



CITY OF IDAHO FALLS

City Clerk's Office

NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that the City Council of the City of Idaho Falls will hold a Special Meeting (Council Work Session) on the **24th day of February, 2014, at 3:00 p.m.**, in the City Council Chambers located in the City Annex Building at 680 Park Avenue, Idaho Falls, Idaho. The purpose of this meeting is to discuss the following items:

1. Mayor and City Council Reports.
2. Signage and Wayfinding Master Plan – Parks and Recreation Director Greg A. Weitzel.
3. Snake River Animal Shelter, Phase 2 Construction – Parks and Recreation Director Greg A. Weitzel.
4. Affordable Care Act, Seasonal Employees – Human Resources Director April Collier.
5. Community Development Block Grant 101 – Planning and Building Director Brad Cramer and Grant Administrator Lisa Farris.
6. Sanitation Department, Residential Auto-Load Analysis Evaluation – Public Works Director Chris H Fredericksen.
7. Water Department, Facility Plan – Public Works Director Chris H. Fredericksen.

Such meeting may be cancelled or recessed to a later time or place upon resolution by the City Council at such meeting.

The public is invited to attend.

DATED this 21st day of February, 2014.

Rosemarie Anderson
City Clerk

If you need communication aids or services or other physical accommodations to participate or access this meeting or program of the City of Idaho Falls, you may contact City Clerk Rosemarie Anderson at Telephone Number 612-8414 or the ADA Coordinator Lisa Farris at Telephone Number 612-8323 as soon as possible and they will make every effort to adequately meet your needs.

**AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES
BETWEEN CITY OF IDAHO FALLS, IDAHO AND SCS ENGINEERS**

THIS AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES BETWEEN CITY OF IDAHO FALLS, IDAHO AND SCS ENGINEERS (hereinafter "Agreement"), is made and entered into this _____ day of _____, 2014, by and between the City of Idaho Falls, Idaho, a municipal corporation of the State of Idaho, whose address is P.O. Box 50220, Idaho Falls, Idaho 83405 (hereinafter "CITY"), and SCS ENGINEERS, a Washington corporation doing business in the State of Idaho, whose address is 2405 140TH Avenue NE, Ste. 108, Bellevue, Washington 98005 (hereinafter referred to as "SCS").

W I T N E S S E T H:

WHEREAS, CITY desires to accept a proposal for Residential Autoloading Analysis Followed by a Comprehensive Rate Study (hereinafter "PROJECT"); and

WHEREAS, CITY Public Works Division has selected the above-referenced ENGINEER to complete the Scope of Work identified herein; and

WHEREAS, SCS has prepared the Scope of Work which is incorporated into this Agreement; and

WHEREAS, CITY wishes SCS to complete the Scope of Work pursuant to this Agreement;

NOW, THEREFORE, be it agreed that for and in consideration of the mutual covenants and promises between the parties hereto, that:

SECTION I: SCOPE OF WORK

Task 01— Kick Off Meeting

SCS will kick off the project with an initial face-to-face meeting shortly following the award of this project. SCS will request background information so that it can review reports, data, and any other information relevant to collection operations prior to the meeting. SCS will then prepare an agenda and issue meeting minutes.

Task 02— Review of City Operating Procedures and Structure

SCS will conduct a review of requested information and data on CITY's solid waste collection system, including analysis of its existing rate structure, policies and procedures, and ordinances. Upon completion, a Letter Report will be issued to CITY detailing SCS' findings and recommendations, and benchmarking the current municipal solid waste practices.

Task 03— Autoload Feasibility Analysis

Phase I Autoload Feasibility Analysis

Many solid waste management agencies are transitioning from manual collection of solid waste to semi or fully automation. There are many advantages and disadvantages to automation and each community is somewhat different. To analyze these issues in detail for Idaho Falls, SCS will conduct an automation feasibility analysis which will take into account the following major issues: current and projected CITY solid waste budget for the next five (5) years, CITY growth and demand projections, existing and proposed sanitation routes, the fleet replacement plan, existing and proposed staffing plan for automation, cost of replacement vehicles and carts (along with CITY financing alternatives), injury and insurance claims, citizen public education programs, and calculation of greenhouse gas reduction.

Data and information from this analysis will be included in a Pro Forma Financial Model developed by SCS to help analyze cost impacts and provide projected cost reductions, if any, resulting from operational and vehicle/equipment changes. Findings and recommendations will then be summarized in a Draft Report for review by CITY.

Phase II- Rate Study/Cost of Service Analysis

Establishing or adjusting future solid waste rates requires that CITY project its expected revenues at existing rates and forecast its revenue requirement. SCS will use available historical financial and budget data to help understand the past operating performance. SCS will then use the current customer census information to calculate the existing revenue, and compare that calculated revenue to the actual revenue recorded in CITY's accounting system. A revenue sufficiency analysis will be conducted to estimate the total amount of money CITY must collect in order to pay expenditures necessary to provide its targeted levels of service while meeting its financial requirements and maintaining fund balance requirements. The revenue requirement also will include capital expenditures that are paid out of current rates and not paid by bond proceeds.

SCS will then determine how much of the required revenue should come from each customer sector. Once the preceding steps are completed, SCS will finalize a Pro Forma Model to enable development of three alternative rate designs for residential, commercial, and other collection services. SCS will then work with CITY to utilize the Pro Forma Model, developed specifically for this project, to construct a series of sensitivity analyses to evaluate the rate impact of various critical parameters such as changes to the consumer price index (CPI), fuel costs, cash versus debt financing, and alternative levels of services. Once these steps are completed, SCS will prepare a Draft Report of the conceptual design of the system rate study. The Draft Rate Study will be issued to CITY for review and comment. SCS will prepare a PowerPoint presentation (to be reviewed by CITY) containing a summary of the Rate Design and Autoload analysis.

Task 04—Final Report and Presentation

After receipt of comments, SCS will address/incorporate comments to the Draft Report and issue five (5) copies of the revised Draft Report for presentation at a public hearing. Based on comments received, SCS will then address/incorporate comments and prepare a Final Report and Final Presentation to CITY for presentation to Council. SCS will work with CITY to publish the report and develop a PowerPoint presentation summarizing the findings and recommendations contained in the Final Report. With the assistance of CITY, SCS will deliver this presentation before a scheduled public hearing.

SECTION II:

A. Independent Contractor

The contracting parties warrant by their signature that no employer/employee relationship is established between SCS and CITY by the terms of this Agreement. It is understood by the parties hereto that SCS is an independent contractor and as such neither it nor its employees, if any, are employees of CITY for purposes of tax, retirement system, or social security (FICA) withholding.

B. Fees and Conditions for Engineering Services

1. Payment for all services described in this Agreement is provided in accordance with the cost described in Section II.B.2. of this Agreement, and based upon the following Fee Projection by Task Chart:

SCS shall to complete the following tasks for a lump sum fee of Forty-Two Thousand One Hundred (\$42,100) Dollars to be billed on percent complete basis.

Fee Projection by Task

Task	Name	Fee	Estimated Man-Hours	Reimbursables
1	Automation Study	\$4,300	15	\$1,430
2	Review City Operations	\$6,400	32	\$1,404
3	Autoload Feasibility/ Rate Study	\$20,900	100	\$1,404
4	Report	\$10,500	60	\$1,404
Total	\$42,100		207	\$4,303

2. The cost for engineering services for PROJECT as described in Section I, Scope of Work, is a fixed "not-to-exceed" amount of Forty-Two Thousand One Hundred Dollars (\$42,100) with payment based on Section I, Scope of Work in this Agreement, which shall include all fees (profit), overhead, and direct costs.
3. Bills submitted to CITY by SCS shall list individual performing work and description of work performed. Bills, including reimbursable expenses, shall be submitted on a monthly basis to CITY Engineer for approval and payment.
4. Payment is due upon receipt of SCS' statement(s).
5. CITY and SCS may mutually agree to re-allocate task funding, providing the fixed "not-to-exceed" price described in Section II.B.2. of this Agreement is unchanged.

SECTION III:

Submittals

SCS will submit findings and recommendations document (Task 3), a draft report (Task 3), and a final report (Task 4).

SECTION IV:

A. Termination of Agreement

This Agreement may be terminated by SCS upon thirty (30) days written notice, should CITY fail to substantially perform in accordance with its terms through no fault of SCS. CITY may terminate this Agreement with thirty (30) days notice without cause and without further liability to SCS except as designated by this section. In the event of termination, SCS shall be paid for services performed to termination date, including direct expense and including a percentage of the fixed fee based upon the work completed. All working Drawings shall become the property of, and shall be surrendered to, CITY.

B. Extent of Agreement

This Agreement may be amended only by written instrument signed by both parties hereto.

C. Data of Record

CITY shall make available to SCS all technical data of record in CITY's possession, including maps, surveys, borings and other information related to PROJECT.

D. Qualified Estimates of Cost

The estimates of cost for PROJECT herein are to be prepared by SCS through exercise of their experience and judgment in applying presently available cost data; but it is recognized that SCS has no control over cost of labor and materials, or over competitive bidding procedures and market conditions so that they cannot warrant PROJECT construction costs

will not vary from their cost estimates as a result of these described factors. Nothing in this paragraph shall serve to release or relieve SCS from exercising the skill, care, and professional judgment exercised by similarly situated profession engineers.

E. Termination of PROJECT

If any portion of PROJECT covered by this Agreement shall be suspended, abated, abandoned or terminated, CITY shall pay SCS for the services rendered to the date of such suspended, abated, abandoned or terminated work; the payment to be based, insofar as possible, on the amounts established in this Agreement or, where the Agreement cannot be applied, the payment shall be based upon a reasonable estimate as mutually agreed upon between the two (2) parties as to the percentage of the work completed.

F. ENGINEER's Errors and Omissions Insurance

In performance of professional services, SCS will use that degree of care and skill ordinarily exercised under similar circumstances by members of the engineering profession; and no other warranty, either expressed or implied, is made in connection with rendering SCS' services. Should SCS or any of SCS' agents or employees be found to have been negligent in the performance of professional services from which CITY sustains damage, SCS has obtained Errors and Omissions Insurance in the amount of Five Hundred Thousand Dollars (\$500,000), and said insurance shall be held active for a two (2) year (minimum) period from the date of completion of PROJECT. CITY shall receive notice of any pending termination of said insurance within five (5) days of first notice to SCS.

G. SCS' Additional Insurance

SCS shall maintain Automobile Insurance and Statutory Workmen's Compensation Insurance coverage, Employer's Liability, and Comprehensive General Liability Insurance coverage. The Comprehensive General Liability Insurance shall have a minimum limit of Five Hundred Thousand Dollars (\$500,000) per claim and One Million Dollars (\$1,000,000) aggregate, and SCS shall cause CITY to be named as an additional insured under said policy.

H. Indemnification

SCS agrees, to the fullest extent permitted by law, to indemnify and hold harmless CITY against damages, liabilities and costs arising from the negligent acts of SCS in the performance of professional services under this Agreement, to the extent that SCS is responsible for such damages, liabilities and costs on a comparative basis of fault and responsibility between SCS and CITY. SCS shall not be obligated to indemnify CITY for CITY's sole negligence.

I. Costs and Attorney Fees

In the event either party incurs legal expenses to enforce the terms and conditions of this Agreement, the prevailing party is entitled to recover reasonable attorney's fees and other costs and expenses, whether the same are incurred with or without suit.

J. Jurisdiction and Venue

It is agreed that this Agreement shall be construed under and governed by the laws of the State of Idaho. In the event of litigation concerning it, it is agreed that proper venue shall be the District Court of the Seventh Judicial District of the State of Idaho, in and for the County of Bonneville.

K. Binding of Successors

CITY and SCS each bind themselves, their partners, successors, assigns and legal representatives to the other parties to this Agreement and to the partner, successors, assigns and legal representatives of such other parties with respect to all covenants of this Agreement.

L. Modification and Assignability of Agreement

This Agreement contains the entire agreement between the parties concerning PROJECT, and no statements, promises, or inducements made by either party, or agents of either party, are valid or binding unless contained herein. This Agreement may not be enlarged, modified, or altered except upon written agreement signed by the parties hereto. SCS may not subcontract or assign its rights (including the right to compensation) or duties arising hereunder without the prior written consent and express authorization of CITY. Any such subcontractor or assignee shall be bound by all of the terms and conditions of this Agreement as if named specifically herein.

M. CITY's Representatives

CITY shall designate a representative authorized to act in behalf of CITY. The authorized representative shall examine the documents of the work as necessary, and shall render decisions related thereto in a timely manner so as to avoid unreasonable delays.

N. Conflict of Interest

SCS covenants that they presently have no interest and will not acquire any interest, direct or indirect, in PROJECT which would conflict in any manner or degree with the performance of services hereunder. SCS further covenants that, in performing this Agreement, they will employ no person who has any such interest.

O. Ownership and Publication of Materials.

All reports, information, data and other materials prepared by SCS pursuant to this Agreement shall be the property of CITY, which shall have the exclusive and unrestricted authority to release, publish, or otherwise use them, in whole or in part. All such materials developed under this Agreement shall not be subject to copyright or patent in the United States or in any other country without the prior written approval and express authorization of CITY.

P. Non-discrimination.

SCS shall not discriminate against any employee or applicant for employment on the basis of race, color, religion, creed, political ideals, sex, age, marital status, sexual orientation, gender identity/expression, physical or mental handicap, or national origin.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date indicated above.

ENGINEER
SCS Engineers

CITY
City of Idaho Falls, Idaho

By _____
Gregory D. Holland
Vice President, Office Director

By _____
Rebecca L. Noah Casper, Mayor

ATTEST:

Rosemarie Anderson, City Clerk

STATE OF IDAHO)
) ss.
County of Bonneville)

On this _____ day of February, 2014, before me, the undersigned, a notary public for Idaho, personally appeared Rebecca L. Noah Casper, known to me to be the Mayor of the City of Idaho Falls, Idaho, the municipal corporation that executed the foregoing document, and acknowledged to me that she is authorized to execute the same for and on behalf of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public of Idaho
Residing at: _____
My Commission Expires: _____

(Seal)

STATE OF WASHINGTON)
) ss.
County of King)

On this _____ day of February, 2014, before me, the undersigned, a notary public for Washington, personally appeared Gregory D. Holland known to me to be the Vice President/Office Director of SCS Engineers, the corporation that executed the foregoing document, and acknowledged to me that he is authorized to execute the same for and on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public of Washington
Residing at: _____
My Commission Expires: _____

(Seal)

**AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES
BETWEEN CITY OF IDAHO FALLS, IDAHO AND
MURRAY, SMITH & ASSOCIATES, INC.**

THIS AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES BETWEEN CITY OF IDAHO FALLS, IDAHO AND MURRAY, SMITH & ASSOCIATES, INC. (hereinafter "Agreement"), is made and entered into this ____ day of _____, 2014, by and between the City of Idaho Falls, Idaho, a municipal corporation of the State of Idaho, whose address is P.O. Box 50220, Idaho Falls, Idaho 83405 (hereinafter "CITY"), and MURRAY, SMITH & ASSOCIATES, INC., an Oregon corporation doing business in the State of Idaho, whose address is 121 SW Salmon Street, Ste. 900, Portland, Oregon 97204 (hereinafter "MSA").

WITNESSETH:

WHEREAS, CITY desires a consultation related to the development of a Water Facility Plan (hereinafter "WFP" or "PROJECT"); and

WHEREAS, CITY Public Works Division has selected MSA to complete the Scope of Work identified herein; and

WHEREAS, MSA have prepared the Scope of Work which is incorporated into this Agreement; and

WHEREAS, CITY wishes MSA to complete the Scope of Work pursuant to this Agreement;

NOW, THEREFORE, be it agreed that for and in consideration of the mutual covenants and promises between the parties hereto, that:

SECTION I: SCOPE OF WORK

The Scope of Work for the PROJECT shall consist of ten (10) Tasks as set out hereinbelow, and as more particularly described in Exhibit "A" attached to this Agreement and made a part hereof by reference:

Task 1 – Kick-off and Management

Task 2 – Data Collection

Task 3 – System Description

Task 5 – Distribution and Supply Analysis

Task 6 – System Condition and Code Evaluation

Task 7 – Operations and Maintenance

Task 8 – Capital Improvement Plan

Task 9 – Financial Evaluation

Task 10 – Draft and Final Plan Preparation

SECTION II:

A. Independent Contractor

The contracting parties warrant by their signature that no employer/employee relationship is established between MSA and CITY by the terms of this Agreement. It is understood by the parties hereto that MSA is an independent contractor and as such neither it nor its employees, if any, are employees of CITY for purposes of tax, retirement system, or social security (FICA) withholding.

B. Fees and Conditions for Engineering Services

1. Payment for all services described in this Agreement is provided in accordance with the cost described in Section II.B.2. of this Agreement, and based upon the following fee Projection by Task Chart:

Total PROJECT Fee by Task

Task	Hours	Subconsultant and Expense Cost	Fee
Task 1 – Kick-off and Management	67	\$500	\$12,003
Task 2 – Data Collection	20	-	\$2,679
Task 3 – System Description	16	-	\$1,928
Task 4 – Population and Demand Projections	61	-	\$7,391
Task 5 – Distribution and Supply Analysis	188	\$500	\$24,136
Task 6 – System Condition and Code Evaluation	478	\$13,308	\$78,650
Task 7 – Operations and Maintenance	142	\$500	\$19,678
Task 8 – Capital Improvement Plan	182	\$4,388	\$27,146
Task 9 – Financial Evaluation	40	\$47,646	\$54,438
Task 10 – Draft and Final Plan Preparation	285	\$4,100	\$36,922
Project Total	1,479	\$70,942	\$264,971

2. The cost for engineering services for PROJECT as described in Section I, Scope of Work, is a fixed "not-to-exceed" amount of Two Hundred Sixty-Four Thousand Nine Hundred Seventy-One (\$264,971) Dollars, with payment based on Section I, Scope of Work in this Agreement, and the total PROJECT Fee by Task Chart at Section II.B.1 in this Agreement, which shall include all fees (profit), overhead, and direct costs.
3. Bills submitted to CITY by MSA shall list individual performing work and description of work performed. Bills, including reimbursable expenses, shall be submitted on a monthly basis to CITY Engineer for approval and payment.
4. Payment is due upon receipt of MSA's statement(s).
5. Reimbursable expenses shall be billed and paid at cost, plus fifteen percent (15%).
6. CITY and MSA may mutually agree to re-allocate task funding, providing the fixed "not-to-exceed" price described in Section II.B.2. of this Agreement is unchanged.

C. Schedule

The WFP is anticipated to be completed over a period of approximately twelve (12) months, beginning in February 2014. MSA will make every effort to complete the work in a timely manner; however, it is agreed that MSA cannot be responsible for delays occasioned by factors beyond its control, nor by factors that could not reasonably have been foreseen at the time this scope was executed. An updated Schedule will be provided to CITY at the kick-off meeting and modified as required as the project progresses.

SECTION III:

A. Termination of Agreement

This Agreement may be terminated by MSA upon thirty (30) days written notice, should CITY fail to substantially perform in accordance with its terms through no fault of MSA. CITY may terminate this Agreement with thirty (30) days notice without cause and without further liability to MSA except as designated by this section. In the event of termination, MSA shall be paid for services performed to termination date, including direct expense and including a percentage of the fixed fee based upon the work completed. All working Drawings shall become the property of, and shall be surrendered to, CITY.

B. Extent of Agreement

This Agreement may be amended only by written instrument signed by both parties hereto.

C. Data of Record

CITY shall make available to MSA all technical data of record in CITY's possession, including maps, surveys, borings and other information related to PROJECT.

D. Qualified Estimates of Cost

The estimates of cost for PROJECT herein are to be prepared by ENGINEER through exercise of their experience and judgment in applying presently available cost data; but it is recognized that MSA has no control over cost of labor and materials, or over competitive bidding procedures and market conditions so that they cannot warrant PROJECT construction costs will not vary from their cost estimates as a result of these described factors. Nothing in this paragraph shall serve to release or relieve MSA from exercising the skill, care, and professional judgment exercised by similarly situated professional engineers.

E. Termination of PROJECT

If any portion of PROJECT covered by this Agreement shall be suspended, abated, abandoned or terminated, CITY shall pay MSA for the services rendered to the date of such suspended, abated, abandoned or terminated work; the payment to be based, insofar as possible, on the amounts established in this Agreement or, where the Agreement cannot be applied, the payment shall be based upon a reasonable estimate as mutually agreed upon between the two (2) parties as to the percentage of the work completed.

F. MSA's Errors and Omissions Insurance

In performance of professional services, MSA will use that degree of care and skill ordinarily exercised under similar circumstances at the same time and in the same locality by members of the engineering profession; and no other warranty, either expressed or implied, is made in connection with rendering MSA's services. Should MSA or any of MSA's agents or employees be found to have been negligent in the performance of professional services from which CITY sustains damage, MSA has obtained Errors and Omissions Insurance in the amount of Five Hundred Thousand Dollars (\$500,000), and said insurance shall be held active for a two (2) year (minimum) period from the date of completion of PROJECT. CITY shall receive notice of any pending termination of said insurance within five (5) days of first notice to MSA.

G. MSA's Additional Insurance

MSA shall maintain Automobile Insurance and Statutory Workmen's Compensation Insurance coverage, Employer's Liability, and Comprehensive General Liability Insurance coverage. The Comprehensive General Liability Insurance shall have a minimum limit of Five Hundred Thousand Dollars (\$500,000) per claim and One Million Dollars (\$1,000,000) aggregate, and MSA shall cause CITY to be named as an additional insured under said policy.

H. Indemnification

MSA agrees, to the fullest extent permitted by law, to indemnify and hold harmless CITY against damages, liabilities and costs arising from the negligent acts of MSA in the performance of professional services under this Agreement, to the extent that MSA is responsible for such damages, liabilities and costs on a comparative basis of fault and responsibility between MSA and CITY. MSA shall not be obligated to indemnify CITY for CITY's sole negligence.

I. Costs and Attorney Fees

In the event either party incurs legal expenses to enforce the terms and conditions of this Agreement, the prevailing party is entitled to recover reasonable attorney's fees and other costs and expenses, whether the same are incurred with or without suit.

J. Jurisdiction and Venue

It is agreed that this Agreement shall be construed under and governed by the laws of the State of Idaho. In the event of litigation concerning it, it is agreed that proper venue shall be the District Court of the Seventh Judicial District of the State of Idaho, in and for the County of Bonneville.

K. Binding of Successors

CITY and MSA each bind themselves, their partners, successors, assigns and legal representatives to the other parties to this Agreement and to the partner, successors, assigns and legal representatives of such other parties with respect to all covenants of this Agreement.

L. Modification and Assignability of Agreement

This Agreement contains the entire agreement between the parties concerning PROJECT, and no statements, promises, or inducements made by either party, or agents of either party, are valid or binding unless contained herein. This Agreement may not be enlarged, modified, or altered except upon written agreement signed by the parties hereto. MSA may not subcontract or assign its rights (including the right to compensation) or duties arising hereunder without the prior written consent and express authorization of CITY. Any such subcontractor or assignee shall be bound by all of the terms and conditions of this Agreement as if named specifically herein.

M. CITY'S Representatives

CITY shall designate a representative authorized to act in behalf of CITY. The authorized representative shall examine the documents of the work as necessary, and shall render decisions related thereto in a timely manner so as to avoid unreasonable delays.

N. Conflict of Interest

MSA covenants that they presently have no interest and will not acquire any interest, direct or indirect, in PROJECT which would conflict in any manner or degree with the performance of services hereunder. MSA further covenants that, in performing this Agreement, they will employ no person who has any such interest.

O. Ownership and Publication of Materials.

All reports, information, data and other materials prepared by MSA pursuant to this Agreement shall be the property of CITY, which shall have the exclusive and unrestricted authority to release, publish, or otherwise use them, in whole or in part. All such materials developed under this Agreement shall not be subject to copyright or patent in the United States or in any other country without the prior written approval and express authorization of CITY. Reuse or modification of any such materials by CITY, without MSA's written permission, shall be at CITY's sole risk, without liability to MSA.

P. Non-discrimination.

MSA shall not discriminate against any employee or applicant for employment on the basis of race, color, religion, creed, political ideals, sex, age, marital status, sexual orientation, gender identity/expression, physical or mental handicap, or national origin.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date indicated above.

"MSA"
Murray, Smith & Associates, Inc.

"CITY"
City of Idaho Falls, Idaho

By _____

By _____
Rebecca L. Noah Casper, Mayor

ATTEST:

Rosemarie Anderson, City Clerk

STATE OF IDAHO)
) ss.
County of Bonneville)

On this _____ day of February, 2014, before me, the undersigned, a notary public for Idaho, personally appeared Rebecca L. Noah Casper, known to me to be the Mayor of the City of Idaho Falls, Idaho, the municipal corporation that executed the foregoing document, and acknowledged to me that she is authorized to execute the same for and on behalf of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public of Idaho
Residing at: _____
My Commission Expires: _____

(Seal)

STATE OF OREGON)
) ss.
County of)

On this _____ day of February, 2014, before me, the undersigned, a notary public for Oregon, personally appeared _____, known to me to be the _____ of Murray, Smith & Associates, Inc., the corporation that executed the foregoing document, and acknowledged to me that he/she is authorized to execute the same for and on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public of Oregon
Residing at: _____
My Commission Expires: _____

(Seal)

MURRAY, SMITH & ASSOCIATES, INC.
PROPOSED SCOPE AND FEE FOR DEVELOPMENT OF A
WATER FACILITY PLAN
CITY OF IDAHO FALLS, IDAHO

DESCRIPTION OF TASKS

The following scope allows Murray, Smith & Associates Inc. (MSA) to provide the City of Idaho Falls (City) consulting services related to the development of a Water Facility Plan (WFP).

BACKGROUND

MSA has been assisting the City over the past five (5) years with the development of a water system hydraulic model. In late 2011, MSA was asked to update the hydraulic model based on the updated GIS data. This included the addition of pump curves at many of the City's facilities. New software functionality developed by Innovyze now also allows for the more accurate modeling of a "closed system" such as Idaho Falls.

In 2011, MSA was selected through a proposal process to assist the City in evaluating the implementation of VFDs within the water system. This effort included both a modeling analysis as well as a physical review of each pumping facility in the system. The project culminated in the recommendation to implement VFDs at a minimum of three (3) booster pump locations in the system. MSA is currently creating a design to implement VFDs at the Well 15 Booster. Initial VFD evaluations are also being conducted at the Well 13 and Well 16 Booster Facilities. As part of that effort MSA has completed some of the Water Facility Plan components required for this project.

The WFP will meet requirements identified in the Idaho Administrative Procedures Act (IDAPA) 58.01.08. The WFP will be submitted to and reviewed by the Idaho Department of Environmental Quality (IDEQ).

The following tasks are proposed for this project:

- Task 1 – Kick-off and Management
- Task 2 – Data Collection and Analysis
- Task 3 – System Description
- Task 4 – Population and Demand Projections
- Task 5 – Distribution and Supply Analysis
- Task 6 – System Condition and Code Evaluation
- Task 7 – Operations and Maintenance
- Task 8 – Capital Improvement Plan
- Task 9 – Financial Evaluation

Task 10 – Draft and Final Plan Preparation

SCOPE OF SERVICES

Task 1 – Project Kick-Off & Management

Subtask 1.1 – Kick-Off Meeting

A kick-off meeting will be held, once notice to proceed has been received, to officially start the project and discuss the details of the approved scope. MSA will lead the kick-off meeting with City Staff to introduce the project team, establish project objectives, review consultant and City communication protocol, discuss the project scope and examine the project schedule. The primary focus of this meeting will be a discussion of the City's goals for the project and DEQ's requirements.

Assumptions

- Assumes up to a four (4) hour kick-off meeting with the MSA project manager and two (2) task leads. Two (2) hours of preparation time is included for the PM and each task lead.
- No coordination with IDEQ will be conducted prior to submitting the WFP near the completion of the work.

Deliverables

- Action items from the kick-off meeting (delivered electronically).
- Summary from DEQ meeting/discussions (delivered electronically).

Subtask 1.2 – General Project Management and Meetings

The purpose of this task is to provide management of the project team, schedule and budget. Included in this task are monthly invoicing, budget and schedule review, updates, and general administrative tasks.

As project manager, David Stangel, will maintain regular communication with the City and the team throughout the duration of the project, lead meeting and workshop discussions, keep the City up-to-date on any study issues or details and make sure the City's input is incorporated into the work product.

The project will be managed to maintain the scope, schedule, and budget. At a minimum, updates on project schedule and budget will be provided as part of the monthly invoicing process.

Assumptions

- Meeting and workshop facilitation will be limited to those specifically identified in this scope of work.
- The City will provide clear, concise and timely input and review on the work products produced by the consultant.
- Four (4) hours per month have been budgeted for project management and meeting time for the 12-month project duration.
- Monthly project status conference calls will be held with the City. It has been assumed that an on-site meeting will be held every other month in lieu of the conference call.
- No time will be charged for travel by MSA.

Deliverables

- Monthly invoices due to the City's project manager each month
- Monthly Project Updates – specifically including budget and schedule status

Task 2 – Data Collection & Analysis

In this task, MSA will review background information already provided by the City and develop a formal data request for any additional information required for completion of the work. MSA will endeavor to limit the number of data requests that are made in an effort to minimize the required City Staff time.

In this task, MSA will be responsible for identifying any required additional information and the City will be responsible for the collection and delivery of the requested information. It is anticipated that additional data requests will be made throughout the project, however the majority of the data required will be requested at the beginning of the project.

Assumptions

- MSA and the City will endeavor to identify and collect required data in a timely manner so as to not impact the project schedule.
- Updated GIS based information may be requested. These layers would include; aerial photos, parcels, roads, contours, land use and/or zoning, city boundaries, service area boundaries, hydrology, water system features. This information will be used for general base mapping for all figures in the WFP.
- MSA will endeavor to minimize the information requested from the City to complete this work. All known and readily available existing condition information will be collected and developed into preliminary draft form prior to submittal of a data request to the City.

Deliverables

- Formal data request(s)

Task 3 –System Description

In this task, an existing system description will be generated for inclusion in the WFP. Existing information from previous efforts will be leveraged where possible. This task will also include development of a general description of the project area (water system service area) existing conditions. This description will be as required by the DEQ for the development of a Facilities Plan as outlined in Idaho Administrative Procedures Act (IDAPA) 58.01.08.

The System Description is anticipated to include, at a minimum, the following components:

- Utility management structure
- System background
- Description of Facilities
- Summary of the size, type and length of piping
- Inventory of existing facilities (wells, booster stations, reservoirs, treatment)
- Related plans, interties and service agreements
- Existing and future service area

Assumptions

- A general project description that documents the City's facilities and piping has already been created as part of the VFD analysis. MSA will add the additional components needed to meet the IDAPA requirements.
- The project is not scoped to include all the requirements for the DEQ SRF Loan (58.01.20 and 58.01.22) program.

Deliverables

- A Draft Technical Memorandum (electronic version) System Description will be delivered to the City.

Task 4 - Population and Demand Projections

The development of future population growth and associated water demand projections is a fundamental building block for determining the City's future needs. Of equal importance is understanding where in the system growth will occur so that infrastructure is adequately sized. In this Task, MSA will work with the City to develop and describe these items. Several pieces of information will be required to successfully project population and demands including:

- Current and future service area boundaries
- Location based population and employment information
- Historical water production records
- 20 year population and employment projections
- 40 year population and employment projections

As part of the current VFD Study, the existing water use analysis has been updated and provides a basis for projecting demand into the future. This analysis will be updated to reflect recent production and customer count information.

MSA would propose to develop two (2) different water use growth rates over the next 40 years. This would include a growth rate assuming per capita water use rates do not change significantly from those seen today and a second that assumes at least a modest reduction due to an active conservation program and/or metering of the system. This reduction may be in the order of 10 to 20 percent, but more importantly it will provide numbers to evaluate the capital investment impact of trying to actively promote conservation versus staying the current course.

MSA has completed some previous growth analysis as part of sewer planning work. This information will be reviewed and discussed for use on this project. MSA will utilize the Bonneville County Planning Organization (BMPO) information as a base for projections over the next 40 years.

In addition to the population based demand projections, an industrial reserve component will be identified within a specific area of the system. A similar reserve was identified for the sewer system and these elements will be coordinated.

It is the intent of the WFP to tie future improvements to population and the related water usage thresholds, not necessarily dates in time. This will enable the City to utilize maximum day demands (MDD) for example, as “trigger points” for determining when new supply or storage should be constructed.

Assumptions

- MSA will only update production and customer counts, but otherwise utilize the work performed to identify the existing water use rates and will not make additional refinements of that information.
- MSA will utilize BMPO based planning data unless other information is provided.
- 5-, 20- and 40-year projections will be made for population and demand.

Deliverables

- A Draft Technical Memorandum (electronic version) summarizing the population and demand projections.

Task 5 – Distribution and Supply Analysis

The focus of Task 5 will be on the overall adequacy of water supply over the next 40 years and the ability to deliver that water through the City’s water facilities and piping during the next 20 years. An existing hydraulic model that was developed under previous scopes of work will be used for the distribution system analysis.

Subtask 5.1 – Water Rights Analysis

The City has a water rights strategy, including a plan for water rights transfers, licensure, points of diversion, etc. However, per the City's feedback, the strategy is not well documented. The goal of this task is to provide a high level review of existing documentation provided by the City, their water rights attorney and their hydrogeology consultant. The City will develop a water rights summary and strategy document for review by MSA. Other information provided by the City can be included as an appendix to the WFP.

Assumptions

- The City will provide a summary document of their current water rights.
- MSA will review the summary and incorporate it into the system analysis section.
- The City will conduct any correspondence with their water rights attorney.
- City will provide the summary in Word and/or Excel format.

Deliverables

- The City will provide a water rights summary that MSA will review and incorporate it into the overall Distribution and Supply Analysis Section.

Subtask 5.2 – Water Supply versus Demand

Calculations of water supply versus demand will be completed for existing, 5-, 20- and 40-year horizons. This will include the evaluation of standby power as well as peak hour demand and maximum day demand plus fire flow compared with available supply. This subtask will also include an updated discussion on the City's policy to serve peak demands and fire flows from wells versus reservoirs and boosters. A discussion related to this topic will be conducted as part of the water supply workshop. A policy of how the City will proceed in the future will be discussed and recommendations made at the conclusion of the section.

Depending on the results from the water supply versus demand calculations, recommendations will be provided for the City to conduct additional evaluations of one or more of the above mentioned source options.

Assumptions

- General locations will be identified for future well sites, however no hydrogeologic evaluations will be conducted as part of this scope. The hydraulic model will be used to assist in evaluating the proposed locations of future supply (during the next 20 years) in subsequent tasks.
- The largest producing system facility will be assumed to be out of service when calculating the adequacy of supply.

Deliverables

- A document summarizing the City's water supply versus demand will be provided as part of the overall Distribution and Supply Analysis Section.

Subtask 5.3 – Define Design Standards

The design standards applicable to the City's system and used in the hydraulic analysis will be identified including minimum and maximum pressures, velocity and fire flows. Many of these standards will be based on the IDEQ requirements described in the Idaho Administrative Procedures Act (IDAPA), or if desired, a more conservative standard, set by the City. A discussion that may include the City's fire chief is included in the scope.

Assumptions

- The design standards agreed upon as part of this subtask will be used to identify hydraulic deficiencies in the hydraulic analysis

Deliverables

- A document summarizing the City's selected design criteria will be provided to the City prior to completing any hydraulic evaluations.

Subtask 5.4 – Future Model Demand Allocation

As noted, MSA has been working with the City's model for several years. It is assumed that no additional updating of facilities, or existing demand nor validation will be required prior to utilizing the model for the analysis.

Future demands will be allocated based on the work performed in Task 4 for 5- and 20-year horizons.

Assumptions

- The 40-year analysis will only be completed for supply and storage and will not be evaluated in the hydraulic model.
- Assumes no field data collection will be required by MSA

Deliverables

- A working steady state model with existing and future demands will be delivered.

Subtask 5.5– Hydraulic Evaluations

MSA will utilize the model to perform the existing and future evaluations to identify hydraulic deficiencies based on the design criteria. MSA will conduct steady state evaluations under ADD, MDD, PHD and Fire Flow for existing, 5- and 20-year scenarios.

Assumptions

- The City will provide guidance on the fire flow requirements to be utilized at different locations in the system. It is assumed that fire flows will be run at all demand locations, as actual hydrants are not included in the model.
- Model will be analyzed under steady state conditions
- Includes one (1) onsite meeting to review the hydraulic analysis and identify potential deficiencies.

Deliverables

- A technical memorandum documenting the steady state analysis for inclusion in the overall Distribution and Supply Analysis Section.

Subtask 5.6 – System Analysis Documentation

The system analysis section will constitute a large and important chapter in the final WFP. A draft technical memorandum will be produced allowing City review prior to the delivery of the draft WFP. The documentation will include; design standards, model network development, model demands, model validation, model analysis, condition assessment, and the results of the system analysis workshop.

Assumptions

- The technical memorandum delivered in this subtask will be converted into a WFP chapter once comments have been received.

Deliverables

- A draft technical memorandum for the overall Distribution and Supply Analysis Section will be developed. City comments will be incorporated into the draft WFP.

Task 6 – System Condition and Code Evaluation

As part of the overall planning effort, the City would like to develop a long term plan for the rehabilitation and replacement of system components. This evaluation will include site visits to each of the well and booster facilities in addition to performing a desktop analysis to identify a long term replacement plan for the distribution system.

Subtask 6.1 – Assess Facility Condition

MSA will initially work with the City to identify a facility and pipe rating system that can be utilized in the event an overall asset management system is selected. MSA will conduct a review of the current industry standard rating systems and provide this information to the City. MSA will then develop and use a rating system that is compatible with these rating systems when conducting the detailed facility reviews.

MSA will conduct an interview with the City's operations and maintenance staff regarding the condition of the City's water distribution facilities (17 sites total). MSA will also visit each facility. Each facility typically has at least one well pump, a booster station (sometimes multiple pumps) and a chlorine contact reservoir. The number of wells and booster pumps varies with each facility. MSA will summarize the condition information and any capital improvement projects identified by the City staff. Condition related improvements will be included in the system analysis workshop and overall capital improvement plan.

Assumptions

- City will provide as-built information for all water distribution facilities.
- City will provide the most recent Sanitary Surveys submitted to IDEQ
- Assessment will be based on visual observation of the facilities and information provided by the City. Testing (e.g. destructive load, equipment performance) will not be performed.
- The SOW does not include a detailed structural analysis of each facility
- SOW includes two meetings with City staff. A kick-off meeting prior to the field assessments and a meeting to review the initial facility rating.
- One (1) days of on-site time has been budgeted to perform a field assessment of the 17 well and booster facilities. City staff will assist with field assessments in order to limit MSA field assessment time to 1 day.
- As part of the facility condition evaluations, a condition rating standard will be identified.
- Information previously collected during the VFD Study site visits will be leveraged where possible during this task.

Deliverables

- An overall system condition evaluation TM will be developed and delivered to the City for review. Digital copies of all assessment summaries will be provided to the City.

Subtask 6.2 – Assess Facility Code Compliance

Using the information gathered during task 6.1, MSA will assess each facility for compliance with the following codes and regulations:

- IDAPA 58.01.08
- IDEQ Drinking Water Well/Pumping Station Design Checklist

Each well and booster facility will be evaluated related to IDAPA and IDEQ code compliance. Facility features and systems not regulated by IDAPA and IDEQ e.g. structural systems, electrical systems, , SCADA/instrumentation) will not be evaluated. Surface features of the well (e.g. vents) will be reviewed. Subsurface construction (e.g. screens, sanitary seals) will not be reviewed.

Assumptions

- Time for the assessments has been included in subtask 6.1

Deliverables

- An overall system condition evaluation TM will be developed and delivered to the City for review.

Subtask 6.3 – Identify Pipe Replacement Program

MSA will conduct a desktop analysis to identify a long term replacement program for the City's piping. Information from the GIS (age and material), staff interviews, leak locations, and other data will be used to identify the prospective useful life of differing age and materials of pipe within the system. Current pipe replacement and/or lining costs will be used to identify the yearly investment required to ensure the City's system is maintained, in 2014 dollars.

Assumptions

- One day of time has been budgeted to meet with City staff and review available pipe condition information.
- If applicable the facility rating system identified will be utilized for classifying the pipe replacement schedule.
- A yearly pipe replacement budget will be recommended to the City.

Deliverables

- An overall system condition evaluation TM will be developed and delivered to the City for review. Digital copies of all assessment worksheets and summaries will be provided to the City.

Task 7 - Operations and Maintenance

The City has not made significant investments historically in documenting their O&M procedures. This task will focus on evaluating the current status of the documentation and procedures and make clear recommendations related to how the City should proceed.

Subtask 7.1 – Review Current City O&M Procedures

MSA will work with City staff to create an operations and maintenance (O&M) section that will be included in the WFP. MSA would propose to review the status of the following City documents and programs:

- Well site preventative maintenance
- Valve exercising and maintenance program
- Cross connection control program
- Confined space entry program

- Meter replacement/conversion program
- System leak detection program
- System flushing program
- Source water protection program
- Public information program
- Emergency response program
- Customer complaint response program
- Sampling program

MSA will also work with the City to identify and document the following:

- Water system management and personnel
- Operator certification
- System operation and control
- Safety procedures
- Record keeping and reporting
- Operations & maintenance needs and improvements

Where existing plans do not exist MSA will provide example plans from other utilities that the City can use as reference.

MSA will also perform benchmarking of at least three to four other similar sized utilities in Idaho on a number of O&M items such as; number of staff, size of system, yearly budget, yearly capital and replacement budget, leak detection and flushing program. If additional staff are required, the need for additional staff/shop facilities and/or equipment may be required. The City will provide recommendations related to the need for existing equipment and/or staff facilities.

This information will be summarized and documented in the WFP. MSA will also conduct onsite interviews with staff concerning current O&M procedures.

If desired by the City, O&M related items may be included in the capital improvement plan.

Assumptions

- MSA will not be responsible for the quality or applicability of the specific O&M related plans that will be provided from other similar utilities.
- The City will provide existing ratios of staff to office space and equipment that will be utilized for extrapolating additional needs based on projected staffing levels.
- MSA will not provide cost estimates for the expansion of office or equipment space unless authorized to do so under the out of scope task. The support of a licensed architect will likely be contracted for these services.
- The City will provide copies (preferably electronic) of above information where available.

- This subtask budget does not include creating the items listed above. A prioritized list of recommendations related to the programs will be created.
- Up to two (2) days of on-site meetings and interviews by two (2) MSA staff will be conducted with City O&M staff.

Deliverables

- A draft O&M section will be prepared as part of this subtask.

Subtask 7.2 – Conservation Plan Development

The City currently does not have a formalized conservation plan. The City will take the lead in developing a conservation planning document for inclusion in the overall WFP. MSA will provide some example conservation plans from other utilities, however will not be responsible for the development of the plan. MSA will review the draft conservation plan that the City develops and provide comments and suggestions for inclusion in the final.

Assumptions

- City staff will develop the conservation plan document.
- No additional council presentations or meetings have been included for MSA in the budget for the conservation planning.
- The City will provide the draft and final conservation plan in word format for inclusion as an appendix to the overall WFP.

Deliverables

- MSA will provide comments and suggestions related to the conservation plan that the City develops.

Task 8 - Capital Improvement Plan

Task 8 will be focused on the development of a capital improvement plan (CIP) for the next 20 years and will focus on the next five (5). There are two (2) primary pieces to this task; the development of the unit costs that are applied to each of the identified project and the CIP prioritization workshop.

Subtask 8.1 – Development of Unit and Project Costs

Based on the recommendations from previous tasks, a list of proposed projects based on hydraulic deficiencies, conditions related issues or O&M items will be generated. Unit costs for pipelines, wells and reservoirs in particular will be developed for generating project specific order of magnitude costs. Each project will be described in terms of the reason for the improvement, the location, its size and extent, as well as the total project cost including engineering and construction. Corresponding figures will be generated showing the improvement along with a unique identifier that will also be populated in the hydraulic model.

This task includes development of cost estimates for up to four capital projects to address condition related distribution facility improvements. A unit cost for a typical new facility that can be compared to retrofit costs and scaled to be applied to different facility sizes will also be developed.

MSA will compare the capital improvements identified within the City's existing CIP with those generated as part of this WFP. Where project costs are different, these differences will be reviewed and incorporated into the WFP where appropriate.

An estimate to install meters for all City customers will also be included in the CIP. This effort will include the development of a meter unit installation and equipment cost for each customer type (residential, commercial and industrial).

Where possible, a demand threshold will be identified that defines when a specific project is required, that will also be associated with a projected timeframe.

Assumptions

- The City will provide bid tabs for any water projects constructed over the past 10 years.
- The City will provide the existing water system capital project list.
- MSA will utilize cost estimating conducted for other Idaho and northwest utilities cost estimate references (e.g. RS Means) and the current Engineering News Record (ENR) indices.
- Order of magnitude cost estimates in 2014 dollars that are accurate to within plus 50% and minus 30%.

Deliverables

- A draft CIP will be developed as part of this subtask.

Subtask 8.2 – CIP Prioritization Workshop

MSA will conduct a prioritization workshop based on the draft CIP. MSA will work with the City to develop criteria for the prioritization based on a number of factors including; whether it is an existing deficiency or not, the extent of the deficiency, number of customers impacted, type of customer impacted, whether it addresses both a hydraulic and condition deficiency, and others. Projects to be implemented in the first five (5) years will be identified first, then those in the 5 to 10 year range and finally those between 10 and 20 years. The CIP documentation will be updated at the conclusion of this subtask.

Assumptions

- It is anticipated that the majority of the future capital investments required by the City will be related to replacing or rehabilitating facilities and piping.
- The City will provide initial guidance on yearly budget thresholds that will be refined as part of the rate analysis.
- A full day on-site workshop has been budgeted for this task. Appropriate MSA task leads and City staff will be required.

Deliverables

- A draft prioritized CIP will be developed.

Task 9 – Financial Analysis

Subtask 9.1 - Financial Plan Development & Rate Impact Analysis

GRG will submit a data request list outlining the information required to complete the analysis and will work with the City to identify any specific needs or constraints for the rate impact study.

GRG will review the current operating budget, audited financial statements, and revenue anticipations for the water system. Based on that review, GRG will work with the City to develop projections of these expenses over a 40-year forecast period and incorporate any potential changes in the level of O&M spending identified by MSA that might occur as a result of new infrastructure or changes in operating procedure. GRG will also ensure that adequate renewal and rehabilitation expenditures for existing assets are incorporated into the financial forecast.

GRG will develop a 40-year financial planning model for the City (in Microsoft Excel) that will outline revenue requirements for the water system (including debt service payments), incorporate account growth and system expansion assumptions identified in the capital facilities plan, and project water system revenues under existing rates. The financial planning model will be used to evaluate various funding mechanisms for the proposed capital expenditures identified in the facilities plan, including revenue bonds, pay-as-you-go financing, available grants or other contributions, and any other funds available to the City. The financial planning model will identify the rate increases necessary to fund capital expenditures and will also analyze various financial performance metrics, such as debt service coverage and minimum balance targets, over the forecast period.

GRG will use the financial planning model to develop a comprehensive funding plan for the proposed capital expenditures. The plan will present a summary of CIP funding sources and estimated rate impacts over the forecast period. It is assumed that the City may wish to analyze the feasibility of multiple capital expenditure patterns, depending on the initial test of affordability. GRG will work with the City and MSA to evaluate the affordability and identify the rate impacts associated with as many as 10 different capital expenditure scenarios. The budget estimate does not include resources for GRG to prioritize projects.

Deliverables

- GRG will produce a technical memorandum that summarizes the assumptions of the rate impact analysis and describes the (one) recommended funding strategy for the capital facilities plan over the forecast period.

Subtask 9.2 - Evaluate Alternative Rate Structures

GRG will work with the City to understand the advantages and limitations of the existing water rate structure, and identify preferred characteristics of a revised rate structure. Based on a review of existing practices within the water industry, GRG will identify rate options that are both practical and feasible for a utility whose customer base is largely unmetered. Together, the City and GRG will select the preferred rate structure for further evaluation based on the advantages and disadvantages of each alternative.

GRG will analyze the existing billing determinants of the water system (number of accounts by customer class, metered use for those customers with a meter) and develop a revenue forecasting tool to determine appropriate fee levels for the proposed rate structure using the most recently completed fiscal year as a test year. Because metered water use data is not available, and cost-causing service characteristics by customer class are largely unknown, the recommended rate structure will not be based on standard rate-making practices or cost-of-service guidelines. Instead, the analysis will rely on feedback from the City and comparisons of industry water consumption patterns to estimate inter-class cost equity.

The level of effort for this task can vary greatly depending on the quality of billing data available. Based on previous discussions with the City, GRG will use an approach that focuses on customer information readily available to the utility.

Deliverables

- GRG will produce a technical memorandum that outlines the proposed rate structure and demonstrates revenue recovery by customer class for the test year.

Subtask 9.3 - Meetings / Quality Control Review / Project Management

This task includes time for preparation and attendance at up to three (3) meetings with the City to review billing data, develop alternative financial plans, or discuss preliminary results. Resources have also been set aside to present findings to the City Council and other stakeholder groups. This task also provides resources for GRG to conduct quality control reviews of all work products and deliverables.

Deliverables

- Meeting minutes as appropriate

Subtask 9.4 – City Code Review

The City is performing an overall review and revision of their City code related to public works and associated rate and fee structures. The City will provide the proposed revised code and MSA and GRG will review and provide comment.

Assumptions

- A nominal hour estimate of sixteen (16) hours has been included for this effort.
- No time for making presentations to council or other political bodies has been included in this scope.

Deliverables

- Comments related to the City's proposed code changes.

Optional Subtask 9.5 - Evaluate Financial Feasibility of Meter Installation

At the City's request, GRG may also analyze the financial feasibility of meter installation. For this task, GRG will develop estimates of water use behavior as various customer classes react to a metered rate structure. GRG proposes to develop both high and low estimates of water use over the forecast period under this scenario. The task assumes that MSA would use the revised water use assumptions, and account growth assumptions from the base case analysis, to make adjustments to the capital facilities plan. These adjustments would presumably reflect changes to water supply, water rights development, and other capital projects over the forecast period as customers begin to conserve water. MSA would provide the revised capital facilities plan to GRG, along with an estimate of the implementation cost to install meters for City customers. GRG will incorporate the revised capital facilities plan and modified water use assumptions into the financial model to evaluate the financial feasibility of meter installation. This task is intended to offer the City a high-level analysis of the potential financial impacts of meter installation, not a financial roadmap for implementation.

Deliverables

- GRG will develop a brief TM that summarizes the expected changes to financial model parameters and presents the revised funding plan and estimated rate impacts associated with City-wide meter installation.

Task 10 - Report Preparation

As previously described, MSA will develop a WFP with the sections described in this scope and ultimately obtain Idaho DEQ approval. Task 10 is intended to take the work products and findings from the previous tasks and consolidate them into a single document. The WFP is anticipated to include the following major chapters:

1. Introduction/Executive Summary
2. Existing Systems Description
3. Population and Demand Projections
4. Distribution and Supply Analysis
 - a. Water Supply Analysis
 - b. Hydraulic Model Evaluation

5. System Condition and Code Evaluation
6. Water Quality and Regulations
7. Operations and Maintenance
8. Capital Improvement Plan
9. Financial Plan
10. Appendix

Task 10 includes the generation of the draft and final Plans. The City and DEQ will provide review and comment on the draft prior to developing the final WFP. Review meetings are included with both the City and DEQ. What is included in the appendix for supporting documentation will be agreed upon by MSA and the City.

A meeting to present the WFP summary to the City Council Public Works Committee is included. A meeting to present the WFP to the City council is also included. A public open house is also budgeted for presentation of the WFP.

A final document that incorporates all final City (staff and council) and public comments will be prepared and submitted to the City and DEQ.

Assumptions

- The same powerpoint presentation will be utilized for the public works committee meeting as the public council meeting.
- Several poster boards (6-10) will be developed for use at the public open house.
- Draft versions of the WFP will be submitted to the City in electronic format. The exception will be when the draft final is submitted to IDEQ, which will be in hard copy format.
- Nine (9) final hard copy WFP's will be delivered to the City (including one (1) copy for IDEQ).
- Review period for the draft submittal by the City has been scheduled to take no more than 10 work days.
- Review period for the draft submittal by DEQ, has been scheduled to take no more than 20 work days.

Deliverables

- Draft and final versions of the document will be delivered to the City and DEQ. An electronic PDF version of the document will also be delivered to the City of both the draft and final.

BUDGET

The overall not to exceed budget estimate for this project of \$264,971 is shown in Table 1. The work provided in this Task Order will be billed on a time and expense basis using the firm's current standard Schedule of Charges in effect at the time the work is performed (2014 schedule attached).

Table 1 | Total Project Fee

Task	Hours	Subconsultant and Expense Cost	Fee
Task 1 – Kick-off and Management	67	\$500	\$12,003
Task 2 – Data Collection	20	-	\$2,679
Task 3 – System Description	16	-	\$1,928
Task 4 – Population and Demand Projections	61	-	\$7,391
Task 5 – Distribution and Supply Analysis	188	\$500	\$24,136
Task 6 – System Condition and Code Evaluation	478	\$13,308	\$78,650
Task 7 – Operations and Maintenance	142	\$500	\$19,678
Task 8 – Capital Improvement Plan	182	\$4,388	\$27,146
Task 9 – Financial Evaluation	40	\$47,646	\$54,438
Task 10 – Draft and Final Plan Preparation	285	\$4,100	\$36,922
Project Total	1,479	\$70,942	\$264,971

TIME OF PERFORMANCE

The WFP is anticipated to be completed over a period of approximately 12 months, beginning in February 2014. MSA will make every effort to complete the work in a timely manner; however, it is agreed that MSA cannot be responsible for delays occasioned by factors beyond its control, nor by factors that could not reasonably have been foreseen at the time this scope was executed. An updated Schedule will be provided to the City at the kick-off meeting and modified as required as the project progresses.