

Assessor's Parcel Number: N/A

Date: NOVEMBER 12, 2014

Recording Requested By:

Name: EILEEN CHURCH, PUBLIC WORKS

Address: _____

City/State/Zip: _____

Real Property Transfer Tax: \$ N/A



00003171201408526340170174

KAREN ELLISON, RECORDER

CONTRACT #2014.233

(Title of Document)

CONTRACT FOR SERVICES BY AN INDEPENDENT CONTRACTOR

A CONTRACT BETWEEN

DOUGLAS COUNTY, NEVADA

AND

CH2M HILL ENGINEERS, INC.

[Signature]
TED THIRAN
CLERK
SEP 07

2014 NOV 12 PM 12:41

NOV 20 2014

FILED

This Contract for Services by an Independent Contractor (the "Contract") is entered into by and between Douglas County, a political subdivision of the State of Nevada, through the Board of County Commissioners (the "County"), and CH2M Hill Engineers, Inc. ("Contractor"). The County and Contractor are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

WHEREAS, Douglas County, a political subdivision of the State of Nevada, from time to time requires the services of independent contractors; and

WHEREAS, it is deemed that the services of Contractor herein specified are both necessary and desirable and in the best interests of Douglas County; and

WHEREAS, Contractor represents that Contractor is duly qualified, equipped, staffed, ready, willing and able to perform and render the services hereinafter described.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein made, the County and Contractor mutually agree as follows:

1. TERM AND EFFECTIVE DATE OF CONTRACT. The Contract will become effective on the date it is approved and signed by representatives of both Parties. Time is of essence for performance of the professional services described herein and all tasks must be completed by Friday, November 06, 2015.

2. INDEPENDENT CONTRACTOR STATUS. The Parties agree Contractor will have the status of an independent contractor and that the Contract, by explicit agreement of the Parties, incorporates and applies the provisions of NRS 333.700, as necessarily adapted to the Parties, including the express understanding that Contractor is not an employee of the County and that:

There shall be no:

- (1) Withholding of income taxes by the County;
- (2) Industrial insurance coverage provided by the County;
- (3) Participation in group insurance plans which may be available to employees of the County;

- (4) Participation or contributions by either the Contractor or the County to the public employee's retirement system;
- (5) Accumulation of vacation leave or sick leave; and
- (6) Unemployment compensation coverage provided by the County if the requirements of NRS 612.085 for independent contractors are met.

3. INDUSTRIAL INSURANCE. Contractor further agrees that, prior to the commencement of any work and as a precondition to any obligation of the County to make any payment under the Contract, Contractor will provide the County with a work certificate and/or a certificate issued by a qualified insurer in accordance with NRS 616B.627. Contractor also agrees that, prior to commencing any work under the Contract, Contractor will complete and provide evidence to the County that Contractor has made the following written request to Contractor's insurer:

CH2M Hill Engineers, Inc. has entered into a contract with Douglas County to perform work through Friday, November 06, 2015 and requests that an authorized insurer provide to Douglas County: (1) A certificate of coverage issued pursuant to NRS 616B.627 and (2) Notice of any lapse in coverage or nonpayment of coverage that the Contractor is required to maintain.

The certificate and notice should be mailed to:

Douglas County
Public Works Department
Post Office Box 218
Minden, Nevada 89423

Contractor agrees to maintain all required workers' compensation coverage throughout the entire term of the Contract. If Contractor does not maintain the required coverage throughout the entire term of the Contract, Contractor agrees that the County may, at any time the coverage is not maintained by Contractor, order the Contractor to stop work, suspend the Contract, or terminate the Contract at the sole discretion of the County. For each six-month period this Contract is in effect, Contractor agrees, prior to the expiration of the six-month period, to provide another written request to the insurer for the provision of a certificate and notice of lapse in, or nonpayment of, insurance coverage. If Contractor does not make the request or does not provide the certificate before the expiration of the six-month period, Contractor agrees that the County may order the Contractor to stop work, suspend the Contract, or terminate the Contract at the sole discretion of the County.

4. SERVICES TO BE PERFORMED. The Parties agree that the Contractor will perform the following:

Complete the Douglas County Public Works North Valley Wastewater Treatment Plant Facility Plan and Capacity Analysis in accordance with the attached Scope of Work (Exhibit A) and rate schedule (Exhibit B).

5. PAYMENT FOR SERVICES. Contractor agrees to provide the services set forth in

Paragraph 4 on a time and materials cost not to exceed eighty thousand dollars Dollars (\$80,000) (the "Contract Price"). Unless Contractor has received a written exemption from the County, Contractor shall submit monthly requests for payment for services performed under this Contract. Requests for payment shall be submitted no later than fifteen (15) days after the end of a month and must include a detailed summary of the expenditures reported in a form that supports the approved budget. Specifically, Contractor agrees to provide with each request for payment a schedule of actual expenditures for the period, cumulative total expenditures for the entire contract, and a comparison of cumulative total expenditures to the maximum expected fee for the services and tasks set forth in Paragraph 4.

6. TERMINATION OF CONTRACT. Either Party may terminate the Contract if either Party fails to correct any breach of the terms of the Contract within 30 days after receiving notice of such breach and having been given a reasonable opportunity to cure the breach.

7. NONAPPROPRIATION. All payments required pursuant to the Contract are contingent upon the availability of County funds. In accordance with NRS 354.626 and any other applicable provision of law, the financial obligations between the Parties will not exceed those monies appropriated and approved by the County for the Contract for the then current fiscal year under the Local Government Budget Act. The Contract will terminate and the County's obligations will be extinguished if the County fails to appropriate the necessary funding.

Nothing in the Contract will be construed to provide Contractor with a right of payment from any entity other than the County. Any funds budgeted by the County pursuant to the terms of the Contract that are not paid to Contractor will automatically revert to the County's discretionary control upon the completion, termination, or cancellation of the Contract. The County will not have any obligation to re-award or to provide, in any manner, the unexpended funds to Contractor. Contractor will have no claim of any sort to the unexpended funds.

8. CONSTRUCTION OF CONTRACT. The Contract will be construed and interpreted according to the laws of the State of Nevada. There will be no presumption for or against the drafter in interpreting or enforcing the Contract. In the event a dispute arises between the Parties, the Parties promise and agree to first meet and confer to resolve any dispute. If such meeting does not resolve the dispute, then the Parties agree to mediate any dispute arising from or relating to the Contract before an independent mediator mutually agreed to by the parties. The fee, rate or charge of the mediator will be shared equally by the Parties, who will otherwise be responsible for their own attorney's fees and costs. If mediation is unsuccessful, litigation may only proceed before a department of the Ninth Judicial Court of the State of Nevada in and for the County of Douglas that was not involved in the mediation process and attorney's fees and costs will be awarded to the prevailing party at the discretion of the court.

9. COMPLIANCE WITH APPLICABLE LAWS. Contractor promises and agrees to fully and completely comply with all applicable local, state and federal laws, regulations, orders, or requirements of any sort in carrying out the obligations of the Contract, including, but not limited to, all federal, state, and local accounting procedures and requirements, all hazardous materials regulations, and all immigration and naturalization laws.

10. ASSIGNMENT. Contractor will neither assign, transfer nor delegate any rights, obligations or duties under the Contract without the prior written consent of the County.

11. COUNTY INSPECTION. The books, records, documents and accounting procedures and practices of Contractor related to the Contract will be subject to inspection, examination and audit by the County, including, but not limited to, the contracting agency, the County Manager, the District Attorney, and, if applicable, the Comptroller General of the United States, or any authorized representative of those entities.

12. DISPOSITION OF CONTRACT MATERIALS. Any books, reports, studies, photographs, negatives or other documents, data, drawings or other materials prepared by or supplied to Contractor in the performance of its obligations under the Contract (the "Materials") will be the exclusive property of the County and all such materials will be remitted and delivered, at Contractor's expense, to the County by Contractor upon the completion, termination or cancellation of the contract. Alternatively, if the County provides its written approval to Contractor, the Materials must be retained by Contractor for a minimum of six years after Contractor's receipt of the final payment from County and all other pending matters are closed. If, at any time during the retention period, the County, in writing, requests any or all of the Materials, then Contractor will promptly remit and deliver the materials, at Contractor's expense, to the County. Unless the County has requested the remittance and delivery by Contractor of the Materials, Contractor will not use, willingly allow or cause to have such Materials used for any purpose other than the performance of Contractor's obligations under the terms of the Contract without the prior written consent of the County.

13. PUBLIC RECORDS LAW. Contractor expressly understands and agrees that all documents submitted, filed, or deposited with the County by Contractor, unless designated as confidential by a specific statute of the State of Nevada, will be treated as public records pursuant to NRS chapter 239 and shall be available for inspection and copying by any person, as defined in NRS 0.039, or any governmental entity. Contractor expressly and indefinitely waives all of its rights to bring, including but not limited to, by way complaint, interpleader, intervention, or any third party practice, any claims, demands, suits, actions, judgments, or executions, for damages or any other relief, in any administrative or judicial forum, against the County or any of its officers or employees, in either their official or individual capacity, for violations of or infringement of the copyright laws of the United States or of any other nation.

14. INDEMNIFICATION. Contractor agrees to indemnify, defend, and save and hold the County, its agents and employees harmless from any and all claims, causes of action or liability arising from or related to Contractor's negligent performance pursuant to the terms of the Contract by Contractor or Contractor's agents or employees.

15. MODIFICATION OF CONTRACT. The Contract and the attached exhibits constitute the entire agreement and understanding between the Parties and may only be modified by a written amendment signed by both of the Parties.

16. AUTHORITY. The Parties represent and warrant that they have the authority to enter into this agreement.

17. STANDARD OF CARE. Contractor will perform all services in a manner consistent with that level of care and skill ordinarily exercised by other members of Contractor's profession currently practicing in the same locality under similar conditions.

18. WAIVER OF LIEN. Contractor understands and agrees that the services it will render to the County are not intended for the improvement of real property or to otherwise grant any rights to Contractor pursuant to NRS chapter 108.

19. THIRD PARTY BENEFICIARY. Nothing contained in this Agreement is intended to convey any rights or to create a contractual relationship with any third party or to otherwise allow a third party to assert a cause of action against either Contractor or County.

20. NOTICES. All notices, requests, demands and other communications hereunder must be in writing and will be deemed delivered when sent via certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

To County: Douglas County
Attn: Public Works Director
1120 Airport Road, F2
Post Office Box 218
Minden, Nevada 89423
Telephone: (775) 782-6227

To Contractor: CH2M Hill Engineers, Inc.
50 West Liberty, Suite 205
Reno, NV 89501
Telephone: 775-360-7214

21. CONFLICT OF INTEREST. By signing the Contract, Contractor agrees that any information obtained from Douglas County, in whatever form, will not be divulged to other competing interests without the permission of the County Manager. In the event of a breach of this provision, Douglas County may immediately withdraw, without penalty or any payment, from the Contract. Contractor must notify Douglas County of any other contracts or projects Contractor is working on that may impact Douglas County.

IN WITNESS WHEREOF, the Parties hereto have caused the Contract to be signed and intend to be legally bound thereby.

CH2M Hill Engineers, Inc.

By: *Andy Solberg*
Andy Solberg, Vice President

10/23/14
(Date)

Douglas County

By: *Doug N. Johnson* November 6, 2014
Doug N. Johnson, Chairman - Board of County Commissioners (Date)

Attest

By: Lorraine Diedrichsen, Clerk to the Board November 6, 2014
Name/Position (Date)

By: *Laurie Sudbeck*
Clerk to the Board

EXHIBIT A

**Scope of Work for the
NVWWTP Facility Plan and Capacity
Analysis**

Prepared for
Douglas County Public Works

October 2014

CH2MHILL[®]
50 West Liberty, Suite 205
Reno, NV 89501

Exhibit A: Scope of Work for the NVWWTP Facility Plan and Capacity Analysis

This exhibit is to the Agreement, between CH2M HILL Engineers, Inc. (Consultant), and Douglas County, Nevada Public Works (County), for engineering and consulting services related to the North Valley Wastewater Treatment Plant Facility Plan and Capacity Analysis.

Introduction

Douglas County, Nevada Public Works owns and operates the North Valley Wastewater Treatment Plant (NVWWTP) in Carson Valley. The NVWWTP serves residential communities and commercial/industrial centers located in the northern portion of Carson Valley. Currently flows at the NVWWTP are approximately 0.3 mgd and the plant is permitted for 0.45 mgd. Organic loading to the plant is estimated to be 80 to 100 percent of the plant's capacity.

This exhibit presents the Consultant's scope of work in support of the County's plan to evaluate the plant's capacity and develop treatment alternatives for future plant upgrades.

Scope of Work

Task 1 – Project Management

Consultant will initiate and manage all project activities, schedule, and plan work to assure that activities are completed in a properly integrated and timely manner. Project management activities will include the following:

- Progress Monitoring – Monitor budget, work progress, and schedule for each Task. Monitor work efforts and evaluate actual versus planned progress. Supervise the Consultant's project team and identify actions needed to maintain the project schedule. Manage scope changes, and take action to resolve impacts on budgets as soon as scope changes have been identified.
- Coordination and Staff Management – Coordinate and schedule appropriate staffing to meet project requirements of each Task. Supervise activities of assigned Consultant staff, to help ensure that the authorized work is completed on schedule and within budget.
- Administration – Maintain project records, manage and process project communications, subcontracts, and coordinate project administrative matters for each Task.
- Meeting Preparation – Arrange for site visits and monthly project update meetings with County's project team. Prepare and distribute agenda and meeting notes.

Consultant will maintain a Decision Log to document and "freeze" the major decisions made during the progress of the work.

Progress Meetings

Consultant will facilitate Monthly Progress Meetings to keep County apprised of progress, review pertinent issues, and obtain direction from the County. Meetings will be held at the County's office, concurrent with other planned workshops and field activities to the extent feasible. At a minimum, meetings will be attended by one member of Consultant's project team. Each meeting is expected to include the following:

- Action Log Update, including outstanding and upcoming project issues. Items requiring decisions will be discussed, and any decisions entered into the decision log.
- Project Schedule Update, including tasks completed to date and projected completion of tasks.

In addition to the progress meetings, conference calls will be held periodically to supplement the Monthly Progress Meetings. Conference calls will typically be one hour in duration. These conference calls will be informal and will not have specific agendas or meeting notes produced.

Monthly Reporting

Consultant will prepare a Monthly Progress Report. The monthly progress report will include at a minimum, the following:

- Progress within the last month, by task and subtask
- Problems encountered or anticipated
- Items scheduled for work in the next month.

Task 1 Deliverables

- Project meeting agendas and meeting notes
- Monthly project schedule updates
- Monthly project progress reports and Action Log updates
- Monthly project billings showing labor hours by staff member and by task

Task 2 – Existing Facilities Capacity Analysis

The primary objectives of this task are to determine existing plant capacity and identify components limiting existing plant capacity that will guide subsequent alternatives. These objectives will be achieved through an early collaborative workshop with County staff to mitigate uncertainty. Existing plant capacity will be determined based on hydraulic throughput and treatment performance with respect to influent wastewater composition. The first workshop will be conducted as part of the project kickoff meeting.

Subtask 2.1 Data Acquisition and Analysis

The County has provided much of the information required to complete the Capacity Analysis, including the following:

- NVWWTP NS0060025 Fact Sheet
- 1987 NVWWTP As-Built Drawings
- 1994-05 NVWWTP Drawings
- 2001-05 NVWWTP As-Built Drawings
- 2007-01-22 NVWWTP Septage Receiving TM
- 2007-05 NVWWTP Preliminary Design Report, Phase II
- 2007-07-24 NVWWTP Influent Wastewater Statistical Analysis TM
- 2007-09-17 NVWWTP State Point Analysis TM
- 2008-06 NVWWTP Storage Pond As-Built Drawings
- 2008-11 NVWWTP Phase IIA As-Built Construction Plans
- 2010-09 Sewer Master Plan
- 2011-2013 Treatment Process Operating

A comprehensive evaluation of available records will be completed. In conjunction with the Kickoff Workshop, Consultant will validate data analysis results with County staff and acquire more detailed information regarding source water and operation of unit processes. Field construction activities that deviated from as-built construction drawings will also be discussed.

Subtask 2.2 Hydraulic Capacity Analysis

Consultant will complete a hydraulic analysis of the existing facilities to establish the baseline hydraulic capacity that will be used to evaluate long-term improvement alternatives. Consultant will use HYDRO and AFT Fathom modeling software to identify hydraulic capacities of individual facility elements and to investigate potential bottlenecks within the system. The hydraulic analyses will be based on elevations of critical plant features shown on the drawings.

The results of the hydraulic modeling evaluations will be compared to influent sewage flow monitoring data provided by the County to determine how much capacity is currently used in each treatment step. This evaluation will also identify the treatment step(s) that limit hydraulic capacity. In addition, the hydraulic capacity analyses will incorporate information provided by the County regarding the capacities of existing treated effluent use and disposal sites. Results of the hydraulic analyses will be presented in a brief technical memorandum and more completely in the final report.

Subtask 2.3 Treatment Capacity Analysis

Consultant will develop a comprehensive full plant mass balance model of the existing NVWWTP to assess existing treatment capacity. Plant simulation modeling will be accomplished using Consultant's whole-plant simulator, Pro2D2.

The process model will be used to predict how much additional organic and nutrient load can be received at the NVWWTP before effluent limits are exceeded. As with the hydraulic evaluation, treatment process capacities will be established for each unit process so that the limiting processes can be identified. Unit processes that lack parallel redundancy will also be identified.

Based on initial information provided by the County, grit may have accumulated in the biotower and Biolac treatment processes. In addition, treated sludge may have accumulated in the sludge lagoons over years of operation. Consultant will work with the County to develop a plan for conducting the necessary assessments to document the accumulation of grit and solids and its impact on treatment capacity. If determined feasible, the County will provide the necessary staff and equipment to complete the solids accumulation assessments under direction from the Consultant. Results of the treatment process simulation will be presented in a brief technical memorandum and more completely in the final report.

Subtask 2.4 Prepare Technical Memorandum

Results of the capacity analyses will be presented in a Technical Memorandum that will be discussed during Workshop 2. The first part of the workshop is intended to facilitate the County's review of the draft Capacity Analysis Report and to get feedback on the initial findings. The remaining capacity of the plant will also be presented in the form of available Equivalent Dwelling Units (EDUs). The second part of the workshop will identify improvement options, establish evaluation criteria, and set the methodology for comparing options. Consultant will update the Draft Technical Memorandum based on feedback from the County's

review and if the final Facility Plan Update Report is not complete by May 31, 2015, produce a Final Technical Memorandum for submittal to NDEP – BWPC no later than May 31, 2015.

Task 2 Deliverables

- Meeting Summary from Workshop 1: Project Kickoff and Data Acquisition and Review
- Meeting Summary from Workshop 2: Capacity Evaluation Workshop Meeting Summary
- Draft Technical Memorandum: NVWWTP Existing Facilities Capacity Analysis (Hydraulic and Treatment)
- Final Technical Memorandum (if Facilities Plan Update Report is not finalized by May 31, 2015): NVWWTP Existing Facilities Capacity Analysis (Hydraulic and Treatment) - Deadline for submittal to NDEP – BWPC May 31, 2015

Task 3 – Projected Growth and Regulations

The objective of this task is to develop projected flow and mass loadings to the plant. Accurate flow and loading forecasting sets the foundation for all subsequent work. This task includes validation of flow and loading information derived from previous studies and other information provided by the County as well as a review of environmental regulations that may impact treatment requirements.

Subtask 3.1 Validate Future Influent Conditions

The County has already provided much of the information required to develop influent flow and load projections. Flows and loads from the juice processing facility, existing will-serve agreements, North County service area, and from conversion of septic tank systems to sewer connection will be factored into the analyses.

Consultant will collaborate with the County to clearly define a planning horizon and validate the projected growth and connections used to develop flow and mass loadings for the Facility Plan. Three scenarios (ie. below master plan projected growth, master plan projected growth, and above master plan projected growth) will be developed to illustrate the impact these future conditions have on the plant.

Subtask 3.2 Existing and Future Regulations

The regulatory framework for NVWWTP includes discharged water quality regulations for reuse and groundwater infiltration as well as biosolids disposal. Existing effluent water quality requirements will be validated with the County, and Consultant will discuss regulatory requirements (40 CFR Part 503) associated with alternative biosolids use and disposal options. Options for application of biosolids to land (such as alfalfa farms) and disposal in landfills will be considered.

Subtask 3.3 Prepare Technical Memorandum

Projected flow and mass loading and regulatory considerations will be discussed at Workshop 2. Results of Task 2 will be summarized in a brief technical memorandum.

Task 3 Deliverables

- Workshop Meeting Summary
- Draft Technical Memorandum: NVWWTP Projected Growth and Regulations

Task 4 –Alternatives Evaluation for Expansion

Results from Tasks 2 and 3 will lead directly into the evaluation of alternatives for improvement of the NVWWTP. This task will define and prioritize evaluation criteria and procedures that will be used to identify a preferred alternative that best fits the County's needs based on lifecycle costs and non-monetary evaluation criteria in a credible and defensible manner.

A preferred alternative will be developed using the following steps:

1. Identify improvement alternatives
2. Conduct fatal flaw screening of alternatives
3. Determine relative benefits of options based on non-monetary evaluation criteria
4. Estimate lifecycle costs of alternatives
5. Compare alternatives based on relative lifecycle costs and benefits (i.e., scores from non-monetary evaluation criteria)
6. Develop recommendations for integrated improvements based on the foregoing evaluation of alternatives, including preliminary layout drawings and cost estimates

Subtask 4.1 Identify Alternatives

Consultant will identify treatment processes, technologies, and other improvements at each treatment step that are capable of achieving capacity requirements developed in Task 1. Alternatives will balance short term needs with long-term priorities, and will consider how the unit processes can be integrated and optimized to achieve the performance requirements efficiently. General background describing each alternative along with relative advantages and disadvantages will be provided.

Consultant will work closely with the County to develop a comprehensive list of issues and alternatives for improving performance and expanding capacity in the most cost-effective and reliable manner. Alternatives will include upgrades to existing facilities as well as replacement of existing facilities.

Subtask 4.2 Fatal Flaw Screening

Fatal-flaw screening will be conducted to reduce the number of alternatives identified in task 4.1 for detailed evaluation. For example, one criterion for this screening may require that expansion options be modular so that implementation can be phased over time to achieve long-term goals; therefore, options with minimal modularity will be removed from further evaluation. Consultant will work with the County to establish the fatal flaw screening criteria during a project workshop.

Subtask 4.3 Non-Monetary Ranking Evaluation

The screened list of improvement alternatives will then be ranked based on non-monetary evaluation criteria using an objective ranking process. Non-monetary criteria are criteria that are important to the County but are difficult to measure in terms of cost. The list of evaluation criteria, relative weights, and scoring scales for each criterion will be developed in collaboration with the County to make sure they represent the issues that are most relevant and important. The following list will be used as a starting point to developing the list of non-monetary evaluation criteria:

- **Proven Process:** Is the technology well established with consistent performance results? Are there numerous installations operating with consistent results for the described application?
- **Reliability:** Can the technology effectively operate under a large variation of flow and or loading conditions without risk of upset?
- **Operational Flexibility:** Is the technology adaptable to various upstream/ downstream processes for future implementation?
- **Expandability:** Can the technology be expanded with relative ease?
- **Operational Simplicity:** Does the technology require large quantities of time in terms of operator attention? Does it adversely impact upstream or downstream processes resulting in additional operational attention?
- **Maintenance requirements:** Does the technology require specialized maintenance requirements that cannot be performed in-house, or does it require frequent calibration, cleaning, tuning, etc.? Does it require an ongoing contract for maintenance?
- **Odor Concerns:** Does the technology result in offensive odors?

Consultant will work closely with the County staff in developing non-monetary criteria. To reflect the relative importance of these criteria, Consultant will use the pair-wise comparison methodology. This entails comparing the criteria two at a time to arrive at the weighting factors. Based on the results, Consultant and the County will select appropriate technology to move forward for alternative evaluation.

Subtask 4.4 Cost Analysis

Pro2D2 treatment process models used to establish design criteria for options will be linked to Consultant's capital and lifecycle cost estimating tool, CPES. The link between these tools will provide a quick, detailed, and defensible estimate of the costs of each alternative.

Consultant will collaborate with the County to develop input values for the capital and lifecycle cost estimates. Capital cost estimates will include an estimate of preconstruction (engineering, permitting, pilot studies, etc.) and construction costs (engineering, inspection, testing, etc). Lifecycle cost analysis will include capital expenses (assuming the project is funding through a low interest loan), staffing costs, maintenance expenses (short term assets, etc.), project markup fees and the breakdown of operational costs (e.g., power, chemicals, hauling and tipping fees, and projected labor).

Subtask 4.5 Development of Integrated Alternatives

The best alternatives based on relative benefits and lifecycle costs will be integrated into a preferred alternative for improving capacity of the NVWWTP. This preferred alternative will consider the following:

- Improvements to existing liquid stream and sludge facilities
- New liquid stream and sludge facilities required to accommodate projected flows and loads
- New and improved support facilities required to operate and maintain the treatment processes

This task will include development of a conceptual-level design layout, process flow diagrams, narrative descriptions of the improvements, and cost estimates in accordance with RUS Bulletin

1780-2. Implementation strategies to phase improvements will be investigated, in addition to how improvements can be integrated into the existing facility.

Evaluation and selection of alternatives will be discussed at Workshop 3, giving the County the opportunity to provide further input to the process.

Subtask 4.6 Alternative Evaluation Supplementary Budget

Based on the findings of the previous task, additional actions such as accompanying County Staff on investigative site visit(s) to other wastewater plant(s) using recommended equipment/processes, attending marketing equipment presentations with County staff, presentations to stakeholders, etc. Budget from this task may only be approved for use through written consent from Douglas County Public Works. The budget allocated for this subtask is \$10,000.

Subtask 4.7 Report: Facility Plan Update

Consultant will provide recommendations for improvements based on results from all previous tasks. A phasing plan will be prepared in accordance with capacity needs and based on both flow and loading requirements. The plan will highlight future conditions (e.g., triggers) in which the County needs to prepare for the next expansion phase. This subtask will also outline funding opportunities beyond SRF in which the County has experience. Consultant will provide the County with a Facility Plan Report that complies with USDA's RUS Bulletin 1780 2 requirements.

Task 4 Deliverables

- Meeting Summary from Workshop 3: Alternatives Evaluation Workshop
- Draft Report: NVWWTP Facility Plan Report delivered by July 31, 2015
- Final Report: NVWWTP Facility Plan Report

Schedule

A preliminary milestone schedule for this Task is as follows:

Milestone	Target Start	Target Finish
Task 1 - Project Management	11/17/14	6/30/15
Task 2 - Existing Facilities Capacity Analysis	11/17/14	2/27/15
Task 3 - Projected Growth and Regulations	12/1/14	2/6/15
Task 4 - Alternatives Evaluation for Expansion	1/1/15	6/30/15

If the work is delayed beyond the reasonable control of Consultant, Consultant reserves the right to request a scope and fee modification for additional administrative and support time.

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. For services enumerated in Tasks 1 through 4, the total estimated fee is \$80,000 plus applicable sales, use, value-added, business transfer, gross receipts, or other similar taxes. A breakdown of the estimated fee is summarized in below. County understands and agrees that individual tasks may be completed either under or over budget and that Consultant can reallocate budgets provided the total authorized estimated fee is not exceeded.

Task	Milestone	Estimated Fee
1	Project Management	\$13,650
2	Existing Facilities Capacity Analysis	\$19,300
3	Projected Growth and Regulations	\$ 9,700
4	Alternatives Evaluation for Expansion	\$37,350
	Total	\$80,000

Exhibit B

**CH2M HILL Per Diem Rate Schedule
for
Douglas County Public Works
North Valley WWTP Facility Plan and Capacity Analysis
Hourly Billing Rates**

<u>Classification</u>	<u>Rate</u>
Sr. Principal Technologist*/Program Manager	\$245
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
Engineering Tech 5	\$139
Engineering Tech 4	\$122
Engineering Tech 3	\$105
Engineering Tech 2	\$92
Engineering Tech 1	\$80
Office/Clerical/Accounting	\$75

* 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 the work period noted below.
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 on January 1, 2016.

Douglas County State of Nevada

CERTIFIED COPY

I certify that the document to which this certificate is attached is a full and correct copy of the original record on file in the Clerk-Treasurer's Office on this

12th day of February, 2014
By [Signature] Deputy