



WASHOE COUNTY

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CM/ACM	<u>KS</u>
Finance	<u>DN</u>
DA	<u>✓</u>
Risk Mgt.	<u>DE</u>
HR	<u>N/A</u>
Comptroller	<u>MS</u>

STAFF REPORT

BOARD MEETING DATE: November 10, 2015

DATE: October 12, 2015

TO: Board of County Commissioners

FROM: Alan Jones, P.E., Sr. Licensed Engineer, Engineering and Capital Projects
Community Services Department, 954-4651, ajones@washoecounty.us

THROUGH: Dwayne Smith, P.E., Division Director, Engineering and Capital Projects,
Community Services Department, 328-2043, desmith@washoecounty.us

SUBJECT: Recommendation to approve an Agreement for Consulting Engineering Services between Washoe County and CH2M Hill Engineers, Inc. to provide start up and operation manual services for the South Truckee Meadows Water Reclamation Facility Bio-Solids Facility Project [\$115,000]. (Commission District 2.)

SUMMARY

The Community Services Department (CSD) is requesting approval of a professional services agreement with CH2M Hill Engineers, Inc. (CH2M Hill) to provide start up and operation manual services for the South Truckee Meadows Water Reclamation Facility (STMWRF) Bio-Solids Facility Project.

In 2013, staff conducted a qualifications-based selection process for an engineering consultant team for the planning, engineering design, and construction management services for the STMWRF Biosolids Management Project. CH2M Hill, a consultant with extensive wastewater treatment facility engineering expertise was selected. In 2014, CH2M Hill completed the design and on December 9, 2014, the Board of County Commissioners (Board) awarded the construction contract to K.G Walters Construction Inc., in the amount of \$12.8 million. On January 13, 2015, the Board approved a professional service contract with CH2M Hill to provide construction management and engineering services for the project. The project is on schedule and within budget.

The final element needed to complete the Bio-Solids project is the initial startup of the facility and preparation of an operations manual for the facility. These elements were not included in the design or construction management contracts. It is proposed that CH2M Hill provide these final services for the project.

Washoe County Strategic Objective supported by this item: Safe, secure and healthy communities.

AGENDA ITEM # 6E1

PREVIOUS ACTION

On January 13, 2015, the Board approved execution of an Agreement for Consulting Engineering Services between CH2M Hill and Washoe County, dated September 12 2013, to provide construction management services for the South Truckee Meadows Water Reclamation Facility Solids Management Project, in the amount of \$1,156,000

On December 9, 2014, the Board approved the Construction Agreement with KG Walters Construction Company, the lowest responsive bidder, for the South Truckee Meadows Water Reclamation Facility Biosolids Facilities Project, Inc., for the amount of \$12,830,000.

On July 22, 2014, the Board approved execution of Amendment 1 to the Agreement for Consulting Engineering Services between CH2M Hill and Washoe County, dated September 2013, to provide engineering design services for the South Truckee Meadows Water Reclamation Facility Solids Management Project, in the amount of \$178,000.

On October 8, 2013, the Board approved execution of an Agreement for Consulting Engineering Services between CH2M Hill and Washoe County, dated September 2013, to provide engineering design services for the South Truckee Meadows Water Reclamation Facility Solids Management Project, in the amount of \$911,500.

On November 8, 2011, the Board approved execution of an Agreement for Consulting Engineering Services between CH2M Hill and Washoe County, dated October 2011, to provide preliminary engineering services for the South Truckee Meadows Water Reclamation Facility 2012 Rehabilitation and Enhancement Project, including Task 3 - Solids Processing Preliminary Engineering, in the amount of \$37,000.

On July 11, 2011, the Washoe County Purchasing and Contracts Manager approved an agreement for Consulting Engineering Services between Kennedy Jenks Consultants and Washoe County to provide concept-level planning services for waste solids treatment and disposal strategies for South Truckee Meadows Water Reclamation in the amount of \$49,000.

On August 20, 2002, the Board adopted the South Truckee Meadows Water and Wastewater Facility Plan.

BACKGROUND

Washoe County owns and operates the South Truckee Meadows Water Reclamation Facility (STMWRF), which provides sewer treatment to approximately 13,000 homes and businesses within southern Washoe County, including portions of the City of Reno. The facility was commissioned in 1990 and expanded in 2003. STMWRF is presently configured to treat up to 4.1 million gallons of sewage per day (mgd).

A product of the biological treatment process utilized at STMWRF is waste activated sludge – commonly referred to as waste solids, solids, or sludge. Since 1999, waste solids have been conveyed to the Truckee Meadows Water Reclamation Facility (TMWRF) for final treatment and disposal. Over the past several years, conceptual and

preliminary engineering studies have concluded that developing on-site sludge treatment facilities at STMWRF is in the region’s best interest, based upon:

- Increasing costs associated with treatment processes at TMWRF, which now approach \$800,000 per year, has made onsite waste solids treatment at STMWRF a feasible economic alternative.
- Regional water managers have identified non-economic benefits of completely discontinuing the practice of treating STMWRF waste solids at TMWRF. Most important to the region is reducing the total amount of nitrogen treated at TMWRF and discharged to the Truckee River.

The new facilities being constructed include an aerobic sludge digester and a new building which will house the mechanical, chemical, electrical, and process control equipment. These facilities are being built to treat all the sludge presently generated at STMWRF, plus additional capacity to accommodate a 20-year growth forecast. The current practice of conveying sludge to TMWRF will be discontinued when the new facilities are operational, which is expected to begin in the spring of 2016.

The proposed start up and operation manual services will include preparation of the operations manual for the facility; the preparation of a operations and testing plan; unit process checks and start-up support and training of the operations staff. The following is the fee estimate summary:

Task	Description	Estimated Fee
1	Operations Manual	\$31,500
2	Operations and Testing Plan Preparation	\$8,000
3	Unit process Checkout and Start-up Support	\$60,000
4	Operations Training	\$15,500
	Total	\$115,000

FISCAL IMPACT

This project was anticipated and budgeted in the County’s five-year Capital Improvements Program which was approved by the Board during the budget process. Budget authority for costs associated with modifying current solids waste handling processes for current customers (\$76,360) exists in project number WR495112, account number 781080 (66.4%). Such costs will be paid for with sewer rate revenues. Budget authority for costs in support of future growth (\$38,640) exists in project number WR860105, account number 781080 (33.6%). Such costs will be paid for with connection fee revenues.

Sewer rate revenue and developer connection fee cash currently exist and have been earmarked in the CIP for the purpose of funding the solids management facility project. Remaining sewer operating and connection fee cash balances subsequent to completing the solids management facility project will be sufficient for future operating and known development-related infrastructure needs.

RECOMMENDATION

It is recommended that the Board of County Commissioners approve an Agreement for Consulting Engineering Services between Washoe County and CH2M Hill Engineers, Inc., to provide start up and operation manual services for the South Truckee Meadows Water Reclamation Facility Bio-Solids Facility Project [\$115,000].

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be "Move to approve an Agreement for Consulting Engineering Services between Washoe County and CH2M Hill Engineers, Inc., to provide start up and operation manual services for the South Truckee Meadows Water Reclamation Facility Bio-Solids Facility Project [\$115,000]."

AGREEMENT FOR CONSULTING ENGINEERING SERVICES

THIS AGREEMENT is entered into between Washoe County, a political subdivision of the State of Nevada ("County") and CH2M HILL Engineers Inc. ("Consultant"), collectively (the "Parties").

WITNESSETH:

WHEREAS, County desires to engage Consultant to render certain engineering services in Support of the "South Truckee Meadows Water Reclamation Facility Biosolids operations Manual and Process Support Project" (the "Project"); and

WHEREAS, County requires certain professional services in connection with the Project, as described in Exhibit "A", Scope of Work (the "Services"); and,

WHEREAS, Consultant represents that it is duly qualified, ready, willing and able to provide the Services by virtue of its education, training and experience;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

ARTICLE 1 - EFFECTIVE DATE

The effective date of this Agreement shall be November 10, 2015.

CONSULTANT shall begin performance of services as provided herein upon notice to proceed and shall complete all **Services identified in Exhibit A, Scope of Work** in accordance with the Standard of Care as set forth in Article 5 herein no later than December 31, 2016, unless this Agreement is terminated sooner in accordance with its terms.

ARTICLE 2 - SERVICES TO BE PERFORMED BY CONSULTANT

CONSULTANT agrees to perform and complete all **Services identified in Exhibit A, Scope of Work** under this Agreement, and any amendment thereto in accordance with the Standard of Care as set forth in Article 5 herein. CONSULTANT shall be responsible for the quality, technical accuracy, completeness and coordination of all reports, information, specifications and other items and services furnished under this Agreement and any amendments hereto. COUNTY reserves the right to inspect, comment on, and request revision of, all Services identified in Exhibit A and any amendments thereto performed by CONSULTANT prior to acceptance, and CONSULTANT warrants that such Services shall be fit and sufficient for the purposes expressed in, or reasonably inferred from, this Agreement and any amendments hereto.

Failure to provide major deliverables, including, but not limited to, Services identified in Exhibit A, Scope of Work, shall constitute a material breach of this Agreement, unless waived in writing by the COUNTY.

ARTICLE 3 - COMPENSATION

3.1 Compensation for Services

For Services defined in Section 1 above, CONSULTANT'S compensation shall be determined on a time and material basis, in accordance with the **Fee Schedule described in Exhibit "B"**, which is attached hereto and incorporated by reference as part of the Agreement, and shall not exceed the sum of **\$115,000.00**. CONSULTANT shall satisfy its obligations hereunder without additional cost or expense to COUNTY during the term of this Agreement other than the heretofore stated compensation and the fee schedule described in Exhibit "B". The Fee Schedule may be renegotiated at the end of one (1) year upon request by either the COUNTY or the CONSULTANT. Renegotiated fees are subject to approval by County's Board of County Commissioners. The actual costs charged for the work by CONSULTANT in accordance with this provision shall be full compensation to CONSULTANT for all Services and duties required by the Scope of Work, including, but not limited to: costs of supplies, facilities and equipment; costs of labor and services of employees, consultants and sub-consultants engaged by CONSULTANT; travel expenses, telephone charges, typing, duplicating, costs of insurance, and all items of general overhead. CONSULTANT shall submit billings on a monthly basis.

3.2 Compensation for Additional Services

If County requests Consultant to perform additional services, other than those required to be performed under **Services identified in Exhibit A, Scope of Work**, the cost of such additional services shall be determined prior to commencing additional work. All additional services and amount of payment must be authorized in writing by County prior to commencing any work for such services.

3.3 Methods and Times of Payment

Consultant shall submit to County monthly progress invoices indicating the number of hours each employee provided services and other allowed direct expenses. Payment to Consultant for work on the Project shall be made within forty-five (45) days after receipt and approval of Consultant's invoice, said approval not to be unreasonably withheld. Payment by County of invoices or requests for payment shall not constitute acceptance by County of work performed on the Project by Consultant. No penalty shall be imposed upon the County for payment(s) received by Consultant after forty-five days.

3.4 Dispute of Work

County shall notify Consultant in writing within thirty (30) days of receipt of the work, or portion of work, which is not approved. For work, or portions of the work, which are unapproved, the County and Consultant shall develop a mutually acceptable method to resolve the dispute within thirty (30) days of receipt by the Consultant of notice from the County. If the County and Consultant cannot reasonably agree to remedy the dispute of unapproved work within the thirty-day period, the work shall be terminated or suspended per Article 12.

ARTICLE 4 - TIME SCHEDULE FOR COMPLETION

The Services identified in Exhibit A, Scope of Work on the Project shall be diligently performed and be completed no later than December 31, 2016. Consultant shall be granted time extensions for items within the phases of the Project in writing by County if the time schedules cannot be met because of delays beyond Consultant's reasonable control, including, but not limited to, County's failure to furnish information, or to approve or disapprove Consultant's work promptly. Consultant will provide to County a monthly report including a schedule identifying progress or work completed, problems or difficulties being encountered, work to be initiated during the following month and other useful information. This report will be submitted on the

first day of each month and will be in a format suitable for submittal to other interested agencies. Consultant's failure to submit promptly the monthly progress report may cause delay in payment from the County.

ARTICLE 5 - STANDARD OF CARE

Consultant shall exercise the same degree of care, skill, and diligence in the performance of the Services as is ordinarily provided by a professional engineer under similar circumstances and Consultant shall, at no cost to County, re-perform services which fail to satisfy the foregoing standard of care provided that Consultant is notified in writing by County of the deficiency within six (6) months of performance of the deficient Services. Such re-performed Services may include, but not be limited to, correcting errors and omissions, or any other deficiencies in designs, drawings, specifications and reports. County reserves the right to inspect, comment on, and request revision of, all Services performed by Consultant prior to acceptance, and Consultant warrants that Services shall be fit and sufficient for the purposes expressed in and intended by this Agreement and any amendments thereto. Failure to provide Services or re-performed Services in accordance with the foregoing standard of care shall constitute a material breach of this Agreement unless waived by the County. Review and approvals by County do not relieve Consultant of its responsibilities under this Article. Except as is otherwise provided for in this Article, the re-performance of Services is the Consultant's entire responsibility and the County's exclusive remedy for Services rendered or to be rendered hereunder, and no additional warranties, guarantees or obligations are to be implied.

ARTICLE 6 - LIMITATIONS OF RESPONSIBILITY

Consultant shall not be responsible for construction means, methods, techniques, sequences, procedures, or safety precautions and programs in connection with the Project. In addition, Consultant shall not be responsible for the failure of any other consultant, subcontractor, vendor, or other project participant to fulfill contractual or other responsibilities to County or to comply with federal, state, or local laws, ordinances, regulations, rules, codes, orders, criteria, or standards. Consultant shall notify County of any apparent unsafe conditions, methods or procedures that the Consultant may observe at the construction site.

ARTICLE 7 - OPINIONS OF COST AND SCHEDULE

Since Consultant has no control over the cost of labor, materials, equipment or services furnished by others, including over any other consultants', subcontractors', or vendors' methods of determining prices, or over competitive bidding or market conditions, Consultant's cost estimates shall be made on the basis of qualification and experience in professional engineering.

Since Consultant has no control over the resources provided by others to meet contract schedules, Consultant's forecast schedules for completion of Services shall be established based on generally acceptable schedules for and performance standards of similarly situated professional engineers qualified and experienced to perform the Services. Consultant cannot and does not guarantee that proposals, bids or actual project costs will not vary from its cost estimates or that actual schedules will not vary from its forecast schedules.

ARTICLE 8 - INDEPENDENT CONTRACTOR

Consultant undertakes performance of the Services as an independent contractor and shall be wholly responsible for the methods of performance. County shall have no right to supervise the methods used by Consultant. County shall have the right to observe such performance. Consultant shall work closely with County in performing Services under this Agreement.

ARTICLE 9 - PERMITS AND LICENSES

Consultant shall procure the permits, certificates, and licenses necessary to allow Consultant to perform the Services. Consultant shall not be responsible for procuring permits, certificates, and licenses required for any construction unless such responsibilities are specifically assigned to Consultant in Exhibit A, Scope of Services.

ARTICLE 10 - COUNTY'S RESPONSIBILITY

County shall provide any information authorized by law in its possession that is requested by Consultant and is necessary to complete the Project. County shall assist Consultant in obtaining access to public and private lands so Consultant can perform the Services. County shall examine all studies, reports, sketches, estimates, specifications, drawings, proposals, and other documents presented by Consultant and shall render decisions pertaining thereto within a reasonable time so as not to delay the work of Consultant.

ARTICLE 11 - REUSE OF DOCUMENTS

All documents, including computer files, drawings, specifications, and computer software, prepared by Consultant pursuant to this Agreement are instruments of service in respect to the Project. They are not intended or represented to be suitable for reuse by County or others on extensions of the Project or on any other project. Any reuse without written verification or adaptation by Consultant for the specific purpose intended will be at County's sole risk and without liability or legal exposure to Consultant; and County shall indemnify and hold harmless Consultant against all claims, damages, losses, and expenses including attorneys' fees arising out of or resulting from such reuse. Any such verification or adaptation will entitle Consultant to further compensation at rates to be agreed upon by County and Consultant.

Copies of all documents, including reports, computer files, drawings, specifications, and computer software, prepared by Consultant pursuant to this agreement will be provided to the County in electronic format accompanied by the appropriate documentation necessary to catalog them in the context of this project.

When transferring data in electronic media format, Consultant makes no representation as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by Consultant at the beginning of the Project.

Because the data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within 60 days, after which the receiving party shall be deemed to have accepted the data thus transferred. Any errors detected within the 60-day acceptance period will be corrected by the party delivering the electronic files. Consultant shall not be responsible to maintain documents stored in electronic media format after acceptance by County. The original hard copy of the documents containing the professional engineer's seal shall take precedence over the electronic documents.

ARTICLE 12 - TERMINATION OR EXTENSION OF CONTRACT

Either Party may terminate this Agreement by written notice to the other Party if the other Party is in material breach or default of any provision of this Agreement and does not remedy such breach or default, or provide satisfactory evidence that such default will be expeditiously remedied, within thirty (30) days after

being given such notice. In the event of such termination, County shall pay Consultant for all Services satisfactorily performed to the date of termination.

County, in its sole discretion, shall have the right to terminate this Agreement or suspend performance thereof for County's convenience upon written notice to Consultant, and Consultant shall terminate or suspend performance of services within thirty (30) days on a schedule acceptable to County. In the event of termination or suspension for County's convenience, County shall pay Consultant for all Services performed in accordance with the terms of this Agreement.

In the event that the County's governing body fails to appropriate or budget funds for the purposes specified in this Agreement, or that the County's governing body has been required, in its sole judgment, to amend previous appropriations or budgeted amounts to eliminate or reduce funding for the purposes of this Agreement, this Agreement shall be terminated without penalty, charge, or sanction.

ARTICLE 13 - NONDISCLOSURE OF PROPRIETARY INFORMATION

Consultant shall consider all information provided by County to be proprietary unless such information is available from public sources, was known to Consultant prior to the execution of this Agreement, was received by Consultant from a third-party source not under any obligation of confidentiality to the County, or is required by law or ordered to be disclosed in a regulatory or judicial proceeding. Consultant shall not publish or disclose proprietary information for any purpose other than the performance of the Services without the prior written authorization of County or in response to legal process or as required by the regulations of public entities.

ARTICLE 14 - NOTICE

Any notice, demand, or request required by or made pursuant to this Agreement shall be deemed properly made if personally delivered in writing or deposited in the United States mail, postage prepaid, to the address specified below.

To Consultant:

Andy Solberg, Vice President
CH2M HILL Engineers, Inc.
50 West Liberty Street, Suite 205
Reno, NV 89501

To County:

David Solaro, Director
Washoe County Community Services
1001 East 9th Street
Reno, NV 89512

Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of Consultant and County.

ARTICLE 15 - UNCONTROLLABLE FORCES

Neither County nor Consultant shall be considered to be in default of this Agreement if delays in or failure of performance shall be due to uncontrollable forces the effect of which, by the exercise of reasonable diligence, the non-performing party could not avoid and is not reasonably foreseeable at the time of entering into this Agreement. The term "uncontrollable forces" shall mean any event which results in the prevention or delay of performance by a party of its obligations under this Agreement and which is beyond the control of the non-performing party. It includes, but is not limited to, fire, flood, earthquakes, storms, lightning, epidemic, war, riot, civil disturbance, sabotage, inability to procure permits, licenses, or authorizations from any state, local, or federal agency or person for any of the supplies, materials, accesses, or services required to be provided by either County or Consultant under this Agreement, strikes, work slowdowns or other labor disturbances, and judicial restraint. Consultant shall be paid for services performed prior to the delay plus related costs incurred attributable to the delay.

Neither Party shall, however, be excused from performance if nonperformance is due to uncontrollable forces which are removable or remediable nor which the non-performing Party could have, with reasonable dispatch removed or remedied. The provisions of this Article shall not be interpreted or construed to require Consultant or County to prevent, settle, or otherwise avoid a strike, work slowdown, or other labor action. The non-performing Party shall upon being prevented or delayed from performance by an uncontrollable force, immediately give written notice to the other Party describing the circumstances and uncontrollable forces preventing continued performance of the obligations of this Agreement.

ARTICLE 16 - GOVERNING LAW-VENUE

This Agreement shall be governed by the laws of the State of Nevada, and venue for any action shall be solely in state district court for Washoe County, Nevada.

ARTICLE 17 - MISCELLANEOUS

17.1 Nonwaiver

A waiver by either County or Consultant of any breach of this Agreement shall not be binding upon the waiving Party unless such waiver is in writing. In the event of a written waiver, such a waiver shall not affect the waiving party's rights with respect to any other or further breach.

17.2 Severability

The invalidity, illegality, or unenforceability of any provision of this Agreement, or the occurrence of any event rendering any portion or provision of this Agreement void, shall in no way affect the validity or enforceability of any other portion or provision of the Agreement. Any void provision shall be deemed severed from the Agreement and the balance of the Agreement shall be construed and enforced as if the Agreement did not contain the particular portion or provision held to be void. The Parties further agree to reform the Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision.

17.3 Attorney Fees

The prevailing party in any dispute arising out this Agreement or Consultant's work described in Exhibit A – Scope of Work, is entitled to reasonable costs and attorneys' fees.

ARTICLE 18 - INTEGRATION AND MODIFICATION

This Agreement represents the entire and integrated agreement between the Parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by each of the Parties. Unless otherwise specified in writing, if there is any inconsistency between the terms of this Agreement and any other agreement between the Parties, the terms of this Agreement shall control.

ARTICLE 19 - SUCCESSORS AND ASSIGNS

County and Consultant each binds itself and its directors, officers, partners, successors, executors, administrators, assigns and legal representatives to the other party to this Agreement and to the partners, successors, executors, administrators, assigns, and legal representatives of such other party, in respect to all covenants, agreements, and obligations of this Agreement.

ARTICLE 20 - ASSIGNMENT

Neither County nor Consultant shall assign, sublet, or transfer any rights under or interest in (including, but without limitation, monies that may become due or monies that are due) this Agreement without the written consent of the other, except to the extent that the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Consultant from employing such independent consultants, associates, and subcontractors, as he may deem appropriate to assist him in the performance of the Services hereunder.

ARTICLE 21 - THIRD PARTY RIGHTS

Nothing herein shall be construed to give any rights or benefits to anyone other than County and Consultant.

ARTICLE 22 - INDEMNIFICATION, INSURANCE, AND ARBITRATION

Washoe County has established specific indemnification and insurance requirements for agreements/contracts with consultants, engineers, and architects to help assure that reasonable insurance coverage is maintained. Indemnification and hold harmless clauses are intended to assure that consultants accept and are able to pay for the loss or liability related to their activities. Exhibit C, is included by reference. All conditions and requirements identified in this exhibit shall be completed prior to the commencement of any work under this Agreement.

ARTICLE 23 – LIMITED LIABILITY

County will not waive and intends to assert available defenses and limitations contained in Chapter 41 of the Nevada Revised Statutes. Contract liability of both parties shall not be subject to punitive damages. Actual damages for the County's breach of this Agreement shall never exceed the amount of funds that have been appropriated for payment under this Agreement, but not yet paid, for the fiscal year budget in existence at the time of the breach.

Consultant agrees to indemnify, hold harmless and defend County and the employees, officers and agents of County from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees and costs, to the extent that such liabilities, damages, losses, claims,

actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of Consultant or the employees or agents of the Consultant (1) in the performance of the contract, or (2) which are, or are not, based upon or arising out of the professional services of CONSULTANT, to the full extent allowed by law.

More specifically and without limitation to the foregoing, in recognition of the limitations provided in NRS 338.155, Consultant is not required to defend County and the employees, officers and agents of the County with respect to the liabilities, damages, losses, claims, actions or proceedings caused by the negligence, errors, omissions, recklessness or intentional misconduct of Consultant or the employees or agents of Consultant which are based upon or arising out of the professional services of Consultant. However, if Consultant is adjudicated to be liable by a trier of fact, the trier of fact shall award reasonable attorney's fees and costs to be paid to the County, as reimbursement for the attorney's fees and costs incurred by County in defending the action, by Consultant in an amount which is proportionate to the liability of Consultant.

ARTICLE 24 - ORGANIZATION'S CERTIFICATION

Consultant, its principals and agents, to the best of its knowledge and belief:

- a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal or state department or agency;
- b) Have not within a three year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in (ii) above;
- d) Have not within a three-year period preceding this Agreement had one or more public transactions (Federal, State, or local) terminated for cause or default; and
- e) Understand that a false statement on this certification may be grounds for rejection or termination of this Agreement. In addition, under 18 USC Sec. 1001, a false statement may result in a fine of up to \$10,000 or imprisonment for up to 5 years, or both.

IN WITNESS WHEREOF, the parties have executed this Agreement.

WASHOE COUNTY:

CONSULTANT:

Dated this ___ day of _____, 2015

Dated this ___ day of _____, 2015

By _____
Marsha Berkbigler, Chair,
Washoe County Commission

By _____
Andy Solberg, Vice-President
CH2M Hill Engineers, Inc.

EXHIBIT A

**Scope of Work for the
South Truckee Meadows Water
Reclamation Facility
Biosolids Operations Manual and
Process Support**

Prepared for
**Washoe County Community Services Dept
Water Resources**

September 2015

CH2MHILL
50 West Liberty, Suite 205
Reno, NV 89501

Exhibit A: Scope of Work for the South Truckee Meadows Water Reclamation Facility Biosolids Operations Manual and Process Support

This exhibit is to the Agreement, between CH2M HILL ENGINEERS, Inc. (Consultant), and Washoe County Community Services Department, Water Resources (County), for engineering and consulting services related to the repair and replacement of facilities at the South Truckee Meadows Water Reclamation Facility (STMWRF, Plant). The official name for the project will be the STMWRF Biosolids Operations Manual and Process Support, hereinafter referred to as the "Project."

Introduction

Washoe County Community Services Department, Water Resources manages wastewater treatment facilities that serve approximately 16,000 sewer accounts in the South Truckee Meadows, East Lemmon Valley, and Cold Springs Valley areas. The County also manages a reclaimed water operation associated with the South Truckee Meadows Water Reclamation Facility. Reclaimed water accounts have grown steadily during the early 2000s, with over 280 customer accounts using approximately 2,423 acre-feet of reclaimed water.

The South Truckee Meadows Water Reclamation Facility is located within southern Washoe County, Nevada. The facility is presently configured to treat up to 4.1 million gallons per day (mgd) on a peak month flow basis. Current tertiary treatment capacity is 6 mgd.

STMWRF currently conveys all waste activated solids (WAS) to the Truckee Meadows Water Reclamation Facility (TMWRF) for stabilization and ultimate disposal. Increasing costs associated with treatment processes at TMWRF has made onsite solids dewatering at STMWRF a feasible economic alternative. Regional water managers have also identified non-economic benefits from discontinuing the practice of sending WAS from STMWRF to TMWRF. CH2M HILL designed Biosolids Treatment and Dewatering Facilities for STMWRF which are currently under construction. This exhibit presents Consultant's scope of work, preliminary schedule, and budget for developing an Operations Manual for the new Biosolids Facilities and providing onsite process support and training for the new facilities.

Consultant's Scope of Work

Task 1 – Operations Manual

Consultant will develop an Operations Manual describing the operation of the Project facilities and systems. This manual will explain the various primary modes of operation that may be used, including both normal operation and initial emergency operation procedures. The manual will explain the purpose and basic concept of the various processes that are incorporated into the overall plant. Where appropriate, reference will be made to the manufacturer's detailed O&M submittals. It will include instructions for process operations and test or laboratory procedures that may be required to monitor the performance of the facilities. The manual will be suitable for use as an operational tool and

to facilitate operator training. Two hard copies of the Operations Manual plus one electronic copy in Adobe Acrobat .pdf file format will be provided.

Task 2 – Operations and Testing Plan Preparation

Consultant will work with representatives from the Contractor and Owner to develop a plan of operations to identify specific actions and related completion dates for startup and operation of the new facilities. The overall plan will include Contractor's submitted test plans, testing dates for all process equipment, methods of supplying plant 3W for clean water testing, and methods for dealing with any unsuitable waste from testing. The Operations and Testing Plan will be transmitted to the Owner via pdf prior to the start of equipment performance testing.

Task 3 – Unit Process Checkout and Start-up Support

Consultant will furnish one project engineer to provide on-site assistance to the Owner in unit process testing and operation assistance for up to seven weeks to ensure that the installed project equipment is configured correctly and that all pieces of process equipment operate together to achieve the process goals as designed for the facility. On-site assistance will be provided for the following unit processes:

1. WAS pumping
2. Digester Aeration and Mixing
3. Digester Decant and Process Drains
4. Thickening and Thickener Feed Pumping
5. Dewatering and Dewatering Feed Pumping
6. Cake Conveyance
7. Polymer Feed and Mixing Systems

For each of the systems identified above, the Consultant engineer will be on site to verify that the relevant equipment or process is ready to be tested, verify with the planned test conforms to the Contractor's written and approved test plan, witness functional testing performed in either dry or clean water conditions, depending on the process), and assist in performance testing for the units processes described below.

WAS Pumping to the Digesters - Consultant will verify that the new WAS pump performs as planned at adjustable speeds.

Digester Aeration and Mixing - Consultant will verify that the digester contents are mixed evenly in clean water and process water conditions, and will verify that the mixing and aeration systems function as specified both with and without air. Consultant will also coordinate with the operations staff to develop DO concentration targets and air on/off intervals.

Digester Decant and Process Drains - Consultant will witness the testing of the digester manual decant system and dewatering facility process drains returned to the Headworks influent pump station to verify proper operation.

Thickening and Thickener Feed Pumping - Consultant will verify that the thickening system meets specifications when the thickener is operating in both pre-thickening and recuperative thickening modes. For both scenarios, Consultant will develop recommended polymer dosing setpoints at different influent solids concentrations, and verify that the entire thickening system, including polymer pumps, the rotary drum thickener, the thickener feed pumps and the screw conveyor operate together as specified.

Dewatering and Dewatering Feed Pumping - Consultant will develop recommended polymer dosing setpoints at different influent solids concentrations, and verify that the entire dewatering system, including polymer pumps, the screw presses, the thickener feed pumps, truck scales, and the screw conveyor operate together as specified.

For all systems, work will be documented through the functional and performance test reports, Unit Process Startup Forms and the Facility Performance Demonstration/Certification Form. In addition, specific results, such as recommended polymer setpoints at various solids concentrations will be provided to the Owner and discussed in the Operations Training described below.

Task 4 – Operations Training

Consultant will provide supplemental instruction to the Owner's staff in the testing and operation of the equipment provided under this Project. This instruction shall cover both the basic operational concept and actual operation of the systems and components under both normal and abnormal operations that are likely to occur. Consultant will also coordinate the services of qualified representatives from equipment manufacturers, in accordance with the requirements of the construction contract. Budget for this subtask includes preparation of training materials plus the facilitation of one 4-hour training session with STMWRF operations staff.

Facility Start-up Assistance and Operations Handoff

Consultant will provide one representative for up to four contiguous days to assist during the initial startup of the facilities by assisting the operating personnel assigned by the Owner.

Operations Training Follow-up

After the facility has been in operation for a few months, Consultant will provide one representative for up to two contiguous days onsite to provide follow-up classroom and hands on training to STMWRF operators. Budget includes time to prepare training presentation materials.

Schedule

Per the Contractor's current construction schedule, unit process startup support is anticipated to begin in December 2015. Startup assistance will commence subsequent to substantial completion, which is currently scheduled on February 26, 2016.

Compensation

Compensation for services described herein will be on a time and expense basis using the billing rates specified in Exhibit B. The amount invoiced each month will be based on actual hours of labor and expenses expended. Each invoice will include a project summary and a listing of the charges applicable to each of the 4 Tasks noted herein. For services enumerated in Tasks 1 through 4, the total estimated fee is \$115,000 plus applicable sales, use, value-added, business transfer, gross receipts, or other similar taxes. This total fee will not be exceeded without prior authorization from the County. County understands and agrees that individual tasks may be completed either under or over budget and that Consultant can reallocate budgets within and across tasks provided the total authorized estimated fee is not exceeded.

Exhibit B

**2015 CH2M HILL Per Diem Rate Schedule
for
South Truckee Meadows Water Reclamation Facility
Biosolids Operations Manual and Process Support
Hourly Billing Rates**

<u>Classification</u>	<u>2015 Rate</u>
Principal Technologist*/Principal Project Manager	\$227
Sr. Technologist*/Sr. Project Manager	\$209
Engineer Specialist*/Project Manager	\$189
Project Engineer*	\$169
Associate Engineer*	\$149
Staff Engineer 2*	\$129
Staff Engineer 1*	\$110
Construction Manager (Dave Michaut)	\$125
Engineering/Environmental Tech 5	\$139
Engineering/Environmental Tech 4	\$122
Engineering/Environmental Tech 3	\$105
Engineering/Environmental Tech 2	\$92
Engineering/Environmental Tech 1	\$79
Office/Clerical/Accounting	\$74

* includes engineering, consulting, planner, and scientist disciplines

Notes:

1. Direct Expenses are those necessary costs and charges incurred for the PROJECT including, but not limited to: (1) the direct costs of transportation, meals and lodging, mail, subcontracts, and outside services; special client-approved PROJECT-specific insurance, letters of credit, bonds, and equipment and supplies; (2) Consultant's charges for direct use of Consultant's vehicles, computing systems, laboratory test and analysis, word processing, printing and reproduction services, and certain field equipment; and (3) Consultant's project charges for special health and safety requirements of Occupational Safety and Health Administration (OSHA) services.
2. Consultant's rates for the following direct expenses shall be: Computer charges of \$6.00 will be applied to all labor hours for office staff. A Health & Safety charge of \$1.75 will be applied to all labor hours of employees who are currently enrolled in the CH2M HILL Comprehensive Health & Safety Program. These rates are subject to change for work performed beyond 2015.
3. A markup of 10% will be applied to all other Direct Costs and Expenses.
4. An additional premium of 25% will be added to the above rates for Expert Witness and Testimonial Services.
5. Rates are applicable for work performed through December 31, 2015. Rate increases will go into effect for work performed beyond 2015.

Exhibit C**INSURANCE, HOLD HARMLESS AND INDEMNIFICATION REQUIREMENTS FOR
CONSULTANT PROFESSIONAL SERVICE AGREEMENTS****INDEMNIFICATION****CONSULTANT Liability**

As respects acts, errors or omissions in the performance of professional services, CONSULTANT agrees to indemnify and hold harmless COUNTY, its officers, agents, employees, and volunteers from and against any and all claims, demands, defense costs, or liability to the extent caused by CONSULTANT'S negligent acts, errors or omissions in the performance of its professional services under the terms of this agreement.

CONSULTANT further agrees to defend COUNTY and assume costs, expenses and liabilities of any nature to which COUNTY may be subjected as a result of any claim, demand, action or cause of action to the extent arising out of the negligent acts, errors or omissions of CONSULTANT or its Sub-consultant in the performance of their professional services under the Agreement.

General Liability

As respects all acts or omissions which do not arise directly out of the performance of professional services, including but not limited to those acts or omissions normally covered by general and automobile liability insurance, CONSULTANT agrees to indemnify, defend (at COUNTY'S option), and hold harmless COUNTY, its officers, agents, employees, and volunteers from and against any and all claims, demands, defense costs, or liability, to the proportionate extent, arising out of any negligent acts or omissions of CONSULTANT (or Sub-consultant, if any) while acting under the terms of this agreement; excepting those which arise out of the negligence of COUNTY.

In determining the nature of the claim against COUNTY, the incident underlying the claim shall determine the nature of the claim, notwithstanding the form of the allegations against COUNTY.

GENERAL REQUIREMENTS

COUNTY requires that CONSULTANT purchase Industrial Insurance (Workers' Compensation), General and Auto Liability, and CONSULTANT'S Errors and Omissions Liability Insurance as described below against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work here under by CONSULTANT, its agents, representatives, employees or Sub-consultants. The cost of all such insurance shall be borne by CONSULTANT.

INDUSTRIAL INSURANCE

It is understood and agreed that there shall be no Industrial Insurance coverage provided for CONSULTANT or any Sub-consultant by COUNTY. CONSULTANT agrees, as a precondition to the performance of any work under this Agreement and as a precondition to any obligation of the COUNTY to make any payment under this Agreement to provide COUNTY with a certificate issued by an insurer in accordance with NRS 616B.627 and NRS 617.210.

If CONSULTANT or Sub-consultant is a sole proprietor, coverage for the sole proprietor must be purchased and evidence of coverage must appear on the Certificate of Insurance. Such requirement may be waived for a sole proprietor who does not use the services of any employees, subcontractors, or independent contractors and completes an Affirmation of Compliance pursuant to NRS 616B627.

Should CONSULTANT be self-funded for Industrial insurance, CONSULTANT shall so notify COUNTY in writing prior to the signing of any agreement. COUNTY reserves the right to approve said retentions and may request additional documentation, financial or otherwise for review prior to the signing of any agreement.

MINIMUM LIMITS OF INSURANCE

CONSULTANT shall maintain coverages and limits no less than:

1. General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, the general aggregate limit shall be increased to equal twice the required occurrence limit or revised to apply separately to this project or location.
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage. No aggregate limit may apply.
3. CONSULTANT Errors and Omissions Liability: \$1,000,000.

DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and approved by the COUNTY Risk Management Division prior to the start of work under this Agreement. COUNTY reserves the right to request additional documentation, financial or otherwise prior to giving its approval of the deductibles and self-insured retention and prior to executing the underlying agreement. Any changes to the deductibles or self-insured retentions made during the term of this Agreement or during the term of any policy will be communicated to the COUNTY Risk Manager upon renewal of policies.

OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability Coverages
 - a. COUNTY, its officers, agents, employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of CONSULTANT, including the insured's general supervision of CONSULTANT; products and completed operations of CONSULTANT; or premises owned, occupied or used by CONSULTANT. The coverage shall contain no special limitations on the scope of protection afforded to the additional insureds, nor shall the rights of the additional insured be affected by the insured's duties after an accident or loss.
 - b. CONSULTANT'S insurance coverage shall be primary insurance as respects COUNTY, its officers, agents, employees and volunteers. Any insurance or self-insurance maintained by COUNTY, its officers, agents, employees or volunteers shall be excess of CONSULTANT'S insurance and shall not contribute with it in any way.

- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to COUNTY, its officers, agents, employees or volunteers.
- d. CONSULTANT'S insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. CONSULTANT'S insurance coverage shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits below that specified herein except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to COUNTY except for nonpayment of premium.

ACCEPTABILITY OF INSURERS

Insurance is to be placed with insurers with a Best's rating of no less than A-: VII. COUNTY with the approval of the Risk Manager may accept coverage with carriers having lower Best's ratings upon review of financial information concerning CONSULTANT and insurance carrier. COUNTY reserves the right to require that the CONSULTANT'S insurer be a licensed and admitted insurer in the State of Nevada, or on the Insurance Commissioner's approved but not admitted list.

VERIFICATION OF COVERAGE

CONSULTANT shall furnish COUNTY with certificates of insurance and with original endorsements affecting coverage required by this exhibit. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be on forms approved by COUNTY. All certificates and endorsements are to be addressed to the specific COUNTY contracting department and be received and approved by COUNTY before work commences. COUNTY reserves the right to inspect redacted copies of insurance policies in conjunction with the CONSULTANT 's insurance department at its corporate headquarters at any time in order to verify compliance with these insurance requirements.

SUB-CONSULTANTS

CONSULTANT shall include all Sub-consultants as insureds under its policies or furnish separate certificates and endorsements for each Sub-consultant. Sub-consultant shall be subject to all of the requirements stated herein.

MISCELLANEOUS CONDITIONS

1. CONSULTANT shall be responsible for and remedy all damage or loss to any property, including property of COUNTY, to the proportionate extent caused in by CONSULTANT, any Sub-consultant, or anyone employed, directed or supervised by CONSULTANT in accordance with the indemnification requirements stated above.
2. Nothing herein contained shall be construed as limiting in any way the extent to which CONSULTANT may be held responsible for payment of damages to persons or property resulting from its operations or the operations of any Sub-consultants under it.
3. In addition to any other remedies COUNTY may have if CONSULTANT fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, COUNTY may, at its sole option:

- a. Order CONSULTANT to stop work under this Agreement and/or withhold any payments which become due CONSULTANT here under until CONSULTANT demonstrates compliance with the requirements hereof;
- b. Terminate the Agreement.

CH2M Hill Engineers 090913