

**RESOLUTION NO. R2017-47**

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF NORTH MIAMI BEACH, FLORIDA APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT BETWEEN THE CITY AND CH2M HILL ENGINEERS, INC. PURSUANT TO REQUEST FOR QUALIFICATIONS (“RFQ”) 2016-08, NMB WATER OPERATIONS, MAINTENANCE, AND PROGRAM MANAGEMENT SERVICES FOR THE OPERATION AND MAINTENANCE OF NMB WATER FOR AN INITIAL TERM OF TEN YEARS WITH AN ANNUAL FEE OF \$19,300,000, FOR THE FIRST YEAR, AND \$18,800,000 YEARLY THEREAFTER FOR THE REMAINDER OF THE AGREEMENT; AND TO PROVIDE PROGRAM MANAGEMENT SERVICES FOR THE INITIATION, IMPLEMENTATION AND OPERATION OF PROGRAM MANAGEMENT SERVICES, WITH INITIAL TASKS TO INCLUDE NORWOOD WATER TREATMENT PLANT RENOVATIONS, EXPANSION AND SECURITY IMPROVEMENTS.**

**WHEREAS**, the City of North Miami Beach (“City”) issued Request for Qualifications No. 2016-08 (“RFQ”) for NMB Water Operations, Maintenance and Program Services (“NMB Water Program”); and

**WHEREAS**, on April 3, 2017, the Mayor and City Commission by Resolution No. R2017-38, approved the ranking of the respondents and authorized the City Manager to negotiate with CH2M Hill Engineering, Inc. (“CH2M”) and, if the negotiations were successful, present an agreement for the City Commission’s consideration and approval; and

**WHEREAS**, the parties performed due diligence and the City Manager established a negotiation team to formulate a comprehensive, organized, and intensive strategy; and

**WHEREAS**, the negotiation team consisted of City Manager, Ana M. Garcia, Director of NMB Water, Jeffrey F. Thompson, P.E., Outside Counsel with Bryant Miller & Olive, Thomas Constantine, with key staff to support negotiations sessions, as needed; and

**WHEREAS**, for over five weeks the Negotiation Team, key staff, and CH2M senior staff met for extended sessions and negotiated the terms, as outlined in the attached Term Sheet (Exhibit “A”, *Term Sheet NMB Water RFQ #2016-08 “Term Sheet”*); and

**WHEREAS**, the City Administration ensured that the City’s mission of providing excellent municipal services in a financially responsible and environmentally conscious manner would be met with any proposed agreement and that the City would retain ownership of the water and wastewater utility (“NMB Water”), authority and control to establish rates, and the proposed contractor would hire eligible existing full-time, AFSCME employees; and

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**WHEREAS**, the attached Agreement (Exhibit "B", *Agreement for Operation and Maintenance of Water and Wastewater Utilities, and Customer Service, Billing and CIP Program Management Services "Agreement"*) protects the City's mission, by ensuring that ownership of NMB Water and control and authority to establish rates remains with the City, and that eligible full-time AFSCME employees will be hired by CH2M which will be engaged in the operation, maintenance, and repair of NMB Water, billing, customer service, community outreach and program management of NMB Water's capital improvement plan; and

**WHEREAS**, CH2M will develop and implement programs for the performance and promotion of public benefit activities to include, initiating, organizing and promoting resiliency of NMB Water and City facilities, developing and implementing policies, practices and programs promoting conservation and use of alternative sources of energy, including deploying alternative fuel vehicles and supporting public education and information initiatives regarding conservation and reduced consumption of water and sea level rise; and

**WHEREAS**, an integral part of all services to be provided by CH2M will be addressing recommendations in the Eisenhardt Report (included as part of Exhibit "A" *Term Sheet*) and meeting and exceeding Key Performance Indicators ("KPI") including NMB Water facility upgrades, safety audit, expansion of water quality function, comprehensive training program implementation, and financial implications with KPI's related to regulatory compliance, planned maintenance for water and wastewater, water treatment and employee training (included as part of Exhibit "B" *Agreement*); and

**WHEREAS**, under the direct supervision of the Director of NMB Water and City Manager, CH2M will provide all operations, maintenance, and repair services for NMB Water for a ten-year term, with a five-year renewal option, as long as CH2M is in compliance with the Agreement, for an annual fee of \$19,300,000 for the first year, and \$18,800,000 annually thereafter, for the remainder of the Agreement; and

**WHEREAS**, in addition to the proposed operations, maintenance, and repair services, CH2M shall provide program management services implementing the City's Capital Improvement Plan for NMB Water and, at the City's direction, provide planning, design, permitting, scheduling, procurement, management, and/or construction of identified capital improvement projects; and

**WHEREAS**, as part of the proposed Agreement, the City Administration seeks approval for critical capital improvements including program management initiation, oversight, reporting, planning, coordination and asset management (included as part of Exhibit "B" *Agreement*, specifically, Work Order 1 and 2), Norwood Water Treatment Plant expansion and upgrades (included as part of Exhibit "B" *Agreement*, specifically, Work Order 3 and 4), and security plan evaluation and design (included as part of Exhibit "B" *Agreement*, specifically, Work Order 5); and

**WHEREAS**, the Mayor and City Commission authorize the City Manager, in accordance with the Agreement (Exhibit “B”), to engage CH2M for budgeted expenditures for capital construction projects in an amount not to exceed \$2,000,000 per project, and for maintenance and repair projects, study, consulting, and professional service activities in an amount not exceed \$200,000 per project; and

**WHEREAS**, the Mayor and City Commission find it to be in the best interests of the City to award RFQ 2016-08 to CH2M for NMB Water Operations, Maintenance and Program Services and authorize the City Manager to execute the Agreement between the City and CH2M, in substantially the attached form (Exhibit “B”).

**NOW, THEREFORE, BE IT RESOLVED** by the City Commission of the City of North Miami Beach, Florida.

**Section 1.** The foregoing recitals are true and correct.

**Section 2.** The Mayor and City Commission of the City of North Miami Beach hereby award RFQ 2016-08 to CH2M for NMB Water Operations, Maintenance and Program Services.

**Section 3.** The Mayor and City Commission of the City of North Miami Beach authorize the City Manager, in a form acceptable to the City Attorney, to execute the Agreement between the City and CH2M, in substantially the attached form (Exhibit “B” Agreement), to expend funds in accordance with the Agreement for Operations and Maintenance, Repair and Replacement and Program Management Services, including Work Orders 1-5 (included as part of Exhibit “B”), and the City Manager or designee is authorized to do all things necessary to carry out the intent of this Resolution including the implementation of the terms and conditions of the Agreement (Exhibit “B”).

**Section 4.** The Mayor and City Commission of the City of North Miami Beach hereby authorize the City Manager, as needed and in accordance with the Agreement (Exhibit “B”), to engage CH2M for budgeted expenditures for capital construction projects in an amount not to exceed \$2,000,000 per project, and for maintenance and repair projects, study, consulting, and professional service activities in an amount not exceed \$200,000 per project.

**APPROVED AND ADOPTED** by the City of North Miami Beach City Commission at the regular meeting assembled this 16<sup>th</sup> day of **May, 2017**.

[SIGNATURE PAGE TO FOLLOW]

ATTEST:

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PAMELA L. LATIMORE  
CITY CLERK

(CITY SEAL)

\_\_\_\_\_  
GEORGE VALLEJO  
MAYOR

APPROVED AS TO FORM, LANGUAGE  
& FOR EXECUTION:

\_\_\_\_\_  
JOSE SMITH  
CITY ATTORNEY

Sponsored by: Mayor and City Commission