



REQUEST FOR QUALIFICATIONS

Sealed RFQ's will be received for:

Utility Rate Study

RFQ No. 18-02

Request for Qualifications will be received until 2:00

PM. on October 31, 2017

INSTRUCTIONS TO OFFERORS

1. The envelope or package containing the completed Request for Qualifications should be marked legibly on the outside with the submitter's name and address along with "Request for Qualifications for Utility Rate Study; RFQ No. 18-02."
2. The offeror shall sign and date the submittal where provided within the RFQ. The person signing the proposal must have the authority to bind the firm in a contract. Proposals which are not signed and dated in this manner may be rejected.
3. All documents shall be received at the City of Kingsville, Purchasing Manager, located at, 400 W. King, Kingsville, Texas 78363, or sent to P.O. Box 1458, Kingsville, Texas, TX 78364 by the deadline shown on the cover sheet of this Request for Proposals.
4. **Facsimile transmittals and electronic transmittals will not be acceptable.**
5. The City of Kingsville, Texas, reserves the right to reject any or all Request for Qualifications as it shall deem to be in the best interests of the City of Kingsville.
6. Any interpretations, corrections or changes to this Request for Qualifications and specifications will be made by addenda. Sole issuing authority of addenda shall be vested in the City of Kingsville Director of Finance. Addenda will be loaded on www.cityofkingsville.com. Vendors who pick up the RFQ from the Finance Department will be responsible for checking with the Purchasing Manager via email at csosa@cityofkingsville.com or by downloading from the City's website at www.cityofkingsville.com to see if any addenda have been issued. Offerors shall acknowledge receipt of all addenda on the sealed envelope or package containing their proposal.
7. Proposals resulting from submitted Request for Qualifications must comply with all applicable federal, state, county and local laws concerning these types of services.
8. A prospective Vendor must affirmatively demonstrate Vendor's responsibility. A prospective Vendor must meet the following requirements:
 - a. have adequate financial resources, or the ability to obtain such resources as required;
 - b. be able to comply with the required or proposed delivery schedule;
 - c. have a satisfactory record of performance;
 - d. have a satisfactory record of integrity and ethics;
 - e. be otherwise qualified and eligible to receive an award;
 - f. workload capacity; and
 - g. proposers' availability of qualified staff (if applicable).

The City of Kingsville may request representation and other information sufficient to determine Vendor's ability to meet these minimum standards.

9. Section 176.006 of the Texas Local Government Code requires a offeror to file a conflict of interest questionnaire if the vendor has a business relationship with the City and has:

- (a) an employment or other business relationship with an officer or an officer's family member that results in that person receiving taxable income that is more than \$2,500 in the preceding twelve months; or
- (b) given an officer or an officer's family member one or more gifts totaling more than \$250 in the preceding twelve months.

A Offeror is required to file a questionnaire not later than the seventh business day after the later of the following:

- (a) the date the Offeror begins discussions or negotiations to enter into a contract with the City or submits an application or response to a bid proposal; or
- (b) the date the Offeror becomes aware of a relationship or gives a gift to an officer or officer's family member.

State law requires that a vendor file an updated questionnaire with the City Secretary's office annually, before September 1st, and or not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate. The Conflict of Interest Questionnaire is attached in compliance with this law is the responsibility of each bidder/vendor.

The City of Kingsville is aware of the time and effort you expend in preparing and submitting proposals to the City. Please let us know of any proposal requirements causing you difficulty in responding to our Request for Proposals. We want to facilitate your participation so that all responsible vendors can compete for the City's business.

If you have any questions concerning this Request for Qualifications and specifications, should be submitted in writing to: Charlie Sosa- Purchasing Manager at csosa@cityofkingsville.com

Request of Qualifications

I. Introduction

The City of Kingsville is seeking a qualified consultant to prepare a comprehensive utility rate study, including model development, for water, sewer, solid waste, drainage, and transportation user fee rates. The City is interested in executing a Professional Services Agreement with the successful consultant to independently analyze and assess the City's current rate structure, determine an updated cost of service, and provide recommendations for equitable and sustainable cost recovery by customer class for each service.

II. Information Requested From Offerors

Each Request for Qualification shall contain all the items listed below. Incomplete statements may be rejected in technical review by the Evaluation Committee.

- A. Complete the firm information sheet on Page 3 of this RFQ.
- B. Provide a summary of the firm's history including information on parent company, if applicable.
- C. Provide a list of key individuals that may perform work for the City and give a summary of their qualifications and experience.
- D. Provide a summary of your firm's pertinent experience specifically related to rate studies.
- E. Provide a detailed work plan describing the specific approach and timetable necessary to meet the requirements described in Exhibit A.
- F. Provide the firm's proposed fee for services. The proposed fee should be all-inclusive containing all direct and indirect costs and all out-of-pocket expenses (excluding cost of preparing and submitting this proposal).
- G. Include a certification that the person signing the proposal is authorized to represent the firm and sign a contract with the City.
- H. Provide the firm's professional services rates for additional services. Should the City request additional services from the firm to either supplement the services requested in this RFQ or to perform additional work as a result of the specific recommendations included in the rate study report issued by the firm, then the additional work will only be performed through an amendment to the contract at the rates submitted by the firm in this RFQ.

I. Provide a list of at least five (5) references familiar with the firm's capability to deliver services, including contact names, phone numbers and description of services provided.

J. If the firm is selected, the attached professional services agreement written by the City's Legal Department shall be the basis for any contract. By submitting your proposal your firm is willing and has the ability to comply with these terms and conditions, including the execution of the attached contract agreement for professional services.

K. Provide a completed Insurance Requirement Affidavit asserting that you can comply with the insurance requirements specified in the attached Agreement for Professional Services. (See attached form)

L. Provide a completed Vendor Information Sheet and W9 for accounts payable purposes. (Attached)

III. Submission Information

The City of Kingsville will receive Proposals prior to October 31, 2017 @ 2:00 PM. Deadline for questions or request for clarification must be submitted to the Purchasing Manager in writing prior to October 18, 2017 @ 2:00 PM via email at csosa@cityofkingsville.com. All responses to the questions will be sent to all bidders in addendum form.

One (1) original copy and three (3) copies along with one (1) electronic version of the submission in a PDF format on DVD/CD of the Request for Qualifications shall be submitted in an envelope or box bearing the name and address of respondent and also be identified in the lower left corner with "Request for Qualifications for Utility Rate Study RFQ No. 18-02" and be addressed as follows:

**City of Kingsville
Purchasing Manager
PO Box 1458
Kingsville, Texas 78364
400 West King Ave.
Kingsville, Texas 78363**

IV. Proposal Evaluation

A. Minimum Qualifications

The City will review proposals received to determine whether or not each proposer meets the following minimum qualifications:

- Firm with the capability to commit staff to complete the requested services in a timely manner.
- Ability to demonstrate the successful calculation of service rate and recommending updates and revisions.
- Knowledgeable of methodologies and current practices in developing rate models.

- Ability to meet minimum insurance requirements identified by the City of Kingsville identified within the standard City contract.

B. Evaluation Criteria

Proposals meeting the above minimum qualifications will be evaluated by the City using the following criteria:

	CRITERIA	MAXIMUM POINTS	SCORE
1.	Experience – Demonstrated experience and quality of performing rate studies based on information provided by the firm as well as reference of former and present clients.	30	
2.	Capacity – Staff capability and availability of professional staff to serve the City of Kingsville in a competent and timely manner.	25	
3.	Methodology – Methods the vendor will use to conduct work outlined in the RFP and evidence of ability to perform the work described herein.	25	
5.	Proposed Fee –Although a significant factor, fees charged may not be a dominant factor but high scoring item.	20	

The City of Kingsville is an Affirmative Action and Equal Opportunity Employer.

FIRM INFORMATION SHEET

Company Name	
Address	
City, State, Zip	
Fax Number	
E-mail Address	
Tax Identification Number	

Please provide prior government experience:

Name of Entity	
Dates of Services Provided	
Contact Person	
Project Assigned & Completed	

Signature of Authorized Agent	
Printed Name of Authorized Agent	
Title	
Date	

CITY OF KINGSVILLE, TEXAS
INSURANCE REQUIREMENT AFFIDAVIT

To Be Completed By Appropriate Insurance Agent

I, the undersigned Agent, certify that the insurance requirements contained in this bid document have been reviewed by me with the below identified Consultant. If the below identified Consultant is awarded this contract by the City of Kingsville, I will be able to, within thirty (30) days after being notified of such award, furnish a valid insurance certificate to the City meeting all of the requirements defined in this bid.

Agent (Signature)

Agent (Print)

Name of Firm: _____

Address of Agent/Broker: _____

City/State/Zip: _____

Agent/Broker Telephone Number: _____
 (Print or Type)

NOTE TO FIRM

If this requirement is not met, the City has the right to reject this bid and award the contract to another firm meeting the specifications. If you have any questions concerning these bond requirements, or the bid, please contact the Purchasing Manager for the City of Kingsville at csosa@cityofkingsville.com.

CITY OF KINGSVILLE
STANDARD PROFESSIONAL SERVICES AGREEMENT

THE STATE OF TEXAS §
 §
KLEBERG COUNTY §

This Professional Services Agreement (“Agreement”) is made and entered by and between the City of Kingsville, Texas, (the “City”) a Texas municipality, and _____ (“Consultant”).

Section 1. Duration. This Agreement shall become effective upon _____ and shall remain in effect until satisfactory completion of the Scope of Work unless terminated as provided for in this Agreement.

Section 2. Scope of Work.

(A) Consultant shall perform the Services as more particularly described in the Scope of Work attached hereto as Exhibit “A”. The work as described in the Scope of Work constitutes the “Project”. Unless otherwise provided in the Scope of Work, the anticipated submittal of all Project deliverables is immediately upon completion of the Project.

(B) The Quality of Services provided under this Agreement shall be performed with the professional skill and care ordinarily provided by competent Consultants practicing in the same or similar locality and under the same or similar circumstances and professional license, and as expeditiously as is prudent considering the ordinary professional skill and care of a competent Consultant holding the same professional license.

(C) The Consultant shall perform its Services for the Project in compliance with all statutory, regulatory and contractual requirements now or hereafter in effect as may be applicable to the rights and obligations set forth in the Agreement.

(D) The Consultant may rely upon the accuracy of reports and surveys provided to it by the City except when defects should have been apparent to a reasonably competent consultant or when it has actual notice of any defects in the reports and surveys.

Section 3. Compensation.

(A) The Consultant shall be paid in the manner set forth in Exhibit “A” and as provided herein.

(B) *Billing Period:* The Consultant may submit monthly, or less frequently, an invoice for payment based on the estimated completion of the described tasks and approved work schedule. Subject to Chapter 2251, Texas Government Code (the “Prompt Payment

Act”), payment is due within thirty (30) days of the City’s receipt of the Consultant’s invoice. Interest on overdue payments shall be calculated in accordance with the Prompt Payment Act.

(C) *Reimbursable Expenses:* Any and all reimbursable expenses related to the Project shall be included in the scope of services (Exhibit A) and accounted for in the total contract amount. If these items are not specifically accounted for in Exhibit A they shall be considered subsidiary to the total contract amount.

Section 4. Changes to the Project Work; Additional Work.

(A) *Changes to Work:* Consultant shall make such revisions to any work that has been completed as are necessary to correct any errors or omissions as may appear in such work. If the City finds it necessary to make changes to previously satisfactorily completed work or parts thereof, the Consultant shall make such revisions if requested and as directed by the City and such services will be considered as additional work and paid for as specified under following paragraph.

(B) *Additional Work:* The City retains the right to make changes to the Scope of Work at any time by a written order. Work that is clearly not within the general description of the Scope of Work and not does not otherwise constitute special services under this Agreement must be approved in writing by the City by supplemental agreement before the additional work is undertaken by the Consultant. If the Consultant is of the opinion that any work is beyond that contemplated in this Agreement and the Scope of Work governing the project and therefore constitutes additional work, the Consultant shall promptly notify the City of that opinion, in writing. If the City agrees that such work does constitute additional work, then the City and the Consultant shall execute a supplemental agreement for the additional work and the City shall compensate the Consultant for the additional work on the basis of the rates contained in the Scope of Work. If the changes deduct from the extent of the Scope of Work, the contract sum shall be adjusted accordingly. All such changes shall be executed under the conditions of the original Agreement. Any work undertaken by Consultant not previously approved as additional work shall be at risk of the Consultant.

Section 5. Time of Completion.

The prompt completion of the services under the Scope of Work is critical to the City. Unnecessary delays in providing services under a Scope of Work shall be grounds for dismissal of the Consultant and termination of this Agreement without any or further liability to the City other than a prorated payment for necessary, timely, and conforming work done by Consultant prior to the time of termination. The Scope of Work shall provide, in either calendar days or by providing a final date, a time of completion prior to which the Consultant shall have completed all tasks and services described in the Scope of Work.

Section 6. Insurance.

Before commencing work under this Agreement, Consultant shall obtain and furnish to the City evidence of the following insurance during the term of this Agreement and thereafter as required herein:

Professional Liability Insurance: The Consultant shall carry errors and omissions liability insurance with limits of liability not less than \$1,000,000 per occurrence covering all work performed by the Consultant, its employees, sub-contractors, or independent contractors. If this coverage can only be obtained on a "claims made" basis, the certificate of insurance must clearly state coverage is on a "claims made" basis and coverage must remain in effect for at least two years after final payment with the Consultant continuing to furnish the City certificates of insurance.

Workers Compensation Insurance: The Consultant shall carry and maintain during the term of this Agreement, workers compensation and employer's liability insurance meeting the requirements of the State of Texas on all the Consultant's employees carrying out the work involved in this contract.

General Liability Insurance: The Consultant shall carry and maintain during the term of this Agreement, general liability insurance on a per occurrence basis with limits of liability not less than \$1,000,000 for each occurrence and for fire damage. For Bodily Injury and Property Damage no less than \$1,000,000. As a minimum, coverage for Premises, Operations, Products and Completed Operations shall be \$2,000,000. This coverage shall protect the public or any person from injury or property damages sustained by reason of the Consultant or its employees carrying out the work involved in this Agreement. The general aggregate shall be no less than \$2,000,000.

Automobile Liability Insurance: Consultant shall carry and maintain during the term of this Agreement, automobile liability insurance with either a combined limit of at least \$1,000,000 per occurrence for bodily injury and property damage or split limits of at least \$1,000,000 for bodily injury per person per occurrence and \$1,000,000 for property damage per occurrence. Coverage shall include all owned, hired, and non-owned motor vehicles used in the performance of this contract by the Consultant or its employees.

Subcontractor: In the case of any work sublet, the Consultant shall require subcontractor and independent contractors working under the direction of either the Consultant or a subcontractor to carry and maintain the same workers compensation and liability insurance required of the Consultant.

Qualifying Insurance: The insurance required by this Agreement shall be written by non-assessable insurance company licensed to do business in the State of Texas and currently rated "B" or better by the A.M. Best Companies. All policies shall be written on a "per occurrence basis" and not a "claims made" form.

Section 7. Miscellaneous Provisions.

(A) *Subletting.* The Consultant shall not sublet or transfer any portion of the work under this Agreement or any Scope of Work issued pursuant to this Agreement unless specifically approved in writing by the City, which approval shall not be unreasonably withheld. Subcontractors shall comply with all provisions of this Agreement and the applicable Scope of Work. The approval or acquiescence of the City in the subletting of any work shall not relieve the Consultant of any responsibility for work done by such subcontractor.

(B) *Ownership of Documents.* Upon completion or termination of this Agreement, all documents prepared by the Consultant or furnished to the Consultant by the City shall be delivered to and become the property of the City. All drawings, charts, calculations, plans, specifications and other data, including electronic files and raw data, prepared under or pursuant to this Agreement shall be made available, upon request, to the City without restriction or limitation on the further use of such materials PROVIDED, HOWEVER, THAT SUCH MATERIALS ARE NOT INTENDED OR REPRESENTED TO BE SUITABLE FOR REUSE BY THE CITY OR OTHERS. ANY REUSE WITHOUT PRIOR VERIFICATION OR ADAPTATION BY THE CONSULTANT FOR THE SPECIFIC PURPOSE INTENDED WILL BE AT THE CITY'S SOLE RISK AND WITHOUT LIABILITY TO THE CONSULTANT. Where applicable, Consultant shall retain all pre-existing proprietary rights in the materials provided to the City but shall grant to the City a non-exclusive, perpetual, royalty-free license to use such proprietary information solely for the purposes for which the information was provided. The Consultant may, at Consultant's expense, have copies made of the documents or any other data furnished to the City under or pursuant to this Agreement.

(C) *Consultant's Seal.* To the extent that the Consultant has a professional seal it shall be placed on all documents and data furnished by the Consultant to the City. All work and services provided under this Agreement will be performed in a good and workmanlike fashion and shall conform to the accepted standards and practices of the Consultant's industry. The plans, specifications and data provided by Consultant shall be adequate and sufficient to enable those performing the actual work to perform the work as and within the time contemplated by the City and Consultant. The City acknowledges that Consultant has no control over the methods or means of work nor the costs of labor, materials or equipment. Unless otherwise agreed in writing, any estimates of costs by the Consultant are for informational purposes only and are not guarantees.

(D) *Compliance with Laws.* The Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts, administrative, or regulatory bodies in any matter affecting the performance of this Agreement, including, without limitation, worker's compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations. When required, the Consultant shall furnish the City with satisfactory proof of compliance.

(E) *Independent Contractor.* Consultant acknowledges that Consultant is an independent contractor of the City and is not an employee, agent, official or representative of the City. Consultant shall not represent, either expressly or through implication, that Consultant is an employee, agent, official or representative of the City. Income taxes, self-employment taxes, social security taxes and the like are the sole responsibility of the Consultant.

(F) *Non-Collusion.* Consultant represents and warrants that Consultant has not given, made, promised or paid, nor offered to give, make, promise or pay any gift, bonus, commission, money or other consideration to any person as an inducement to or in order to obtain the work to be provided to the City under this Agreement. Consultant further agrees that Consultant shall not accept any gift, bonus, commission, money, or other consideration from any person (other than from the City pursuant to this Agreement) for any of the services performed by Consultant under or related to this Agreement. If any such gift, bonus, commission, money, or other consideration is received by or offered to Consultant, Consultant shall immediately report that fact to the City and, at the sole option of the City, the City may elect to accept the consideration for itself or to take the value of such consideration as a credit against the compensation otherwise owing to Consultant under or pursuant to this Agreement.

(G) *Force Majeure.* If the performance of any covenant or obligation to be performed hereunder by any party is delayed as a result of circumstances which are beyond the reasonable control of such party (which circumstances may include, without limitation, pending litigation, acts of God, war, acts of civil disobedience, fire or other casualty, shortage of materials, adverse weather conditions [such as, by way of illustration and not of limitation, severe rain storms or below freezing temperatures, or tornados] labor action, strikes or similar acts, moratoriums or regulations or actions by governmental authorities), the time for such performance shall be extended by the amount of time of such delay, but no longer than the amount of time reasonably occasioned by the delay. The party claiming delay of performance as a result of any of the foregoing force majeure events shall deliver written notice of the commencement of any such delay resulting from such force majeure event not later than seven (7) days after the claiming party becomes aware of the same, and if the claiming party fails to so notify the other party of the occurrence of a force majeure event causing such delay and the other party shall not otherwise be aware of such force majeure event, the claiming party shall not be entitled to avail itself of the provisions for the extension of performance contained in this subsection.

(H) In the case of any conflicts between the terms of this Agreement and wording contained within the Scope of Services, this Agreement shall govern. The Scope of Services is intended to detail the technical scope of services, fee schedule, and contract time only and shall not dictate Agreement terms.

Section 8. Termination.

(A) This Agreement may be terminated:

(1) By the mutual agreement and consent of both Consultant and City;

(2) By either party, upon the failure of the other party to fulfill its obligations as set forth in either this Agreement or a Scope of Work issued under this Agreement;

(3) By the City, immediately upon notice in writing to the Consultant, as consequence of the failure of Consultant to perform the services contemplated by this Agreement in a timely or satisfactory manner;

(4) By the City, at will and without cause upon not less than thirty (30) days written notice to the Consultant.

(B) If the City terminates this Agreement pursuant to Section 5 or subsection 8(A)(2) or (3), above, the Consultant shall not be entitled to any fees or reimbursable expenses other than the fees and reimbursable expenses then due and payable as of the time of termination and only then for those services that have been timely and adequately performed by the Consultant considering the actual costs incurred by the Consultant in performing work to date of termination, the value of the work that is nonetheless usable to the City, the cost to the City of employing another Consultant to complete the work required and the time required to do so, and other factors that affect the value to the City of the work performed at time of termination. In the event of termination not the fault of the Consultant, the Consultant shall be compensated for all basic, special, and additional services actually performed prior to termination, together with any reimbursable expenses then due.

Section 9. Indemnification. Consultant shall indemnify, defend and hold harmless the City of Kingsville, Texas and its officials, employees and agents (collectively referred to as "Indemnitees") and each of them from and against all loss, costs, penalties, fines, damages, claims, expenses (including reasonable attorney's fees) or liabilities (collectively referred to as "Liabilities") by reason of any injury to or death of any person or damage to or destruction or loss of any property arising out of, resulting from, or in connection with (i) the performance or non-performance of Services contemplated by this Agreement but only to the extent caused by the negligent acts, errors or omissions, intentional torts, intellectual property infringement, or a failure to pay a sub-contractor or supplier committed by Consultant or Consultant's agent, consultant under contract, or another entity over which Consultant exercises control (whether active or passive) of Professional or its employees, agents or sub-contractors (collectively referred to as "Professional") (ii) the failure of Consultant to comply with any of the paragraphs herein or the failure of Consultant to conform to statutes, ordinances, or other regulations or requirements of any governmental authority, federal, state or local, in connection with the performance of this Agreement. Consultant expressly agrees to indemnify and hold harmless the Indemnitees, or any one of them, from and against all liabilities which may be asserted by an employee or former employee of Consultant, or any of its sub-contractors, as provided above, for which Consultant's liability to such employee or former employee would otherwise be limited to payments under State Workers' Compensation or similar laws. Nothing herein shall require Consultant to indemnify, defend, or hold harmless any Indemnitee for the Indemnitee's own

negligence or willful misconduct. Any and all indemnity provided for in this Agreement shall survive the expiration of this Agreement and the discharge of all other obligations owed by the parties to each other hereunder and shall apply prospectively not only during the term of this Agreement but thereafter so long as any liability could be asserted in regard to any acts or omissions of Consultant in performing Services under this Agreement.

For Consultant Liability Claims, Consultant shall be liable for reasonable defense costs incurred by Indemnitees but only after final adjudication and to the extent and percent that Consultant or Consultant's agents are found negligent or otherwise at fault. As used in this Agreement, final adjudication includes any negotiated settlement and release of claims, without limitation as to when a negotiated settlement and release of claims occurs.

Section 10. Notices. Any notice required or desired to be given from one party to the other party to this Agreement shall be in writing and shall be given and shall be deemed to have been served and received (whether actually received or not) if (i) delivered in person to the address set forth below; (ii) deposited in an official depository under the regular care and custody of the United States Postal Service located within the confines of the United States of America and sent by certified mail, return receipt requested, and addressed to such party at the address hereinafter specified; or (iii) delivered to such party by courier receipted delivery. Either party may designate another address within the confines of the continental United States of America for notice, but until written notice of such change is actually received by the other party, the last address of such party designated for notice shall remain such party's address for notice.

Section 11. No Assignment. Neither party shall have the right to assign that party's interest in this Agreement without the prior written consent of the other party.

Section 12. Severability. If any term or provision of this Agreement is held to be illegal, invalid or unenforceable, the legality, validity or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby, and in lieu of each such illegal, invalid or unenforceable term or provision, there shall be added automatically to this Agreement a legal, valid or enforceable term or provision as similar as possible to the term or provision declared illegal, invalid or unenforceable.

Section 13. Waiver. Either City or the Consultant shall have the right to waive any requirement contained in this Agreement that is intended for the waiving party's benefit, but, except as otherwise provided herein, such waiver shall be effective only if in writing executed by the party for whose benefit such requirement is intended. No waiver of any breach or violation of any term of this Agreement shall be deemed or construed to constitute a waiver of any other breach or violation, whether concurrent or subsequent, and whether of the same or of a different type of breach or violation.

Section 14. Governing Law; Venue. This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Agreement are performable in

Kleberg County, Texas such that exclusive venue for any action arising out of this Agreement shall be in Kleberg County, Texas.

Section 15. Paragraph Headings; Construction. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the negotiation and preparation of this Agreement and this Agreement shall not be construed either more or less strongly against or for either party.

Section 16. Binding Effect. Except as limited herein, the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal and legal representatives, successors and assigns.

Section 17. Gender. Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

Section 18. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 19. Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Section 20. Entire Agreement. It is understood and agreed that this Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally.

Section 21. Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between the parties, it being expressly understood and agreed that no provision contained in this Agreement nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Agreement.

Section 22. Right To Audit. City shall have the right to examine and audit the books and records of Consultant with regards to the work described in Exhibit A, or any subsequent changes, at any reasonable time. Such books and records will be maintained in accordance with generally accepted principles of accounting and will be adequate to enable determination of: (1) the substantiation and accuracy of any payments required to be made under this Agreement; and (2) compliance with the provisions of this Agreement.

23. Dispute Resolution. In accordance with the provisions of Subchapter I, Chapter 271, TEX. LOCAL GOV'T CODE, the parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this agreement, the parties will first attempt to resolve the dispute by taking the following steps: (1) A written notice substantially describing the nature of the dispute shall be delivered by the dissatisfied party to the other party, which notice shall request a written response to be delivered to the dissatisfied party not less than 5 days after receipt of the notice of dispute. (2) If the response does not reasonably resolve the dispute, in the opinion of the dissatisfied party, the dissatisfied party shall give notice to that effect to the other party whereupon each party shall appoint a person having authority over the activities of the respective parties who shall promptly meet, in person, in an effort to resolve the dispute. (3) If those persons cannot or do not resolve the dispute, then the parties shall each appoint a person from the highest tier of managerial responsibility within each respective party, who shall then promptly meet, in person, in an effort to resolve the dispute.

24. Disclosure of Business Relationships/Affiliations; Conflict of Interest Questionnaire. Consultant represents that it is in compliance with the applicable filing and disclosure requirements of Chapter 171 and Chapter 176 of the Texas Local Government Code.

25. Consultant represents that it does not now, nor will it during the term of this Agreement, boycott Israel Texas Government Code, Chapter 2270.

EXECUTED on this the _____ day of _____, 20 _____ .

CITY:

CONSULTANT:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

ADDRESS FOR NOTICE:

CITY

CONSULTANT

with a copy to:

City Attorney
City of Kingsville, Texas

EXHIBIT A

SCOPE OF SERVICES

The study is to provide the City with information sufficient to support a recommendation to the City Commission for adjustments in rates for water, sewer, solid waste, and drainage, and recommend appropriate transportation user rates (new rates to be considered by City Commission). This study will also determine the adequacy and most appropriate rate structure for all utility rates assessed by the City considering such issues as conservation, consumption characteristics of various customer classes, deviation from cost of service principles and fairness and equity implications, and customer understanding. The City expects the rates developed by the study to be adequate for at least two years and the rate schedule (i.e. comparative rates by customer class) to maintain its integrity for at least five years.

A) ANALYZE WATER AND SEWER FUND FINANCES

Consultant will be expected to analyze and obtain a thorough understanding of the Water and Sewer fund's financial condition. The analysis is expected to include at a minimum:

- (1) Analysis of historical operating expenses including cost of water production-purchased and sewer treated.
- (2) Analysis of continued growth projections and evaluation of utility department's capital improvement program and capital outlay program, and determination of funds needed to support both programs.
- (3) Analysis of historic demand and consumption characteristics with the purpose of properly classifying and segregating the costs associated with the different functions and customers of the City's utility system.
- (4) Analysis of existing fund financial condition and the planned infrastructure improvements.
- (5) Analysis of the impact of peak demands on the cost of providing service.
- (6) Analysis of the impact of winter averaging for sewer charges.
- (7) Analysis of discounts provided to customers.

B) ANALYZE SOLID WASTE FUND FINANCES

Consultant will be expected to analyze and obtain a thorough understanding of the Solid Waste fund's financial condition. The analysis is expected to include at minimum:

- (1) Analysis of historical operating expenses including cost of waste collection and disposal.

- (2) Analysis of continued growth projections and evaluation of the solid waste department's capital improvement program and capital outlay program, and determination of funds needed to support both programs.
- (3) Analysis of historic demand and disposal characteristics with the purpose of properly classifying and segregating the costs associated with the different functions and customers of the City's solid waste system.
- (4) Analysis of the existing fund financial condition and the planned infrastructure improvements.

C) ANALYZE DRAINAGE FUND FINANCES

Consultant will be expected to analyze and obtain a thorough understanding of the Drainage Fund's financial condition. The analysis is expected to include at minimum:

- (1) Analysis of historical operating expenses.
- (2) Analysis of continued growth projections and evaluation of Drainage Fund's capital improvement program and capital outlay program, and determination of funds needed to support both programs.
- (3) Analysis of historic demand and disposal characteristics with the purpose of properly classifying and segregating the costs associated with the different functions and customers of the City's drainage system.
- (4) Analysis of existing fund's financial condition and the planned infrastructure improvements.

D) ANALYZE ROADWAY MAINTENANCE PROJECTS

Consultant will be expected to analyze and obtain a thorough understanding of proposed roadway maintenance projects with the purpose of updating a transportation user fee. The analysis is expected to include at a minimum:

- (1) Analysis of proposed roadway maintenance costs.
- (2) Analysis of proposed roadway reconstruction costs.
- (3) Understanding of industry standards for transportation/roadway usage.

E) DEVELOP RATE SCHEDULE

Consultant will be expected to develop schedules of water and sewer rates, solid waste rates, drainage rates, and transportation user fee rates. The rates must be developed to meet the following objectives:

- (1) Should develop rates based on the respective costs of these services.
- (2) Should provide analysis and recommendations for fixed vs. variable elements of the rate.

- (3) Should identify the relative costs of serving different classes of customers.
- (4) Water and sewer rates should be designed to reduce peak demands on the utility systems and encourage conservation through tiered usage rates or other recommendations.
- (5) Water and sewer rates with and without the recommendation of a senior discount should be developed to compare the benefits or challenges of such a policy.
- (6) Water and sewer rates to be implemented during the different stages of water restrictions should be designed to encourage lower water usage.
- (7) Sewer rates with and without the recommendation of winter averaging should be developed to compare the benefits or challenges of such a policy.
- (8) Transportation user fee rates should be designed to fund a limited number of projects in the first five years of implementation.
- (9) Be compatible with the existing utility billing computer system.
- (10) Be easily described to customers and lay persons.

F) BENCHMARK TO AREA CITIES

The consultant will be expected to compare and contrast the City's existing rates and the new rates developed by the study with the rates of the City's standard benchmark cities detailed below. The benchmarking must be for all comparable customer classifications.

Corpus Christi, TX	Edinburg, TX
Robstown, TX	Weslaco, TX
Alice, TX	Portland, TX
Harlingen, TX	

G) DEVELOP COMPUTERIZED RATE MODEL

Consultant will develop a computerized rate model that will be provided to the City at the conclusion of the study. The model should be developed with the following characteristics:

- (1) Model must be developed using Microsoft Excel applications.
- (2) Model should allow for updating of consumption patterns by customer classification.
- (3) Model should allow for updating of operating, debt service, and capital costs.
- (4) Model should include pre-defined graphical presentation of consumption, revenue, and expense data.
- (5) Model should integrate the revenue produced by rates with the financial plan by fund.
- (6) Consultant will train City personnel to periodically update model cost factors and develop scenarios by rate and customer class.

H) DISCUSS FINDINGS AND PRESENT FINAL REPORT

The Consultant will be expected to present the analysis findings and preliminary recommendations with senior management staff, address questions and/or concerns and incorporate management comments into final recommendations. Additionally, Consultant will be expected to attend one Commission work session and one Commission Meeting to present study recommendations. The City Commission work session and the City Commission meeting will be on different days.



Finance Department

VENDOR INFORMATION SHEET

COMPANY NAME _____ **TAX ID #** _____

PRIMARY POC _____ **DATE** _____
(PLEASE PRINT)

SIGNATURE _____ **PHONE NUMBER** _____

EMAIL ADDRESS _____

SECONDARY POC _____ **DATE** _____
(PLEASE PRINT)

SIGNATURE _____ **PHONE NUMBER** _____

EMAIL ADDRESS _____

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	
	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>	
	5 Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	6 City, state, and ZIP code	
	7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

	Social security number											
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	-		-									
	or											
	Employer identification number											
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Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.