives are to be met.

13.6 Entire Agreement. This Agreement represents the entire and integrated Agreement between City and Consultant and supersedes all prior negotiations, representations or agreements, either oral or written. This Agreement may be amended only by written instrument signed by both the City and Consultant.

13.7 No Third Party Beneficiaries. Nothing in this Agreement can be construed to create rights in any entity other than the City and Consultant. Neither the City nor Consultant intends to create third party beneficiaries by entering into this Agreement.

13.8 Disclosure of Interest. Consultant agrees to comply with City of Corpus Christi Ordinance No. 17112 and complete the *Disclosure of Interests* form.

13.9 Certificate of Interested Parties. For contracts greater than \$50,000, Consultant agrees to comply with Texas Government Code section 2252.908 and complete Form 1295 Certificate of Interested Parties as part of this agreement. Form 1295 must be electronically filed with the Texas Ethics Commission at https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm. The form must then be printed, signed and filed with the City. For more information, please review the Texas Ethics Commission Rules at <https://www.ethics.state.tx.us/legal/ch46.html>.

19060A Solid Waste Operational Assessment (Project No. 19060A)
Burns & McDonnell
Contract
\$144,800

Fund Name	Accounting Unit	Account	Activity	Account Category	Amount
Solid Waste Operating	1020-12500-031	530000	19060-A-1020-EXP	30000	\$144,800
Total					\$144,800



August 7, 2019

Mr. Jeff Edmonds, PE
Director of Engineering
City of Corpus Christi - Engineering Services Dept.
P. O. Box 9277
Corpus Christi, Texas 78469

Re: **Project Number 19060A Solid Waste Operational Assessment – Proposal**

Dear Mr. Edmonds:

Burns & McDonnell is pleased to offer our services to the City of Corpus Christi (City) based on our firm being selected by the City in response to the Request for Qualifications 2019-01 for the Solid Waste Operational Assessment. For this project, we will develop a solid waste cost of service, a review of the transfer station operations, and provide procurement consulting support for the landfill, recycling processing and composting operations.

Phase 1 will address all aspects of the project. Efforts associated with the cost of service analysis and transfer station operations review are included in Phases 2 – 4. The procurement support services are described in Phase 5. Phase 6 identifies potential additional services the City might consider in the future, but which are not included in the Schedule and Budget at this time. This letter provides a scope of work, project timeline and a schedule of fees associated with the performance of these services.

SCOPE OF WORK

This scope of work presents our proposed approach to completing the project for the City.

Phase 1: Information Request and Kick-off Meeting

Task 1A: Information Request and Preliminary Data Review

Following receipt of the Notice to Proceed, Burns & McDonnell will provide the City with a detailed data request that will encompass data needs for completing the study. The data request will itemize our needs for understanding the operational, technical, contractual and financial considerations that must be addressed. This task also includes organization and preliminary analysis of all data received. We recognize that the City may not have all information requested readily available or may track information differently than requested. We will work with the appointed Project Manager to arrive at reasonable substitutes for the key data, if needed.

Task 1B: Establish a Project Task Force

In order to gain a diverse perspective and increase buy-in for the outcomes of this project, we recommend that the City establish a Project Task Force (PTF) to participate throughout the process. The

PTF would ideally include 5 – 8 key representatives from diverse roles and levels of responsibility within the City, including senior management. Based on experience applying this approach with other cities, it is our general recommendation that participants include:

- ▶ Solid Waste Director
- ▶ Solid Waste Assistant Director(s)
- ▶ Managers for each operation included in the review
- ▶ Financial Services Manager
- ▶ City Manager's Representative
- ▶ 1 – 2 Additional key staff for the procurement phase from the City's Legal and Purchasing Departments (for Phase 5)

The PTF would participate in the kick-off meeting, help facilitate data collection, provide feedback on preliminary findings, and provide support to our Project Team throughout the project. By involving a variety of individuals with a wide range of skills and responsibilities, a complete picture of the solid waste system can be developed more quickly. The diverse experience and concerns of the participants will help identify problem areas and contribute meaningful input to the solutions. Full participation from the PTF members should also be expected to increase buy-in and would speed implementation of the project findings.

Task 1C: Kick-off Meeting and Project Management

Prior to commencing the study, members of the Project Team would conduct a kick-off meeting with key City staff. At this kick-off meeting we would discuss the project work plan, key issues to be addressed, key findings from previous engagements as well as confirm the timing associated with the various project tasks.

We would discuss our initial data request (as previously described) that we would have provided to the City staff 7 to 14 days prior to the kick-off meeting. Burns & McDonnell will provide the agenda and any handout materials at least two days in advance.

During the meeting, we will also identify primary contacts for our Project Team and the City and establish protocol for the exchange of information and the resolution of issues that arise in the normal course of this engagement. To facilitate effective communication between Project Team members and the City throughout the course of this project, it is proposed that Burns & McDonnell will:

- ▶ Schedule and participate in periodic conference calls as needed to discuss project matters (as identified in the specific tasks of this scope of work)
- ▶ Provide periodic status updated via electronic format
- ▶ Be available for other communication(s) as needed

Task 1 Deliverables

- ▶ Preliminary data request
- ▶ Electronic copies of the kick-off meeting agenda, handouts, and follow-up summary
- ▶ Participation of Burns & McDonnell Project Manager and key project staff in kick-off meeting

Phase 2: Cost of Service and Rate Design

In Burns & McDonnell's experience it is beneficial to complete a cost of service study of the solid waste operation as a part of a solid waste operations review. A cost of service study provides a clear understanding of the current operation's cost of providing service. By developing a baseline operational cost, Burns & McDonnell can value the financial savings of making operational changes for the transfer station (as described in Phase 3). This methodology is consistent with other operational studies Burns & McDonnell has completed for communities across the United States.

Task 2A: Current Cost of Service Analysis

A "Test Year" is a common term in cost of service studies that refers to an adjusted fiscal year budget that is used as a basis for determining cost of service and setting rates. Burns & McDonnell will collaborate with City staff to select the most appropriate annual budget for the Test Year. Based on preliminary discussions with City staff, we would suggest utilizing FY 2020 as the basis for the Test Year. The Test Year should be representative of typical conditions, with adjustments for any unusual or one-time expenses. Any projected non-recurring expenses or revenues will be identified and incorporated into the financial forecast. Burns & McDonnell will work with the City to develop an accurate Test Year revenue requirement reflecting the revenue required to meet all operating and maintenance (O&M) costs, debt service (including coverage and reserve requirements), working capital requirements, and capital expenditures. The goal of this task will be to document the current full cost of the City's various solid waste services and to allocate these costs to the appropriate cost centers. As part of this task, Burns & McDonnell will:

- ▶ Review current and historical financial data collected as part of Phase 1
- ▶ Summarize and analyze the current solid waste fees
- ▶ Develop a revenue requirement for the "Test Year," which will include, but is not limited to, the following types of costs:
 - Operational and maintenance;
 - General fund and administrative overhead;
 - Capital costs; and
 - Current and anticipated long-term liabilities and debt obligations.
- ▶ Work with the City to define cost centers: Cost centers will be based on the primary services provided by the Solid Waste Department. We will review the categories included in the Section

1.5 of the 2013 Study and update as necessary. We understand that additional categories may include dead animal collection, graffiti removal and sludge hauling operations

- ▶ Work with the City to identify the components and measurements that will be built into the cost allocation model
- ▶ Develop an infrastructure and vehicle replacement analysis to account for growth and replacement
- ▶ Assist the City in developing or modifying a cost allocation strategy that captures capital, debt, operations, and maintenance costs, as well as indirect costs (administration and overhead) for each of the targeted services
- ▶ Account for closure and post closure costs for the Cefe Valenzuela Landfill and the JC Elliott transfer station and closed landfill, based on the results of a separate analysis completed by the City's landfill engineer
- ▶ Account for the cost of transfer station and account for the cost of providing services to other city departments
- ▶ Allocate cost centers to customer classes
- ▶ Determine billing units
- ▶ Calculate the cost of service

For equipment and personnel that serve more than one function, we will assist City staff in the development of an appropriate strategy to allocate those costs among the programs being evaluated. It will be imperative to work closely with financial and operational personnel during the cost allocation process to allow that all direct and indirect costs are apportioned in an appropriate and meaningful way among the programs being evaluated. A brief written summary of our approach, methodology and observations about cost allocation will be included in the draft report.

Task 2A Deliverables

- ▶ Four to six-hour meeting with City staff (same trip as the kick-off meeting)
- ▶ A Test Year revenue requirement
- ▶ Calculation of the Test Year cost of service
- ▶ Conference call with City staff to discuss results of Task 2A

Task 2B: Determine Current Revenue

We will evaluate how much revenue is currently generated by the existing rate structure. We will assess the overall revenue requirement compared to revenue generated under the current rate structure and rates. We will complete this analysis based on a review of revenue received by the City for the various services provided. We will independently estimate how much revenue should be generated by the current billing units to estimate whether any under-recovering is occurring. The analysis will include an evaluation of the impact of "free" collection and disposal services. This analysis will provide the City

with an understanding of how current rates are either over- or under recovering compared to the cost of service for each customer class.

Task 2B Deliverables

- ▶ An analysis of current revenue generation

Task 2C: Forecasted Cost of Service Analysis

In addition to calculating the current cost of service for the Test Year, Burns & McDonnell will project the future cost of service for a five-year time frame and will allocate these costs to the appropriate cost centers. Burns & McDonnell will work in conjunction with the City to develop a five-year revenue requirement and billing unit forecast. In order to develop the five-year revenue requirement for the City, Burns & McDonnell will examine historical budgets and audited financials and, utilizing input from City staff, will develop a forecast that incorporates “known and measurable” changes for the forecasted period. This would include changes due to any current or anticipated statutory regulations.

Task 2C Deliverables

- ▶ A “base case” five-year revenue requirement forecast
- ▶ The calculation of the cost of service in each year

Task 2D: Rate Design

We will address the formulation of a rate design plan with a clear and distinct understanding of the City's overall goals and objectives. The City's goals and objectives should serve as the foundation for the development of rate options as rate design enables the City to meet its service pricing objectives. Pricing objectives could include, but would not be limited to:

- ▶ Cost of service recovery
- ▶ Revenue stability
- ▶ Cost containment
- ▶ Adequate General Fund support through transfers
- ▶ Adequate funding for solid waste reserves (capital and operating)
- ▶ Economic development
- ▶ Encouragement of diversion

We will work with City staff to evaluate the City's current fees and discuss the merits of various alternative rate structures.

Task 2D Deliverables

- ▶ Rate recommendations
- ▶ Conference call with City staff to discuss results of Task 2D

- ▶ Report section that summarizes results from Tasks 2A – 2D

Task 2E: Provision of an Electronic Cost-of-Service Model

Upon completion of this Study, we will provide the City with a copy of the "base" five-year econometric model in Microsoft Excel. The model will provide/allow the following:

- ▶ Historical and projected costs distributed by service type
- ▶ Determine if the current rate structure is adequate to support system growth and whether the current rates under or over recover costs for the level of service presently provided
- ▶ Calculate the effects of changes in operating or capital expenses on each year's projected cost of service and would reflect all recommendations relating to allocation and/or changes to fees and fee structures
- ▶ Allow the City to update rates on an annual basis
- ▶ Allow the City to prepare a number of "what if scenarios" by making various assumptions relating to the costs and revenues the City will earn over the five-year time frame

The ability to evaluate the financial feasibility of various rate charges will be built into the model, such that the City can understand the over/under-recovery projected as a result of the revenue and cost assumptions contained within the model.

The econometric model will include a written user's guide for assistance with the model. We will also conduct a training session on the use of the model. The budget for this task assumes that the training will occur via webinar. However, if the City has our project team members attend other meetings with the City in person, we can conduct the training in person without an additional cost to the base fee for this task.

Task 2E Deliverables

- ▶ Electronic copy of the model in Microsoft Excel
- ▶ Written user's guide of the model
- ▶ One training session via webinar

Phase 3: Transfer Station Operational Assessment

For Phase 3 Burns & McDonnell will complete a comprehensive operational assessment of the City's transfer station and hauling operation,

Task 3A: J.C. Elliott Transfer Station and Hauling Operation

During the same trip as the kick-off meeting for Phase 1, Burns & McDonnell will conduct one day of field observations of the transfer station and hauling operation. Following the field observations, Burns

& McDonnell will analyze the information collected, both from Phase 1 and the field observations, to evaluate the operational efficiency of the City's transfer station and hauling operations.

For the transfer station review, performance metrics to be addressed and compared to industry practices during the review of the facility include, but are not limited to, the following:

- ▶ Facility configuration and condition
- ▶ Equipment
- ▶ Personnel
- ▶ Waste hauling
- ▶ Operating efficiency
- ▶ Safety issues
- ▶ Capacity
- ▶ Cost of transfer station operation

Burns & McDonnell will also provide the City an understanding of the financial impact of more heavily utilizing the transfer station for its residential collection operation instead of direct hauling to the landfill.

Task 3B: Workshop to Discuss Key Findings

Burns & McDonnell will hold a workshop via conference call with the PTF to present the preliminary key findings of the transfer station evaluation. The discussion will provide us an opportunity to report on what we experienced, and to confirm that our observations were consistent with standard operating procedures. We will provide a bulleted summary of key findings and recommendations from our analyses.

Phase 3 Deliverables

- ▶ Bulleted summary of key findings and recommendations
- ▶ Conference call to discuss key findings
- ▶ Report sections on operational issues to be included in the draft and final reports

Phase 4: Report

Task 4A: Draft Report

Upon completion of the analyses outlined above, Burns & McDonnell will develop a Draft Report outlining preliminary recommendations and conclusions. Burns & McDonnell is committed to making sure the City thoroughly understands the recommendations in the draft report. Burns & McDonnell will provide the findings to the City staff and allow sufficient time to have their concerns and/or questions addressed. Burns & McDonnell will have a conference call with City staff to discuss the report. Burns

& McDonnell would request that written comments be provided as one submittal from City staff to obtain consensus regarding staff comments.

Task 4B: Final Report

Upon receipt of City staff recommendations and comments, Burns & McDonnell will make appropriate changes and provide the City with a Final Report. We will issue the Final Report within three weeks of receiving comments from the City.

Phase 4 Deliverables

- ▶ Electronic version of the Draft Report
- ▶ One conference call to discuss the Draft Report
- ▶ Electronic version of the Final Report

Phase 5: Procurement Assistance for Landfill Operations, Recycling Processing and Composting Processing Services

Phase 6 focuses on providing procurement assistance to the City for landfill operations, recycling processing and composting processing services. The following describes the options that would be considered for each aspect of the procurement:

- ▶ **Landfill operations:** Contractor would provide landfill operational services at the Cefe Valenzuela Landfill, similar the City's current arrangement with Republic Services.
- ▶ **Recycling processing:** Delivery methods for this contract would include both a processing and marketing services agreement (PSA) and design build operate (DBO) contract.
- ▶ **Composting operations:** Delivery methods for this contract would include both a processing and marketing services agreement (PSA) and design build operate (DBO) contract.

The following defines the delivery methods described for the landfill, recycling processing and composting operations:

- ▶ **Operations Agreement (Operations):** This option is specific to the landfill, since its already a city facility that is contracted to a private company.
- ▶ **Processing and Marketing Services Agreement (PSA):** This option would allow vendors to propose to process and market City materials collected through the (1) curbside single-stream recycling program and/or (2) curbside brush or future organics program at a fully private facility on private land. The City of Corpus Christi presently has a PSA in place for recycling processing. The RFP will provide flexibility for the PSA to be provided at an existing or new facility.

- ▶ **Design Build Operate (DBO):** This option would allow vendors propose to design, build and operate a single-stream processing facility and/or composting operation that would be constructed at a city facility (such as the Cefe Valenzuela Landfill) and financed by either the vendor, the City, or a combination of the two. The vendor would finance the processing equipment and rolling stock and would operate the facility.

Subject to discussions with the PTF, this procurement will provide vendors with the opportunity to propose on any combination of landfill operations, recycling processing and composting processing services, as well as whether services for recycling and/or composting will be provided via PSA or DBO. Due to the differing levels of complexity of these options, the procurement documents will be structured to address common elements of the PSA options and unique elements of the DBO option. Similarly, within specific tasks, we have structured our scope of services to highlight issues and activities that would apply to both the PSA and DBO and services that would only apply to the more complex DBO. To the extent appropriate, we have also structured our scope of services to defer the details for certain issues to later tasks. For example, we are proposing to develop key contractual terms and conditions to be included in the procurement document, with preparation of a draft contract later in the process. This approach will help to accelerate the schedule and reduce upfront consulting fees and will allow the City to gain an understanding of the DBO proposals prior to expending the resources for developing a DBO contract. If the City decides to move forward with DBO, that work can occur on an optional basis during Task 6F.

Task 5A: Procurement Workshop

Burns & McDonnell will conduct a procurement workshop with key City staff, which would be expected to include staff from the PTF and the Solid Waste, Legal and Purchasing Departments. The procurement workshop is designed to discuss the advantages and disadvantages of various aspects of the procurement process in order to assist the Project Team in determining how to structure the procurement documents. The procurement workshop may include discussion of the following:

Issues Relevant to Operations, PSA and DBO

- ▶ Type of procurement process (i.e., one-step or multi-step RFP process)
- ▶ Administrative aspects of the procurement process such as schedule, submittal requirements (content and format), contact persons, and handling of proprietary/confidential information;
- ▶ Evaluation process, including minimum requirements to merit a detailed evaluation as well as evaluation criteria and weighting
- ▶ Scope of services to be provided by the successful vendor(s)
- ▶ Initial and renewal terms of the agreement
- ▶ Extent of rate adjustments to be included in the agreement
- ▶ Description of the recycling and waste stream

- ▶ Technology and performance requirements (processing capacity, equipment/technology, ability to process materials in the City's program, recovery rate)
- ▶ Facility location if not located at the Cefe Valenzuela Landfill and consideration of multiple processing locations
- ▶ Operations (access for City vehicles, minimum turn-around times for City's vehicles)
- ▶ Description of economic incentives (such as the New Market Tax Credit)
- ▶ Basis for revenue sharing and processing fees, as well as consideration of reduced landfill tip fees in exchange for better financial terms
- ▶ Disposal of residual material from processing operations

Issues Relevant to DBO Only

- ▶ Public private partnership scenarios to be considered, including ownership options and related issues for the land, the facility, project financing and the equipment
- ▶ Facility siting, infrastructure and state and local permitting
- ▶ Performance based facility design, construction and operation requirements and specifications (e.g. LEED, sizing of processing equipment, tipping floor, access for vehicles, ventilation, building requirements, lighting, dust control, building foundation, landscaping)
- ▶ Terms and conditions associated with processing non-City materials and/or regarding supplemental site activities (e.g., use of the site for housing a fleet of collection vehicles)
- ▶ Wage requirements for employees
- ▶ Other issues pertinent to a resource recovery procurement

Burns & McDonnell requests that the City arrange for a meeting room and coordinate attendance to ensure that appropriate individuals are present. Burns & McDonnell will develop an agenda and any handout materials in advance of the workshop to provide an opportunity for City staff to consider the issues prior to the workshop. Our budget is based on four Project Team staff attending the workshop, with the workshop lasting approximately two days. If necessary, the workshop could be segmented into three, consecutive sessions to accommodate attendance by different City representatives to different parts of the workshop. In addition, the Project Team will deliver a memorandum summarizing the key decisions made during the workshop and action items to be completed by the Project Team and City staff.

Task 5A Deliverables

- ▶ On-site workshop
- ▶ Workshop agenda and handouts, including a list of issues to be discussed
- ▶ Memorandum summarizing the workshop

Task 5B: Preparation of Procurement Documents

As part of this task, Burns & McDonnell will assist the City with the development of the procurement documents. For all parts of this task, Burns & McDonnell will coordinate with the City's Purchasing and Legal Departments and will rely on the City for any standard language to be included in the procurement documents. This task has been divided between developing the RFP and developing key terms and conditions that will be included in the RFP and will form the basis of a contract. We will also structure the documents to reflect the three included services: landfill operations, recycling processing and composting processing services.

We will prepare two drafts and one final version of the RFP. Any additional drafts will be considered Additional Services. Upon delivery of the first draft version of the RFP, we will participate in conference call with City staff to discuss the first draft procurement documents. Our budget is based on a half-day conference call, to allow for a thorough page-turn of the RFP and to provide opportunity for in-depth discussion of key contract terms and conditions. If there are additional comments developed outside of the conference call, the City will be responsible for consolidating comments to the draft procurement documents from multiple reviewers for incorporation by the Project Team. Upon delivery of the second draft version of the RFP, Burns & McDonnell will participate in a conference call with City staff to discuss any additional comments. The City will be responsible for final production and distribution of the procurement documents to potential proposers. The Project Team will assist the City in notifying potential proposers in advance of the release of the RFP. Specifically, we will provide the City with a listing of companies and contacts that may have an interest in the services being procured.

PREPARATION OF RFP

Burns & McDonnell will assist the City in the preparation of a Request for Proposals (RFP). As part of the development of the RFP, we will prepare a draft version of the following elements of the RFP (as well as outcomes from the workshop described in Task 6A):

Issues Relevant to Operations, PSA and DBO

- ▶ General terms and conditions of the RFP, including any standard terms and conditions provided by the City
- ▶ Background information, including explanation of why the RFP is being developed, historical program data, City demographic information, tonnage data, etc.
- ▶ Proposal format and content
- ▶ Proposal process, including schedule and evaluation criteria
- ▶ Schedule requirements
- ▶ Provision of processing services on an interim basis following expiration of the current agreement (if applicable)
- ▶ Proposal response forms, including personnel, experience, cost, etc.

- ▶ Other sections of the RFP

Issues Relevant DBO Only

- ▶ Description of the potential location and conditions at the City identified location for a recycling facility or composting operation (e.g. Cefe Valenzuela Landfill):
 - Existing site topography and subsurface conditions
 - Existing utilities adjacent to, or on, the Site (water, wastewater, gas, electrical)
 - Proposed site layout including facility location on site, roadways, all utilities, site grading, etc.
 - Description and status of state and local permits to be required
- ▶ Public private partnerships scenarios to be considered by the City (ownership of land, facility, project financing, and equipment)
- ▶ Option to have the vendor design and build infrastructure that would be funded by the City

In developing the RFP, our team will focus on describing performance-based criteria (as opposed to prescriptive criteria) for which the vendors will be evaluated. For example, the RFP may require that the facility be LEED certified and the facility would be constructed to be fully functional for a period of 30 years. Under this approach, vendors would have the opportunity in their proposals to describe how they would meet these requirements and would be evaluated in Task 6D. In some instances, the City may prefer to include prescriptive criteria where site and design issues must be directly addressed.

PREPARATION OF KEY CONTRACT TERMS AND CONDITIONS

Given the broad range of potential contract types that will be considered in the procurement process (Operations, PSA and DBO), the Project Team recommends including key contract terms and conditions in the RFP in place of draft contracts. This will allow for an accelerated schedule and will minimize up-front fees associated with developing three different draft contracts. In order to minimize negotiations with proposers, it will be important for the terms and conditions to be clear and robust in representing the City's contractual position in the absence of a draft contract. The Project Team will prepare draft terms and conditions that would apply to both partnership scenarios being considered, and that would address the following specific elements of a future contract:

- ▶ Definitions
- ▶ Scope of Services
- ▶ Performance Benchmarks
- ▶ Pricing and Revenue Sharing
- ▶ Recordkeeping, Recording, Reports and Auditing
- ▶ Inspection Rights
- ▶ Equipment and Personnel Requirements (if applicable)
- ▶ Hours of Operation and Holidays

- ▶ Customer Service
- ▶ Public Outreach and Education
- ▶ Liquidated Damages
- ▶ Other terms and conditions, as appropriate

We have assumed that the City Attorney will review the key terms and conditions, which will be developed in parallel with the RFP (as a first and second draft) and will be included in the final version of the RFP. Depending on the preferred partnership scenario, we would assist the City Attorney's office with developing more detailed contract language during the contract negotiation process (as described in Task 6F).

Task 5B Deliverables

- ▶ Two draft and one final version of the Request for Proposals inclusive of key terms and conditions.
- ▶ Two conference calls to discuss the draft documents

Phase 5 Assumptions

There are a number of assumptions required in any procurement. For this assignment, the Project Team notes that our proposal is based on the understanding that:

- ▶ The Project Team will coordinate with the City's Purchasing Department and City Attorney's Office and will rely on the City for any standard City language to be included within the RFP.
- ▶ The City Attorney's Office will provide all legal advice and will review the procurement documents and prepare and negotiate the contract documents.
- ▶ City staff will be responsible for distribution of the procurement documents, advertising costs to announce the procurement, and coordination of the receipt of the proposals.

Phase 6: Optional Services

Upon the City's request and authorization, Burns & McDonnell may provide services described in Phase 6. The tasks described in Phase 6 are provided in a summarized manner. A more detailed scope of services and fees can be provided for any task in Phase 6 upon request.

Operational Assessment Tasks

Burns & McDonnell may complete a comprehensive operational assessment of any of the following solid waste and recycling operations/topics upon request from the City:

- ▶ Department wide
- ▶ Residential refuse collection

- ▶ Residential recycling collection
- ▶ Residential brush and bulky collection
- ▶ Cefe Valenzuela Landfill
- ▶ Organics and brush grinding operation
- ▶ Management of tires

Reporting and Presentation Tasks

Burns & McDonnell may provide the following reporting and presentation tasks upon request from the City:

- ▶ Comparison to 2013 Study Key Financial Findings
- ▶ Develop implementation plan
- ▶ Develop PowerPoint summarizing study findings and recommendations
- ▶ Present to Findings to City Council and/or City Management

Procurement Tasks

Burns & McDonnell may provide the following procurement tasks upon request from the City:

- ▶ Pre-proposal meeting coordination and addendum preparation
- ▶ Evaluation of proposals
 - Review and evaluate each proposer's technical and operational capability (including evaluation of proposed technology, proposed work plan, siting, permitting and infrastructure)
 - Review of proposer's experience and references
 - Evaluation of proposer's financial stability and litigation history
 - Evaluation of cost proposals, including proposed revenues sharing arrangements, via Excel model
 - Evaluation of exceptions taken to key terms and conditions and alternative contract language and or service procedures submitted by proposers, if applicable
- ▶ Facilitation of Proposer Interviews
 - Assist with identifying proposers to be interviewed
 - Develop questions for proposer interviews
 - Participate in proposer interviews
- ▶ Contract Negotiations
 - On-site meetings with prospective provider(s)
 - Conference calls with City staff and/or service provider(s)
 - Update financial analysis to reflect negotiated rates and revenue sharing arrangements
 - Review of proposed changes or amendments to contract terms and conditions

- Assist the City Attorney with drafting and/or reviewing portions of the contract, with the understanding that the City Attorney will have the lead role to develop the contract(s)
- Other tasks identified by the City
- ▶ Other Procurement-Related Tasks
 - City Council presentation(s) and stakeholder involvement implementation
 - Implementation assistance
 - Permitting and design for DBO contracts
 - Financial analysis
 - Additional meetings and/or workshops
 - Construction monitoring and acceptance testing for DBO contracts
 - Other requested services related to the procurement

PROJECT SCHEDULE

Based on the scope of work outlined above, Burns & McDonnell has developed the following project schedule.

TASK	SCHEDULE
Phase 1: Project Initiation and Management	
Task 1A: Preliminary Data Request and Analysis	Issue within 10 days of NTP
Task 1B: Establish a Project Task Force	Complete in month 1
Task 1C: Kick-off Meeting and Project Management	Complete in month 1 (assuming timely receipt of data from the City)
Phase 2: Cost of Service and Rate Design	
Task 2A: Current Cost of Service Analysis	Months 1 – 3
Task 2B: Determine Current Revenue	Months 3 – 4
Task 2C: Forecasted Cost of Service Analysis	Months 3 – 4
Task 2D: Rate Design	Months 4 – 5
Task 2E: Provision of an Electronic Cost-of-Service Model	Months 5 – 6
Phase 3: Transfer Station Operational Assessment	
Task 3A: J.C. Elliott Transfer Station and Hauling Operation	Months 1 – 3
Task 3B: Workshop to Discuss Key Findings	Month 4
Phase 4: Report	

Mr. Jeff Edmonds
August 7, 2019
Page 16

Task 4A: Draft Report	Months 5 – 6
Task 4B: Final Report	Four weeks after receiving comments
Phase 5: Procurement Assistance for Landfill Operations, Recycling Processing and Composting Processing Services	
Task 5A: Procurement Workshop	Month 3
Task 5B: Preparation of Procurement Documents	Months 3 - 6

FEES

The fees associated with Phase 1 through Phase 5 of the Study are listed in the following table. Burns & McDonnell will perform the above tasks for a fee of \$144,800, including of professional fees and expenses. Tasks will be invoiced on a lump-sum, percent complete basis.

TASK	BUDGET
Phase 1: Project Initiation and Management	
Task 1A: Preliminary Data Request and Analysis	\$2,700
Task 1B: Establish a Project Task Force	\$0
Task 1C: Kick-off Meeting and Project Management	\$5,000
Phase 2: Cost of Service and Rate Design	
Task 2A: Current Cost of Service Analysis	\$16,600
Task 2B: Determine Current Revenue	\$5,400
Task 2C: Forecasted Cost of Service Analysis	\$7,000
Task 2D: Rate Design	\$6,900
Task 2E: Provision of an Electronic Cost-of-Service Model	\$3,500
Phase 3: Review Alternative Operational Options	
Task 3A: J.C. Elliott Transfer Station and Hauling Operation	\$14,600
Task 3B: Workshop to Discuss Key Findings	\$2,800
Phase 4: Report	
Task 4A: Draft Report	\$9,900
Task 4B: Final Report	\$3,900
Phase 5: Procurement Assistance for Landfill Operations, Recycling Processing and Composting Processing Services	

Mr. Jeff Edmonds
August 7, 2019
Page 18

Task 5A: Procurement Workshop	\$15,800
Task 5B: Preparation of Procurement Documents	\$50,700

CONCLUSION

Burns & McDonnell appreciates the opportunity to work with the City. Please contact Scott Pasternak at (512) 872 – 7141 or Seth Cunningham at (512) 872 – 7134 to discuss any questions, or to determine how we should proceed.

Sincerely,



Scott Pasternak
Senior Project Manager

EXHIBIT B SAMPLE PAYMENT REQUEST FORM

Company Name	COMPLETE PROJECT NAME								
Billing Contact Info	City Project No. XXXX								
	Invoice No. 12345								
	Invoice Date: MM/DD/YYYY								
	Billing Period: From XXXXX to YYYY								
	Original	Amend	Amend	Total	Previous	Current	Total	Remaining	Percent
	Contract	No. 1	No. 2	Contract	Invoice	Invoice	Invoiced	Balance	Invoiced
Basic Services:									
Preliminary Phase	\$1,000.00	\$0.00	\$0.00	\$1,000.00	\$0.00	\$1,000.00	\$1,000.00	\$0.00	100.0%
Design Phase	\$2,000.00	\$1,000.00	\$0.00	\$3,000.00	\$1,000.00	\$500.00	\$1,500.00	\$1,500.00	50.0%
Bid Phase	\$500.00	\$0.00	\$250.00	\$750.00	\$0.00	\$0.00	\$0.00	\$750.00	0.0%
Construction Admin Phase	\$2,500.00	\$0.00	\$1,000.00	\$3,500.00	\$0.00	\$0.00	\$0.00	\$3,500.00	0.0%
Subtotal Basic Services	\$6,000.00	\$1,000.00	\$1,250.00	\$8,250.00	\$1,000.00	\$1,500.00	\$2,500.00	\$5,750.00	30.3%
Additional Services:									
Permit Preparation	\$2,000.00	\$0.00	\$0.00	\$2,000.00	\$500.00	\$0.00	\$500.00	\$1,500.00	25.0%
Topographic Survey	\$5,000.00	\$0.00	\$0.00	\$5,000.00	\$0.00	\$0.00	\$0.00	\$5,000.00	0.0%
ROW Acquisition Survey	\$1,000.00	\$0.00	\$0.00	\$1,000.00	\$0.00	\$0.00	\$0.00	\$1,000.00	0.0%
Environmental Issues	\$500.00	\$0.00	\$0.00	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00	0.0%
Public Meetings	\$1,200.00	\$0.00	\$0.00	\$1,200.00	\$0.00	\$0.00	\$0.00	\$1,200.00	0.0%
Construction Observation	\$10,000.00	\$0.00	\$0.00	\$10,000.00	\$0.00	\$0.00	\$0.00	\$10,000.00	0.0%
Traffic Control	\$0.00	\$5,000.00	\$0.00	\$5,000.00	\$0.00	\$0.00	\$0.00	\$5,000.00	0.0%
Signalization Improvements	\$0.00	\$0.00	\$1,000.00	\$1,000.00	\$0.00	\$0.00	\$0.00	\$1,000.00	0.0%
Warranty Phase	\$0.00	\$1,120.00	\$0.00	\$1,120.00	\$0.00	\$0.00	\$0.00	\$1,120.00	0.0%
Construction Inspection (T&M)	\$0.00	\$0.00	\$5,000.00	\$5,000.00	\$0.00	\$0.00	\$0.00	\$5,000.00	0.0%
Platting Survey	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
O & M Manuals	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
SCADA	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Subtotal Additional Services	\$19,700.00	\$6,120.00	\$6,000.00	\$31,820.00	\$500.00	\$0.00	\$500.00	\$31,320.00	1.6%
Summary of Fees:									
Basic Services Fees	\$6,000.00	\$1,000.00	\$1,250.00	\$8,250.00	\$1,000.00	\$1,500.00	\$2,500.00	\$5,750.00	30.3%
Additional Services Fees	\$19,700.00	\$6,120.00	\$6,000.00	\$31,820.00	\$500.00	\$0.00	\$500.00	\$31,320.00	1.6%
Total of Fees	\$25,700.00	\$7,120.00	\$7,250.00	\$40,070.00	\$1,500.00	\$1,500.00	\$3,000.00	\$37,070.00	7.5%
Notes:									
If needed, update this sample form based on the contract requirements.									
If applicable, refer to the contract for information on what to include with time and materials (T&M).									

EXHIBIT C

**Insurance Requirements
Pre-Design, Design and General Consulting Contracts**

1.1 Consultant must not commence work under this agreement until all required insurance has been obtained and such insurance has been approved by the City. Consultant must not allow any subcontractor to commence work until all similar insurance required of any subcontractor has been obtained.

1.2 Consultant must furnish to the Director of Engineering Services with the signed agreement a copy of Certificates of Insurance (COI) with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager. **A waiver of subrogation is required on all applicable policies. Endorsements must be provided with COI. Project name and or number must be listed in Description Box of COI.**

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
30-written day notice of cancellation, required on all certificates or by applicable policy endorsements	Bodily Injury and Property Damage Per occurrence - aggregate
PROFESSIONAL LIABILITY (Errors and Omissions)	\$1,000,000 Per Claim If claims made policy, retro date must be prior to inception of agreement, have extended reporting period provisions and identify any limitations regarding who is insured.

1.3 In the event of accidents of any kind related to this agreement, Consultant must furnish the City with copies of all reports of any accidents within 10 days of the accident.

1.4 Consultant shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Consultant's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- VII. **Consultant is required to provide City with renewal Certificates.**

1.5 In the event of a change in insurance coverage, Consultant shall be required to submit a copy of the replacement certificate of insurance to City at the address provided below within 10 business days of said change. Consultant shall pay any costs resulting from said changes. All notices under this Article shall be given to City at the following address:

City of Corpus Christi
Attn: Engineering Services
P.O. Box 9277
Corpus Christi, TX 78469-9277

1.6 Consultant agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:

1.6.1 If the policy is cancelled, other than for nonpayment of premium, notice of such cancellation will be provided at least 30 days in advance of the cancellation effective date to the certificate holder.

1.6.2 If the policy is cancelled for nonpayment of premium, notice of such cancellation will be provided within 10 days of the cancellation effective date to the certificate holder.

1.7 Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, Consultant shall notify City of such lapse in coverage and provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Consultant's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.

1.8 In addition to any other remedies the City may have upon Consultant's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to withhold any payment(s) if any, which become due to Consultant hereunder until Consultant demonstrates compliance with the requirements hereof.

1.9 Nothing herein contained shall be construed as limiting in any way the extent to which Consultant may be held responsible for payments of damages to persons or property resulting from Consultant's or its subcontractor's performance of the work covered under this agreement.

1.10 It is agreed that Consultant's insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by the City of Corpus Christi for liability arising out of operations under this agreement.

1.11 It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this agreement.