

City of Fayetteville Staff Review Form

2019-0775

Legistar File ID

12/3/2019

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Tim Nyander

11/7/2019

WASTEWATER TREATMENT (730)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

Staff recommends the approval of Amendment No. 11 to the Agreement for Operations, Maintenance and Management Services between the City of Fayetteville, Arkansas and CH2M Hill Engineers, Inc. in the amount of \$7,250,876.00 for services in 2020.

Budget Impact:

5400.730.XXXX-5328.00

Water and Sewer

Account Number

Fund

48048.XXX

OMI Expenses

Project Number

Project Title

Budgeted Item? Yes

Current Budget \$ 7,250,876.00

Funds Obligated \$ -

Current Balance \$ 7,250,876.00

Does item have a cost? Yes

Item Cost \$ 7,250,876.00

Budget Adjustment Attached? No

Budget Adjustment

Remaining Budget \$ -

V20180321

Purchase Order Number:

Previous Ordinance or Resolution # 277-18

Change Order Number:

Approval Date:

Original Contract Number:

Comments:



MEETING OF DECEMBER 3, 2019

TO: Mayor and City Council

THRU: Don Marr, Chief of Staff
Water & Sewer Committee

FROM: Tim Nyander, Utilities Director

DATE: November 7, 2019

SUBJECT: Amendment No. 11 to the Agreement with CH2M Hill Engineers, Inc.

RECOMMENDATION:

Staff recommends the approval of Amendment No. 11 to the Agreement for Operations, Maintenance and Management Services between the City of Fayetteville, Arkansas and CH2M Hill Engineers, Inc. in the amount of \$7,250,876.00 for services in 2020.

BACKGROUND:

When the original Noland Wastewater Treatment Plant (WWTP) upgrade was completed in 1987, the City contracted with OMI (now CH2M Hill/Jacobs) for wastewater treatment services. In December 2009, the Fayetteville City Council passed Resolution No. 265-09 which approved a proposed five-year contract subject to and contingent upon yearly budget approval by the City of Fayetteville, with two successive five-year options to renew. Amendment No. 11 represents the first year of the second five-year renewal. The contract was renegotiated this year and several changes were made to the agreement for services in 2020.

DISCUSSION:

In the year 2020, the scope of services provided by CH2M HILL/Jacobs will include: (1) operate and maintain the Noland and West Side wastewater treatment facilities; (2) operate and maintain 37 wastewater lift stations; (3) administer the City's NPDES discharge, air, stormwater, and other permits; (4) manage the City's biosolids disposal program; (5) manage the City's industrial pretreatment program; (6) support the SCADA (supervisory control and data acquisition system) network that monitor water and wastewater facilities; (7) pursue operation economies, efficiencies, and permit compliance; (8) provide engineering services on an agreed-to basis; and (9) continue to refurbish the sand filters at the Noland plant on an incremental basis.

The City is currently upgrading the SCADA system, and Amendment No. 11 adds services for CH2M Hill/Jacobs to provide more in-depth operations and maintenance of the SCADA software and hardware. The added services in 2020 will include the operations and maintenance of SCADA wireless and telemetry equipment, Programmable Logic Controllers and Remote Terminal Units (PLCs/RTUs), SCADA software, servers, and network equipment purchased by the City, and the associated power protection equipment. CH2M Hill/Jacobs will also operate

and maintain the Operational Technology (OT) components of the Industrial Control system (ICS), including servers, computers, network equipment, and software backups and security. This Amendment No. 11 outlines a lower cost for emergency services provided by CH2M Hill/Jacobs (outside services, services completed by personnel not assigned to the project, or excessive overtime hours exceeding regulatory labor laws). In previous years, the emergency services were provided at cost plus 22%. Staff has renegotiated this amendment to be reduced to cost plus 18%.

BUDGET/STAFF IMPACT:

Funds are available in the overall Utilities budget.

Attachments:

Amendment No. 11

**AMENDMENT NO. 11 TO AGREEMENT
For
OPERATIONS, MAINTENANCE AND MANAGEMENT SERVICES
Between
CITY OF FAYETTEVILLE, ARKANSAS
And
CH2M HILL ENGINEERS, INC.**

THIS AMENDMENT NO. 11 to the Agreement for Operations, Maintenance and Management Services between the City of Fayetteville, Arkansas, Water Resource Recovery Facility and its pertinent systems dated December 15, 2009 (the "Agreement"), is made effective on the 1st day of January, 2020, by and between City of Fayetteville, Arkansas, acting by and through its Mayor (hereinafter "City of Fayetteville") and CH2M HILL Engineers, Inc., (hereinafter "CH2M")

NOW THEREFORE, the City and CH2M hereby amend the Agreement as follows:


1. The Contract is hereby deleted in its entirety and replaced with the attached amended and Restated Contract.
2. Appendix A is hereby deleted in its entirety and replaced with the attached Appendix A.
3. Appendix B is hereby deleted in its entirety and replaced with the attached Appendix B.
4. Appendix C is hereby deleted in its entirety and replaced with the attached Appendix C
5. Appendix D is hereby deleted in its entirety and replaced with the attached Appendix D.
6. Appendix E is hereby deleted in its entirety and replaced with the attached Appendix E.
7. Appendix F is hereby deleted in its entirety and replaced with the attached Appendix F.
8. Appendix G is hereby deleted in its entirety and replaced with the attached Appendix G.
9. Appendix H is hereby deleted in its entirety and replaced with the attached Appendix H.
10. Appendix I is hereby deleted in its entirety and replaced with the attached Appendix I.
11. Appendix J is hereby added to this Agreement.
12. Appendix K is hereby added to this Agreement.

This Amendment No. 11, together with prior Amendments and the Agreement, constitutes the entire agreement between the Parties and supersedes all prior oral and written understandings with respect to the subject matter set forth herein. Unless specifically stated all other terms and conditions of the Agreement shall remain in full force and effect. Neither this Amendment nor the Agreement may be modified except in writing signed by an authorized representative of the Parties.

The Parties, intending to be legally bound, indicate their approval of the Amendment by their signatures below.

Officer have made and executed this Agreement as of the day and year first above written.

CH2M HILL ENGINEERS, INC.

By: 
Name: Steve Meininger
Title: Senior Vice President
Date: 11/4/19

CITY OF FAYETTEVILLE, ARKANSAS

By: _____
Name: Lioneld Jordan, Mayor
Title: Mayor
Date: _____

ATTEST:

By: _____
Name: Lisa Branson
Title: Deputy City Clerk
Date: _____

AGREEMENT
For
OPERATIONS, MAINTENANCE, AND MANAGEMENT SERVICES
Between
CITY OF FAYETTEVILLE, ARKANSAS
And
CH2M HILL ENGINEERS, INC.

THIS AGREEMENT (hereinafter "Agreement") and associated appendices are made as of _____ day of 20____, by and between City of Fayetteville, Arkansas, acting by and through its Mayor (hereinafter "City of Fayetteville") and CH2M HILL Engineers, Inc., a wholly owned subsidiary of Jacobs Engineering Group, Inc. (hereinafter "CH2M HILL") with company Tax ID ending in 0027.

The City of Fayetteville requires professional operation, maintenance, management and engineering services for wastewater treatment facilities and systems owned by the City of Fayetteville. Therefore, City of Fayetteville and CH2M HILL mutually agree that CH2M HILL shall serve as such.

The City of Fayetteville and CH2M Hill agree the following Appendices are hereby included with this Agreement:

- Appendix A – List of Appendices
- Appendix B – Definitions
- Appendix C – Scope of Services
- Appendix D – Compensation for Services
- Appendix E – Location of Project
- Appendix F – Environmental Permits and Project Characteristics
- Appendix G – Industrial Waste Discharges and Monitoring Program
- Appendix H – Vehicle and Mobile Equipment Description (Rolling Stock)
- Appendix I – Base Fee Adjustment
- Appendix J – Monthly Reports
- Appendix K – CH2M Hill's Travel Policy

SECTION 1: AUTHORIZATION OF SERVICES

- 1.1 Definitions of words or phrases used in this Agreement are contained in Appendix B.
- 1.2 All grounds, facilities, equipment, and vehicles now owned by City of Fayetteville or acquired by City of Fayetteville shall remain the property of City of Fayetteville.

- 1.3 This Agreement shall be governed by and interpreted in accordance with the laws of the State of Arkansas and venue shall be in Washington County, Arkansas.
- 1.4 This Agreement shall be binding upon the successors and assigns of each of the parties.
- 1.5 All notices shall be in writing and transmitted by certified mail to:
- | | |
|---|--|
| City of Fayetteville
113 West Mountain
Fayetteville, AR 72701 | CH2M HILL
9191 South Jamaica St.,
Englewood, CO 80112
ATTN: Contracts Manager |
|---|--|
- 1.6 Changes, modifications, or amendments in scope, price or fees to this Contract shall **not** be allowed without formal contract amendment approved by the Mayor and the City Council **in advance** of the change in scope, cost, fees, or delivery schedule.
- 1.7 This Agreement, including Appendices, is the entire Agreement of the parties. This Agreement may be modified only by written agreement signed by both parties. Wherever used, the terms "CH2M HILL" and "City of Fayetteville" shall include the respective officers, agents, directors, elected or appointed officials, and employees.
- 1.8 The Utilities Director or his/her designee is the City of Fayetteville's project representative with respect to the services performed under this Agreement. He/she shall have complete authority to transmit instructions, receive information, interpret and define City policies and decisions with respect to materials, equipment, elements, and systems to be used in the Project, and other matters pertinent to the services covered by this Agreement. All sub-consultants and sub-contractors shall adhere to conditions listed in this agreement.

SECTION 2: SCOPE OF SERVICES – CH2M HILL

- 2.1 Perform professional services in connection with the Project as hereinafter stated.
- 2.2 Operate and maintain all facilities over a 24-hour per day, 7-day per week period, under full service contract operations and maintenance. Operations may be performed with on-site staff and/or remote monitoring/on-call services for all or portions of this time.
- 2.3 The detailed Scope of Services to be furnished by CH2M HILL is included in Appendix C attached hereto and made part of this Agreement.

SECTION 3: SCOPE OF SERVICES - CITY OF FAYETTEVILLE

- 3.1. Provide full information as to City of Fayetteville's requirements for the Project in writing.
- 3.2. The detailed Scope of Services to be furnished by City of Fayetteville is included in Appendix C attached hereto and made part of this Agreement.

SECTION 4: ACCOUNTING, REPORTING & COMPENSATION

- 4.1 The City acknowledges CH2M HILL is utilizing a cash basis method of accounting and reporting.

- 4.2 The detailed Compensation for Services to be furnished by City of Fayetteville during the Project is included in Appendix D attached hereto and made part of this Agreement.
- 4.3 CH2M HILL and City of Fayetteville agree that CH2M HILL will provide a monthly report in a format, as further defined in Appendix J , reflecting estimated to actual cost, and will submit the report within thirty (30) calendar days after the end of the monthly period. The year end reconciliation shall be performed following CH2M HILL's annual audit and shall be submitted within ninety (90) calendar days of the end of the contract year. If invoices are received after the reconciliation, these costs will be applied to the current contract year. Any difference due to City of Fayetteville or CH2M HILL will be paid within thirty (30) calendar days of the annual reconciliation completion.

SECTION 5: PAYMENT OF COMPENSATION

- 5.1 Invoices for Direct Labor, Fixed Management Fee, Direct Expenses and Engineering Services will be submitted in accordance with Appendix D.2. Monthly statements for each calendar month shall be submitted to City of Fayetteville or such parties as City of Fayetteville may designate for services consistent with CH2M HILL's normal billing schedule. Once established, the billing schedule shall be maintained throughout the duration of the Project. Applications for payment shall be made in accordance with a format to be developed by CH2M HILL and approved by City of Fayetteville.
- 5.2 All other compensation to CH2M HILL is due upon receipt of CH2M HILL's invoice and payable within thirty (30) calendar days, however, payment within 30 calendar days is not guaranteed.

SECTION 6: INDEMNITY, LIABILITY, AND INSURANCE

- 6.1 During the course of performance of these services, each party will maintain insurance coverages as follows:
- 6.1.1 CH2M HILL shall maintain:
- 6.1.1.1 Statutory workers' compensation for all CH2M HILL's employees at the Project as required by the State of Arkansas.
- 6.1.1.2 Comprehensive general liability insurance in an amount not less than \$5,000,000.00 combined single limits for bodily injury and/or property damage.
- 6.1.1.3 Business Automobile Insurance providing One Million Dollars (\$1,000,000) combined single limits covering claims for injuries to members of the public and/or damages to property of others arising from the use of Contractor owned or leased motor vehicles, including onsite and offsite operations.
- 6.1.1.4 Professional Liability Insurance in an amount of One Million Dollars (\$1,000,000) in the aggregate.
- 6.1.2 City of Fayetteville shall maintain:
- 6.1.2.1 Property damage insurance for all property including vehicles and equipment owned by City of Fayetteville and operated by CH2M HILL under this Agreement.

- 6.1.2.2 Automobile liability insurance for all vehicles and equipment owned by City of Fayetteville and operated by CH2M HILL under this Agreement. The City of Fayetteville is covered by a plan with the Arkansas Municipal League.
- 6.2 CH2M HILL shall indemnify City of Fayetteville for damages, injury, or loss which may arise from CH2M HILL's negligent operations or intentional acts under this Agreement, to the proportion such negligence or act contributed to the damages, injury, or loss, whether such negligent operation or intentional act be by CH2M HILL or by a subcontractor of CH2M HILL.
- 6.3 CH2M HILL shall be liable for those fines or civil penalties, which may be imposed by a regulatory agency for violations of the effluent quality requirements specified in the City of Fayetteville's NPDES discharge permits, that are a result of CH2M HILL's negligent operation. City of Fayetteville will assist CH2M HILL to contest any such fines in administrative proceedings and/or in court prior to any payment by CH2M HILL. CH2M HILL shall pay the costs of contesting any such fines.
- 6.4 The City of Fayetteville agrees (without waiving its statutory immunity) to hold harmless, indemnify and defend CH2M HILL from and against any and all claims, losses, damages, liabilities and costs including costs of defense arising out of or caused by CH2M HILL's non-negligent operation of the wastewater facilities which nevertheless resulted in the presence, discharge, release or escape of hazardous substance(s) that damaged third parties. CH2M HILL shall have the initial duty to prove that any presence, discharge, release or escape of hazardous substance that damaged third parties was not caused by it or its employees' or its subcontractors' negligence, mistake, or intentional act before the City of Fayetteville must indemnify CH2M HILL for any resulting damages and costs.
- 6.5 Nothing contained herein shall constitute a waiver of any statutory, legal or equitable defenses the City of Fayetteville may have as a municipality, including but not limited to tort immunity under State statute.
- 6.6 City of Fayetteville and CH2M HILL waive all rights against each other and their officers, directors, agents, or employees for damage covered by property insurance during and after the completion of CH2M HILL's services. If the services result in a construction phase, a provision similar to this shall be incorporated into all construction contracts entered into by City of Fayetteville, and all construction contractors shall be required to provide waivers of subrogation in favor of City of Fayetteville and CH2M HILL for damage or liability covered by any of CH2M HILL's construction insurance policy.
- 6.7 In no event shall either party be liable to the other party for special, indirect or consequential damages, whether such liability arises in breach of contract or warranty, tort including negligence, strict or statutory liability, or any other cause of action.

SECTION 7: TERM AND TERMINATION

- 7.1 The original contract was awarded January 1, 2010 with a five (5) year term ending on December 31, 2014 followed by the first five (5) year option term from January 1, 2015 to December 31, 2019. This second five (5) year option commences on January 1, 2020 and ends on December 31, 2024. Annual amendments for scope, budget and appendices shall be agreed upon by all parties for each calendar year. Amendments can be made effective by written agreement of the parties a minimum of ninety (90) calendar days prior to the expiration of the previous contract period. Any

amendments shall be subject to and contingent upon annual budget approval by the City of Fayetteville.

- 7.2 Either party may terminate this Agreement for a material breach of the Agreement by the other party after giving written notice of breach and allowing the other party thirty (30) calendar days to correct the breach. Neither party shall terminate this Agreement without giving the other party thirty (30) calendar days' written notice of intent to terminate after failure of the other party to correct the breach within thirty (30) calendar days.
- 7.3 CH2M HILL will exercise reasonable skill, care, and diligence in the performance of CH2M HILL's services and will carry out its responsibilities in accordance with customarily accepted operating practices. City of Fayetteville will promptly report to CH2M HILL any defects or suspected defects in CH2M HILL's services of which City of Fayetteville becomes aware, so that CH2M HILL can take measures to minimize the consequences of such a defect.
- 7.4 Upon notice of termination by City of Fayetteville, CH2M HILL shall assist City of Fayetteville in resuming operation of the Project. The City of Fayetteville reserves the right to unilaterally extend the contract of the same terms and conditions, for a period not to exceed three (3) months from the date of termination. The term of this period shall be determined within the termination notice. CH2M HILL will cooperate in good faith to effectuate a smooth and harmonious transition from CH2M HILL to the City of Fayetteville. If additional cost is incurred by CH2M HILL at request of City of Fayetteville, City of Fayetteville shall pay CH2M HILL such cost in accordance with Paragraph 5.2.

SECTION 8: SPECIAL CONDITIONS

8.1 Audit: Access to Records

- 8.1.1 CH2M HILL shall maintain books, records, documents and other evidence directly pertinent to performance on work under this Agreement in accordance with generally accepted accounting principles and practices consistently applied in effect on the date of execution of this Agreement. CH2M HILL shall also maintain the financial information and data used by CH2M HILL in the preparation of support of the cost submission required for any negotiated agreement or change order and send to City of Fayetteville a copy of the cost summary submitted. CH2M HILL will provide information within 30 calendar days of the City's request. City of Fayetteville, the State or any of their authorized representatives shall have access to all such books, records, documents and other evidence for the purpose of inspection, audit and copying during normal business hours. CH2M HILL will provide proper facilities for such access and inspection.
- 8.1.2 Records under Paragraph 8.1.1 above, shall be maintained and made available for a period of five (5) calendar years. In addition, those records which relate to any controversy arising out of such performance, or to costs or items to which an audit exception has been taken, shall be maintained and made available until three years after the date of resolution of such appeal, litigation, claim or exception.
- 8.1.3 All records and supporting documentation kept by CH2M HILL with respect to this Agreement (including without limitation all agreements, contracts, subcontracts, invoices, materials, etc.) shall be kept according to generally recognized accounting principles and made available for examination, audit or inspection purposes at any time upon request. CH2M HILL will submit or assist with submission of any annual or other reports that may be required by any applicable law, rule, regulation, code, or ordinance of the City and any other county, state, or federal agency or

entity associated with or otherwise implicated by this Agreement. If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started before the expiration of the foregoing required record retention period, Contractor shall retain the records required hereunder until completion of the action and resolution of all issues which arise from it, or the end of the required period, whichever is later.

8.2 Covenant Against Contingent Fees

- 8.2.1 CH2M HILL warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement of understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by CH2M HILL for the purpose of securing business. For breach or violation of this warranty, City of Fayetteville shall have the right to annul this Agreement without liability or at its discretion, to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

8.3 Gratuities

- 8.3.1 If City of Fayetteville finds after a notice and hearing that CH2M HILL or any of CH2M HILL's agents or representatives, offered or gave gratuities (in the form of entertainment, gifts or otherwise) to any official, employee or agent of City of Fayetteville, in an attempt to secure an agreement or favorable treatment in awarding, amending or making any determinations related to the performance of this Agreement, City of Fayetteville may, by written notice to CH2M HILL, terminate this Agreement. City of Fayetteville may also pursue other rights and remedies that the law or this Agreement provides. However, the existence of the facts on which City of Fayetteville bases such finding shall be in issue and may be reviewed in proceedings under the Remedies clause of this Agreement.
- 8.3.2 In the event this Agreement is terminated as provided in Paragraph 8.3.1, City of Fayetteville may pursue the same remedies against CH2M HILL as it could pursue in the event of a breach of the Agreement by CH2M HILL, in addition to any other damages to which it may be entitled by law.

8.4 Entire Agreement

- 8.4.1 This Agreement, including Appendices listed in Appendix A, represents the entire Agreement between CH2M HILL and City of Fayetteville relative to the Scope of Services herein. Since terms contained in purchase orders do not generally apply to professional services, in the event City of Fayetteville issues to CH2M HILL a purchase order, no preprinted terms thereon shall become a part of this Agreement. Said purchase order document, whether or not signed by CH2M HILL, shall be considered as a document for City of Fayetteville's internal management of its operations.

8.5 Arkansas Freedom of Information Act

- 8.5.1 City of Fayetteville contracts and documents, including internal documents and documents of subcontractors and sub-consultants, prepared while performing City contractual work are subject to the Arkansas Freedom of Information Act (FOIA). If a Freedom of Information Act request is presented to the City of Fayetteville, CH2M HILL will do everything reasonably possible to provide the documents to City of Fayetteville in a prompt and timely manner as prescribed in the Arkansas Freedom of Information Act (A.C.A. §25-19-101 et seq.). Only legally authorized photocopying costs pursuant to the FOIA may be assessed for this compliance.

- 8.6 In the event that activities by City of Fayetteville's employee groups or unions cause a disruption in CH2M HILL's ability to perform at the Project, City of Fayetteville, with CH2M HILL's assistance or CH2M HILL, at its own option, may seek appropriate injunctive court orders. During any such disruption, CH2M HILL shall operate the facilities on a best-efforts basis until any such disruptions cease.
- 8.7 Neither party shall be liable for its failure to perform its obligations under this Agreement if performance is made impractical, abnormally difficult, or abnormally costly, due to any unforeseen occurrence beyond its reasonable control. The party invoking this Force Majeure clause shall notify the other party immediately by verbal communication and in writing by certified mail of the nature and extent of the contingency within ten (10) working days after its occurrence.
- 8.8 Neither party shall, without the written agreement of the other party, offer employment to each other's employees during the term of this Agreement and for a period of two (2) years after the end of this Agreement.
- 8.9 The City of Fayetteville and CH2M HILL shall make every effort to procure equipment, materials, and services for the best value. Procurement shall be through the City of Fayetteville's or CH2M HILL's available purchasing agreements.
- 8.10 Revenue Generation
- 8.10.1 CH2M HILL shall provide support to the City of Fayetteville in the development and implementation of certain activities associated with revenue generation opportunities for the City of Fayetteville. Initially, these opportunities may include, but are not limited to:
- 8.10.1.1 The sale of hay from the farm site.
- 8.10.1.2 Processing and disposal of biosolids and water treatment residuals (WTR) for outside entities.
- 8.10.1.3 Marketing and sale of dried biosolids
- 8.11 ~~Engineering Services.—~~
- 8.11.1 Cost opinions and projects prepared by CH2M HILL relating to construction costs and schedules, operation and maintenance costs, equipment characteristics and performance, and operating results are based on CH2M HILL's experience, qualifications, and judgment as an engineering professional. Since CH2M HILL has no control over weather, cost and availability of labor, material and equipment, labor productivity, construction Contractors' procedures and methods, unavoidable delays, construction Contractors' method of determining prices, economic conditions, competitive bidding or market conditions, and other factors affecting such cost opinions or projections, CH2M HILL does not guarantee that actual rates, costs, performance, schedules and related items will not vary from cost opinions and projects prepared by CH2M HILL.
- 8.11.2 Recognizing the importance of professional development on the part of the CH2M HILL's employees and the importance of CH2M HILL's public relations, CH2M HILL may prepare publications, such as technical papers, articles for periodicals, and press releases, pertaining to CH2M HILL's services for the Project. Such publications will be provided the City of Fayetteville in draft form for advance review. City of Fayetteville shall review such drafts promptly and provide city of Fayetteville's comments to CH2M HILL. City of Fayetteville may

require deletion of proprietary data or confidential information from such publications, but otherwise City of Fayetteville will not unreasonably withhold approval.

- 8.11.3 City of Fayetteville's review, approval, or acceptance of design drawings, specifications, reports and other services furnished hereunder shall not in any way relieve CH2M HILL of responsibility for the technical adequacy of the work. Neither City of Fayetteville's review, approval or acceptance of, nor payment for any of the services shall be construed as a waiver of any rights under the Agreement or of any cause of action arising out of the performance of this Agreement.
- 8.11.4 Engineering documents, computer models, drawings, specifications and other hard copy or electronic media prepared by CH2M HILL as part of the Services shall become the property of City of Fayetteville when CH2M HILL has been compensated for all Services rendered, provide, however, that CH2M HILL shall have the unrestricted right to their use. CH2M HILL shall, however, retain its rights in its standard drawings details, specifications, databases, computer software, and other proprietary property. Right to intellectual property developed, utilized, or modified in the performance of the Services shall remain the property of CH2M HILL.
- 8.11.5 Engineering services will be identified by both Parties as needed with a not to exceed fee related to each scope of work. The City of Fayetteville will authorize engineering services by a written document signed by all parties to include the scope, schedule and associated fees for the requested work.

SECTION 9: DISPUTE RESOLUTION

- 9.1 The procedures of this paragraph shall apply to any and all disputes between City of Fayetteville and CH2M HILL which arise from, or in any way are related to, this Agreement, including, but not limited to the interpretation of this Agreement, the enforcement of its terms, any acts, errors, or omissions of City of Fayetteville or CH2M HILL in the performance of this Agreement, and disputes concerning payment.
- 9.2 Exhaustion of Remedies Required: If timely notice is given under Paragraph 9.2.1, but an action is initiated prior to exhaustion of these procedures, such action shall be stayed, upon application by either party to a court of proper jurisdiction, until the procedures in Paragraphs 9.2.1 and 9.2.2 have been complied with.
 - 9.2.1 Notice of Dispute
 - 9.2.1.1 For disputes arising prior to the making of final payment promptly after the occurrence of any incident, action, or failure to act upon which a claim is based, the party seeking relief shall serve the other party with a written notice;
 - 9.2.1.2 For disputes arising after the making of final payment, City of Fayetteville shall give CH2M HILL written notice at the address listed in Paragraph 1.5 within thirty (30) calendar days after occurrence of any incident, accident, or first observance of defect or damage. In both instances, the notice shall specify the nature and amount of relief sought, the reason relief should be granted, and the appropriate portions of this Agreement that authorize the relief requested. This paragraph shall not be construed to alter any limitation period set forth by Arkansas law.
 - 9.2.2 Negotiation

9.2.2.1 Within seven calendar days of receipt of the notice, the Project Managers for City of Fayetteville and CH2M HILL shall confer in an effort to resolve the dispute. If the dispute cannot be resolved at that level, then, upon written request of either side, the matter shall be referred to the President or his/her designee of CH2M HILL and the Mayor of City of Fayetteville or his/her designee. These officers shall meet at the Project Site or such other location as is agreed upon within thirty (30) calendar days of the written request to resolve the dispute.

9.3 Controlling Law

9.3.1 This Agreement shall be subject to, interpreted and enforced according to the laws of the State of Arkansas without regard to any conflicts of law provisions.

9.4 Venue for Legal Actions

9.4.1 Any controversy, claim, counter-claim, or dispute between the parties to this Agreement involving the construction or application of any of the terms, covenants or conditions of this agreement that is not resolved through negotiation shall be decided in a court of competent jurisdiction in Washington County, Arkansas.

10. ASSIGNMENT

10.1 Neither party will have the power to or will assign any of the duties or rights or any claim arising out of or related to this Agreement without the prior written consent of the other party. Any unauthorized assignment is void and unenforceable. These conditions and the entire Agreement is binding on and inures to the benefit of the parties and their respective permitted successors, and assigns.

IN WITNESS WHEREOF, City of Fayetteville, Arkansas by and through its Mayor, and CH2M HILL, by its authorized officer have made and executed this Agreement as of the day and year first above written.

CH2M HILL ENGINEERS, INC.

CITY OF FAYETTEVILLE, ARKANSAS

By: 
Steve Meininger
11/14/19

By: _____
Lioneld Jordan, Mayor

Title: Senior Vice President

ATTEST:

By: _____
Lisa Branson, Deputy City Clerk

END OF AGREEMENT FOR OPERATIONS, MAINTENANCE, AND MANAGEMENT SERVICES

Appendices to Operations, Maintenance, and
Management Services Agreement Between
City of Fayetteville, AR and
CH2M Hill Engineers, Inc.

Appendix A

LIST OF APPENDICES

Appendix A – List of Appendices

Appendix B – Definitions

Appendix C – Scope of Services

Appendix D – Compensation for Services

Appendix E – Location of Project

Appendix F – Environmental Permits and Project Characteristics

Appendix G – Industrial Waste Discharges and Monitoring Program

Appendix H – Vehicle and Mobile Equipment Description (Rolling Stock)

Appendix I – Base Fee Adjustment

Appendix J – Monthly Reports

Appendix K – CH2M Travel Policy

Appendix B

DEFINITIONS

- B.1 “Adequate Nutrients” means plant influent nitrogen, phosphorus and iron contents proportional to BOD₅ in the ratio of five (5) parts nitrogen, one (1) part phosphorus, and one half (0.5) part iron for each one hundred (100) parts BOD₅.
- B.2 “Base Fee” means all costs within the scope of the contract, on an annual basis, including direct costs, labor, utilities (other than electricity), and other allocated costs.
- B.3 “Biologically Toxic Substances” means any substance or combination of substances contained in the plant influent in sufficiently high concentrations so as to interfere with the biological processes necessary for the removal of the organic and chemical constituents of the wastewater required to meet the discharge requirements of City of Fayetteville’s NPDES permit. Biologically toxic substances include but are not limited to heavy metals, phenols, cyanides, pesticides, and herbicides.
- B.4 “Capital Expenditures” means any expenditures for (1) the purchase of new equipment or facility items that cost more than Ten Thousand Dollars (\$10,000); or (2) major repairs which significantly extend equipment or facility service life and cost more than Ten Thousand Dollars (\$10,000); or (3) expenditures that are planned, non-routine and budgeted by City of Fayetteville.
- B.5 “Cost” means the total of all costs determined on an accrual basis in accordance with generally accepted accounting principles including but not limited to direct labor, insurance, labor overhead, chemicals, materials, supplies, utilities (other than electricity), equipment, maintenance, repair, and outside services
- B.6 “Cost Center” is defined as each columned category of the cost detail, presented in Appendix D, which describes the separate functions and locations to which costs may be charged for accounting, reporting or billing purposes.
- B.7 “Electrical Evaluation” will be limited to amperage draws, winding resistance measurements, thermographic evaluations, and current and voltage imbalance
- B.8 “Emergency Situation” is hereby defined as an emergency affecting the safety of persons or property, or regulatory compliance where CH2M HILL shall act to prevent threatened damage, injury or loss.
- B.9 “Fixed Asset” means any tangible property that has a value of Five Thousand Dollars (\$5,000) or more and is depreciable. This excludes the repair/replacement parts that are components of a greater fixed asset.
- B.10. “Fixed Management Fee” means a fee for indirect costs of managing the operation beyond the direct costs of materials and labor.
- B.11 “Load Shedding” is defined as the deliberate shutdown of electric power being provided by the grid and generating on-site power for the treatment facilities, generally to reduce demand strains from the grid on the capacity of the system.
- B.12 “Maintenance” means the cost of those routine and/or repetitive activities required by the equipment or facility manufacturer during the warranty period or as recommended by CH2M HILL after the warranty period has expired to maximize the service life of the equipment,

vehicles, and facilities as listed in Appendix E.

- B.13 “Operational Technology” (OT) encompasses information technology (IT) support, components and software in an industrial control system (ICS) environment. OT, as a practice, relates to the access and control of physical assets, which differs from IT because it relates to the access and control of data.
- B.14 “Out of scope” services will include “capital expenditures” (definition B.4 of this Appendix), added or modified regulatory requirements (that are not contained in the applicable permits), changes to improve efficiency and/or generate income, or other services not described in the contract and requested by the City of Fayetteville.
- B.15 “Project” means all equipment, vehicles, grounds and facilities described in Appendix E.
- B.16 “Repairs” means the cost of those non-routine/non-repetitive activities required for operational continuity, safety, and performance generally due to failure or to avert a failure of the equipment, sewer, vehicle, or facility or some component thereof; cost less than ten thousand dollars (\$10,000); and are not included in definition B.4 of this Appendix.
- B.17 “Reliability Centered Maintenance” means a process used to determine what must be done to ensure the physical assets continue to do what its users want in its present operating context.

Appendix C

SCOPE OF SERVICES

C.1 SCOPE OF SERVICES – CH2M

- C.1.1 Perform professional services in connection with the Project as hereinafter stated.
- C.1.2 Operate and maintain all facilities over a 24-hour per day, 7-day per week period, under full service contract operations and maintenance. Operations may be performed with on-site staff and/or remote monitoring/on-call services for all or portions of this time.
- C.1.3 Within the design capacity and capability of the Project, manage, operate, and maintain the Project so that effluent discharged from the Project meets the requirements of all applicable City NPDES permits as specified in Appendix F. Maintain compliance with other existing environmental permits as described in Appendix F.
- C.1.4 Operate and maintain the present Industrial Pretreatment Program including all monitoring, inspections, sampling, testing, reporting, and record keeping as described in Appendix G. Results of all industrial sampling and testing shall be made available to City of Fayetteville as requested.
- C.1.5 Provide all Maintenance for the Project. Document as required to continue existing maintenance program and to provide City of Fayetteville requested reporting, including but not limited to updated preventative maintenance schedules. City of Fayetteville shall have full access to preventative maintenance records.
- C.1.6 Pay all costs incurred within the scope of normal Project operations as defined in this Agreement.
- C.1.7 Staff the Project with a minimum of three (3) Arkansas Class IV Wastewater licensed operators or as required by the Arkansas Department of Environmental Quality (ADEQ).
- C.1.8 Prepare all NPDES permit and other pertinent regulatory reports, letters, or other correspondence, and submit these to City of Fayetteville for signature and approval. Transmittal to appropriate agencies shall be done by City, except for electronic reporting via NetDMR, which shall be performed by CH2M HILL. Any fines levied because of late reports as a result of CH2M HILL failure to complete and allow sufficient time for City of Fayetteville's signature and transmittal shall be paid by CH2M HILL. Submittal to the City of Fayetteville no later than 5 business days prior to the reporting period due date shall be considered timely.
- C.1.9 Provide for proper disposal of screening, scum, grit, and biosolids in compliance with permit and regulatory requirements. Should regulations and/or disposal/application options significantly change, projected costs will be revised by mutual agreement.
- C.1.10 Be responsible for all laboratory testing and sampling presently required by the NPDES permits, stormwater permits, "no discharge" permits, and other related requirements or permits.
- C.1.11 Maintain an inventory of vehicles and equipment (rolling stock), to be identified and referenced as Appendix H, being used for the Project and provide to the City upon request.
- C.1.12 Provide twenty-four (24) hour per day access to Project for City of Fayetteville's personnel. Visits may be made at any time by any of City of Fayetteville's employees so designated by City

of Fayetteville's representative. Keys, key fobs, or other access equipment for Project shall be provided to City of Fayetteville by CH2M HILL. All visitors to the Project, including City of Fayetteville employees, shall comply with CH2M HILL's operating and safety procedures.

- C.1.13 Provide for the maintenance of existing City of Fayetteville rolling stock such as dump trucks, tractors, and trailers that are necessary for the operations and maintenance of the facilities.
- C.1.14 Provide training for personnel in areas of regulatory requirements, operation, maintenance, safety, supervisory skills, laboratory, cybersecurity and sustainable practices. Continue the current project safety program with updates as necessary.
- C.1.15 Provide computerized maintenance, process control, and laboratory management systems to maintain documentation, accountability and transparency to allow City of Fayetteville to see if the equipment is being maintained appropriately.
- C.1.16 Comply with the requirements of City of Fayetteville regarding affirmative action provisions for minority hiring.
- C.1.17 Provide City of Fayetteville with a full accounting of all expenditures at intervals and in sufficient detail as may be determined by City of Fayetteville and assist City of Fayetteville in preparation of annual operating budgets. City of Fayetteville shall be allowed to conduct or have conducted audits of all accounting records related to the direct contract operations of this Agreement at times to be determined by City of Fayetteville.
- C.1.18 Manage and comply with all manufacturers' warranties on equipment purchased for the project and assist the City of Fayetteville in enforcing existing equipment warranties and guarantees. After the expiration of the warranty, CH2M HILL shall perform maintenance at a level adequate for the efficient, long-term reliability of the equipment and facilities. CH2M HILL will provide City of Fayetteville with full documentation that preventative maintenance is being performed on all City of Fayetteville equipment in accordance with CH2M HILL's best practices and standards. Maintenance program shall include documentation of corrective and preventive maintenance and a spare parts inventory to be consistent with the "Reliability Centered Maintenance" model.
- C.1.19 Provide for repairs as described in Appendix B.16.
- C.1.20 Maintain the SCADA system located at the addresses listed in Appendix E. Upgrades, modifications, and/or additions to the SCADA system shall adhere to industry standards and best practices such as: NIST, NEC, ISA, IEC, IEEE.
- C.1.21 CH2M HILL shall provide the following as related to the SCADA system:
 - C.1.21.1 Ongoing updates and upgrades of the software and hardware to ensure operational continuity in accordance with the definitions of maintenance and capital expenditures as agreed upon by the City of Fayetteville and CH2M HILL.
 - C.1.21.2 CH2M HILL shall be responsible for evaluating and applying hardware firmware and software security patches released from vendor within the next maintenance window (performed bi-annually). Evaluation shall include, but not be limited to reviewing vendor release notes, installing and testing upgrades on lab equipment or a limited subset of active equipment. Hardware firmware and software patches, which do not adversely affect plant control, shall be applied at the next maintenance window. Hardware firmware and software security patches, which adversely affect plant control, shall be reviewed with the City to determine the path

forward. Critical security patches for firewalls and edge devices shall be applied within thirty days of release from vendor.

C.1.21.3 CH2M HILL is responsible for maintaining the SCADA environments including but not limited to: (1) SCADA Wireless and Telemetry equipment, (2) Programmable Logical Controllers and Remote Terminal Units (PLCs/RTUs) and (3) all communications media between sites and ISP connectivity, (4) SCADA software, (5) SCADA servers, and (6) SCADA network equipment.

C.1.21.4 SCADA components shall be protected by UPS uninterrupted power supply to prevent loss of connectivity during brief power loss.

C.1.21.5 SCADA diagrams shall be kept current and any as-built drawings shall be incorporated into a change management document and network diagram. Updates regarding SCADA diagrams shall be provided to the City of Fayetteville as requested. SCADA updates shall include but not be limited to: issues, equipment replacements, improvements, etc.

C.1.21.6 SCADA equipment shall be installed in environmentally appropriate cabinets and properly secured.

C.1.21.7 SCADA modifications shall follow the SCADA network design plan as approved and modified by CH2M HILL and the City of Fayetteville.

C.1.22 CH2M HILL shall operate and maintain the operational technology (OT) components of the industrial control system (ICS) in its current state.

C.1.22.1 OT encompasses the following components of the ICS:

C.1.22.1.1 Networks – switches, routers, firewalls, media converters, communications equipment

C.1.22.1.2 Computers – Physical servers, virtual servers, windows server operating systems, workstations, and thin clients

C.1.22.1.3 Backups, antivirus, network time servers, disaster recovery, network monitoring, remote access, and cybersecurity.

C.1.22.2 CH2M HILL shall operate and maintain the OT environment based on accepted industry standards, guidelines, and best practices. Age of the ICS and component limitations may inhibit CH2M HILL's ability to apply all guidelines and best practices to the system. CH2M HILL shall put forth best effort to adhere to guidelines given the limitations of the existing system.

C.1.22.3 The following ICS networking standards, guidelines and industry best practices shall be used as a basis for operation and maintenance of the OT environment: NIST Framework for Improving Critical Infrastructure Cybersecurity and NIST SP-800-83 "Guide to Industrial Control Systems Security", at a minimum, Revision 2.

C.1.22.4 There shall be a clear delineation (physically and logically) between the ICS and all other networks. CH2M HILL shall be responsible for the operation and maintenance of the OT components that exist within the ICS and in the de-

militarized zone between the ICS and other networks. CH2M HILL operations and maintenance of the OT environment shall be limited to:

- C.1.22.4.1 ICS/OT Networks – Physical components and logical configurations
- C.1.22.4.2 ICS/OT Server Infrastructure – Physical servers and virtual servers
- C.1.22.4.3 ICS/OT Software – Active Directory, anti-virus, backups, remote access solutions, management solutions, HMI, PLC programming software, configuration management and domain registrations.
- C.1.22.5 Any expansion of operational technology (OT) components of the industrial control system (ICS) system performed by CH2M HILL shall be compensated with a formal contract amendment agreed to by both parties in advance of such expansion.
- C.1.22.6 CH2M HILL shall develop a change management program to help control the lifecycle of strategic, tactical, and operations changes to the OT environment. The goal of change management is to control risk and minimize disruption to associated OT services. The plan will manage baseline hardware, software, and firmware, and any changes to the ICS system. The plan shall include the City of Fayetteville's IT personnel in the change control process for informational purposes.
- C.1.23 CH2M HILL and the City of Fayetteville shall partner to ensure ICS/OT cybersecurity is maintained. CH2M HILL understands its fiduciary obligation to put forth best effort to operate and maintain good ICS/OT cybersecurity. A good cybersecurity posture is difficult to maintain given the ever-changing nature of the threat landscape. Budget and physical component/architecture limitations affect CH2M HILL's ability in this regard and CH2M HILL shall not be held liable for cybersecurity breaches with the exception of breaches resulting from CH2M HILL's negligence.
- C.1.24 Annual review between CH2M HILL and City of Fayetteville shall be conducted to review past 12-18 months of progress, issues, replaced equipment, and projected improvements expected over the next calendar year and to be included in the annual budget. Project listing should contain location, description of CIP item, progress and estimated costs. Listing provided shall be established and presented by priority and should include sourcing method determined after City discussion (City bid, cooperative purchase, etc.).
- C.1.25 Verify the capacity and efficiency of each sewer lift station once per calendar year and provide results to the City within thirty (30) calendar days of verification.
- C.1.26 Provide recommendations for Capital Improvements Program (CIP) with a schedule for improvements and expenditures as requested by the City of Fayetteville. On an annual basis, a five (5) year schedule will be presented for all capital improvements and ten (10) year projections will be made for major improvements. These recommendations will be based on requirements determined from facility operations and review of the City of Fayetteville's Wastewater Facility Plan. However, these recommendations do not include detailed engineering studies. In addition, CH2M HILL will prepare the required forms and documentation required during budget and capital improvements budget preparation time each year. Except for the improvements requiring an engineering study, the following will be included for each project:

- Improvement needed
- Justification of improvements
- Cost of improvements
- Any projected increase or decrease in O&M costs created by the CIP, if applicable
- Proposed expenditure schedule
- Proposed capital recovery schedule, if applicable
- Impact of early termination
- Sustainable upgrades to equipment should be disclosed upon providing recommendations for replacement along with the expected cost for upgrading to a more sustainable piece of equipment.

- C.1.27 Any services requested by the City of Fayetteville which are not part of the Scope of Services shall be executed by formal written agreement with fees and cost subject to negotiation.
- C.1.28 At the direction of the City of Fayetteville, CH2M HILL is authorized to act in emergency situations outside this Scope of Services, at CH2M HILL's discretion. Outside services, services by CH2M HILL personnel not assigned to this project, or excessive overtime hours incurred by assigned personnel which exceed the regulatory labor laws related to emergency services are not included in the compensation set forth in this Agreement. CH2M HILL will notify City of Fayetteville as soon as reasonably possible and shall be compensated by City of Fayetteville for any such emergency work at CH2M HILL's costs for the emergency work plus eighteen percent (18%).
- C.1.29 Provide City of Fayetteville with oral and written reports as requested.
- C.1.30 Operate and maintain all existing wastewater lift station facilities including buildings, grounds, backup power generators, and certain other appurtenances within the site fenced area. However, maintenance of inlet and outlet pipe works shall terminate at the wall of lift station.
- C.1.31 Conduct annual electrical evaluations of electrical units of 25 horsepower or more which operate at supply voltages of 480V or less to ground.
- C.1.32 CH2M HILL will comply with present federal, state, and local laws in performing their obligations under the terms of this Agreement. CH2M HILL and City of Fayetteville will work cooperatively regarding the application and impact of potential changes in law, including the potential cost impact on the scope of work, and mutually revise this Agreement as applicable.
- C.1.33 Coordinate and schedule the use of training rooms at both wastewater treatment facilities.
- C.1.34 Conduct community outreach and education activities including cooperative efforts with the University of Arkansas as appropriate.
- C.1.35 Maintain the industrial surcharge program and provide for monitoring and control of septage deliveries, as provided for in the City of Fayetteville's Code of Ordinances, Discharge and Pretreatment Regulations.
- C.1.36 The parties contemplate that minor design/engineering services may be provided by CH2M HILL from time to time. The scope and compensation for such services shall be mutually negotiated by the parties prior to the commencement of work.

- C.1.37 Operate and maintain the ongoing nutrient removal efforts at the City of Fayetteville's Biosolids Management Site, including managing, harvesting, and marketing the hay produced on the site. Biosolids Management Site maintenance shall also include compliance with the current "no discharge" permit. Operate and maintain the biosolids drying operation. Coordinate the marketing and/or disposal of the dried biosolids produced from the drying operations as appropriate.
- C.1.38 Operate and maintain existing onsite power generators at all existing sites, including maintaining compliance with off-peak power rate structure monitoring and generation requirements. Perform and document weekly generator tests.-
- C.1.39 Coordinate the application of alum sludge from Beaver Water District.
- C.1.40 Check the condition of and replace the odor canisters (as listed in Appendix E) that are part of the air release valves in the collection system, as needed. The mechanical condition of these valves will be maintained by the Fayetteville Water and Sewer Operations Division.
- C.1.41 Provide site monitoring and property maintenance activities as approved and directed by the City for Woolsey Wet Prairie adjacent to the West Side Water Resource Recovery Facility to ensure the site continues to meet ecological performance standards. These services include execution of seasonal Adaptive Management strategy including recommended herbicide applications, site maintenance & monitoring, monthly reporting, prescribed burn site preparations, land management best management practices (BMP) to adjacent City of Fayetteville properties. Services exclude permit compliance over-sight, permit reporting and prescribed burn scheduling and execution.
- C.1.42 Provide site monitoring and property maintenance activities as approved and directed by the City for environmentally sensitive sites at the water resource recovery facilities and the White River streambank restoration sites.
- C.1.43 Provide incidental small-scale support as approved and directed by the City of Fayetteville to various not-for-profit groups on issues important to the City of Fayetteville.
- C.1.44 Explore, innovate, and develop solutions to support sustainability by reviewing the impact of climate changes, resource re-use and recycling, water resource management; energy source management and environmental protection and enhancement aligned with City of Fayetteville and CH2M HILL corporate sustainability goals.
- C.1.45 All applicable taxes for property and equipment owned by CH2M HILL shall be borne by CH2M HILL.
- C.1.46 Provide all licenses for vehicles owned by CH2M HILL and used in connection with the Project.
- C.1.47 Pay for natural gas at all facilities other than wastewater lift stations.
- C.1.48 CH2M HILL shall facilitate an annual contract fee discussion with the City of Fayetteville to collaborate changes in costs for the next contract renewal.
- C.1.49 CH2M HILL shall provide a monthly listing of all items or equipment purchased to enable the City of Fayetteville to evaluate its applicability as a fixed asset to be recorded on the City's books.

C.2 SCOPE OF SERVICES – CITY OF FAYETTEVILLE

- C.2.1 Provide for all Capital Expenditures, as defined in Appendix B.
- C.2.2 Maintain all existing and necessary Project warranties, guarantees, easements, permits, and licenses that have been granted to City of Fayetteville.
- C.2.3 Pay all applicable taxes or franchise fees associated with the Project.
- C.2.4 May provide CH2M HILL, within a reasonable time after request, any piece of City of Fayetteville's heavy equipment, subject to availability, so that CH2M HILL may fulfill its obligations under this Agreement in the most cost-effective manner.
- C.2.5 Provide all licenses for vehicles owned by the City of Fayetteville and used in connection with the Project.
- C.2.6 Provide for CH2M HILL's use all vehicles and equipment presently in use at the Project, including the vehicles described in Appendix H.
- C.2.7 Pay for all wastewater lift station utilities and electricity and water for all facilities.
- C.2.8 Pay for all gasoline, diesel, and propane for backup power generators and all rolling stock provided by City of Fayetteville.
- C.2.9 Pay for all regulatory fees.
- C.2.10 Responsible for all billing and collection activities related to the industrial pretreatment program (IPP) charges, septic hauler fee, hay sales, water treatment residual fees, and fertilizer sales.

Appendix D

COMPENSATION FOR SERVICES

- D.1 CH2M HILL estimates that Base Fee for services, on an annual basis, under this Agreement for 2020 shall be **\$7,250,876** Dollars (**Seven Million Two Hundred Fifty Thousand Eight Hundred and Seventy Six Dollars**). Details of said cost are shown in D.5 below. Thereafter, the Base Fee shall be negotiated each year. Should City of Fayetteville and CH2M HILL fail to agree, the Base Fee will be determined by the application of the Base Fee adjustment formula shown in Appendix I. Upon each contract year renegotiation, CH2M HILL shall continue to invoice City of Fayetteville at the previous amount until the new contract year price is agreed upon. Upon written notice, agreement between the parties as to the new contract year Base Fee, CH2M HILL shall issue an invoice retroactively adjusting the previous Base Fee amount. CH2M HILL will communicate to the City of Fayetteville of any funding issues by documentation in monthly reports. Should the actual expenditures exceed the total estimated annual expenditures by more than five percent (5%) in any year of this Agreement, approval will be obtained from the City of Fayetteville.
- D.2 CH2M HILL will invoice and reconcile budgets in accordance with the following schedules:
- D.2.1 CH2M HILL will invoice a month in advance for the Direct Labor costs plus 15% markup in 12 monthly equal installments payable at the start of the month in which services are rendered. Actual labor costs will be reconciled within 30 days after the current contract year and City of Fayetteville will either be invoiced or refunded the difference.
- D.2.2 CH2M HILL will invoice a month in advance for the Fixed Management Fee in 12 monthly equal installments payable at the start of the month in which services are rendered. The Fixed Management Fee will be adjusted annually in relation to the Base Fee.
- D.2.3 CH2M HILL will invoice Direct Expense (non-labor) cost plus 10% the month after the costs are expensed. CH2M HILL will attempt to have all Direct Expense (non-labor) for the current budget year are coded in the system within 90 days of the current contract year and will submit the final Direct Expense (non-labor) invoice to the City of Fayetteville by April 15th of each year. If invoices are not received by the vendors during the close out period, then the costs will be invoiced under the current year contract.
- D.2.4 CH2M HILL will invoice Engineering Services the month after costs are incurred in accordance with the approved scope and budget approved by the City.
- D.3 In order to provide an incentive for CH2M HILL to operate in a manner that will result in actual costs below estimated cost, City of Fayetteville will pay CH2M HILL an additional fee when actual costs are below estimated cost. Said fee will be twelve and one-half percent (12.5%) of the amount of actual cost are below estimated cost. –
- D.4 **Cost Detail** - The annualized estimated costs for calendar year 2020 are listed in Table D-1.

Table D-1, Cost Detail

2020 Fayetteville Cost Centers							Total Cost 2020
	WRRF Management Program	WRRF East Side Operations Program	WRRF West Side Operations Program	WRRF Lab & IPP Program	WRRF Lift Station Maintenance Program	WRRF Biosolids Management Program	
Client Cost Centers	5100	5110	5120	5130	5140	5110	
Direct Labor	\$753,475	\$851,239	\$442,931	\$287,239	\$264,302	\$702,739	\$3,301,924
Labor Markup, 15%	\$113,021	\$127,686	\$66,440	\$43,086	\$39,645	\$105,411	\$495,289
Direct Expense	\$250,303	\$1,289,527	\$366,588	\$155,132	\$357,005	\$606,280	\$3,024,836
Expense Markup, 10%	\$25,030	\$128,953	\$36,659	\$15,513	\$35,701	\$60,628	\$302,484
Fixed Fee	\$126,344						\$126,344
Totals	\$1,268,174	\$2,397,404	\$912,618	\$500,970	\$696,653	\$1,475,058	\$7,250,876

Appendix E

LOCATION OF PROJECT

E.1 CH2M HILL agrees to provide the services necessary for the management, operation and maintenance of the following:

E.1.1 All equipment, vehicles, grounds and facilities now existing within the present property boundaries of or being used to operate the City of Fayetteville's Noland Water Resource Recovery Facility located at:

1400 North Fox Hunter Road
Fayetteville, Arkansas 72701

E.1.2 All equipment, vehicles, grounds and facilities now existing within the present property boundaries of or being used to operate the City of Fayetteville's West Side Water Resource Recovery Facility located at:

15 South Broyles Avenue
Fayetteville, Arkansas 72704

E.1.3 All equipment, grounds, and facilities now existing within the present fenced boundaries of wastewater lift stations described as follows:

SCADA NODE	LOCATION	Generator	Site Maintenance Only
WW1	978 E Zion Rd (Lowe's – Zion PS)	YES	
WW2	3500 E Mission Blvd (Timbercrest PS)	YES	
WW4	691 W Poplar St (Poplar PS - ABANDONED)		YES
WW5	3896 N Gregg Ave (Gregg Ave PS)	YES	
WW6	3021 N Old Wire Rd (Old Wire PS)	NO	
WW7	2065 N Sunshine Rd (Hamestring PS)	YES	
WW8	729 W North Street (North Street PS –ABANDONED)		YES
WW9	1236 N Porter Rd (Porter Rd PS)		YES
WW10	716 N Futrall Dr (Futrall Dr PS)	YES	
WW11	4412 W 6th Street (Farmington East PS –ABANDONED)		YES
WW12	571 N Double Springs Road (Farmington West PS)	YES	
WW13	878 S Dead Horse Mountain Rd (Stonebridge PS)	YES	
WW14	1820 S Armstrong Ave (Industrial Park PS)	YES	
WW16	518 W Ernest Lancaster Dr (Airport North PS)	YES	
WW18	210 N Sandy (Greenland PS)	YES	
WW19	5716 E Norman Murphy Rd (Mally Wagon PS)	YES	
WW20	3212 N Highway 112 – (Trucker's Drive PS - ABANDONED)		YES
WW22	630 N Double Springs Rd (Owl Creek PS)	YES	
WW23	440 E Fairway Lane (Eliminated / demolished)	NO	NO
WW24	265 W Ernest Lancaster Dr (Airport East PS)	YES	

WW25	551 W Aster Ave (Willow West PS - Farmington)	YES	
WW27	1031 River Meadows Dr (Stonebridge Meadow Phase I PS)	YES	
WW28	1603 Plantation Ave (Heritage Village PS)	YES	
WW29	390 N Cato Springs Rd (Bohannon PS - Greenland)	YES	
WW32	478 N Durango Place (Silverthorne PS)	YES	
WW33	4644 N Crossover Rd (Stonewood PS - Copper Creek)	YES	
WW34	4572 S School Ave (Airport South PS)	YES	
WW35	3083 W MLK Blvd (Lowe's – 6th St PS)	YES	
WW36	1642 N Willowbrook Dr (Skyler Place PS)	YES	
WW37	3848 W Edgewater Dr (Clabber Creek PS - ABANDONED)		YES
WW38	3710 E Zion Rd (Copper Creek Phase II PS)	YES	
WW39	2392 N Kenswick Ave (Crofton Manner PS)	YES	
WW40	1811 S Cherry Hills Dr (Stone Bridge Meadow Phase II PS)	YES	
WW41	1608 S Springlake Dr (Crescent Lake PS)	YES	
WW44	6061 Dot Tipton Rd (Legacy Pointe Phase 4 PS)	NO	
WW45	4451 N Waterside Ct (Timberlake Office Park PS)	YES	
WW46	3788 E Spyglass Hill Dr (Stonebridge Meadows Phase V PS)	YES	
WW47	3601 E Albright Rd (Embry Acres PS)	YES	
WW48	2435 S Dead Horse Mountain Rd (McDonald PS)	YES	
WW49	3393 E Goff Farm Rd (Meadows PS)	YES	
WW52	485 N Broyles Ave (Broyles Ave PS)	YES	
WW53	1396 Zion Rd (Office Park PS)	YES	
WW55	461 N. Tacoma St. (Farmington Heights)	YES	

- E.1.4 All equipment, grounds, and facilities now existing within the present property boundaries of or being used to operate the City of Fayetteville's Biosolids Management Site located east of the Noland Water Resource Recovery Facility across the White River.
- E.1.5 All equipment, grounds, and facilities associated with or being used to complete routine operation and maintenance activities for the City of Fayetteville's Mitigated Wetlands Site now existing within the present property boundaries located north of the West Side Water Resource Recovery Facility and other mitigation / environmentally protected areas as mutually agreed to by both parties.

E.1.6 The potable water SCADA system at the following locations:

SCADA NODE	LOCATION	DESCRIPTION
W1	215 W 24th St (South Mountain)	Pump Station
W2	844 N Crossover Rd (Hyland Park)	Pump Station
W4	1016 E Ash St	Pump Station
W5	707 E Rogers Dr	Pump Station
W6	456 E Baxter Ln	Ground Storage Tank (2 each)
W7	707 E Rogers Dr	Ground Storage Tank (2 each)
W8	133 N Sang Ave	Elevated Storage Tank
W9	1170 E South Skyline Dr	Elevated Storage Tank (Mt. Sequoyah)
W10	1044 E Township Rd	Elevated Storage Tank
W11	3280 W Judge Cummins Rd	Ground Storage Tank (2 ea) (Kessler Mountain)
W12	7001 E Mission (Highway 45 Valve	Pressure-Reducing Valve Station)
W13	1589 Fire Tower Road (Goshen)	Pump Station and Ground Storage Tank
W14	17301 Lake Sequoyah Rd (Round Mtn)	Pump Station
W15	14360 Round Mt Comm Church Rd	Stand Pipe County Rd #55 (Round Mountain)
W16	22032 Fire Tower Rd County Rd 4343	Stand Pipe (Benson Mountain)
W17	3265 N Gulley Rd	Elevated Storage Tank
W18	3788 N Gulley Rd	Pump Station
W19	3370 S Coach Rd	Pump Station
W20	2098 Woodcliff Rd (Springdale)	Surge Tank
W21	2210 N Old Wire Rd	Valve
W22	2800 N Old Missouri Rd	Flow Meter
W23	3385 N Par Ct	Valve
W24	3023 E Joyce Blvd	Valve
W25	2567 E Robinson (Springdale)	Pressure Sustaining Valves
W27	17385 Blue Springs Rd (Goshen)	Pump Station
W28	17970 Lake Sequoyah Rd	Pump Station
W29	Beaver Water District	SCADA Interface
W30	1195 N. Canterbury Rd (Canterbury Tank)	Elevated Storage Tank
W31	2903 E. Flagstone Cir (Stonemountain)	Pump Station
W32	Blue Springs Road PRV	Valve
WSOPC	2435 S Industrial Dr	Water & Sewer Ops Center
MTROB	12141 Ed Edwards Rd	Mt. Robinson Tower Site

E.1.7 Provision and maintenance of Remote Terminal Units (RTU) at the following sites located in the City of Elkins, Arkansas:

SCADA NODE	LOCATION	DESCRIPTION
EW1	7500 E. Huntsville Road	Wastewater Lift Station
EW1	1800 S. VanHoose Drive	Ground Storage Potable Water Tank

E.1.8 Provision and maintenance of the West Fork lift station at the following sites located in or near the City of West Fork, Arkansas:

SCADA NODE	LOCATION	Generator	Site Maintenance Only
TBD	Expected at the end of 2020	YES	

E.1.9 Maintenance of the odor control system in the collection system associated with the following lift stations:

<u>LOCATION</u>	<u># OF CANISTERS</u>
LS #6 - 3021 N Old Wire Rd (Old Wire)	5
LS #7 - 2065 N Sunshine Rd (Hamestring)	7
LS #12 - 571 N Double Springs Road (Farmington West)	8
LS #22 - 630 N Double Springs Rd (Owl Creek)	2
LS #52 - 485 N Broyles Ave (Broyles Ave)	2

Appendix F

ENVIRONMENTAL PERMITS AND PROJECT CHARACTERISTICS

F.1 CH2M HILL will operate Project so that effluent will meet the requirement of NPDES permit No. AR0020010 and AR0050288. CH2M HILL shall be responsible for meeting the effluent quality requirements of City of Fayetteville's NPDES current permits unless one or more of the following occurs:

- The Project influent does not contain Adequate Nutrients to support operation of Project biological processes;
- Contains Biologically Toxic Substances which cannot be removed by the existing process and facilities;

The influent flow, influent BOD₅, and/or suspended solids exceeds the Project design parameters which are:

	Noland WRRF		West Side WRRF	
	Annual Average	Maximum Monthly Average	Annual Average	Maximum Monthly Average
Flow (MGD)	12.6	18.8	10.0	17.8
BOD (lbs/d)	29,666	44,264	14,595	18,853
TSS (lbs/d)	23,198	34,613	14,595	18,853

F.2 In the event any one of the Project influent characteristics, suspended solids, BOD₅, or flow, exceeds the parameters listed above, CH2M HILL shall return the plant effluent to the characteristics required by the NPDES permit in accordance with the following schedule after Project influent characteristics return to within design parameters.

Characteristics Exceeding Listed Parameters By	Recovery Period Maximum
10% or Less	5 days
> 10% but < 20%	10 days
20% and Above	30 days

Notwithstanding the above schedule if the failure to meet effluent quality limitations is caused by the presence of Biologically Toxic Substances or the lack of Adequate Nutrients in the influent, then CH2M HILL will have a thirty (30) day recovery period after the influent is free from said substances or contains Adequate Nutrients.

F.3 CH2M HILL shall not be responsible for fines or legal action as a result of discharge violations within the period that influent exceeds design parameters, does not contain Adequate Nutrients, contains Biologically Toxic Substances (that exceed process inhibiting levels or creates concentrations exceeding application or discharge limitations), and the subsequent recovery period.

F.4 The estimate Costs for services under this Agreement are based upon the following Project characteristics:

Annual Average	Noland WRRF	West Side WRRF
Flow (MGD)	7.14	8.70
BOD (lbs/d)	16,004	13,812
TSS (lbs/d)	10,764	15,367

The above characteristics are the actual twelve (12) months average July through June prior to the date services are first provided under this Agreement. Any change of 10 percent (10%) or more in any of these characteristics, based upon a twelve (12) month moving average, may constitute a change in scope.

F.5 The current applicable environmental permits are as follows:

Permit	AFIN No.	Permit No.	Expiration Date
NPDES - Noland	72-00781	AR0020010	12/31/2022
NPDES - West Side	72-01033	AR0050288	11/30/10
No Discharge Permit – Biosolids Management Site & Noland	72-00829	4748-WR-3	07/31/2020
Air - Hamestring	72-01873	2179-A	N/A
Air - West Side	72-01033	2178-A	N/A
Air Noland	72-00781	2327-A-REG315	Registration Only
Stormwater No Exposure Certification (NEC) - Noland	72-00781	ARR00C377	Renewal Pending
Stormwater No Exposure Certification (NEC) - West Side	72-01033	ARR000390	Renewal Pending

Appendix G

INDUSTRIAL WASTE DISCHARGES AND MONITORING PROGRAM

- G.1 CH2M HILL shall: Administer the Industrial Pretreatment Program in accordance with 40 CFR 403. Administration shall include:
- G.1.1 Maintain the industrial waste sampling and analysis program for pretreatment and surcharge, as described in G.3. This shall include an annual evaluation of the program and notification to the City of Fayetteville of changes in Federal and State pretreatment standards that may affect the Program.
 - G.1.2 Conduct a survey of the industrial user base one time per three (3) years. Update, as required the list of current Significant Industrial Users (SIU's) according to the definition of SIU in 40 CFR 403 or the definition in the approved pretreatment program, whichever is more stringent.
 - G.1.3 Monitor the compliance status of the current Significant Industrial Users (SIU's) through sampling, analysis, inspection, and record reviews. Each SIU shall be sampled and inspected at the frequency established in 40 CFR 403 or the City of Fayetteville's approved implementation manual, whichever is more stringent. Recommend appropriate enforcement action to City of Fayetteville
 - G.1.4 Maintain the laboratory analysis program for each SIU. Results of all industrial sampling and testing shall be reported to the City of Fayetteville as required, in a timely manner
 - G.1.5 Implement the approved industrial permitting system. Prepare SIU permits for issuance or renewal within 90 days of the expiration date or within 180 days after the industry has been determined to be a SIU.
 - G.1.6 Receive, review and act upon reports and notification from industrial users.
 - G.1.7 Notify the City of Fayetteville as soon as is practical but no later than three (3) business days, verbally and followed by written confirmation, whenever an industry is suspected of violating, or has violated the City of Fayetteville's industrial waste and/or sewer ordinances. Prepare notice of violations and other enforcement documentation for City of Fayetteville signature in accordance with the Enforcement Response Plan in the State approved Industrial Pretreatment Program.
 - G.1.8 Track, determine, and publish industrial users in significant noncompliance.
 - G.1.9 Draft new, revised, and renewal industrial waste discharge permits for the SIU's for City of Fayetteville signature.
 - G.1.10 Conduct an Industrial Waste Survey periodically to identify new, or significant, industrial users in Fayetteville and in cities with which Fayetteville has inter-jurisdictional agreements for waste treatment.
 - G.1.11 Assist City of Fayetteville with review and revision of local limits, the sewer use ordinances, the pretreatment program, and inter-jurisdictional agreements. Advise the City of Fayetteville of changes in federal and State Pretreatment Standards and regulations and how the changes affect the local program. Request approval from the City of Fayetteville and the Approval Authority prior to implementing significant changes to the approved Program in accordance with 40 CFR 401.19 (C).

G.1.12 Prepare for City of Fayetteville signature of the Industrial Pretreatment annual report for submittal.

G.1.13 Maintain all industrial monitoring records for at least five (5) years.

G.1.14 Maintain open communication with the SIU's.

G.2 Significant costs due to new or changed Federal, State or local regulations shall cause a discussion of change in contract scope.

G.3 Industrial Waste Dischargers and Monitoring Program in City of Fayetteville, AR:

Industry	Parameters Analyzed
Custom Powder Coating Services, Inc. 1629 W. Farmington St. Fayetteville, AR 72701	Cadmium, chromium, copper, lead, nickel, silver, zinc, cyanide
Elkhart Products Corporation 3265 Highway 71 South Fayetteville, AR 72701	Chromium, copper, lead, nickel, zinc, oil & grease
Hiland Dairy Company 301 E. 15 th Street Fayetteville, AR 72701	Biochemical oxygen demand, total suspended solids, phosphorus, pH, oil & grease
Marshalltown Company 2200 Industrial Drive Fayetteville, AR 72701	Cadmium, chromium, copper, lead, nickel, silver, zinc, cyanide
Pinnacle Foods Corporation 1100 W, 15 th Street Fayetteville, AR 72701	Biochemical oxygen demand, total suspended solids, phosphorus, pH, oil & grease
Superior Industries International Arkansas, LLC 1901 Borick Drive Fayetteville, AR 72701	Cadmium, chromium, copper, lead, nickel, silver, zinc, cyanide
Tyson Mexican Original, Inc. 2615 S. School Fayetteville, AR 72701	Biochemical oxygen demand, total suspended solids, phosphorus, pH, oil & grease

Appendix H

VEHICLE AND MOBILE EQUIPMENT DESCRIPTION (ROLLING STOCK)

Unit #	Unit Description	Location	Year
85U	1998 Ford F-800 Flatbed	Biosolids Management Site	1998
325U2	Ford F350 Super Duty, Reg. Cab	Biosolids Management Site	2000
376	Ford F550 Super Duty/Crane, Crew Cab	Biosolids Management Site	2012
382	Ford F550 Super Duty/Crane, Crew Cab	Biosolids Management Site	2015
387	Ford F-350, Flatbed	Biosolids Management Site	2016
388	Ford F-350, Flatbed	Paul R Noland	2016
566	Ford/New Holland LS55 Lawn Tractor	Biosolids Management Site	1999
696	Caterpillar 420E Backhoe	Biosolids Management Site	2012
748U	Freightliner M2-112 Dump Tandem Axle	Biosolids Management Site	2006
751U	Sterling LT9500 Semi Tractor	Biosolids Management Site	2006
766	Kenworth T800 Semi Tractor	Biosolids Management Site	2011
768	Kenworth T470 (Spreader)	Biosolids Management Site	2012
770	Kenworth T800 Semi Tractor	Biosolids Management Site	2013
771	Kenworth T800 Semi Tractor	Biosolids Management Site	2013
786	Kenworth T800 Semi Tractor	Biosolids Management Site	2018
818	Caterpillar P5000LP Forklift	West Side	2008
910	Trailer	Paul R Noland	1987
927	Parker 24' Gooseneck Trailer	Biosolids Management Site	1991
966	P.J. Trailer, 18FT	Biosolids Management Site	1996
969	LO-Boy 25T-36FT Trailer	Biosolids Management Site	1996
1160U	2006 Ford Explorer	Paul R Noland	2006
1274	Chevrolet Equinox	West Side	2014
2156	Chevy Colorado, 4X4	Paul R Noland	2012
5001	John Deere 6615 4X4 Tractor	Biosolids Management Site	2007
5002	John Deere 6615 4X4 Tractor	Biosolids Management Site	2007
5012	Ford/New Holland 4X4 T6030 Loader Tractor	Biosolids Management Site	2009
5022	Case Maxxum 125 4X4 Loader Tractor	Biosolids Management Site	2011
5024	R&R 35' Manure/Litter Conveyor	Biosolids Management Site	2011
5025	R&R 35' Manure/Litter Conveyor	Biosolids Management Site	2011
5034	Rhino R180 Cutter	Biosolids Management Site	2012
5057	Ford/New Holland Workmaster 55 4X4 Tractor	Biosolids Management Site	2015
5058	Ford/New Holland T6.155 4X4 Loader Tractor	Biosolids Management Site	2015
5059	John Deere 615D 4X4 Loader Tractor	Biosolids Management Site	2015
5070	Meyer Spreader	Biosolids Management Site	2016
5072	New Holland Hay Rake	Biosolids Management Site	2017
5084	New Holland Roll Belt 450 Rounder baler	Biosolids Management Site	2018

5086	NH Protedd 3417	Biosolids Management Site	2018
5087	Wylie LCS Trailer Sprayer	Biosolids Management Site	2018
5089	New Holland Roll Belt 450 Round baler	Biosolids Management Site	2019
5095	New Holland Speed Rower (swather)	Biosolids Management Site	2019
5096	John Deer 630 MOCO	Biosolids Management Site	2019
6000	John Deere Articulated Loader	Biosolids Management Site	2012
6018	Volvo MC135C Skid Steer	Biosolids Management Site	2016
9025	Volvo Penta 400 KW Generator	Lift Station12	2001
9111	Clement Star-Lite Trailer	Paul R Noland	2009
9124	Thompson 6" Diesel Power Pump/Trailer	Paul R Noland	2009
9142	Aulick 42' Belted Trailer	Biosolids Management Site	2011
9165	Clement Star-lite Trailer	Biosolids Management Site	2013
9166	Clement Star-lite Trailer	Biosolids Management Site	2013
9193	Clement Starlite End Dump Trailer	Biosolids Management Site	2015
9223	6" Portable Pump	Paul R. Noland	2016
9227	Clement Starlite End Dump Trailer	Biosolids Management Site	2016
9239	Genie S-45 Man Lift	Biosolids Management Site	2017
9241	Clement Starlite End Dump Trailer	Biosolids Management Site	2017
9250	Unicarriers 50 Forklift	Paul R Noland	2017
	Parkson Electronic Mole – Billy/Trick	Biosolids Management Site	2011
	Parkson Electronic Mole – Cricket	Biosolids Management Site	2011
	Parkson Electronic Mole – Goofy	Biosolids Management Site	2011
	Parkson Electronic Mole – Jurgens	Biosolids Management Site	2011
	Parkson Electronic Mole – Tiny Tim	Biosolids Management Site	2011
	Parkson Electronic Mole – Loenneke	Biosolids Management Site	2011
	Portable Generator for Lift stations	Paul R Noland	2005

Appendix I

BASE FEE AND FIXED MANAGEMENT FEE ADJUSTMENTS

I.1 The Base Fee adjustment formula is as follows:

$$ABF = BF \times (1 + AF)$$

Where:

BF = Base Fee specified in Appendix D

ABF = Adjusted Base Fee

AF = Adjustment Factor as determined by the formula:

$$AF = .5 (ECI + CPI)$$

ECI = The twelve month percent change (from the third quarter of the prior year to the third quarter in the current year) in the Employment Cost Index for Total Compensation for Civilian Workers, Not Seasonally Adjusted as published by U. S. Department of Labor, Bureau of Labor Statistics in the Detailed Report Series ID: CIU1010000000000A.

CPI = The twelve month percent change (from October of the prior year to October of the current year) in the Consumer Price Index for All Urban Consumers, Not Seasonally Adjusted as published by U.S. Department of Labor, Bureau of Labor Statistics in the CPI Detailed Report Series Id: CUUR000SA0.

I.2 Fixed Management Fee adjustment

The Fixed Management Fee will be adjusted annually directly proportional to the base fee costs.

Appendix J

SAMPLE OF MONTHLY REPORTS

CH2M HILL will provide the City of Fayetteville with 4 monthly reports detailing operations and costs for the previous month.

- Report 1 is a word/pdf document. The report is a narrative detail of the monthly operations of the WRRF's, BMS, and the Woolset Wet Prairie.
- Report 2 is an excel document that compares actual expenses to the budget in Table D-1, Cost Detail. The report will include the annual totals tab, a tab for each month, and an overall reconciliation tab. Below is a snapshot of an example annual tab.

JACOBS Client Monthly Financial Report

6/1/2020
WRRF CT, Asset
JACB 01/01/2019
Through Month
6/30/2020

CITY OF FAYETTEVILLE
Customer ID: 000
Project ID: 100

Report 1: Annual Totals

Category	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Operating Expenses	1,234,567	1,200,000	34,567	1,234,567	1,200,000	34,567	1,234,567	1,200,000	34,567	1,234,567	1,200,000	34,567	1,234,567	1,200,000	34,567	1,234,567	1,200,000	34,567	1,234,567	1,200,000	34,567
Capital Expenses	567,890	550,000	17,890	567,890	550,000	17,890	567,890	550,000	17,890	567,890	550,000	17,890	567,890	550,000	17,890	567,890	550,000	17,890	567,890	550,000	17,890
Total	1,802,457	1,750,000	52,457	1,802,457	1,750,000	52,457	1,802,457	1,750,000	52,457	1,802,457	1,750,000	52,457	1,802,457	1,750,000	52,457	1,802,457	1,750,000	52,457	1,802,457	1,750,000	52,457

- Report 3 is an excel document that lists all of the non-labor expenses for the month. The data included in the report consists of:
 - A pivot table tab enabling quick viewing of costs by major category per cost center.
 - An hours tab showing the total hours worked each month split into regular time and overtime:

Example

Total Hours Worked XXXXX
Regular Hours XXXXX
Overtime Hours XXXXX

- A non-labor tab listing each expense with the following detailed columns:
 - Project Number, Provider GL Period Name, Item Date, Expenditure Type, Expenditure Category, Task Number, Task Name, Employee/Supplier, Project Cost, Comment, Invoice Number, Cost Center Lookup, Task Lookup

Project	Provider GL Period Name	Item Date	Expnd Type	Expnd Category	Task	Task Name	Employee / Supplier	Project Cost	Comment	Invoice Number	Cost Center Lookup	Task Lookup
659031CH	JAN-FY2019	7/1/2019	Miscellaneous	Misc. Reimbursables	31.WW.BS.05	FAYET BIOSOLIDS	Example	\$	*FedEx	12345	WRRF BIOSOLID MANAGEMENT PROG	Biosolids Drying

- Elkins BOD Loading Report: Detail of Noland BOD loading in pounds / day and as a percent of design
- CIP status report

Appendix K

CH2M HILL TRAVEL POLICY

- K.1 CH2M HILL shall follow its travel policy when traveling for business related to this agreement. A copy of the policy will be available on request.