

AGREEMENT
FOR
CONSULTING SERVICES

This AGREEMENT, between the Norman Municipal Authority (OWNER) and Raftelis Financial Consultants, Inc., (CONSULTANT);

WITNESSETH

WHEREAS, OWNER intends to complete a cost-of-service study for the Sanitation Department to evaluate current services and associated costs for services and to modify or develop rate structures to ensure fair cost recovery from various customer classes; and

WHEREAS, OWNER will utilize a consultant to review financial data with production and performance information to determine complete the cost-of-service study (the SERVICES); and,

WHEREAS, CONSULTANT is prepared to provide said SERVICES; and.

NOW THEREFORE, in consideration of the promises contained in this AGREEMENT, OWNER and CONSULTANT agree as follows:

ARTICLE 1 - EFFECTIVE DATE

The effective date of this AGREEMENT shall be _____.

ARTICLE 2 - COMPLETION DATE

CONSULTANT shall complete the SERVICES in accordance with Attachment A, Project Schedule.

ARTICLE 3 - GOVERNING LAW

The laws of the state of Oklahoma shall govern this AGREEMENT.

ARTICLE 4 - SERVICES TO BE PERFORMED BY CONSULTANT

CONSULTANT shall perform the SERVICES described in Attachment B, Scope of Services.

ARTICLE 5 - COMPENSATION

OWNER shall pay CONSULTANT in accordance with Attachment C, Compensation.

ARTICLE 6 - OWNER'S RESPONSIBILITIES

- 6.1. OWNER-Furnished Data: Upon request, OWNER will provide to CONSULTANT all data in OWNER's possession relating to CONSULTANT's SERVICES on the PROJECT. CONSULTANT will reasonably rely upon the accuracy, timeliness, and completeness of the information provided by OWNER. OWNER's data is provided for temporary use or copying by CONSULTANT.
- 6.2. Access to Facilities and Property: OWNER will make its facilities accessible to CONSULTANT as required for CONSULTANT's performance of its SERVICES.
- 6.3. Timely Review: OWNER will examine CONSULTANT's studies, reports, sketches, drawings, specifications, proposals, and other documents; and transmit OWNER comments or other decisions to CONSULTANT in a timely manner.
- 6.4. Meetings: OWNER will participate in progress meetings or other meetings with CONSULTANT or contractor(s) defined in Scope of Services.
- 6.5. Advertisements, Permits, and Access: Unless otherwise agreed to in the Scope of Services, OWNER will obtain, arrange, and pay for all advertisements for bids; permits and licenses required by local, state, or federal

authorities; and land, easements, rights-of-way, and access necessary for CONSULTANT's SERVICES or PROJECT construction.

6.6. INTENTIONALLY LEFT BLANK.

ARTICLE 7 - STANDARD OF CARE

CONSULTANT shall exercise the same degree of care skill and diligence in the performance of the SERVICES as is ordinarily possessed and exercised by a consultant under similar circumstances. CONSULTANT shall correct the SERVICES that fail to satisfy this standard of care. No warranty, express or implied is included in this AGREEMENT or in any drawing, specifications, report or opinion produced pursuant to this AGREEMENT.

ARTICLE 8 - LIABILITY AND INDEMNIFICATION

- 8.1 General. Having considered the potential liabilities that may exist during the performance of the SERVICES, the benefits of the PROJECT, the CONSULTANT's fee for the SERVICES and in consideration of the promises contained in this AGREEMENT, OWNER and CONSULTANT agree to allocate and limit such liabilities in accordance with this Article.
- 8.2 Indemnification and Liability. The CONSULTANT agrees to defend, indemnify, and hold harmless the OWNER, its officers, servants, and employees, from and against legal liability for all claims, losses, damage, cost, and expense (including reasonable attorneys' fees and accountants' fees) caused by a negligent act, error, or omission of the CONSULTANT in the performance of services under this Agreement. OWNER agrees to defend, indemnify, and hold harmless the CONSULTANT, its officers, servants, and employees, from and against legal liability for all claims, losses, damage, cost, and expense (including reasonable attorneys' fees and accountants' fees) caused by a negligent act, error, or omission of the OWNER in the performance of services under this Agreement, provided such indemnification shall be applicable only to the extent sovereign immunity has been waived pursuant to Oklahoma law. The CONSULTANT and the OWNER each agree to promptly service notice on the other party of any claims arising hereunder, and shall cooperate in the defense of such claims. The acceptance by OWNER or its representatives of any certification of insurance providing for coverage other than as required in this Agreement to be furnished by the CONSULTANT shall in no event be deemed a waiver of any of the provisions of this indemnity provision. None of the foregoing provisions shall deprive the OWNER of any action, right, or remedy otherwise available to OWNER at common law.
- 8.3 Employee Claims. CONSULTANT shall indemnify OWNER against legal liability for damages arising out of claims by CONSULTANT's employees. OWNER shall indemnify CONSULTANT against legal liability for damages arising out of claims by OWNER's employees.
- 8.4 Consequential Damages. To the fullest extent permitted by law, CONSULTANT shall not be liable to OWNER for any special, indirect or consequential damages resulting in any way from the performance of the SERVICES.
- 8.5 Survival. Upon completion of all SERVICES obligations and duties provided for in this AGREEMENT or if this AGREEMENT is terminated for any reason the terms and conditions of this Article shall survive.

ARTICLE 9 - INSURANCE

During the performance of the SERVICES under this AGREEMENT CONSULTANT shall maintain the following insurance:

- 9.1 Worker's compensation insurance for CONSULTANT's employees as required by Oklahoma Workers Compensation Statutes.
- 9.2 Comprehensive general liability insurance with a minimum of \$1,000,000 per each occurrence and \$2,000,000 aggregate.

- 9.3 Comprehensive automobile liability insurance with a minimum of \$1,000,000 combined limit.
- 9.4 Professional Liability (errors and omissions) insurance providing a minimum policy value of \$2,000,000 aggregat.

CONSULTANT shall furnish OWNER certificates of insurance that shall include a provision that such insurance shall not be canceled without at least thirty days written notice to OWNER. All PROJECT contractors shall be required to include OWNER and CONSULTANT as additional insured on their General Liability Insurance policies.

CONSULTANT and OWNER each shall require its insurance carriers to waive all rights of subrogation against the other and its directors, officers, partners, commissioners, officials, agents and employees for damages covered by property insurance during and after the SERVICES. A similar provision shall be incorporated into all contractual arrangements entered into by OWNER and shall protect OWNER and CONSULTANT to the same extent.

ARTICLE 10 - LIMITATIONS OF RESPONSIBILITY

CONSULTANT shall not be responsible for: (1) construction means, methods, techniques, sequences, procedures or safety precautions and programs in connection with the PROJECT; (2) the failure of any contractor, subcontractor, vendor or other PROJECT participant, not under contract to CONSULTANT, to fulfill contractual responsibilities to the OWNER or to comply with federal, state or local laws, regulations, and codes; or (3) procuring permits, certificates and licenses required for any construction unless such responsibilities are specifically assigned to CONSULTANT in Attachment B, Scope of Services.

ARTICLE 11 - OPINIONS OF COST AND SCHEDULE

Since CONSULTANT has no control over the cost of labor, materials or equipment furnished by others or over the resources provided by others to meet PROJECT schedules, CONSULTANT's opinion of probable costs and of PROJECT schedules shall be made on the basis of experience and qualifications. CONSULTANT does not guarantee that proposals, bids, or actual PROJECT costs will not vary from CONSULTANT's cost estimates.

ARTICLE 12 - REUSE OF DOCUMENTS

Upon OWNER's request CONSULTANT shall furnish OWNER with deliverables and/or other data on electronic media. All documents, including but not limited to, drawings, specifications and computer software prepared by CONSULTANT pursuant to this AGREEMENT are instruments of Service in respect to the PROJECT. Said documents are not intended or represented to be suitable for reuse by OWNER or others on extensions of the PROJECT or on any other PROJECT.

ARTICLE 13 - TERMINATION

This AGREEMENT may be terminated by either party upon written notice in the event of substantial failure by the other party to perform in accordance with the terms of this AGREEMENT. The non-performing party shall have fifteen (15) calendar days from the date of the termination notice to cure or to submit a plan for cure acceptable to the other party.

OWNER may terminate or suspend performance of this AGREEMENT for OWNER's convenience upon written notice to CONSULTANT. CONSULTANT shall terminate or suspend performance of the SERVICES on a schedule acceptable to OWNER. If termination or suspension is for OWNER's convenience, OWNER shall pay CONSULTANT for all the SERVICES performed to date, amount not to exceed the normal fee amount due for the SERVICES rendered and termination or suspension expenses. Upon restart, an equitable adjustment shall be made to CONSULTANT's compensation.

ARTICLE 14 - DELAY IN PERFORMANCE

Neither OWNER nor CONSULTANT shall be considered in default of this AGREEMENT for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this AGREEMENT, such circumstances include, but are not limited to abnormal weather conditions; floods; earthquakes; fire; epidemics; war; riot and other civil disturbances; strikes, work slowdowns and other labor disturbances;

sabotage; judicial restraint; and inability to procure permits, licenses, or authorizations from any local, state, or federal agency for any of the supplies, materials, accesses, or SERVICES required to be provided by either OWNER or CONSULTANT under this AGREEMENT.

Should such circumstances occur the non-performing party shall, within a reasonable period after being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this AGREEMENT.

ARTICLE 15 - COMMUNICATIONS

Any communication required by this AGREEMENT shall be made in writing to the address specified below:

CONSULTANT: Todd Cristiano
Raftelis Financial Consultants, Inc.
383 North Corona Street

Denver, CO 80218
(303) 916-3151
tcristiano@raftelis.com

OWNER: Nathan Madenwald, Utilities Engineer
City of Norman – Utilities Department
225 N Webster Avenue
P.O. Box 370
Norman OK 73069 / 73070
(405) 366-5426
nathan.madenwald@normanok.gov

Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of CONSULTANT and OWNER.

ARTICLE 16 - WAIVER

A waiver by either OWNER or CONSULTANT of any breach of this AGREEMENT shall be in writing. Such a waiver shall not affect the waiving party's rights with respect to any other or further breach.

ARTICLE 17 - SEVERABILITY

The invalidity, illegality, or unenforceability of any provision of this AGREEMENT or the occurrence of any event rendering any portion or provision of this AGREEMENT void shall in no way affect the validity or enforceability of any other portion or provision of this AGREEMENT. Any void provision shall be deemed severed from this AGREEMENT, and the balance of this AGREEMENT shall be construed and enforced as if this AGREEMENT did not contain the particular portion or provision held to be void. The parties further agree to amend this AGREEMENT to replace any stricken provision with a valid Provision that comes as close as possible to the intent of the stricken provision. The provisions of this Article shall not prevent this entire AGREEMENT from being void should a provision, which is of the essence of this AGREEMENT, be determined void.

ARTICLE 18 – NON-DISCRIMINATION

In connection with the performance of work under this contract, the CONSULTANT agrees as follows:

- A. The CONSULTANT agrees not to discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin, age, place of birth, disability, sex, sexual orientation, gender identity or expression, familial status, or marital status, including marriage to a person of the same sex. The CONSULTANT shall take affirmative action to ensure that employees are treated without regard to their

race, color, religion, ancestry, national origin, age, place of birth, disability, sex, sexual orientation, gender identity or expression, familial status, or marital status, including marriage to a person of the same sex. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruiting or recruitment, advertising, lay-off, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The CONSULTANT and any companies subcontracted shall agree to post in a conspicuous place, available to employees and applicants for employment, notices to be provided by the City Clerk of the City of Norman setting forth the provisions in this section.

- B. In the event of the CONSULTANT's noncompliance with this nondiscrimination clause, the contract may be canceled or terminated by the City Council. The CONSULTANT may be declared by the City Council ineligible for further contracts with the said agency until satisfactory proof of intent to comply shall be made by the CONSULTANT.
- C. The CONSULTANT agrees to include this nondiscrimination clause in any subcontracts connected with the performance of this agreement.

ARTICLE 19 - INTEGRATION

This AGREEMENT represents the entire and integrated AGREEMENT between OWNER and CONSULTANT. It supersedes all prior and contemporaneous communications, representations, and agreements, whether oral or written, relating to the subject matter of this AGREEMENT. This AGREEMENT, including its attachments and schedules, may only be changed by a written amendment executed by both parties. The following attachments and schedules are hereby made a part of this AGREEMENT:

- Attachment A - Schedule
- Attachment B - Scope of Services
- Attachment C - Compensation

ARTICLE 20 - SUCCESSORS AND ASSIGNS

OWNER and CONSULTANT each binds itself and its directors, officers, partners, successors, executors, administrators, assigns, and legal representatives to the other party to this AGREEMENT and to the directors, officers, partners, successors, executors, administrators, assigns, and legal representatives of such other party in respect to all provisions of this AGREEMENT.

IN WITNESS WHEREOF, OWNER and CONSULTANT have executed this AGREEMENT.
DATED this 18th day of January 2024.

RAFTELIS FINANCIAL CONSULTANTS, INC – CONSULTANT

ATTEST

By: Todd Cristiano
Todd Cristiano

Harold Smith
Harold Smith

Title: Vice President

Vice President

NORMAN MUNICIPAL AUTHORITY – OWNER

APPROVED as to form and legality this 18 day of Jan, 2024.

Elizabeth Chubb
City Attorney

APPROVED by the Trustees of the Norman Municipal Authority this _____ day of _____, 2024.

ATTEST

By: _____

Title: _____

**ATTACHMENT A
SCHEDULE**

Task	Jan 2024	Feb 2024	March 2024	April 2024
1.0 Project Initiation				
2.0 Financial Plan Cash Flow				
3.0 Cost-of-Service Study				
4.0 Reports and Presentations				

ATTACHMENT B

SCOPE OF SERVICES

Project Understanding

The City of Norman's solid waste utility is self-sustaining enterprise fund whose funding consists primarily of revenue from collection and disposal services for residential and commercial customers. The wishes to complete a comprehensive financial plan, cost of service and rate design study to develop:

1. A cost of service analysis which meets the rate-setting objectives identified by the solid waste utility;
2. The full cost recovery of both annually and non-annually recurring costs for a fiscally sustainable solid waste financial plan;
3. A defensible cost allocation and cost recovery between among customer classes with no cross-class subsidies;
4. Estimated costs of service for current and proposed services that are provided with or without charge to the entities receiving the service;
5. Survey demonstrating the competitiveness of the City's rates against peers in surrounding communities; and
6. Presentations for City Council to introduce the study and process and a second meeting to present findings and recommendations

1.0 Project initiation

A. Project Management

1. Provide timely invoices, regular calls with the City's project manager, identify milestones and deliverables
2. Project Initiation Meeting
3. Provide data request in advance of project initiation meeting
4. Schedule conference call to review and clarify data request items
5. Validate data request information for accuracy
6. Review changes that have occurred since the last study as well as current political environment
7. Discuss other policy objectives that may affect the study

B. Deliverables

1. Virtual kick-off meeting conference call
2. Meeting notes with action items

2.0 Financial Plan Cash Flow

A. Subtasks

1. Develop 10-year cash flow for the 10-year study period, FY25 through FY34
2. Validate historical billing statistics by calculating revenue for those historical years and compare to previous recorded actuals from financial documents

3. Cross reference the fixed asset records for vehicle age and planned replacement schedule
 4. Forecast customer account growth based on the City's existing customer classes
 5. Forecast residential and commercial revenue under existing rates
 6. Forecast O&M expenditures for the study period. Incorporate changes in O&M based on changes operations from additions in staff, additional maintenance on added trucks, or changes in maintenance schedules for equipment, tipping fees, changes in landfill costs. Adjust O&M expenses based on inflation factors
 7. Forecast capital expenditures based on the planned replacement schedule and other infrastructure costs such as the new facility building
 8. Work with City's Fleet Services to identify a forecast for any fleet replacement, if applicable.
 9. Forecast existing and proposed debt service or lease payments
 10. Review cash reserve and debt service coverage targets considering the risk of revenue variability
 11. Develop an "optimal" capital financing strategy based on scenario analysis using differing proportions of rate revenue and proposed external debt financing. Separate growth-related and non-growth bond proceeds for the purposes of determining user charge increases
 12. Identify required annual percentage rate increases over the 10-year planning horizon
- B. Deliverables
1. Technical memorandum summarizing initial assumptions, findings and conclusions
 2. Virtual conference call to review draft financial plan
 3. Virtual conference call to review final financial plan

3.0 Cost of Service Analysis

A. Subtasks

1. Select the test year revenue requirement for the year in which new rates will be effective
2. Allocate the detailed revenue requirement line items to residential (split between urban and rural service) and commercial classes based on their representative demand characteristics (number of containers, size of container, tonnage, and/or cubic yards)
3. Determine revenue requirements for various services included within other cost centers including, but not limited to:
 - a. Yard waste / compost
 - b. Commercial public trash can servicing
 - c. Litter crews
 - d. Oncall trash pickup
 - e. Bulky waste
 - f. Recycling centers
4. Determine the projected tonnage and cubic yards by customer class
5. Evaluate the allocated costs for roll off services
6. Compare the cost of service to revenue at existing rates for each class

7. Design rates to equitably recover the cost to provide service to each class.

B. Deliverables

1. Technical memorandum summarizing initial assumptions, findings and conclusions
2. Virtual conference call to review draft cost of service and rate design
3. Virtual conference call to review final cost of service and rate design

4.0 Reports and Council Presentations

A. Subtasks

1. Prepare utility comparison survey of residential service of up to 10 surrounding communities
2. Prepare draft summary report of finding and conclusions of study to staff for review and comment
3. Incorporate comments from draft into final report in a hard copy bound and pdf format
4. Attend in-person City Council work shop to present an introduction to rate-setting for solid waste
5. Develop powerpoint material for City Council meeting
6. Attend an in-person City Council meeting to present initial findings

B. Deliverables

1. Peer utility survey
2. Draft and final report
3. Council powerpoint presentation
4. Virtual conference call to review draft and final powerpoint presentation with Staff
5. Attendance at two City Council meetings

**ATTACHMENT C
COMPENSATION**

COMPENSATION

The OWNER will compensate CONSULTANT on a lump sum basis for the SERVICES rendered. The lump sum fee is broken down below by task as defined in the Scope of Services:

Task	Task Description	Total Fee Amount
1.0	Project Initiation	\$6,540
2.0	Financial Plan	\$14,300
3.0	Cost of Service	\$20,240
4.0	Reports and Presentation	\$14,940
Total		\$56,020

CONSULTANT may submit interim statements, not to exceed one per month, for partial payment for SERVICES rendered. The statements to OWNER will be by task for the percentage of work actually completed. The OWNER shall make interim payments within 30 calendar days in response to CONSULTANT's interim statements.