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February 18, 2015

City of Bloomington
Attention: Jim Gates, Deputy Director, Public Works
1800 West Old Shakopee Road
Bloomington, MN 55431-3027

Dear Jim:

RE: Proposal for Organized Collection Consulting Services for Planning and Procurement:
"Phase 4 – Organized Collection Options Committee" (OCOC)

Foth was asked to develop this scope and budget for continued consulting assistance related to the the City's ongoing organized collection project. Foth is currently working under the project we know as "Phase 3" for assistance related to "negotiations with the Haulers". You requested this revised consultant proposal to assist the City of Bloomington (City) to plan an organized solid waste collection system as part of the *"Phase 4 – Organized Collection Options Committee" (OCOC)*.

This next OCOC phase of the Bloomington's organized collection project is specified in the Minnesota Organized Collection Statute, M.S. 115A.94 ("the Statute"). Initial planning for the OCOC has been conducted and the first meeting was held on Tuesday, February 10, 2015. This proposal contains Foth's proposed scope and budget for the entire Phase 4 OCOC process.

Detailed Description of Foth's Proposed Services to Support the OCOC Process

Task 1. Establish OCOC, Initial Meetings, and Interim Report. The Project Team, with Foth's assistance, has proposed a scope, charge, membership and general schedule to the City Council. Foth will assist the City to develop a more detailed OCOC schedule of future meetings, including proposed agenda topics for each meeting. For example, Foth has assumed five OCOC meetings from February through early April, 2015 during this initial round.

The OCOC is proceeding using standard open meeting procedures (e.g., prior posting of agendas, posting of minutes, etc.) per the Statute. Other opportunities for public input are also being used (City organized collection web page; E-Subscribe alerts, etc.).

After the first five meetings, the OCOC interim report will be issued and presented to the City Council. At this time, the primary scenario for the OCOC interim report is planned to be a

request for proposal (RFP) process. This RFP option is assumed in this proposed Foth budget and scope for planning purposes. The OCOC may elect to use an alternative process.

Foth has assumed the City may wish to reconvene the OCOC after proposals are received in response to the RFP. If so, the OCOC could hear a report from the City's proposal review team, a separate work group charged with analyzing the details of proposals received. If reconvened, the OCOC should consider the review team recommendations and issue a final report to the full City Council.

Task 2. Ongoing Assistance with Project Team and Other Communications. Foth proposes to develop, with the assistance of City staff, a detailed, proposed schedule for Project Team, OCOC meetings, City Council meetings, a public open house, and a public hearing. We propose to continue with the weekly Project Team meetings. Foth will assist staff with ongoing City Council communications and meeting presentations as requested by City staff.

Task 3. Develop and Release a RFP (if authorized). One feasible process may be to initiate a competitive RFP for solid waste collection services. If the OCOC recommends this approach, drafting of the RFP should begin as soon as possible. This Foth proposal assumes the RFP option will be the primary path for the OCOC interim report.

The RFP packet should include a draft Contract to include as an attachment to the RFP. This draft Contract should be based on the *Draft Parameters*¹ developed early in the hauler negotiations. The OCOC should review, comment, modify and then recommend a final RFP packet to the full City Council.

The current proposed schedule is both expedited and tempered with practical considerations of OCOC meetings and City Council cycles. The current schedule includes a public open house approximately in the middle of April 2015 on the OCOC interim report and draft RFP packet. Depending on public comments received, the City Council could then be asked to authorize release of the final RFP packet at its last meeting in April, or the first meeting in May, 2015.

Task 4. Evaluate Proposals and Develop Final Draft Contract(s). Proposals could be due in late May 2015. A proposal review team (including Foth) will review, score and rank each eligible proposal. Interviews may be conducted if needed. The review team could then recommend proposal rankings to the OCOC and, if accepted by the OCOC, to the full City Council. In late June, the City Council could decide to direct the review team to finalize a contract(s) with the top ranked proposer(s). By mid-July, the review team could bring a full, final Contract(s) back to the full City Council to authorize execution. Before the City Council acts on the final Contract(s), the City is required to hold a formal public hearing per the Statute. This public hearing could be scheduled for mid-July.

¹ *Draft Parameters* (latest version as of November 4, 2014) as prepared by the City staff and the City's negotiating team.

Task 5. Continued, Ongoing Negotiations with the Haulers. City Council may wish to authorize continued, ongoing negotiations with the Haulers for a short period of time. If so, Foth recommends a clear deadline for any further proposals from the Haulers be established by City Council. For example, the City could set the fourth meeting of the OCOC as the firm deadline for any additional Hauler proposals. Any such Foth effort to support continued negotiations with the Haulers would be on an “on-call” basis. (Note that all project tasks are proposed on a similar “time and materials” basis.)

Task 6. Reconvene the OCOC and Issue a Final Report. The City may wish to temporarily put the OCOC process on hold during the period of time from the release of the RFP through the drafting of the review team recommended rankings of proposals. The City may desire to reconvene the OCOC to hear recommendations from the proposal review team and formulate a final OCOC report.

It is important to note that at any time the City Council can decide to terminate further efforts and not implement organized collection.

Estimated Cost of Phase 4 Consulting Services

Foth will provide the services described in this proposal on a time-and-materials basis working under close direction and supervision of City staff. Depending on the City Council actions, Foth understands that the future phases and tasks may not be authorized.

Table 1 displays Foth’s current estimated consulting cost ranges for Phase 4 tasks. These estimates include hours for project management time, normal office expenses (phone, copying, etc.), and local travel costs for mileage reimbursement. A low and high estimate is provided for each task depending on level of effort (e.g., number of meetings, proposals, etc.).

Table 1
Phase 4 Cost Estimates

Phase/Task	Cost Estimates	
	Low	High
Phase 4 – Options Committee and RFP	\$84,500	\$93,200
Task 1 – Establish OCOC: Initial meetings and Interim report	\$19,700	\$21,700
Task 2 – Ongoing Assistance with Project Team & other communications (e.g., City Council)	\$11,100	\$12,300
Task 3 – Develop and release RFP (if authorized)	\$16,800	\$18,500
Task 4 – Evaluate proposals and develop final Contract(s)	\$22,600	\$24,900
Task 5 – Continued, ongoing negotiations with Haulers (“on-call”)	\$9,200	\$10,200
Task 6 – Reconvene the OCOC and Issue a Final OCOC report	\$5,100	\$5,600

The assumptions listed below were used to develop these budget estimates. (The number in parenthesis indicates the assumed number of meetings to be attended by Foth or CMI memos reviewed by Foth.)

Phase 4:

- ♦ Total number of OCOC meetings = six (6)
- ♦ Weekly Project Team meetings, in-person or via conference call = twelve (12).
- ♦ Develop presentations for City Council meetings with assistance from City staff = two (2).
- ♦ Develop public open house materials = one (1)
- ♦ Assist City staff with public hearing = one (1)
- ♦ Possible three (3) RFP addenda may be released.
- ♦ Five (5) viable, eligible proposals are assumed to be submitted.
- ♦ City Council and/or City staff directs negotiations with up to three (3) proposers.
- ♦ Negotiations with top-ranked proposers = eight (8).

Foth understands that additional consulting services may be required. Additional work not included in this Phase 4 cost estimate could include implementation efforts to assist with detailed planning and design for the transition from open hauling to an organized collection system.

Terms and Conditions

Professional services will be provided subject to the terms and conditions of our existing agreement for professional services. This Phase 4 submittal of February 18, 2015, is a substitution to Phase 4 as listed in the Foth proposal dated August 29, 2014 and will be Exhibit 2 for this proposal

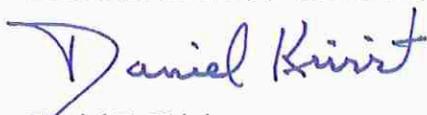
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Addendum No. 1. Should you accept this proposal, please send the addendum to Foth for review and signature that will authorize us to begin.

If you have any questions or comments regarding this proposal, or any aspect of this work, please do not hesitate to contact Dan at 651-288-8509, or at Dan.Krivit@Foth.com. Thank you for this opportunity.

Sincerely,

Foth Infrastructure & Environment, LLC



Daniel F. Krivit
Senior Project Manager
(651) 288-8509



Warren A. Shuros
Client Director
(651) 288-8596

cc: Karl Keel, Bloomington Public Works Director

