AGREEMENT BETWEEN THE CITY OF BLOOMINGTON
AND Foth Infrastructure and Environmental, LLC

THIS AGREEMENT is made for the implementation of solid waste organized collection services this 20th day of November, 2014, by and between the City of Bloomington, a Minnesota municipal corporation located at 1800 West Old Shakopee Road, Bloomington, Minnesota 55431 (hereinafter referred to as the "City"), and Foth Infrastructure and Environmental, LLC; located at Eagle Point II, 8550 Hudson Blvd North, Suite 105, Lake Elmo, MN 55042 (hereinafter referred to as the "Contractor").

WITNESSETH

WHEREAS, the City desires to implement the change from "open system" to "organized collection" of solid waste including trash, recyclables, yard waste, bulky wastes and organics in Bloomington (hereinafter referred to as the "Project"); and

WHEREAS, the Contractor represents that it has the professional expertise and capabilities to provide the technical and strategic consulting services to plan and implement the organized collection of solid waste materials described above for residential solid waste collection; and

WHEREAS, the City desires to have the Contractor implement Phas 3 described in Foth Proposal (Proposal) dated August 29, 2014 that is attached to theis agreement; and

NOW, THEREFORE, in consideration of the terms and conditions expressed herein, the parties agree as follows:

I. TERM OF AGREEMENT

The term of this Agreement shall be from September 23, 2014, to May 1, 2015, subject to termination as provided in Subdivision V.

II. DUTIES OF CONTRACTOR

A. The Contractor shall provide the consulting service to implement organized collection of solid waste material for residential land use in Bloomington for the not-to-exceed amount of one hundred four thousand five hundred dollars and zero cents ($104,500). Contractor agrees that the City will pay Contractor when the City has received this executed Agreement, signed by both parties, from the Contractor and the completion of Phase 3 as more fully described on Exhibit A..

B. The Contractor agrees to complete the Project, as proposed, and perform all other terms and conditions according to the Proposal and the Specifications incorporated by reference herein as Exhibit A including Attachment 1 and Attachment 2.

C. The Contractor shall defend, indemnify and hold harmless the City, its officials, employees and agents, from any and all claims, causes of action, lawsuits, damages, losses, or expenses, including attorney fees, arising out of or resulting from the Contractor's (including its officials, agents or employees) performance of the duties required under this Agreement, provided that any such claim, damages, loss or expense is attributable to bodily injury, sickness, diseases or death or to injury to or destruction of property including the loss of use resulting therefrom and is caused in whole or in part by any negligent act or omission or willful misconduct of Contractor.

D. It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of copartners between the parties hereto or as constituting the Contractor's staff as the agents, representatives or employees of the City for any purpose in any manner whatsoever. The Contractor and its staff are to be and shall remain an independent contractor with respect to all services performed under this Agreement. The Contractor represents that it has, or

will secure at its own expense, all personnel required in performing services under this Agreement. Any and all personnel of the Contractor or other persons, while engaged in the performance of any work or services required by the Contractor under this Agreement, shall not be considered employees of the City, and any and all claims that may or might arise under the Workers' Compensation Act of the State of Minnesota on behalf of said personnel or other persons while so engaged, and any and all claims whatsoever on behalf of any such person or personnel arising out of employment or alleged employment including, without limitation, claims of discrimination against the Contractor, its officials, agents, contractors or employees shall in no way be the responsibility of the City; and the Contractor shall defend, indemnify and hold the City, its officers, agents and employees harmless from any and all such claims regardless of any determination of any pertinent tribunal, agency, board, commission or court. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits of any kind whatsoever from the City, including, without limitation, tenure rights, medical and hospital care, sick and vacation leave, Workers' Compensation, Unemployment Compensation, disability, severance pay and PERA.

E. The parties agree to comply with the Minnesota State Human Rights Act, Minnesota Statutes, Section 363, as amended.

F. To the extent allowed by law, Contractor agrees to maintain the following insurance coverages, in an amount equal to, or greater than, the minimum limits described below. Contractor will provide the City with a certificate of insurance evidencing such coverages prior to performing any duties included under the terms and conditions of this Agreement. Contractor also agrees to keep a valid certificate of insurance on file, referencing these limits, throughout the entire term of this agreement.

1. Commercial General Liability Insurance in the amount of at least $1,500,000 per occurrence for bodily injury or death arising out of each occurrence, as well as $1,500,000 per occurrence for property damage.

To meet the above requirements, the Contractor may use a combination of Commercial General Liability and Umbrella coverage, as long as the City approves such use and it is evidenced on the Certificate of Insurance naming the City as an additional insured on both policies. The Umbrella needs to be a following form coverage and provide a thirty (30) day notice of cancellation.

2. Business Automobile Insurance in the amount of $1,500,000 per occurrence for bodily injuries or death arising out of each occurrence, as well as $1,500,000 per occurrence for property damage.

3. Workers' Compensation Insurance as required by Minnesota Statutes, Section 176.181, subd. 2.

4. Professional Liability Insurance in the amount of $1,000,000 per occurrence.

5. The Contractor agrees to name the City as an additional insured on its Commercial General Liability and Business Automobile Insurance policies, and to provide an endorsement of such status. In addition, the Contractor agrees to notify the City thirty (30) days prior to cancellation or a change in any of the aforementioned insurance policies. All insurance must be provided at the Contractor's expense and at no additional cost to the City.

G. The Contractor agrees that the City will own and have the right to use, reproduce and apply as it desires, any data, reports, analyses and materials which are collected or developed by the Contractor or anyone acting on behalf of the Contractor as a result of this Agreement.

III. DUTIES OF THE CITY

A. After both parties have signed this Agreement, and after the completion and acceptance of Contractor's performance of the duties under this Agreement, the City shall pay the Contractor the not-to-exceed sum of one hundred four thousand five hundred dollars and zero cents ($104,500).

B. Payments to Contractor will be made within thirty (30) days of receipt of invoice from Contractor.

IV. GENERAL PROVISIONS

A. Entire Agreement. This Agreement represents the entire Agreement between the Contractor and the City and supersedes and cancels any and all prior agreements or proposals, written or oral, between the parties relating to the subject matter hereof; and amendments, addenda, alterations, or modifications to the terms and conditions of this Agreement shall be in writing and signed by both parties.

B. Americans With Disability Act. The Contractor agrees to comply with the Americans With Disabilities Act (ADA), Section 504 of the Rehabilitation Act of 1973 and not discriminate on the basis of disability in the admission or access to, or treatment of employment in its services, programs, or activities. The Contractor agrees to hold harmless and indemnify the City from costs, including but not limited to damages, attorney's fees and staff time, in any action or proceeding brought alleging a violation of ADA and/or Section 504 caused by the Contractor. Upon request accommodation will be provided to allow individuals with disabilities to participate in all services, programs and activities. The City has designated coordinators to facilitate compliance with the Americans with Disabilities Act of 1990, as required by Section 35.107 of the U.S. Department of Justice regulations, and to coordinate compliance with Section 504 of the Rehabilitation Act of 1973, as mandated by Section 8.53 of the U.S. Department of Housing and Urban Development regulations.

C. Minnesota Government Data Practices Act. The Contractor will comply with all applicable provisions of the Minnesota Government Data Practices Act, Chapter 13 of the Minnesota Statutes, as amended.

D. Applicable Laws. This Agreement shall be interpreted using the laws of the State of Minnesota. The Contractor agrees to comply with all applicable local, state and federal laws, rules, regulations and ordinances in the performance of the duties of this Agreement.

E. Assignment. This Agreement shall not be assignable except with the written consent of the City.

F. Examination of Documents. The books, records, documents, and accounting procedures of the Contractor, relevant to this Agreement, are subject to examination by the City, and either the legislative or state auditor as appropriate, pursuant to Minnesota Statutes, Section 16C.05, Subdivision 5.

G. Mediation. Both parties agree to submit all claims, disputes and other matters in question between the parties arising out of or relating to this Agreement to mediation. The mediation shall be conducted through the Conflict Resolution Center, 2101 Hennepin Avenue, Suite 100, Minneapolis, MN 55405. The parties hereto shall decide whether mediation shall be binding or non-binding. If the parties cannot reach agreement, mediation shall be non-binding. In the event mediation is unsuccessful, either party may exercise its legal or equitable remedies and may commence such action prior to the expiration of the applicable statute of limitations.

H Payment of Subcontractors. The Contractor agrees that it must pay any subcontractor within ten (10) days of the prime contractor's receipt of payment from the municipality for undisputed services provided by the subcontractor. The Contractor agrees that it must pay interest of 1-1/2 percent per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of $100 or more is $10. For an unpaid balance of less than $100, the prime contractor shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from a prime contractor must be awarded its costs and disbursements, including attorneys fees, incurred in bringing the action.

I. Adherence to City Policies. The Contractor agrees, as a condition of being awarded this Agreement, to require each of its agents, officers and employees to abide by the City of Bloomington's policies prohibiting sexual harassment, firearms and smoking, as well as all other reasonable work rules, safety rules or policies regulating the conduct of persons on City property at all times while performing duties pursuant to

this Agreement. The Contractor agrees and understands that a violation of any of these policies or rules constitutes a breach of the Contract and sufficient grounds for immediate termination of the Agreement by the City.

J. Severability. If any provision or term of this Agreement for any reason is declared invalid, illegal or unenforceable such decision shall not affect the validity of any remaining terms or conditions in this Agreement.

K. Signatory. Each person executing this Agreement on behalf of a party hereto represents and warrants that such person is duly and validly authorized to do so on behalf of such party, with full right and authority to execute this Agreement and to bind such party with respect to all of its obligations hereunder. In the event the Contractor did not authorize the Signatory to sign on its behalf, the Signatory agrees to assume responsibility for the duties and liability of the Contractor, as set forth herein, personally. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute but one and the same instrument.

V. TERMINATION

Either party may terminate this Agreement for any reason upon giving thirty (30) days' advanced written notice to the other party.

The City reserves the right to cancel this Agreement at any time in event of default or violation by the Contractor of any provision of this Agreement. The City may take whatever action at law or in equity that may appear necessary or desirable to collect damages arising from a default or violation or to enforce performance of this Agreement.

[REMAINDER OF THIS PAGE HAS BEEN LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF BLOOMINGTON

DATED: 11/20/14 BY: _____
Its Mayor

DATED: 11/20/14 BY: _____
Its City Manager

Reviewed and approved by the City Attorney.

_____
City Attorney

FOTH INFRASTRUCTURE AND ENVIRONMENT, LLC

DATED: October 30, 2014 BY: _____

Its: VP Risk Mgmt

October 17, 2014

Technology Director

Eagle Point II • 8550 Hudson Blvd. North, Suite 105
Lake Elmo, MN 55042
(651) 288-8550 • Fax: (651) 288-8551
www.foth.com

August 29, 2014

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 Implementation Consulting Services

Thank you for the opportunity to submit this proposal to provide technical and strategic consulting services. You requested this proposal to assist the City of Bloomington (City) to plan and, if authorized by City Council, implement an organized, residential solid waste collection system.

Executive Summary – Meeting Your Needs

Foth Infrastructure & Environment, LLC (Foth) understands the City wishes to conduct a deliberate and efficient process to implement a change from "open" to "organized" collection of solid waste including: trash, recyclables, yard waste and bulky waste items. This proposal includes the following elements:

- Our understanding of your project and background information.
- Current schedule for the City's review of this proposal.
- Proposed scope of work for Foth's consulting services, including the next three phases that we refer to as:
  - Negotiated Proposal from the Haulers (Phase 3):
    - Without Advisory Task Force prior to negotiations (Path A1)
    - With Advisory Task Force prior to negotiations (Path A2)
  - Organized Collection Options Committee (Phase 4)
  - Implementation (Phase 5)
- Proposed timeline (included in Attachment 1 - "Process Flow" chart) to summarize the City Council milestone decisions for these future phases of work.
- Proposed budget for each subsequent phase (Table 1, page 11).
- Proposed budget for optional additional services (Table 2, page 13).

Our Understanding of Your Project and Background Information

The City currently has an "open hauling" solid waste collection system whereby residents and businesses contract directly with the licensed hauler of their choice. The City has studied alternatives to this system in past years. The City's recent discussions of organized collection options within the draft *Solid Waste Management Plan* (March 2014) and accompanying draft *Community Engagement Report* (February 2014) are referred to as Phase 1 for purposes of this proposal.

The discussion of three approaches for revisions of the current solid waste handling program is referred to as Phase 2 for purposes of this proposal. This was the process the City Council completed most recently that resulted in direction to implement increased education and enforcement and to implement organized collection. At the July 28, 2014 Study Session meeting, the City Council provided direction to proceed with implementation for residential organized collection of both solid waste and recyclables. The City Council also directed staff to work to implement the system as soon as possible.

This Foth proposal is based on the assumption that the City will fully comply with the spirit, intent and letter of Minnesota Statutes authorizing cities to make such changes including the "Organized Collection Statute" (M.S. 115A.94, or simply "the Statute") as amended by the 2013 Legislature.

Our understanding is the City is considering developing plans to implement a contract (aka "organized collection") hauling system for **residential** solid waste only. The City is not considering plans for organizing **commercial** hauling. Residential accounts are defined by current City Code as single-family through two-family buildings. An operational definition includes those households that use wheeled, lidded carts for storage and collection of trash and recyclables that can be serviced by automated collection trucks. Yard waste is also collected by a separate cart if the resident subscribes to this additional service with their hauler. This operational definition includes single-family residential, two-family residential and some (those that have carts) townhome developments.

Based on the annual haulers' garbage license applications, City staff have developed an approximate estimate of the number of households currently served by each of the existing seven licensed haulers.

Current Schedule for the City's Review of This Proposal

A preliminary, informal scoping meeting was held between Foth and city staff on Thursday, August 7, 2014. A tentative schedule and process outline was discussed. City staff requested a proposal from Foth for the next phases of consulting work to assist with the organized collection planning and implementation processes. The goal established was to implement an organized collection contract by the end of 2015 at the latest and before this date if possible.

We understand that a project team of City staff will be formed to work with Foth as this project proceeds that includes staff representatives from Environmental Health, Communications, Legal and Public Works. Foth will act as the leader of the Project Team and guide its activities.

We anticipate that, once reviewed by staff, this proposal will be brought to the City Council for formal acceptance. Currently, we anticipate that the City Council will consider approving a contract with Foth for the work included in this proposal on Monday, September 8, 2014.

Detailed Description of Foth's Proposed Services

Foth will serve as the City's technical and strategic consultant as part of the Project Team – which consists of City staff and Foth employees assigned to this project. This proposal is for all three of the next phases of planning and implementing organized collection as described further below. Experience from other cities suggests this is a very intensive process that will require technical, legal and communications professionals.

This proposal relies on legal and communications support from City staff. It is assumed that Foth will provide technical advice on legal and communications strategies as part of this proposal (e.g., during Project Team meetings), but not direct implementation.

To set the stage for success, the Project Team should develop an internal strategy and detailed schedule that spans the next three phases through implementation. This strategy should include a communications component, with contingencies.

Foth proposes to provide the following strategic and technical consulting services related to each of the tasks below in Phases 3, 4 and 5.

Phase 3 - Negotiated Proposal from the Haulers

This is a required step in implementing organized collection according to the Statute. It gives existing haulers an opportunity to retain the same level of business they currently have in the community. An early task is to develop an initial set of City priorities per the Statute. Another immediate task is to draft the technical specifications as a starting point for negotiations with the haulers.

Two alternative paths are offered in this proposal for development of the initial City priorities. The first path (referred to as "Path A1" in this proposal) relies on City Council, staff, recent community comments, and Foth to develop the initial draft of the City priorities. The second alternative path (referred to as "Path A2" in this proposal) includes the formation of an Advisory Task Force to gain broader public input into the initial draft of the City priorities.

Task 1. Project Team Building and Assistance with City Council Communications. Foth will lead and facilitate planning meetings of the Project Team. Foth recommends that preparations for the 60-day negotiating period begin immediately including preparation of draft documents itemized in Task 2 and Task 3 (see below for more details on these tasks).

These draft priorities, draft specifications and other draft documents can form the basis for successful negotiations with the haulers. These are proposed to be **draft** documents only and will allow the process to stay on schedule. These draft documents will be modified and finalized only after additional public review and comment. In either Path A1 or A2, additional public input on these draft documents will be solicited after the initial exclusive negotiations with the haulers as prescribed by the Statute (e.g., via public hearing, etc.).

Foth proposes to use our standard "LEAN" project management tools for developing a comprehensive project schedule, both for the the short term through approximately December 2014 (Phase 3), and long term through the end of next year (Phases 4 and 5). LEAN tools help the Project Team assess risks to the success of the project and determine ways to mitigate the most significant risks. We propose a kick-off meeting of the Project Team for Thursday, September 11 from 1 to 4:30 p.m. at City Hall. The deliverable results of this kick-off meeting will include an agreed-upon, detailed project schedule, preliminary risk assessment and Project Team communication and budget reporting procedures.

We also propose to hold weekly meetings during the initial stages of the process to extend through the 60-day negotiation period with the haulers. These meetings may evolve into "stand up" meetings that could be completed over the phone and via shared computer screen software to review the schedule and status of project deliverables. These regular weekly "stand up"meetings should last only about 15 minutes once the Project Team is trained on the ground rules for the "stand up" meetings.

Task 2. Develop Draft City Priorities. The Statute requires the City to establish its own set of unique, draft priorities to help guide negotiations with the haulers and to help evaluate proposals. Foth understands that City staff have continued discussions about the City's goals. The Statute will further guide future discussions as these goals are transitioned into draft City priorities.

Under Path A1 as proposed by Foth, City staff and Foth will develop the draft City priorities. Public input would be solicited, but a new Advisory Task Force would not be formed at this time.

Path A2 is an alternative that could be considered by the City Council. Path A2 calls for the formation of a additional "Advisory Task Force" to allow for more structured public involvement in the preparation of the draft City priorities before starting the negotiating process with existing haulers. Path A2 is an exclusive alternative to Path A1 as described above.

If this alternative Path A2 is selected by City Council, it is recommended the "Advisory Task Force" be appointed by the City Council and be comprised of up to eight members, including:

- Up to two City Council members.
- Six residents.

Foth envisions that the haulers would be actively engaged in the commenting on the draft City priorities, including participating in the Advisory Task Force meetings, without being appointed as members of the Task Force. Other hauler engagement communication tools will include one-on-one meetings with each hauler as time and budget allow.

The formation and deliberations of an Advisory Task Force would require more time and effort on the front end. The cost of Foth's work on this optional task is not in the base budget proposal in Table 1, but is estimated as an additional, optional task in Table 2. (This Advisory Task Force is shown in Table 2 as additional optional Task 2B.)

Task 3. Develop Draft Contract and Service Specifications. The most efficient means for the City to articulate its vision of the new organized collection system is to direct Foth in drafting a contract including a set of service specifications. This is where the details of operations and service quality standards are recommended to be included in one written, draft document. This draft contract is recommended to be a starting point for negotiations with haulers. To negotiate in good faith, the haulers should be given ample opportunity to review, comment and suggest improvements to the draft document during the initial weeks of negotiations. Often the private haulers are in the best position to offer such suggestions. We propose that Foth work closely with the Project Team and City Council to review Foth's initial draft. This document is recommended to be completed before the start of the negotiating process with the haulers. This initial drafting process will allow staff and City Council to form the preliminary system design. Again, this is only a draft document; public comment will be solicited after the Statute-described 60-day period of exclusive negotiations with the haulers.

Task 4. Market Share Analysis (Not included in base budget). This proposal assumes the market share split currently available is not adequate. Field audits by City staff are recommended. This proposal includes a minimum number of hours for

Foth to develop a field audit procedure to be implemented by City staff. City staff could direct Foth to conduct the field audit with Foth staff. (This is an optional task. The cost of Foth's field work on this optional field audit task is not in the base budget proposal in Table 1, but is estimated as an additional optional task as shown in Table 2.)

Task 5. Price Analysis. Foth will conduct a systematic review of current rates actually paid by residents. Foth recommends a statistically valid survey to get copies of actual residents' invoices from their haulers. Individual names and addresses would be held as confidential data. Price data would only be reported in summary/aggregate form. The haulers would be invited to submit additional data on a confidential basis.

Task 6. Develop and Implement Communications Strategies and Tools. There will be a lot of information to share with Bloomington residents, haulers, interest groups, etc. Foth proposes that the Project Team develop a comprehensive communications strategy including analysis of audiences, project messages, tools and schedules. This is a complex undertaking and it is important that factual information regarding the City's interests are provided to the public. Foth understands that City staff will be primarily responsible for implementing the public outreach tools (e.g., City web page, Bloomington *Briefing* newsletter, E-subscribe alerts, Facebook posts, etc.).

Foth will prepare the content of communications pieces, City staff will format and distribute the communications material utilizing existing delivery methods such as the City Newsletter, website, cable casts and E-Subscribe.

Task 7. Negotiations with Haulers. Foth will lead the negotiating team and assist the City with its exclusive negotiations with residential haulers for 60 days. The proposed scope and budget assumes Foth will facilitate these negotiations. Experience from other cities suggests assuming one negotiating meeting per week for about eight weeks. Our understanding (under Path A1 without the Advisory Task Force) is that City staff propose to recommend to the City Council the 60-day negotiating period begin at the October 6, 2014 City Council meeting and conclude concurrent with the December 15, 2014 City Council meeting.

The haulers will be invited to submit a proposal to the City by the end of the 60-day negotiating period that fully addresses all of the City's priorities, to the extent possible. If the City finds the haulers' proposal acceptable, the City Council will be asked to accept the proposal and set a public hearing in January 2015 to receive public comments. If the City Council rejects the haulers' proposal, the City may decide to move into Phase 4 of planning via the "Organized Collection Options

Committee" process as prescribed in the Statute. The City Council can always terminate the process at any time and decide not to implement organized collection.

Foth will assist the Project Team in presenting the haulers' proposal to the City Council. This presentation should include all documents submitted by haulers and additional analysis by the Project Team, including a price analysis and other supporting documents.

Phase 4 – Options Committee and RFP
("Path B" in Attachment 1)

Foth was asked to develop a scope and budget for future phases of organized collection planning and implementation. If the City Council rejects the haulers' proposal in Phase 3 and directs staff to begin Phase 4, an "Organized Collection Options Committee" must be established per the Statute. This Phase 4 is not needed if the City Council accepts the haulers' negotiated proposal. (Phase 4 tasks are described below; Task numbers are continued below to avoid confusion.)

Task 8. Establish Options Committee. The Project Team, with Foth's assistance, should propose a scope, charge, membership and schedule to the City Council. Upon approval, the Options Committee should begin its work as soon as possible in January 2015 (under the schedule derived from Path A1 without the Advisory Task Force). The Options Committee would then proceed using standard open meeting procedures (e.g., prior posting of agenda, minutes and opportunities for public input at the meetings, etc.). At the end of the Options Committee work, a final report must be issued and presented to the City Council.

Task 9. Ongoing Assistance with Project Team and City Council Communications. As soon as Phase 4 is authorized by the City Council, Foth proposes to develop a detailed schedule including Project Team and City Council meetings. We propose to continue with the weekly Project Team stand up meetings. Foth will assist staff with ongoing City Council communications and meeting presentations as needed and directed.

Task 10. If Authorized, Develop and Release RFP. One feasible process may be to initiate a competitive request for proposals (RFP) for solid waste collection services. If the Options Committee recommends this approach, the RFP process should begin as soon as possible. Foth's proposal assumes the RFP process to be included in the scope of services if Phase 4 is authorized by City Council.

The RFP process includes development of a draft contract to include as an RFP attachment. This can be the same as (or similar to) the draft contract used in the

Phase 3 hauler negotiations. The City Council should review, comment and then authorize the full RFP packet to be released in early February 2015.

Task 11. Evaluate Proposals and Develop Final Contract(s). Proposals will be due in early to mid March 2015 (under the Path A1 schedule). A proposal review team (including Foth) will review, score and rank each eligible proposal. Interviews may be conducted if needed. The review team will recommend proposal rankings to the City Council. In early April, the City Council should direct the review team to finalize a contract(s) with the top ranked proposer(s). By mid-May, the review team should bring a final contract(s) back to the City Council for authorization to execute.

Task 12. Develop Other Non-RFP Alternatives (Not included in the base budget). The Options Committee and/or City staff may wish to explore other alternative methods of improving the Bloomington solid waste and recycling system without going through the RFP processs. These other non-RFP alternatives may be explored and analyzed by Foth if needed. (This is an optional task and may not be needed depending on the the results of Options Task Force discussions. The cost of Foth's work on this optional task is not included in the proposed base budget in Table 1 but is included as an additional optional task in Table 2.)

Phase 5 – Implementation

Whether a contract is executed based on the haulers' negotiated proposal (Path A) or as a result of the Options Committee (Path B), more detailed transition planning and implementation will be required. Foth's proposal is based on the assumption of a contract(s) moving forward in the latter half of 2015 to the point that a new organized collection system begins in early 2016. If authorized by the City Council, the current system of open hauling would be phased out by the end of 2015. Phase 5 tasks are described below.

Task 13. Develop Detailed Transition Plan. Immediately after the execution of the contract(s), the extended Project Team, with Foth's assistance, should meet with the Contractor(s) to develop a draft, detailed transition plan. This draft transition plan should be reviewed and approved by the City Council as early as possible (by late July). Public review and discussion by the City Council at a regular meeting will help with community relations and engagement.

Task 14. Cart Switch Outs. As part of the contract(s) and transition plan, a map of new contract districts will be developed, including new customer lists by street address. A set of route audits may be needed to determine the number and address of households that do not currently have trash collection service.

Task 15. Amend Code of Ordinances (Not included in the base budget). If the City moves to organized collection, the Code of Ordinances will need to be amended to bring them in line with the new contracted collection system. This work could be conducted almost entirely by in-house City staff. (This is an optional consultant task. The cost of Foth's work on this optional task is not yet included in the proposed budget.)

Task 16. Public Education and Community Outreach. Throughout the Phase 5 implementation efforts, a comprehensive public education and community outreach plan should be developed and implemented. This proposal assumes that in-house City staff will conduct nearly all of this implementation effort including: web page, E-Subscribe, articles in the Bloomington *Briefing* newsletter, CMI memos, Council regular meetings, and earned news media via press releases and interviews. Foth's proposed role is to help develop the public education and community outreach plan, including reviews of draft documents as requested. Foth will be responsible for assembling/preparing communications content. City will format and deliver the content.

Proposed Timeline and Process Flow Chart

The proposed schedule and deliverables are described above and in the attached Process Flow chart (Attachment 1).

Assuming Council approval on October 6, on October 7 the City could notify the public and all licensed residential haulers of the City's intent to organize residential solid waste collection. The City will then actively supervise and facilitate meetings and negotiations exclusively with interested licensed haulers to develop a proposal for organized collection pursuant to the Statute. The suggested timeframe for these exclusive negotiations is October 6 through December 15, 2014 as marked by regular Council meetings.

If the City Council decides to execute a contract for some form of organized collection (from either Path A1, Path A2, or Path B), the Statute requires that the new system cannot be implemented for at least six months after the effective date of the City Council's final decision to organize. Given the proposed schedule outlined above and the requirements of the Statute, the organized collection services could start sooner than January 2016 depending on the alternative path selected and public hearing schedules.

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

Organizational Contacts

At this time, we propose that Dan Krivit be the primary Foth contact and consultant project manager. Mr. Krivit is intimately familiar with the Organized Collection Statute and the implementation options. Mr. Krivit will be assisted by Warren Shuros and Jennefer Klennert who are both experienced with municipal contracts and organized collection planning and implementation. Collectively, Foth has over 125 years of directly relevant solid waste planning and management experience, especially for the public sector. The primary City contact will be Jim Gates who is the City's Project Manager designated for this project.

Estimated Cost of Base Proposal

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 in Phase 3, Foth understands that the future phases may not be authorized. Thus, City staff may request Foth to further detail the estimated costs for each subsequent phase.

Table 1 on the next page displays Foth's currently estimated consulting cost ranges for each of the subsequent phases in the base budget.

The ranges reflect that this is a process that has different variables that will affect project activities. Many of these variables cannot be controlled by the City or Foth. The ranges represent Foth's professional estimates of the effort required.

This estimate includes hours for project management time, normal office expenses (phone, copying, etc.), and local travel costs for mileage reimbursement.

Table 1 - Foth's Base Budget Cost Estimates		
PHASE	**LOW**	**HIGH**
Phase 3 – Hauler Negotiations	**$83,300**	**$95,000**
(Without optional Task 2.B – Task Force and Task 4 – Market Share Analysis)		
Task 1 – Full project Team Building and City Council Communications	$24,000	$27,300
Task 2 – Develop City Priorities	$4,800	$5,500
Task 3 – Develop Draft Contract and Service Specifications	$9,200	$10,500
Task 5 – Price Analysis	$9,200	$10,500
Task 6 – Develop & Implement Public Relations (PR) Strategies & Tools	$11,400	$13,000
Task 7 – Negotiations with Haulers (Oct 6 – Dec 8)	$24,700	$28,200
Phase 4 – Options Committee and RFP	**$89,300**	**$102,100**
(Without optional Task 12 – Develop other Non-RFP Options)		
Task 8 – Establish Options Committee (ad hoc)	$28,800	$32,900
Task 9 – Ongoing Project Team & Other City Council Communications	$16,400	$18,800
Task 10 – If RFP authorized, then Develop & Release RFP	$18,300	$20,900
Task 11 – Evaluate Proposals and Develop Final Contract(s)	$25,800	$29,500
Phase 5 – Implementation	**$27,700**	**$31,600**
(Without optional Task 15 – Amend Codes & Develop Enforcement)		
Task 13 – Develop Detailed Transition Plan with Contractor(s)	$11,200	$12,800
Task 14 – Cart Switch Outs & Required Trash Service	$10,000	$11,400
Task 16 – Public Education & Outreach	$6,500	$7,400

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 3:

- Kick-off / LEAN meeting (1).
- Other Project Team meetings, in-person (10).
- Weekly stand-up meetings via phone/computer screen to monitor task progress (16). (These conference calls may replace in-person Project Team meetings.)
- Review City staff drafts of CMI memos (10).
- Assist City staff with presentations at City Council meetings (8).

Phase 4:

- Other Project Team meetings, in-person (4).
- Weekly stand-up meetings via phone/computer screen to monitor task progress (16). (These conference calls may replace in-person Project Team meetings
- Review City staff drafts of CMI memos (10).
- Assist City staff with presentations at City Council meetings (9).
- The RFP could be developed simultaneously to other options; The RFP does not have to be exclusive of other options.
- Multiple contract "districts" may be specified in the service specifications such that multiple contracts may result in the end.
- "Teams" of haulers would be allowed.
- Three (3) RFP addenda may be released.
- Five (5) viable, eligible proposals are assumed to be submitted.
- City Council directs negotiations with at least three (3) proposers.
- Multiple rounds of negotiations with top-ranked proposers (8).

Phase 5:

- Other Project Team meetings, in-person (3).
- Weekly stand-up meetings via phone/computer screen to monitor task progress (16). (These conference calls may replace in-person Project Team meetings
- Review City staff drafts of CMI memos (4).
- Assist City staff with presentations at City Council meetings (4).

One assumption that is generic to all phases is that Foth assumed a maximum of two drafts of the Foth-produced documents (e.g., City priorities, draft contract, transition plan, etc.). The first draft will be developed initially by Foth and the second draft will address City staff edits and comments.

Potential Additional Services

Foth understands that additional services may be required. Additional phases and tasks not included in the base budget could include:

- Advisory Task Force (labeled below as Task 2b)
- Market share analysis (Optional Task 4).
- Evaluate other non-RFP alternatives as requested by the Options Committee and authorized by City staff (Optional Task 12).
- Review of ordinance amendments that are required. (Optional Task 15).
- Other tasks as assigned by City staff.

Table 2 displays Foth's current cost estimates for these additional services.

Table 2 - Foth's Cost Estimates for Additional Optional Tasks		
Optional Tasks Not Included in the Base Budget	**LOW**	**HIGH**
Task 2.B – Advisory Task Force	$15,800	$18,000
Task 4 – Market Share Analysis	$7,800	$9,000
Task 12 – Develop Other Non-RFP Options	$12,000	$13,700
Task 15 – Assist with Ordinance Amendments that are Drafted by Staff	$4,700	$5,300

Terms and Conditions

Professional services will be provided subject to the terms and conditions of our existing agreement for professional services. Should you accept this proposal, please send an addendum to Foth for review and signature to 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
Dale Tranter, Foth Infrastructure & Environment, LLC

Attachment 2

City of Bloomington Organized Collection Implementation Consulting Services	
Rates for Key Team Members*	
Team Member	**Rate**
Dale Tranter, Client Team Leader	$168
Warren Shuros, Client Director	$168
Mark Knoff, Technical Input	$168
Dan Krivit, Senior Project Manager	$140
Kurt Klein, Lean Project Delivery Facilitator	$150
Jennefer Klennert, Technical Consultant	$116
Felipe Ortega, Data Gathering	$82
Debra Casmer, Project Administrative Specialist	$88
Roni Oman, Administrative Assistant	$72

*Foth reserves the right to adjust these rates on an annual basis.