

# CITY OF KEY WEST

KEY TO THE CARIBBEAN



## Management Fee Proposal

Professional Contract Services to Operate, Maintain and Manage the City's Wastewater Treatment Plant, Wastewater Collection and Lift/Pumping Stations and Stormwater Collection and Pumping Stations

RFP No. 09-13



October 2, 2013

UNDERSTANDING  
A VALUABLE RESOURCE





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The information contained in this proposal is proprietary and contains confidential information which is of significant economic value to Severn Trent Environmental Services, Inc. It is intended to be used only for valuation of our qualifications to provide services. It should not be duplicated, used or disclosed in whole or in part for any purpose other than to evaluate this proposal.



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## Executive Summary

Severn Trent Environmental Services, Inc. (Severn Trent) is pleased to submit this response to the City of Key West Request for Proposal (RFP) No. 09-13 for Professional Contract Services to Operate, Maintain and Manage the City’s Wastewater Treatment Plant, Wastewater Collection and Lift/Pumping Stations and Stormwater Collection and Pumping Stations. We consider our submission an opportunity to assure you that Severn Trent can provide the quality of service that is essential to meet and exceed the City’s operational performance requirements, fiscally and safely.

At Severn Trent we live by a simple philosophy that is the primary reason for our successful partnerships in the State of Florida over the last four decades – “Doing the right thing.” We bring that same ethic to the City of Key West. With a cadre of regional experts, led by our Technical Services Group (whose services are included in the base fee), our experienced and qualified onsite operators and maintenance technicians have successfully demonstrated our ability to manage systems similar in size to the Key West wastewater systems and larger.

**Experienced:** Severn Trent has been “doing the right thing” for its clients for 39 years in Florida. We currently provide contract operations in 22 states across the United States and are the fourth largest provider of water and wastewater contract operations globally. Severn Trent has extensive experience operating and maintaining wastewater systems of various sizes. For

example, Severn Trent has provided such services for the Kingwood, Texas wastewater treatment and collection system since 1997. Our full-time staff of operators and maintenance personnel provides contract operation, maintenance and management of the system, which is capable of treating a combined 11 MGD from a collection system of 267 miles. In Florida, Severn Trent provided cost efficient contract operations and maintenance and customer service to the City Poinciana from 1999 until 2010 when the TOHO Water Authority took those services in-house. Services provided included the the four wastewater treatment plants with a combined of 5.5 MGD, six water supply and treatment facilities, collection and distribution systems, 88 lift stations, an elevated storage tank, meter reading, billing, collections and customer service. Currently, Severn Trent has managed the St. Lucie County wastewater system since 1999. The system includes 5 wastewater treatment plants and 65 lift stations, which generate more than 100 MG of reuse water annually and approximately 6,300 wet tons of biosolids. Of the 200 contracts Severn Trent maintains in Florida, other wastewater systems of note where we operate and manage include the Village of Islamorada, Port of the Islands and Dade City.

**Qualified:** The “Doing the right thing” philosophy has helped Severn Trent to achieve over 400 contracts within the United States alone. These contracts encompass nearly 425 water and wastewater systems of varying capacity and complexity. We are very familiar with the environmental demands of performing operations and maintenance on wastewater and collection systems in the state of Florida. We currently serve over 200 clients in the state, providing a broad





spectrum of utility operations, maintenance and municipal management services. Whether routine or emergency situations such as hurricane events, we have consistently demonstrated our ability for “Doing the right thing” for our municipal partners in the State of Florida and across the Gulf Coast. Whether transporting additional personnel resources to the Plaquemines Parish, LA 7.3 MGD wastewater facility and 157 mile collection system during Hurricane Katrina, or our Technical Services Group NELAC-trained scientists conducting laboratory training in Islamorada, Severn Trent is highly qualified to address the many challenges associated with utility systems of any size, configuration or location.

**Capable:** Severn Trent is one of the largest water and wastewater service firms in the United States and internationally. Such a level could not be achieved within the industry without “Doing the right Thing.” Our capability begins with the comprehensive investment that has been made in learning the intricacies of the water and wastewater industry. We have gained such knowledge by providing the necessary training to produce over 2,900 professionals who are responsible for meeting the various needs of our clients, whether contractual, operational or of a regulatory nature. An outstanding example of Severn Trent employee capability occurred in 2009 during Tropical Storm Ida when flows reached more than 38 MGD at the Danville, VA facility which was designed for maximum flow at 24 MGD. Our staff worked around the clock to maintain the treatment process as well as the lift stations, thus preventing any spill events. Severn Trent has a robust training program for operational, safety and environmental purposes that not only encourages employee career development in each area, but also provides compensation for individual achievement. Our training program has produced dedicated employees who take personal responsibility to ensure the needs of the community are met. With nearly three billion dollars in global annual revenues, Severn Trent is well positioned for “Doing the right thing” by providing the necessary resources to operate and maintain the wastewater, stormwater and collections systems at the standards expected by the City of Key West and its citizens.

Each project benefits from our value-added Technical Services Group (TSG). This contingent of experienced engineers and scientists, included at no additional charge to the client, is available to the project for various purposes including, but not limited to:

- transitioning
- mitigating or enhancing process control matters
- energy management
- laboratory QA/QC training
- contract auditing
- annual capital planning

Additionally, the TSG group was an invaluable resource to us in analyzing and performing saltwater intrusion mitigation at our Islamorada, Florida project. The TSG is a very important aspect to our approach as their knowledge and skills augment our ability to enhance our clients’ existing processes and resources, which translates to improved service quality. TSG’s presence has been particularly significant during Severn Trent’s 27 years of management at the Gilbert, AZ treatment facility which produces 285 MG of reuse annually. During our tenure, Severn Trent has assisted the Town with numerous capital projects and expansion:



- Designing and overseeing the construction of the on-demand water system
- Designing and constructing the denitrification system
- Designing the facility's expansion to 8.5 MGD
- Providing vital plan review and comment during the plant's expansion to 11 MGD

The City of Key West has the critical responsibility to ensure the proper operation and management of the community wastewater, stormwater and collections systems. Severn Trent would like the opportunity to form a partnership with the City that will meet those challenges and achieve the goals delineated in RFP No. 09-13. We believe our professional level of service, commitment and integrity in particular with large systems, will exceed your expectations for a *Capable, Qualified* and *Experienced* firm.

The citizens of City of Key West can be comfortable knowing that Severn Trent will always perform and conduct business with the high standards they have come to expect because we always strive to continue "Doing the right thing."



### Task 1.0 – Company Overview

#### Task 1.1

##### Management Philosophy

Severn Trent’s philosophy is to build our business by developing long-term partnerships based on trust and striving to meet the same goals as our clients. Partnerships develop when two parties bring together resources to achieve a common goal – to provide water and wastewater service that is safe, compliant and cost effective. The community provides the investment in facilities and sets the level of service expected. Severn Trent provides the experience and expertise. At Severn Trent, we strive to make every client relationship a trusting partnership.

A key tool Severn Trent brings to the partnership is asset management. We maximize the utilization of the existing assets and extend their life through proper maintenance. We evaluate the condition of the assets and project their life and eventual replacement cost to provide the owner with planning and budgeting tools. When a performance issue is encountered, our first choice in addressing the issue is to find an operational solution through an enhancement or change in the treatment process rather than a capital-intensive solution. The experience that comes from operating hundreds of facilities and being part of an international company focused on water and wastewater is an invaluable resource in finding and implementing the solution that minimizes the need for capital investment.

A second key tool we bring to the partnership is employee empowerment. By providing our employees with the training, tools, performance standards and flexibility to do their jobs, we believe that they can make individual contributions to superior plant performance. For example, under Severn Trent’s management approach, all of our employees have responsibility for performing routine maintenance and housekeeping. Not only does this improve the overall efficiency and performance of the operation, it also builds a sense of pride in the facility’s operations and helps reinforce the significant relationship between plant maintenance and reliable, efficient operating performance. Our Technical Service Group is available to all of our projects – at no cost to our clients or the project budget – giving our employees a resource on technical issues. Severn Trent’s most important asset is its employees; therefore we endeavor to provide a challenging and rewarding work environment that enriches job satisfaction and maximizes the potential of each member of our team.

A safety related example of our management philosophy was demonstrated at the St. Lucie County project. The County’s South Hutchinson facility employed a pressure type chlorine gas disinfection system that, in addition to being unreliable, posed a significant safety risk. Severn Trent met with the County to explain the issue and possible safety ramifications. The meeting resulted in a plan for Severn Trent to facilitate the conversion of the pressure chlorine system to a vacuum system, which is a more reliable process. More importantly, safety was improved for the operations staff and the surrounding neighborhood.



## Task 1.2

### Background

Severn Trent Services is a leading supplier of water and wastewater solutions. The company offers a broad range of products and services concentrated around water including contract operating services; disinfection, instrumentation and filtration technologies and analytical services.

Severn Trent and its predecessor companies have more than 39 years of operating history in Florida. In Florida alone, we have approximately 250 employees providing professional services to nearly 1.6 million people through 200 contracts.

Severn Trent has the commitment and attention to detail of a small, local company through this strong Florida presence. Our philosophy fosters community outreach, total quality management and dedication to maintaining the highest possible water quality standards, which enables each customer we serve to reap the benefits of a highly customized and reliable approach and the efficiency gained through competition.

Severn Trent Plc, formed in 1974, treats and provides water and treats wastewater in the UK and internationally, through two complementary businesses – Severn Trent Water and Severn Trent Services.

Severn Trent has provided contract operations services in the U.S. continuously for more than 39 years. Building upon the experience of its predecessors, which dates back to the 1970s, the company was incorporated in Texas in 1983. Since that time, Severn Trent has grown its presence in the United States and has expanded its operations through additional acquisitions and business development activities. We currently provide contract operations in 22 states and continue to grow to serve clients in additional states each year. In addition to the services mentioned above, we provide a full range of utility services including meter reading, customer service and billing plus management services to municipalities, special districts, community associations and other governmental agencies.

Severn Trent Services is headquartered in Fort Washington, Pennsylvania, USA and employs more than 2,900 personnel. The company's broad range of products and services is concentrated around disinfection, instrumentation and filtration technologies and contract operating services. Our operating services business provides contract management, operations support and systems improvements for utility, industrial and commercial water and wastewater customers in the United States, United Kingdom, Ireland and Italy.

Combined, the Severn Trent Plc group of companies employs over 8,000 people and comprises the fourth largest water and wastewater treatment utility in the world, operating nearly 2,500 facilities and serving more than 20 million customers worldwide.





### Financial Strength

The Severn Trent Services organization features a number of companies across several divisions and operations worldwide with revenues totaling \$519.8 million as of March 2013 and more than 2,900 employees. We are part of the Severn Trent Plc group of companies. Severn Trent Plc is a \$2.8 billion publicly traded company on the London Stock Exchange. Severn Trent Plc is recognized as an industry leader in the global marketplace and has received the following recognition:

- Listed on the FTSE 100 Index, a share index of the 100 most highly capitalized companies listed on the London Stock Exchange (trading symbol: SVT.L).
- Listed on the Dow Jones STOXX Sustainability Index, which tracks European sustainability leaders and is comprised of the leading 20% of the Dow Jones STOXX 600 Index.

### Our Services

Severn Trent currently supplies services to approximately 400 clients throughout the country. Our experience provides the insight necessary to deliver services cost-effectively for its customers without compromising quality. Numerous U.S.-based affiliates complement our core business of operating and maintaining water and wastewater utilities. We provide management, operation and maintenance of:

- Water treatment facilities
- Water distribution systems
- Wastewater collection systems
- Wastewater treatment facilities
- Storm water collection systems
- Public works

In conjunction with managing and operating systems, we also provide the following support services:

- Sludge disposal
- Meter reading and installation
- Utility billing and collection
- Asset management
- System rehabilitation

Each of these services is undertaken within the requirements of local governmental and community needs and is carried out in a spirit of commitment to customer service, excellence, integrity and the environment.

### Technical Support

In developing our corporate organization and structure, Severn Trent recognized that, from time to time, our operations require additional technical and engineering expertise to address specific issues and challenges presented during the contract term. Therefore, Severn Trent formed an internal Technical Services Group – made up of environmental engineers and process control, regulatory and QA/QC experts – to assist field personnel by providing specialized input for specific issues confronted at the plant level.

#### *Technical Services Group*

The support, guidance and oversight of the Technical Services Group (TSG) are part of Severn Trent's standard services, offering our customers specialized expertise at no additional cost.

As an operations-focused company, Severn Trent's primary concerns are smooth, efficient and compliant operations. We are not an adjunct part of an engineering company that just happens to provide operations and maintenance as part of an overall engineering and design package; we operate facilities for our clients. Since our financial interests do not rely on providing engineering



services, we believe our TSG is able to be an objective resource for our customers who are faced with costly capital upgrades. In numerous cases, our operators and technical staff have developed operations-based alternatives to capital upgrades – saving our customers millions of dollars.

The formation of the TSG represents an innovation to the traditional contract operations approach. This group provides expertise not normally found at the project level, fosters sharing of experience among projects and provides our customers with the benefit of those experiences with similar facilities around the country. Somewhat unique among contract operators, the assistance of our TSG is not charged to the project, an approach taken to promote the use of this resource by the Project Manager and staff.

Our on-site staff will draw upon the capabilities, experience and depth of resources afforded by one of the largest water companies in the world, including the following TSG personnel.

**Tom Gordon** leads the Technical Services Group, which is responsible for providing support services to all Severn Trent projects that include process troubleshooting, process optimization, contract review, operating procedures, regulatory compliance, customer service and project transition. He has more than 35 years of project management experience in the areas of environmental assessment, wastewater treatment, waste management and systems analysis. He has particular expertise in the areas of water and wastewater operations, wastewater process control, municipal utilities management and land use planning. He has served as Project Manager where the company provided operations assistance at several major municipal wastewater treatment facilities, plant assessments for treatment facilities, startup and commissioning assistance for a variety treatment plants including a 200 MGD advanced treatment facility and municipal planning projects. His most significant experience was serving as the Operator of Record for the Gary (Indiana) Sanitary District while its 60 MGD facility was operating under a court ordered consent decree under the direct supervision of a federal judge.

**Scott Jones** is located in our Fort Myers, Florida office and has managed large wastewater and utility operations in both the public and private sectors. He has extensive experience in process operations of large treatment plants and has directly supervised the startup of major Severn Trent projects, implemented energy savings process modifications, trained operators and engineers in process control and developed computer programs to assist Technical Services and Operations managers in process analysis, cost estimating and site energy management planning. He has extensive experience in cost estimating and experience with industrial waste treatment.

**Peter Strimple** has over 30 years of laboratory and environmental compliance experience involving QA/QC (including QA manuals), analytical testing, 40 CFR 136, safety, laboratory supervision, National Pollutant Discharge Elimination System (NPDES) permit compliance, National Environmental Laboratory Accreditation Conference (NELAC) certification, writing SOPs, chemical hygiene plans and field sampling. He is well versed in the selection, operation, calibration, maintenance and troubleshooting of numerous laboratory instruments. Mr. Strimple is professionally trained in root cause analysis (RCA) and has performed RCA on safety and environmental incidents.

**Karen Briden, P.E., Operations Engineer**, is responsible for maintaining the regulatory compliance – including reporting, monitoring and permitting requirements – for water and wastewater facilities under contract with Severn Trent. She also provides technical support in meeting operational and maintenance requirements and performs a variety of consulting services for clients such as preparing permit applications and modifications, negotiating permit conditions with regulatory agencies to



ensure compliance and resolving operational issues. Ms. Briden is responsible for the development, design and timely distribution of the annual Consumer Confidence Reports for various water systems and providing ongoing training to ensure operational and regulatory requirements are met.

**Jim Beckstrom, P.E.** assists with technical and mechanical assessments of facility components. He has 39 years of environmental and mechanical engineering experience that includes mechanical design of municipal and industrial wastewater treatment plants and solids handling facilities and providing technical assistance in water and wastewater treatment facilities (including the preparation of feasibility studies, designs and specifications). He has performed process optimization, cost reduction, technical assistance and troubleshooting of treatment processes and auxiliary systems at wastewater facilities. His background also includes on-line plant engineering for water and wastewater treatment facilities and associated distribution and collection systems that are under contract with Severn Trent. His retrofit design of the sludge dewatering processes at Baltimore's 180 MGD Back River wastewater treatment facility resulted in a National Award by the Consulting Engineers Council.

**Kelvin Peters** assists our water and wastewater projects with process control. He provides technical support for existing clients and develops programs for effective operations for potential clients. He has more than 35 years of water and wastewater experience and considerable experience in the operation of large water and wastewater treatment plants.

**Stephanie Cerling, P.E.** has 12 years of water, wastewater and waste management experience with an emphasis on environmental compliance, remediation, Brownfield redevelopment and engineering evaluations. She provides providing operations assistance for wastewater treatment, environmental compliance (including Clean Water Act regulations, waste management and pollution prevention), internal auditing and customer service support. She holds a B.S. in environmental engineering and is a registered professional engineer.

**Clint Houseworth** has 15 years of experience in utility, public works and municipal services management. His background includes operation of various wastewater processes including activated sludge extended aeration, conventional treatment, sequencing batch reactors (SBRs) and facultative lagoon systems as well as potable water treatment facilities and collection and distribution systems. His public works experience includes managing street maintenance and construction, storm sewer maintenance and construction, sidewalk improvements, signage, snow and ice removal, public tree maintenance and use of public rights-of-way. He is a licensed water and wastewater operator and holds a B.S. in environmental studies and applications.

**Adam Rogensues, EIT**, provides technical support for existing clients and develops programs for effective operations for potential clients. His activities include performing process optimization, developing and implementing process control management plans, conducting Site Energy Management Plan audits and provided technical troubleshooting to a wide variety of wastewater treatment systems, including plug flow reactors, two-stage nitrification, extended aeration and continuous stirred tank reactor (CSTR) activated sludge treatment processes. He holds a B.S. in civil engineering and a M.S. in environmental engineering and has background that also includes laboratory experience, theoretical membrane research and development, scholarly journal article authorship and experience in a wide variety of technical design projects.



**Bill Lane** has more than 30 years of experience in water and wastewater treatment, operations and administration, as well as in environmental laboratory management and operations. A computer application expert, he has specialized experience in the development and implementation of computerized information management systems and other computerized management tools for use by Severn Trent staff.

**Pat Myers** has more than 25 years of water and wastewater experience and a background of project and area management as well as starting up and transitioning key Severn Trent projects, including a multi-million-dollar, multi-site project in Florida. He has also played a key role in the support of projects by using his experience in the development and implementation of management systems.

**Richard Clayton** is responsible for resolving compliance and process issues at Severn Trent projects. He has 30 years of water and wastewater experience and a strong background in collection system rehabilitation. As a former Area Manager, he has been responsible for managing multiple projects including overseeing facility operations and maintenance, workforce scheduling, contract administration, client interface, reporting and budgeting. He has a B.S. in agriculture and holds multiple New York water and wastewater certifications.

**Mike O'Malley** has 25 years of experience in utility water and distribution services. His background includes operation of various water treatment facilities and distribution systems. Prior to joining Severn Trent, he held various positions for water treatment plants ranging from 12 to 16 MGD. He is a licensed water operator and holds Michigan Class F-1 water, Class S-1 distribution and Class MS-4 storm water certifications.

**Lora Gartner** has more than 20 years of working experience in the environmental fields of municipal wastewater treatment, industrial pretreatment and laboratory analysis. She was charged with leading the company's Corporate Responsibility Program to identify and manage global key issues as they relate to climate change, energy, supply chain, health, safety and the environment. She is trained as an ISO 14001 and OHSAs 18001 Lead Auditor with a background that includes working as a member of our Technical Services Group where she was responsible for overseeing all Severn Trent-operated industrial pretreatment programs and regulatory, permitting and compliance issues at projects across the county. Her previous work experience in this field includes a 45 MGD facility in Hammond, Indiana, a 60 MGD plant in Gary, Indiana and a 1-BGD facility of the Metropolitan Water Reclamation District of Greater Chicago.

### **Additional Technical Support**

Our Technical Services Group, which is available as a resource to our Project Manager at the facilities, is backed up by the world renowned Severn Trent Plc Technical Resources Group headquartered in the United Kingdom in Birmingham, England. These professionals are internationally recognized experts in their respective fields and most have doctorates in their areas. The professionals are available to the project through the Project Manager, Regional Manager and the Technical Services Group.

### **Demonstrated Technical Capabilities/Support**

The TSG is responsible for the transition activities on all new projects. The designated Transition Manager is instrumental in ensuring a smooth transition of operations from the previous contractor to Severn Trent. The Transition Manager arrives on-site one month prior to commencement of work



and provides an overall assessment of current workplace conditions and develops a framework to maintain quality service during the transition. Areas of particular interest include appropriate process protocol, laboratory readiness and capital requirements. The TSG has recently demonstrated this capability at our Islamorada and Hialeah projects as well as several of our California projects.

The TSG also provides QA/QC training to Severn Trent laboratory personnel. Most recently at the Thomaston, GA and Islamorada, FL projects, the TSG has developed plans with the Project Managers to conduct periodic training followed by practical examination to measure each employee’s level of understanding. The training program has led to higher-skilled lab personnel with direct positive impact on meeting the projects’ process control and regulatory objectives.

Finally, the TSG conducts audits of various projects on an annual basis. The objective of these audits is to ensure STS staff is abiding by the agreement we signed with the client. Not only does this process give the client confidence that the work we agreed to perform is being properly accomplished, the STS staff understands that its performance is being monitored according to our corporate policy.

Examples of how the TSG has provided invaluable assistance to our projects is demonstrated throughout this document – from assisting during storm events to provide immediate solutions, to system evaluations for improvements that increase efficiency and provide a cost savings to the client. These examples are reflected in the project descriptions provided and in the discussion of capital improvements.

**Task 1.3**

**Employee Benefits**

The following table lists the base pay range classifications and does not include benefits, overhead and profit for each designated position.

Position Title	Classification/ Grade	Base Pay Range		
		Min	Mid	Max
Project Manager	Exempt Grade 4	61,960 /Yr	88,444 /Yr	108,742 /Yr
Operator I	Nonexempt Grade 3	13.48 /Hr	19.23 /Hr	26.63 /Hr
Assistant Lab Technician	Nonexempt Grade 3	13.48 /Hr	19.23 /Hr	26.63 /Hr
Assistant Manager	Exempt Grade 3A	48,495 /Yr	62,761 /Yr	72,175 /Yr
Operator II	Nonexempt Grade 4	14.87 /Hr	21.20 /Hr	26.05 /Hr
Admin Assistant II	Nonexempt Grade 4	14.87 /Hr	21.20 /Hr	26.05 /Hr
Laboratory Technician	Nonexempt Grade 4	14.87 /Hr	21.20 /Hr	26.05 /Hr
Operator III	Nonexempt Grade 6	16.97 /Hr	24.25 /Hr	29.84 /Hr
Maintenance Technician I	Nonexempt Grade 2	11.07 /Hr	15.79 /Hr	19.40 /Hr
Maintenance Technician II	Nonexempt Grade 4	12.25 /Hr	17.48 /Hr	21.49 /Hr
Maintenance Technician III	Nonexempt Grade 6	15.38 /Hr	22.05 /Hr	27.13 /Hr
Lead Maintenance Technician	Nonexempt Grade 8	17.64 /Hr	25.21 /Hr	31.02 /Hr

For fiscal year 2014, the overhead burden will be 30 percent on top of the base pay ranges. Provided below is a summary of Severn Trent’s standard benefits program. The benefits structure is the same for both salaried and hourly employees.



<p><b>Leave Time</b></p> <p><i>Vacation/Holiday</i> 9 paid holidays and 1 floating holiday accrued at an annual rate of: 1-5 years 80 hours (10 days) 5-15 years 120 hours (15 days) 15+ years 160 hours (20 days)</p> <p><i>Sick Leave</i> 8 days per year, 70 days maximum accrual</p> <p><i>Other</i> <i>Additional Leave</i> – Paid time off for bereavement, jury duty, military leave <i>Employee Seniority</i> – Recognition of seniority with the previous contractor and/or previous time with client prior to contract operations</p>	<p><b>Insurance</b></p> <p><i>Medical</i> <i>Vision</i> <i>Dental</i> <i>Prescription drug</i> <i>Disability Coverage</i> <i>Short-term disability</i> 14-day elimination, 65% or 80% coverage, 90 day benefit <i>Long-term disability</i> 90-day elimination, 60% coverage</p> <p><i>Life Insurance</i> Basic (2x Salary), AD&amp;D, supplemental life and dependent life</p>
<p><b>401(k) Plan</b></p> <p>Deferral on a pre-tax basis from 1-100% of salary up to \$17,000 (\$22,500 for employees over 50) and on an after-tax basis from 1-15%.</p> <p>Severn Trent matches 50% up to 6% of an employee's contribution to the plan</p> <p>Vesting schedule for the match of 20% per year, resulting in 100% vesting after 5 years</p>	<p><b>Employee Development/Performance Incentives</b></p> <p><i>Tuition reimbursement</i> of up to \$1,000 per year for job-related classes and seminars and up to \$3,000 per year for job-related courses at an accredited institution.</p> <p><i>Certification Bonuses/Increases</i> One time incentive award and base compensation increase. All certification costs including schooling, exam fees and renewal fees company paid</p>
<p><b>Additional Benefits</b></p> <p><i>Flexible spending accounts (FSAs)</i> Includes Health Care/Dependent Day Care</p> <p><i>Health Incentive Program</i> Health Advocate/Healthy Living Program – rewards for participating</p> <p><i>Voluntary Insurance Plan Discounts</i> <i>Employee Assistance Program (EAP)</i> <i>Legal Insurance and Financial Services</i> <i>Uniforms provided for most hourly employees</i></p>	<p><b>Awards Program – Facility Excellence</b></p> <p><i>\$200</i> for a state water or pollution control association O&amp;M excellence award <i>\$500</i> for regional EPA O&amp;M excellence award <i>\$750</i> for a national EPA O&amp;M excellence <i>Spot bonuses</i> - services above and beyond to encourage excellent performance in service to our clients</p>



## Task 2.0 – Qualifications and Experience

### Task 2.1

Severn Trent has a strong foundation in the State of Florida and is also a national operator with projects from coast to coast. Severn Trent’s experience provides the insight necessary to deliver services cost-effectively for its customers without compromising quality. Our U.S.-based affiliates – focused on disinfection, instrumentation and filtration technologies – complement our core business of efficiently and effectively operating and maintaining water and wastewater utilities.

Severn Trent has long provided operation, maintenance and management of municipal utility systems throughout the United States. Many of these relationships date back to the late 1970s and early 1980s.

Our business is water and wastewater; this is what we do. Our commitment is customer service. We meet our clients’ needs with a centralized staff of operations, maintenance and management specialists. We provide any combination of wastewater collection and treatment, water treatment and distribution, meter reading, billing, collections and customer service and are responsible for the following through the United States:

- 206 wastewater treatment plants
- 205 water treatment plants
- 280 wells
- 1,205 pump/lift stations
- 3,540 miles of distribution system
- 3,325 miles of collection system

In Florida alone, Severn Trent is responsible for providing these services to the following:

- 22 wastewater treatment plants
- 31 water treatment plants
- 24 wells
- 127 pump/lift stations
- 69 miles of distribution system
- 99 miles of collection system

Severn Trent operates a number of wastewater treatment plants with an average daily flow of 5 MGD or greater throughout the United States. A list of those facilities we operate with an average daily flow of 5 MGD or greater is provided below. While these facilities are not currently within the State of Florida, Severn Trent believes this list thoroughly demonstrates that we have the experience, capability and resources/technical support to manage plants of this size and capacity.



Client	State	Description	Wastewater Treatment	Water Treatment	Pump Stations	Collection System	Distribution System	Meter Reading	Billing	Customer Service	Landfill Management	Public Works/Parks	Other	Client Reference	Contract Start
Gilbert, Town of	AZ	11 MGD WWTP	■	□	□	□	□	□	□	□	□	□	□	Mark Horn, Wastewater Superintendent; 525 N. Lindsay, Gilbert, AZ 85234; 480-503-6420; markh@ci.gilbert.az.us	1985
McComb, City of	MS	5 MGD WWTP, 1 pump station, septage receiving	■	□	■	□	□	□	□	□	□	□	■	Philip Russell, Public Works Director; 115 Third St., McComb, MS 39648; 601-684-3497; prussell@mccomb-ms.gov	2009
Nassau County (Glen Cove)	NY	5.5 MGD WWTP, septage receiving	■	□	□	□	□	□	□	□	□	□	■	Joseph Davenport, Unit Head of Engineering; 3340 Merrick Rd., Bldg. R, 3rd Fl., Wantagh, NY 11793; 516-571-7515; jdavenport@nassaucountyny.gov	1992
Newburgh, City of	NY	13.5 MGD WWTP, cSO monitoring (13 CSOs)	■	□	□	□	□	□	□	□	□	□	■	Craig Marti, City Engineer; 83 Broadway, Newburgh, NY 12550; 845-569-7446; cmarti@cityofnewburgh-ny.gov	2003
Downingtown Area Regional Authority	PA	7.5 MGD WWTP, meter reading	■	□	□	□	□	■	□	□	□	□	□	Herb Mays, P.E., Executive Director; 6 W. Lancaster Ave., Downingtown, PA 19335; 610-269-4084; daraherb@verizon.net	1985
Bristol, City of	TN	15 MGD WWTP, 32 pump stations, 14.3-dtpd in-vessel composting facility (standby mode); septage receiving	■	□	■	□	□	□	□	□	□	□	■	William Sorah, Deputy City Manager, Public Works; P.O. Box 1189, Bristol, TN 37621; 423-989-5565; bsorah@bristoltn.org	2007
Atascocita Joint Operations Board	TX	9 MGD WWTP	■	□	□	□	□	□	□	□	□	□	□	Glenn Bogs, Board President; 5535 Green Timbers Dr., Humble, TX 77346; 281-852-8006; glennbogs@embarqmail.com	1978
Houston, City of (Kingwood)	TX	0.95 MGD, 7 MGD, 2 MGD, 0.15 MGD, 1.5 MGD WWTP, 1.4 MGD, 1.5 MGD, 10.5 MGD, 9 MGD, 6.4 MGD, 1.5 MGD, 0.136 MGD, 2.003 MGD, 2.847 MGD, 0.074 MGD, 0.037 MGD, 0.05 MGD WTP, 23 wells, 45 pump stations, collection system, distribution system	■	■	■	■	■	□	□	□	□	□	□	Dan Ratnayake, Public Works & Engineering, Wastewater Operations; 4545 Groveway, Houston, TX 77087; 713-569-6374; dan.ratnayake@houstontx.gov	1997



Client	State	Description	Wastewater Treatment	Water Treatment	Pump Stations	Collection System	Distribution System	Meter Reading	Billing	Customer Service	Landfill Management	Public Works/Parks	Other	Client Reference	Contract Start
Jackrabbit Road PUD	TX	5.1 MGD WWTP, 1.2 MGD, 1.2 MGD, 1.2 MGD WTP, 3 wells, collection system, distribution system, meter reading, billing, customer service	■	■	□	■	■	■	■	■	□	□	□	Charles Thompson, Board President; 4715 Kingussie, Houston, TX 77084; 281-463-1559; cthom1240@yahoo.com	1981
Nederland, City of	TX	5.2 MGD WWTP, 11 pump stations	■	□	■	□	□	□	□	□	□	□	□	R.A. "Dick" Nugent, Mayor; P.O. Box 967, Nederland, TX 77627; 409-723-1514	2003
Pasadena, City of	TX	7.56 MGD, 14 MGD WWTP	■	□	□	□	□	□	□	□	□	□	□	Andy Helms, Director of Financial Planning; 1211 E. Southmore, Pasadena, TX 77502; 713-475-7254; ahelms@ci.pasadena.tx.us	1994
West Memorial MUD	TX	6.48 MGD WWTP, 1.2 MGD, 1.2 MGD WTP, 2 wells, 27 pump stations, collection system, distribution system, meter reading, billing, customer service	■	■	■	■	■	■	■	■	□	□	□	Kenneth Cryar, Board President; 315 Concordia, Katy, TX 77450; 281-979-6809; kcryar@reliant.com	1981
West Travis County Public Utility Agency	TX	6.75 MGD WWTP, 20 MGD WTP, meter reading, billing, customer service	■	■	□	□	□	■	■	■	□	□	□	Don Rauschuber; 12117 FM 2244, Bldg 3, Suite 120, Bee Cave, TX 78738; 512-763-1170; dgrwater@onr.com	2012
Danville, City of	VA	24 MGD WWTP, 11 pump stations, septage receiving	■	□	■	□	□	□	□	□	□	□	■	Barry Dunkley, Director of Water & Wastewater; 1040 Monument St., Danville, VA 24541; 434-799-6473; dunklbt@ci.danville.va.us	2009

**Task 2.2**

Provided below is a list of all the current wastewater treatment projects for which Severn Trent provides contract operations in the State of Florida, and the processes utilized at those facilities.



Client	Alligator Park RV	Dade City, City of	Diocese of Venice	District School Board of Collier County	EquiLife	Farm-Op	Lake Forest Utilities	Lazy Lago HOA	Pelican Harbor HOA	Port of the Islands	River Forest Village CID	Riverwood CDD	St. Lucie County	Village of Islamorada
# WWTPs	1	1	1	4	2	1	1	1	1	1	1	1	5	1
Design MGD	0.06	1.50	0.01	0.10	1.25	0.02	0.03	0.02	0.02	0.20	0.04	0.50	2.44	4.00
Avg Daily MGD	0.06	0.60	0.00	0.00	0.09	0.00	0.01	0.00	0.02	0.07	0.02	0.01	0.90	0.36
Secondary	■			■	■	■		■	■		■		■	■
Tertiary		■	■	■			■						■	■
Filtration		■	■	■						■		■	■	■
Filtration, Membrane										■				
Filtration, Sand				■						■		■	■	
Filtration, Other		Cloth media	Multi-media										Anthracite Traveling bridge, mixed media	
Disinfection		■	■	■		■		■	■	■		■	■	■
Chlorination		■	■	■		■		■	■	■		■	■	
Chlorination, Sodium Hypochlorite			■	■		■		■	■			■	■	■
Dechlorination										■			■	
Dechlorination, SO2										■			■	
Dechlorination, NaK/Bisulfite													■	
Activated Sludge, Conventional	■	■	■	■		■		■	■	■	■	■	■	■
Activated Sludge, Contact Stabilization													■	
Activated Sludge, Extended Aeration	■	■	■	■		■		■	■			■	■	■
Activated Sludge, Bardenpho										■				
Activated Sludge, SBR														
Digestion				■					■		■	■	■	■
Digestion, Aerobic				■					■		■	■	■	■
Dewatering		■	■			■					■	■	■	■
Dewatering, Lime Stabilization			Decant			Decant					Decant	Decant	Decant	Decant
Telemetry													■	
SCADA										■		■		■
Asset Mgmt										■		■		■
Any Other Processes	3 surge tanks capacity 8000 gal			Equalization Effluent Filtration				Bar Screen, Flow splitter Equalization Tanks 2 at 3000 gal ea		Membrane Biological Reactor			Modified Ludzak Ettinger process	Membran Biological Reactor
# Pump Stations			2				1				7	1	19	65
Collection System Miles											8		13	47
Reclamation										■		■	■	
Gallons/Year										27375000		46355000	100775000	

**Task 2.3**

Severn Trent operates several wastewater collection systems with over 50 miles of collection lines and associated pumping stations. Although we currently do not operate systems with collections greater than 50 miles within the State of Florida, Severn Trent has demonstrated experience, capability and resources/technical support to manage systems of this size and capacity. We have included descriptions some of those projects along with the Florida wastewater collection systems.



### St. Lucie County, Florida

Severn Trent has officially operated and maintained St. Lucie County's utility system since 1999. Severn Trent is responsible for 5 wastewater treatment plants, 2 water treatment plants, 65 lift stations, a 47-mile collection system and a 25-mile distribution system with ancillary field services, meter reading, billing and customer service. The wastewater system generates more than 100 MG of reuse water annually and approximately 6,300 wet tons of biosolids per year that are disposed of via land application.

When odor issues at the North Hutchinson Island wastewater treatment plant were generating complaints by the public, Severn Trent worked with County staff and their engineers to cover the digesters and install a biocube odor control system. The master lift station was also vented to the odor control system to eliminate any off gases coming from the station. These improvements have effectively eliminated odor issues at the plant.

In the community, Severn Trent implemented a grease abatement program that includes regular grease trap inspections. Problem areas are photographed and noted in a report to the County. One member of the community thanked us for noticing a shortage in a grease trap that prevented proper operation. Our one-on-one interactions have resulted in zero citations issued and near perfect compliance for the restaurant community. In addition, we contract with a company that provides a regular schedule of chemical injections of a grease control agent at the lift stations. Through this effort, we have been able to reduce sludge production and sludge hauling costs by \$25,000 over the past year.

Emergency plans are in place to respond to the variety of situations that could impact the utility operations, which include means of responding to off-hours alarms. We also have established relationships with contractors and suppliers to ensure their availability in an emergency. Further, Severn Trent is able to provide additional resources from outside of the area when an emergency requires considerable effort or covers an extended period of time – such as the 2004 and 2005 hurricanes when water service to most customers was maintained.

### Enterprise CDD, Celebration, Florida

Severn Trent has operated and maintained the Enterprise CDD utility system that has served the Celebration community since 1995. We are currently responsible for the operation and maintenance of the District's collection and distribution systems, 10 lift stations, potable and reclaimed water booster pump station and alum feed station. The collection system consists of 31 miles of sewer lines. We also provide field service, meter reading, billing and customer service.

### Islamorada, FL

Severn Trent began operations of the Islamorada North Plantation Key wastewater treatment plant in November, 2012. The facility utilizes a membrane bioreactor (MBR) activated sludge biological nutrient removal (BNR) treatment process to treat an annual average daily flow of 0.25MGD and a maximum monthly average daily flow of 0.355 MGD. The facility's has a peak hour hydraulic flow of 4 MGD while the biological process is 2 MGD.

The centralized vacuum collection system is comprised of 3.7 miles of vacuum sewer with a central vacuum and pump station. The vacuum pump station consists of four 25-hp vacuum pumps, two 2,025-gallon vacuum storage tanks and four sewage transfer pumps. The system is designed to operate three vacuum pumps, leaving one pump on standby. The vacuum pumps create a negative



pressure of 18 inches of mercury in the vacuum system to direct the sewage to the treatment facility. The storage tanks are each equipped with two submersible sewage transfer pumps. The system is designed to operate one pump and leave one pump on standby in each tank.

The sewage pumps deliver sewage to the headworks structure located above the waste storage tank in the treatment facility. There are approximately 258 vacuum cans and approximately 700 connections. A force main transports the sewage from the vacuum station to the headworks structure located just above the waste activated sludge (WAS) holding tank at the treatment facility.

### Riverwood CDD, Florida

Severn Trent has provided operation and maintenance services for the water and wastewater systems in 2003. The systems include a 0.5 MGD advanced wastewater treatment plant, 19 lift stations, collection and distribution systems for the 1,265 acre, master planned, mixed-use community located in Charlotte County. The collection system consists of 19 pumping stations with 13 miles of sewer lines. Most recently, our scope of service was expanded to include meter reading, billing and customer service.

### Port of the Islands, Florida

Since 2006 Severn Trent has operated and maintained the water and wastewater systems serving Port of the Islands Community Improvement District, a resort and real estate development project situated on approximately 500 acres in southeast Collier County just outside of Naples. We are responsible for a 0.2 MGD tertiary wastewater treatment plant, two wells and 0.4 MGD water treatment plant. The collection system consists of eight miles of sewer lines and seven pump stations. We also provide distribution management, meter reading, billing, customer service and mosquito control

### Plaquemines Parish, Louisiana

Severn Trent has provided reliable, cost effective water and wastewater operations in Plaquemines Parish since 1998. Approximately 1.9 billion gallons of wastewater are treated each year at the Parish's nine different wastewater treatment facilities. Wastewater effluent is discharged to the Mississippi River. We produce Class A biosolids and are currently pursuing a new permit to allow the production of Class A biosolids continuously throughout the year, which we estimate will save more than \$185,000 annually. We use process control and standard operating procedures to minimize odor issues. As part of this process, we carefully review each site and determine what appropriate procedures are needed. As part of the added value we bring to the project, we proactively address fats, oils and grease issues at lift stations by working one-on-one with business owners in affected areas. Our main lab provides all permitted wastewater laboratory testing. It is NELAC and LELAC accredited and we only send out work for which we are not certified to provide. The lab is equipped far above the average lab in that we have a two gas chromatographs and a mass spectrophotometer. In addition, each water and wastewater treatment plant has an on-site lab for process testing.

Severn Trent is responsible for 9 wastewater and 5 water facilities, 160 lift stations, five booster stations, 360 miles of water lines, 157 miles of collection lines, seven water towers and three reservoirs and provides customer service and collections. In 2010, our project scope expanded to include the Plaquemines Parish Government Complex, formerly known as the State School, which includes a water tower and package water treatment plant that we now operate and maintain.



Kingwood, Texas

Severn Trent’s relationship with the Kingwood area of Houston began in 1974 when five utility districts selected Severn Trent as the company that could assist them in correcting their operational problems. We are currently responsible for providing water and wastewater services to approximately 81,000 residents. The wastewater portion of the contract includes five activated sludge wastewater treatment plants; 287 miles of collection system and 42 lift stations. The water system includes 23 wells; 12 water treatment plants utilizing chlorination, fluoridation and polyphosphate injection; 22 ground and 7 elevated storage tanks; 315 miles of distribution system and 3 booster stations. Activated carbon filters are in place for odor control at many of the lift stations. In the case of Lift Station #16, the odor control has been appreciated by Kingwood High School and those attending events at the high school stadium and other sports facilities in the immediate vicinity. Our improvements in odor control, landscaping, mowing and housekeeping have helped to foster residents’ sense of trust and security in the water and wastewater systems.

**Task 2.4**

While none of our Florida projects include stormwater collection, Severn Trent has long demonstrated its capability in this area at several stormwater systems nationwide. The following table details some of those projects.

Client	State	Wastewater Treatment	# WWTPs	Design Flow (MGD)	Avg Daily Flow (MGD)	Pump Stations	# Pump Stations	Collection System	Miles	Any Other Services	Contract Start
Addicks UD	TX	■	1	0.8	0.0	■	2	■		Storm interceptors, detention ponds	2007
Barker Cypress MUD	TX	·				■	1	■	9	Storm interceptors, detention ponds	1981
Fort Bend County MUD #134C	TX	·				·		■	8	Stormwater collection system	2012
Fort Bend County MUD #151	TX	■	1	0.6	0.3	■	3	■	10	stormwater collection system	2012
Fort Bend County MUD #156	TX	·				·		■	3	Stormwater collection system	2012
Harris County MUD #166	TX	■	1	0.3	0.1	·		■	4	Storm interceptors, detention ponds	2000
Kaufman County MUD #12	TX	·				·		■	5	Drainage system	2006
Kaufman County MUD #5	TX	·				■	1	■	20	Drainage system	2004
Kaufman County MUD #6	TX	·				·		■	20	Drainage system	2004
Kaufman County MUD #7	TX	·				·		■	7	Drainage system	2004
Northwest Harris County MUD #9	TX	■	1	1.5	0.5	■	3	■	7	Storm interceptors, detention ponds	1990
Remington MUD #1	TX	■	1	1.1	0.5	■	6	■	10	Storm interceptors, detention ponds	1981
Sunfield MUD #4	TX	·				■	2	■	5	Drainage facilities, detention pond maintenance	2010
West Keegans Bayou Improvement District	TX	·				·		·		3 stormwater detention ponds	1991
Williamson-Travis Counties MUD #1	TX	·				■	3	■	10	General mgmt/accounting services, detention pond maint	1995
Willow Fork Drainage District	TX	·				·		·		Drainage structures	2003



### Task 2.5

#### Laboratory QA/QC

Severn Trent knows that reliable laboratory sampling and analysis are critical to maintaining the health and safety of utility customers, protecting the potable water supply and developing regulatory reports. Our in-house laboratory personnel scrutinize internal and outside laboratory results for accuracy and compliance to enable operational staff to quickly mitigate any operational or equipment problems that may be indicated by sampling results.

Peter Strimple, TSG Process Specialist, worked in a laboratory for one of the University of Florida's Research and Education Centers for five years. One of his primary responsibilities was to obtain NELAC certification at the lab for several parameters and to maintain that certification. In addition, Peter has been a member of the Florida Society of Environmental Analysts for many years and attends their semi-annual meetings. At these meetings, he has been present for many presentations regarding the NELAC certification process and the implementation and use of NELAC standards. Additionally, Marie Davis has several years of experience with NELAC standards and their use in different states.

At the Plaquemine Parish project, our main lab provides all permitted wastewater laboratory testing. It is NELAC and LELAC accredited and we only send out work for which we are not certified to provide. The lab is equipped far above the average lab in that we have a two gas chromatographs and a mass spectrophotometer. In addition, each water and wastewater treatment plant has an on-site lab for process testing.

Severn Trent's established quality assurance and quality control (QA/QC) program ensures operational excellence and that facilities under our control meet applicable regulatory requirements. To maintain quality standards, we have developed an extensive system of QA/QC checks and balances. When deficiencies are discovered, Severn Trent technical support staff mobilizes to develop a remedial plan and assist in correcting problems immediately.

Our commitment to quality is one of mandate and not choice for our employees. Every Severn Trent employee is aware of the total content of our QA/QC program and the role he/she plays. Management and employee training, recordkeeping, client reporting, facility operations and maintenance all play a part in providing quality service.

Severn Trent's proven approach is documented in our Quality Assurance Manual, which is customized for each location and includes forms, benchsheets, SOPs and valuable information on good laboratory practices and safety. The program's standard procedures include:

- **Chain of Custody** – Required for all outside and in-house lab analyses, the chain of custody records the sample preservation and handling procedures for detailed tracking of samples. We utilize an in-plant lab and operations logbook to further track laboratory procedures from sampling through final analyses. When outside laboratory testing is required, an approved laboratory will be used and the samples will be transported under established chain of custody, handling and storage procedures.
- **Instrumentation** – Laboratory equipment and plant meters, including in-line equipment, are calibrated to ensure accurate and precise analysis results. Calibrations are recorded in logbooks to meet regulatory requirements. When calibrations prove to be outside of operating specifications, our staff performs necessary preventive and corrective maintenance.



- **Methodology** – The in-house lab follows the most current EPA and Standard Methods of chemical analyses. Our Technical Services Group establishes site-specific laboratory procedures and SOPs and trains staff on topics including quality control, safety, sample protocol, correct testing methods and the most current approved test methods to meet permit requirements.
- **Laboratory Audits** – Our Technical Services Group performs internal audits of the lab procedures and reporting at each of the facilities we operate. Corrective measures and/or enhancements based upon the findings of these audits are implemented. All of Severn Trent’s in-house laboratory quality assurance, proficiency testing, process control and field testing procedures have been successfully audited by state and federal regulatory agencies.

Several Severn Trent laboratories are state-certified, eliminating the need to send samples out to certified contract labs, which saves our clients’ money while ensuring project staff receives the data in a timelier manner. As the states of Pennsylvania and Arizona require certification of environmental laboratories, the labs at wastewater plants in Ebensburg, Lititz and Boyertown, Pennsylvania and Safford and Chandler, Arizona are state-certified for wet chemistry and microbiology. In addition, our water treatment plant labs in La Vergne, Tennessee and Safford, Arizona are certified for drinking water microbiology.

We have implemented our successful QA/QC program at projects across the country – and Severn Trent’s commitment to quality resulted in many prestigious awards being presented to many of our projects. For example, our projects in LaGrange and Syracuse, Indiana are repeat recipients of the Indiana Water Environment Association’s Laboratory Excellence Awards. This program resulted in the U.S. EPA Region III awarding the O&M Excellence Award to the Lititz, Pennsylvania wastewater facility in 1990 and again in 2005. This same program and commitment also allowed the Glen Cove, New York facility to receive funding for a major capital improvement plan that is ahead of schedule.

Our Laboratory Technicians will perform process monitoring and standard permit compliance testing at the Key West WWTP Laboratory. Additional permit analyses completed by an approved third-party laboratory under Severn Trent’s supervision. Should the City so desire, Severn Trent will utilize the City’s current software, however Severn Trent typically documents all process monitoring and permit data in the Hach WIMS™ system per our QA/QC program. Critical to compliant operations and keeping the regulatory community happy is a full understanding of what is happening at the facility and in each of the different processes. The collection and proper maintenance of the plant data is critical and the Hach Water Information Management Solution (WIMS)™ system provides the ability to collect, maintain and report the process data. Our goal is 100% compliance. Our Lab Technicians will also prepare data for, DMRs and other reporting purposes as required by the City.

Severn Trent understands that accurate and reliable laboratory sampling and analysis are critical to maintaining the health and safety of utility customers, protecting the environment and developing regulatory reports. Our in-house operations personnel scrutinize internal and outside laboratory results for accuracy and completeness to enable operational staff to quickly mitigate any operational or equipment problems that may be indicated by sampling results.

The collection, analysis and reporting of data is an important element in the management of a water or wastewater facility. Data is used to demonstrate compliance with permit conditions. Data is also used to analyze the operation of the facility. Utilizing an information management system facilitates



the compilation of data into a useful form, secures the data in one location, automates the collection of data and generally makes the use of data more effective. Severn Trent utilizes an information management system tailored for water and wastewater facilities. The system is designed to deliver the basic data compilation, calculations and reporting required without extensive customization.

**Task 2.6**

**Emergency Preparedness**

Severn Trent believes that the best approach to addressing any emergency situation – be it mechanical, treated water quality or natural disasters – is through prudent planning and training of all project personnel.

We perform a detailed evaluation of the facilities and services under our control and develop a site-specific comprehensive emergency response plan. The plan contains helpful general information about various emergency situations that may be encountered plus specific procedures designed to help employees prepare for and deal with emergencies that affect operations such as:

- Chemical leaks/spills
- Personnel emergencies
- Explosion/fire
- Major equipment failures such as pipe, valve and pump failure
- Process failure
- Power failure
- Loss of access to the facility site
- Extreme weather conditions including high wind, flooding and extreme cold
- Sabotage and breaches of security

Severn Trent will coordinate the evaluation and subsequent plan development with the City and other departments such as police, fire and public works and other emergency

**Supporting Our Clients in the Most Trying Times**

Mother Nature can significantly challenge our efforts to provide uninterrupted, compliant services. In each situation, Severn Trent staff takes steps in advance to reduce the potential impact as much as possible and then marshals the necessary resources – staff from other locations, vendors and subcontractors – to ensure the people we serve continue to receive vital services.

- **St. Lucie County, Florida** – When Hurricanes Frances and Jeanne in 2004 and Wilma in 2005 struck the St. Lucie County area, Severn Trent mobilized internal resources from around the state and from other parts of the country to relieve and supplement the staff that normally resides in St. Lucie County, making sure they had necessary fuel, food, satellite communications and mobile housing. This supplemental staff made critical repairs to ensure the plants continued to operate and the integrity of the distribution and collection systems was maintained. Treatment plants operated on generator power as necessary and continued to provide service while, at the same time, wastewater collection system discharges were minimized. Through the efforts of all the resources brought to bear, the St. Lucie County system maintained water service to most customers throughout the hurricanes and their aftermath.
- **Plaquemines Parish, Louisiana** – Our Plaquemines Parish project got a “one-two” punch from Hurricanes Katrina and Rita and Severn Trent worked to maintain water and wastewater services to residents of the affected areas. Members of our staff took refuge at the Belle Chase water treatment plant, which has an emergency generator and was able to maintain water pressure except for a brief period during Hurricane Katrina. Additional generators were brought in to provide power for one of the wastewater plants and lift stations within that system, restoring service and compliant operations at that facility. These efforts had to be repeated after two facilities were flooded during Hurricane Rita. Our Plaquemines Parish staff was augmented by Technical Services and other regional staff who spent weeks living in tents and helping our operations in the recovery process. On a personal level, more than 50 Plaquemines Parish employees lost their homes and Severn Trent staff throughout the region and across the country stepped up to make a difference.
- **Kingwood, Texas** – Our experience with the Kingwood water system enabled Severn Trent to keep it functioning throughout Hurricane Ike and subsequent power outages. We made sure adequate stand-by generators and fuel were on hand before the storm hit. We utilized our previous disaster experience to innovatively manage elevated storage tanks prior to the storm so this water was available for customers once the storm passed and before power for normal operations was restored. In fact, then Mayor Bill White commented in a television news broadcast that Kingwood was the only City of Houston system that was not affected by a system-wide boil water notice.



### **Severn Trent and Our Clients Riding Out Hurricane Seasons 2004 and 2005 Together**



For most of September 2004 and again in late October 2005, Severn Trent's emergency preparedness plans across Florida were severely tested.

In August 2004, Hurricane Charley made landfall near Punta Gorda, affecting Severn Trent-operated facilities in Lehigh Acres, Riverwood, Zolfo Springs and Poinciana. The next month, Hurricanes Frances and Jeanne struck the east coast of Florida, making landfall just south of St. Lucie County and in Martin County, respectively. In both cases, our St. Lucie County and Poinciana projects sustained considerable damage with many downed trees, loss of roofing materials, damaged structures and loss of power. In 2005, Hurricane Wilma made landfall along the southwest coast of Florida and roared across the state and did significant damage in Broward County. The storm caused widespread power outages that included our projects in Port of the Islands, Golden Gate, Lehigh Acres, Bee Line Community Development District and St. Lucie County.

To deal with the aftermath of Charley, Frances, Jeanne and Wilma, Severn Trent mobilized internal resources from around the state and from other parts of the country to relieve and supplement the staff that normally resides in the affected areas. In addition to human resources, Severn Trent ensured that our staff had necessary fuel, food, satellite communications and mobile housing.

Severn Trent supplemental staff repaired electrical control panels at wastewater pumping stations, towed portable generators and pumps to the wastewater pumping stations to minimize discharges during the power outages and repaired other portions of the utility infrastructure to ensure that the plants continued to operate and the integrity of the water and wastewater distribution and collection systems was maintained. Through the efforts of all the resources brought to bear, the Poinciana, St. Lucie County, Lehigh Acres and Golden Gate systems maintained water service to most customers throughout the hurricanes and their aftermath. The water and wastewater plants operated on generator power as necessary and continued to provide service while, at the same time, wastewater collection system discharges were minimized in the face of the devastating storms.

While things such as portable generators and pumps were in very short supply, the balance of Severn Trent's and our clients' emergency operations plan ensured that the systems operated at a very high level and only minor plan modifications were needed. The necessary modifications have been made and, while no one expects or wants a repeat of the 2004 and 2005 hurricane seasons, Severn Trent stands ready to ensure continued service in the face of devastating storms.

management agencies. A draft emergency response will be submitted to the City for its review and comment. Those comments will be reviewed and incorporated into the final plan that will be resubmitted to the City for final approval. A sample emergency response plan can be provided should the City request such.

Operations are monitored by onsite personnel and SCADA systems and on-call personnel are notified in case of a malfunction. If mechanical equipment fails, Severn Trent will determine whether emergency repairs or replacements are needed to maintain the treatment process. Depending on the type of emergency and expertise needed, some or all project personnel are contacted and immediately respond to address the issue at hand. We utilize existing relationships with mechanical repair vendors to augment our in-house capabilities to correct mechanical failures.

Additionally, we can marshal Severn Trent resources from other projects in the area – or from our staff of 1,400 employees nationwide – plus necessary subcontractors as required to effectively respond to emergency situations.

Past experience, has taught us that certain preparations need to be in place long before a storm

event. As a matter of standard procedure, Severn Trent purchases satellite cell phones for



communication purposes prior to the hurricane season. The phones and supplies are pre-positioned throughout hurricane-affected areas prior to the hurricane season. We conduct hurricane preparedness drills, and ensure that several people are monitoring the weather on a regular basis throughout the season. We top off fuel and chemical supplies prior to any storm event as well as developing relationships with fuel, chemical and equipment supply companies so that we have first choice on needed equipment and supplies after the storm.

From a budgetary perspective, Severn Trent keeps scrupulous records on any needed repairs, parts, materials and labor and these costs are managed through the budget maintenance cap and emergency procurement provisions of the contract.

**Task 2.7**

**Compliance Record**

Severn Trent is proud of its excellent compliance record, having achieved well over 99% compliance with all regulatory requirements at facilities under our control. Our record is exemplary in the utility operations and maintenance industry.

Realizing the importance of tracking and monitoring regulatory compliance, Severn Trent has invested significant resources to ensure procedures are in place to meet these requirements. Our Technical Services Group is staffed with degreed personnel with many years of experience whose responsibility is to stay abreast of current and future regulatory requirements and provide the direction and recommendations on how best to comply. Sampling requirements are followed and the regulatory reports are submitted as required to the various regulatory agencies.

As is common to this industry, we have occasionally received notification that one of our facilities has exceeded certain limits of its permit parameters due to equipment malfunctions, loading problems or other circumstances beyond our control. In other cases, operator error has been the cause and we rightly accept that responsibility. Please refer to the following table for a listing of instances related to Severn Trent’s water and wastewater operations over the last 10 years.

Severn Trent has not experienced any failures to meet contractual or financial obligations, defaults or other types of standard obligations.

**Severn Trent Compliance Information**

Date	Type of Action	Actions Taken
2/11/11	TCEQ (Texas) – City of Houston. Notice of Violation for Triggered Source Water Monitoring for November 2010.	Communication process with Client’s Environmental Compliance Officers and STS improved. SOP written. This issue is closed. No fine.
5/16/10	USEPA (Florida) – Poinciana WTP #1, #4, #5 and #6 IDSE samples not taken for third quarter of 2009.	Replacement samples were taken and completed IDSE report was submitted. No fine.
4/8/10	USEPA (Florida) – City of Longwood IDSE samples not taken for third quarter of 2009.	Replacement samples were taken and completed IDSE report was submitted. No fine.
3/30/09	FDEP (Florida) – Consent Order for Port of the Islands WTP An insufficient number of repeat samples taken in February 2009.	Bacteriological repeat sampling procedures were revised and operators were retrained on taking repeat samples. Fine: \$1,000.
2/24/09	FDEP (Florida) - Consent Order at Citrus Springs WTP An insufficient number of bacteriological samples taken in November 2008.	Bacteriological sampling procedures were revised and the new operator was retrained. This order is closed. Fine \$2,000.
11/21/07	FDEP (Florida) - Consent Order at Citrus Springs WTP An insufficient number of bacteriological samples taken in October 2007.	Bacteriological sampling procedures were revised and the operator was disciplined. This order is closed. Fine \$500.



## Severn Trent Compliance Information

Date	Type of Action	Actions Taken
6/02/06	FDEP (Florida) – Consent Order at Sun N Shade RV Park WTP TTHM drinking water samples taken at an unauthorized sampling site.	New sample siting plan has been written. This order is closed. Fine: \$1,000.
1/31/06	TDEC (Tennessee) – Consent Order at Sewanee WWTP Runoff of effluent from the effluent spray field.	Consent Order issued after contract expired. Severn Trent declined to renew the contract because of the Town's unwillingness to allow the necessary change in project management. Fine: \$9,200.
7/18/03	TCEQ (Texas) – Agreed Order at Harris County MUD #166 WWTP TSS excursions in April, July and August 2002.	Plant has been in compliance since September 2002. This order is closed. Fine: \$3,200.
2/19/03	LDHH (Louisiana) – Consent Order at Plaquemines Parish Port Sulphur Water System Exceeded the MCL for TTHMs for 2002.	Method of disinfection has been changed and plant is now in compliance. This order is closed. No fine.

## Additional Regulatory Actions – Outside Severn Trent's Control

Date	Type of Action	Actions Taken
7/5/2012	ODEQ (Oklahoma) – Agreed Order at City of Mustang for collapse of WWTP discharge line.	Gravity flow discharge line collapsed about 3 miles from the plant site and treated wastewater is discharging on agricultural properties. The City of Mustang will repair and pay fine of \$10,000, of which \$5,000 may be deferred.
4/3/2012	TCEQ (Texas) – Agreed Order at Kaufman FWSD #1A WWTP Permit violations for TSS, Ammonia Nitrogen and Chlorine Residual.	Ice and snow adversely affected plant equipment and prevented sludge hauling. Later, suspected dumping killed plant microbes. Corrective actions completed. Fine \$4,440.
5/27/10	PDEP (Pennsylvania) – Agreed Order at Penn Township WTP Well water system under the influence of surface water and nitrate MCL exceedence.	The municipality will install a nitrate removal system, filtration system and continuous disinfection. No fine.
4/28/10	USEPA (Texas) – Agreed Order at West Memorial MUD WWTP Risk management plan out of compliance.	District is required to bring their EPA Risk Management Plan into compliance. This plan is written and administered by the District's Engineer. Fine \$3,325.
4/15/10	USEPA (Texas) – Agreed Order at City of Pasadena Failure to enforce the City's industrial pretreatment program.	The City has disconnected U.S. Oil Recovery from the collection system (which Severn Trent is not responsible for). No fine.
8/3/09	FDEP (Florida) – Sunset Captiva WWTP Facility drainfield not working as intended.	Engineer has been retained to recommend changes to the drainfield. Fine \$3,700.
5/20/09	FDEP (Florida) – Port of the Islands WTP Failure to maintain water system components.	Corrective actions completed. This order is closed. Fine \$2,250.
4/1/09	TCEQ (Texas) – Agreed Order at Harris County MUD #109 WWTP Elevated chlorine levels in receiving stream on 10/22/2008.	A bad circuit in the chlorine bleach controller was changed out and an SEP was performed. \$10,000 was paid to a third party to support trash cleanups of area waterways. The TCEQ has closed this order.
6/9/08	TCEQ (Texas) – Agreed Order at Dessau Fountains Estates, LLC Sludge in the receiving stream.	The Development agreed to clean the receiving stream and paid a fine of \$31,500, although there was considerable controversy over the source of sediment in the intermittent stream. The TCEQ has closed this order.
6/30/07	Dutchess County Department of Health (New York) – Pawling WTP Radium 226 +228 exceeded the running annual average for drinking water.	City has retained engineer to investigate possible feasible solutions.
6/12/07	Florida Department of Health – Riverside Golf Course Community LLC WTP Violation of Consent Order to correct standby generator deficiencies.	Riverside fined \$50 per day since 4/20/07. Action to be taken by the client not known.
2/06/07	TCEQ (Texas) – Agreed Order at Harris County MUD #358 WWTP Permit violations for Total Copper at the WWTP, which is not designed to treat copper.	Water effects ratio studies have been completed and have shown that increased copper limits are warranted. The Districts' Engineer is in the process of submitting a permit amendment.
1/9/07	PaDEP (Pennsylvania) – Consent Order at Bernville WWTP Consent order for failure to keep monthly maximum flow from WWTP below 0.485 MGD.	The COA was the result of conditions that occurred prior to Severn Trent being hired for this project. Severn Trent has worked with the Borough of Bernville, the PaDEP and the USEPA to resolve the non-compliance issues. The PaDEP has commented that they are satisfied with the actions that have been completed to date.



### Additional Regulatory Actions – Outside Severn Trent’s Control

Date	Type of Action	Actions Taken
12/31/06	Dutchess County Department of Health (New York) – Pawling WTP Gross Alpha exceeded the running annual average for drinking water.	City has retained engineer to investigate possible feasible solutions. Additional samples have resulted in gross alpha levels falling below the running annual average.
10/16/06	TCEQ (Texas) – Agreed Order at Kaufman County FWSD #1A Wastewater treatment plant under capacity.	District to pay a fine, perform an SEP, upgrade facilities to achieve compliance and ultimately divert raw wastewater to the City of Forney wastewater treatment plant to achieve regionalization. Order closed by TCEQ.
7/06/06	TCEQ (Texas) – Agreed Order at Harris County MUD #221 WWTP Wastewater treatment plant permit incorrectly required to treat TDS based on inaccurate stream quality data and failure to monitor for TDS.	Harris County MUD #221 has submitted permit amendment that will not have a limit for TDS nor require sampling for TDS. District has agreed to an SEP.
3/17/06	TCEQ (Texas) – Agreed Order at City of Prairie View Wastewater collection system capacity and repair are insufficient.	City is undertaking recommended improvements to the wastewater collection system and performing SEPs. No fine. The TCEQ has closed this order.
1/31/06	TDEQ (Tennessee) – Agreed Order at City of Newbern Wastewater collection system and sludge processing capacity and repair are insufficient.	City is undertaking recommended improvements to the wastewater collection system and performing SEPs. No fine.
3/5/05	NYSDEP (New York) Agreed Order at Carmel Sewer District #2 Wastewater collection system capacity and repair are insufficient.	District is undertaking recommended improvements to the wastewater collection system performing SEPs. No fine.
2/25/05	NYSDEP (New York) Agreed Order at City Newburgh Wastewater treatment plant upgrades.	City is undertaking design and construction of upgrades to the wastewater treatment plant. No fine.
12/22/04	MDEQ (Maryland) – Consent Order at City of Elkton WWTP Wastewater treatment plant design and capacity are inadequate.	City is undertaking design and expansion of the wastewater treatment plant. No fine.
9/7/04	LDEQ (Louisiana) – Consent Order at Plaquemines Parish Collection system capacity and repair are insufficient.	Parish is inspecting and repairing the collection system. No fine.
6/29/04	U.S. EPA (Delaware) – Agreed Order at City of Lewes WWTP Wastewater treatment plant lacks sufficient capacity.	City is undertaking design and expansion of the wastewater treatment plant. No fine.
6/23/04	ODEQ (Oklahoma) – Consent Order at City of Mustang Wastewater collection system capacity and repair are insufficient.	City is undertaking recommended improvements to the wastewater collection system and performing SEPs.
7/9/03	TCEQ (Texas) – Agreed Order at Harris County MUD #167 Water System Exceeded the gross alpha and combined radium 226 & 228 MCL.	District is planning to drill a new well. No fine.
1/10/03	TCEQ (Texas) – Pending Enforcement at Harris County MUD #166 WWTP Failed to comply with TSS permit limits for three months in 2002.	A letter was sent to the TCEQ on 2/5/03. The plant was placed on line in April 2002 while development also began, which caused infiltration into the collection system. We also experienced heavy rainfall. Severn Trent installed rain protectors in the manhole entry points and surveyed the construction areas to prevent infiltration. No fine.

### Awards

Severn Trent has won numerous water, wastewater and safety awards. However, due to the page limitation and the large number of facilities we operate, the following provides a snapshot of only the wastewater awards received by Severn Trent operations and staff:

Wastewater Recognition Awards		
Chickasha, City of, OK	Oklahoma WPCA	Medium Wastewater Plant of the Year, 2007
Claremore, City of, OK	APWA	Project of the Year, 2011
Clinton, MS	Mississippi WEA	Wastewater Treatment Plant of the Year, 2008
Gilbert, AZ	Arizona Water Association	Wastewater Plant of the Year, Large System, 2009
Hugo, City of, OK	Oklahoma WPCA	Wastewater Operator of the Year, 2009 Manager of the Year, 2010
Jenks Public Works Authority, OK	Oklahoma WPCA	Wastewater Operator of the Year, 2010 Plant of the Year, 2011 Manager of the Year, 2011



Wastewater Recognition Awards		
Kalkaska, MI	Michigan Rural Water Association Michigan WEA	Rookie Wastewater Operator of the Year (Bill Tennyson), 2007 Donald Pierce Award (Jerry Seay), 2006
Lititz, PA	U.S. EPA Region III	O&M Excellence Award 1990, 2005
McComb, MS	Mississippi Water and Pollution Control Operators Association Mississippi Water Environment Association	Operator of the Year (Dawn McCoy, Project Manager), 2011 Outstanding Wastewater Treatment Facility, 2012
St. Lucie County, FL	Florida Rural Water Association (FRWA)	2011 Small Wastewater System of the Year Award
Syracuse, IN	Indiana WEA  Indiana Water Environment Association	Plant Safety Award, 2004, 2005, 2006, 2007 Laboratory Excellence Award, 2004, 2005, 2006, 2008, 2009 Wastewater Plant Best Annual Report Award, 2006, 2008 State Level Safety Award, 2012



### Task 3.0 – Technical Approach

#### Task 3.1

##### Management Team

Robert Dick, *Senior Area Manager*, is currently responsible for managing the operations, maintenance and customer service in the Florida region. He has more than 35 years of experience in water and wastewater operations, maintenance and management. In addition to his many certifications and licenses, Mr. Dick's extensive career has included valuable courses in water and wastewater treatment facility operations and maintenance. He has earned several operational and safety awards at various facilities and a personal award, the Leroy Henry Scott award for professionalism and management excellence in wastewater treatment.

Bert Underwood, *Project Manager*, will provide overall project coordination and direction wastewater operations and management. He will utilize the breadth and depth of the Severn Trent organization to provide the highest quality, most cost effective operations possible for the City of Key West. He will develop and enhance our relationship with City officials, staff and residents and provide the peace of mind from knowing your facilities are being effectively and efficiently operated and maintained. Mr. Underwood is currently responsible for managing multiple operations and maintenance contracts in the Florida region. He has more than 10 years of experience in water and wastewater operations experience and more than 16 years of management experience. He holds Florida Class A wastewater and Class B water certifications.

Rich Gardner, *Regional Manager*, will ensure the on-site staff has the resources to fulfill our commitments to the City and achieve your objectives. He understands the most important factor in our success is Severn Trent's commitment to provide the tools, training and incentives to our employees and to their continued development. Mr. Gardner is a licensed professional engineer and certified wastewater operator with more than 27 years of water and wastewater management, operations and maintenance experience in the public and private sectors. His background includes leading the company's environmental, health and safety compliance programs and work as a trainer for wastewater operations courses of all levels.

Pat Myers, *Transition Manager - Operations* - has more than 25 years of water and wastewater experience and a background of project and area management as well as starting up and transitioning key Severn Trent projects, including a multi-million-dollar, multi-site project in Florida. He has also played a key role in the support of projects by using his experience in the development and implementation of management systems.

Marie Davis, *Transition Manager- Laboratory* has nearly 30 years of environmental and operational experience. Responsible for providing technical assistance in water and wastewater treatment facilities, she brings particular expertise to our clients in the areas of operations, maintenance, lab operations, data management and pretreatment. Ms. Davis assesses current practices via site visits and has conducted a variety of audits focusing on process control and bench marking. She has extensive operational experience in a variety of facilities and has served in a variety of leadership roles in water, wastewater and utility departments. She holds bachelors and masters degrees in biology and municipal and industrial wastewater certifications and a water certification in Indiana.



Dana Kaas, Vice President of Operations, has 27 years of experience in the environmental services industry and more than 35 years of general management experience. He joined the Severn Trent organization to provide a hands-on, focused effort to managing the operations and, in this capacity, he is directly responsible for the activities and operations at Severn Trent’s more than 400 contract operations projects.

The Project Manager and all project personnel will adhere to the business principles established during Severn Trent’s 39 years in the O&M business. Our continuing goal is to develop and maintain professional, responsible and responsive working relationships with City residents, consultants, regulatory agencies, material and service vendors and other entities involved in the operation and maintenance of your facilities.

Communication is a key ingredient to the successful performance of any contract. The Project Manager will ensure all avenues of communication remain open and every effort is made to provide requested information in a highly responsive manner. Our employees understand Severn Trent’s commitment to respond promptly and openly to the City.

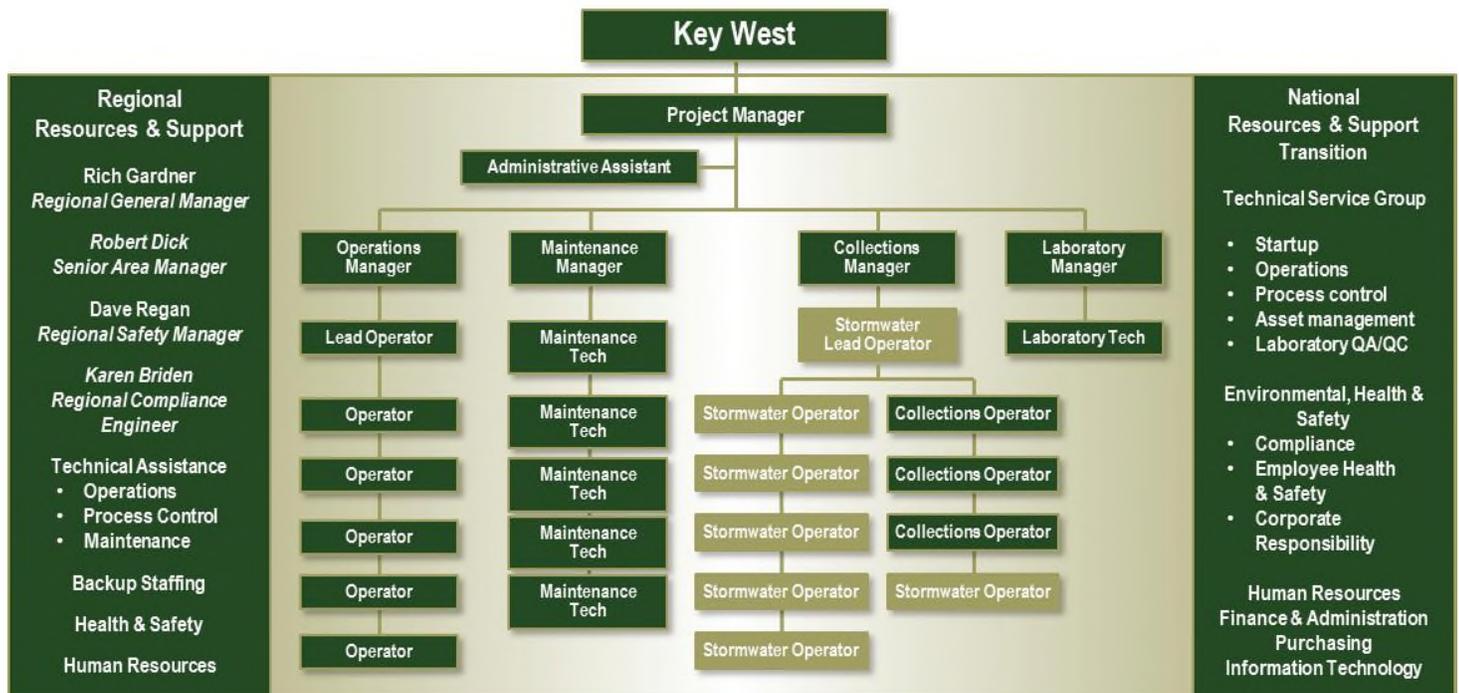
Resumes for each of these individuals are provided in Appendix A

Task 3.2

Staffing Plan

Severn Trent’s approach to project staffing encompasses two key elements

- Day-to-day coverage to provide for reliable and efficient operations
- Operator and technical support to provide for quick response time in the event the plant encounters mechanical, electrical, or flow problems





Our approach provides for operator staffing for a minimum of eight hours per day, five days a week with weekend checks and 24-hour per day on-call coverage for emergency situations. We will utilize an on-site staff of 28 as illustrated in the figure above.

The Project Manager is responsible for scheduling, delegating operational activities and assisting electrical and mechanical maintenance personnel, when required. Our staff will be responsible for all operation and maintenance activities including:

- Operation of equipment
- Routine process monitoring and control
- Laboratory testing for process control and compliance monitoring
- Sludge storage monitoring
- Chemical receiving and handling
- Emergency operation
- Predictive maintenance
- Preventive maintenance
- Corrective maintenance
- Equipment rotation
- Housekeeping
- Grounds maintenance

### Transition Approach

Severn Trent believes that the transition period will be critical for establishing an improved performance standard that will govern operations on a sustained, long-term basis. With the City's approval, our involvement will begin well before the transition date with our Project Manager visiting with City representatives to establish transition priorities, interview existing employees and schedule specialists from the transition support team that will be established for this project.

Through interaction among project team members, we will define team positions, goals and objectives. Severn Trent will focus on the following key items during the transition period:

- Ensuring operational functionality
- Optimizing the efficiency and effectiveness of the operation
- Establishing a relationship with the regulators
- Administering the contract
- Preparing inventories of expendable supplies and spare parts
- Transferring existing contracts and/or establishing new contracts
- Establishing an effective maintenance program to protect the City's assets and the vehicle fleet
- Initiating staff training and development
- Developing/updating emergency response plans
- Initiating our public relations and community support program

Severn Trent will designate a Transition Manager who will coordinate with the Project Manager and identify the resources necessary to get the project underway. The permanent on-site staff will be augmented with specialists from Severn Trent's organization who will introduce our operating approach and philosophy.

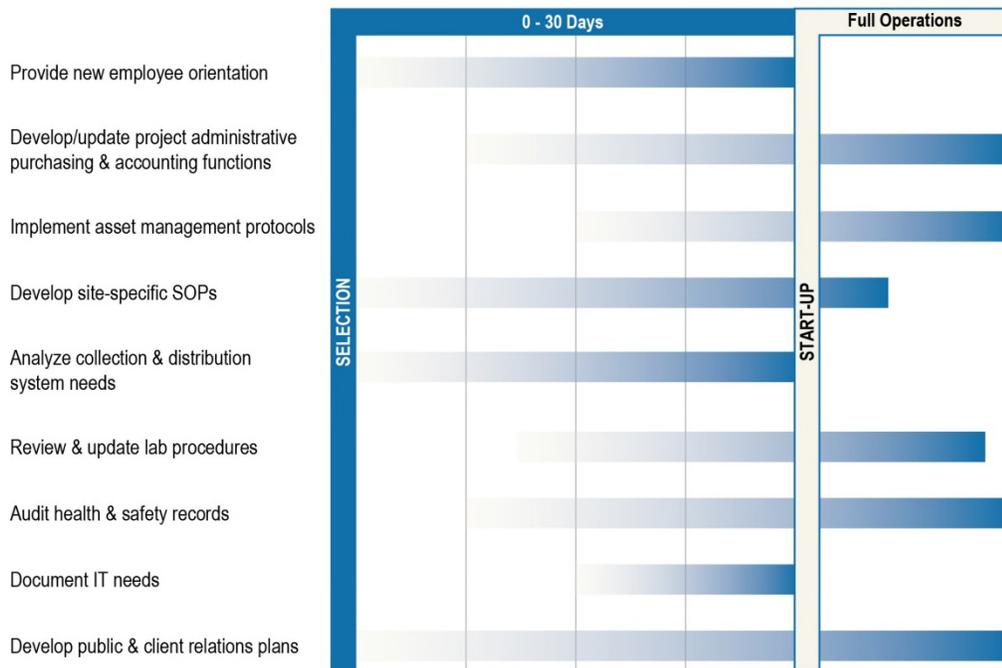
Upon notice of contract award, Severn Trent will form a transition team made up of operators, technical staff and managers with experience in project transitions. It will be the team's role to support and strengthen the on-site, in-place management team by providing technical support and assisting in implementing the changes in overall operation that we have identified. The transition team will adopt members of the existing staff as counterparts, helping them reach a level of comfort



with new procedures and a new employer. When the staff feels comfortable in their new roles, the transition team member will take on a coaching position. Ultimately, the new employees will assume full responsibility in the Severn Trent organization.

The assumption of project responsibility must be accomplished with minimal disruption of ongoing activities. To best prepare for the transition, the transition team will perform a detailed analysis of

### Severn Trent Transition Approach



the services that are currently being provided to the City. This will ensure a better understanding of operations and the roles played by the individuals involved and of costs incurred. The team will also evaluate the current staff for specific training needs.

Severn Trent’s transition plan is based on our standard operating procedures governing project transitions, which were developed by

our Technical Services Group to minimize the impact on existing employees. Our transition team will be responsible for performing the following activities:

- Provide New Employee Orientation – Individual and group meetings with employees and their families to introduce them to Severn Trent, discuss plans for the project and ultimately ease their fears of the unexpected
- Develop/Update Project Administrative, Purchasing and Accounting Functions – Establish procedures and information for administering the project including the development of accounting and financial reporting protocols and controls and other procedures related to capital repair and replacement
- Implement Asset Management Protocols – Identify and document the condition of all equipment and update maintenance plans and procedures as appropriate
- Develop Site-Specific Standard Operating Procedures – Review all existing treatment processes and their performance in terms of water quality, sludge classification, odors and public nuisance. We will revise standard operating procedures as needed to ensure operational consistency. We will also review the adequacy of existing process control mechanisms and update O&M manuals as appropriate.



- **Analyze Collection System Needs** – Review the historic performance of the collection system to determine whether actions are required to rectify any regulatory or contractual deficiencies. The collection system review will focus performance in terms of blockage incidents, flooding, infiltration and inflow and overflows as well as pumping stations and related telemetry.
- **Review and Update Laboratory Procedures** – Completely review all laboratory procedures from sampling through to analysis and all associated documentation. Based on these findings, a QA/QC program will be implemented, if needed, and standard operating procedures will be updated/amended as required.
- **Audit Health and Safety Records** – Audit facilities to determine whether problems exist and develop action plans based on an analysis of workers compensation records, visual inspections and regulatory actions
- **Document Information Technology Needs** – Develop an inventory of all new and existing computer systems to determine software and hardware needs. We will also review software licenses to determine suitability for continued usage and confirm Severn Trent machines are properly licensed.
- **Develop Public and Client Relations Plan** – Review our existing public relations and client reporting protocols with the City to determine whether changes are needed to best serve the City

### Comprehensive Approach

When we begin operations, Severn Trent develops and implements guidelines for operations, maintenance, management and communication. The effort, culminating in a performance plan to be delivered within 60 days of transition, highlights how we will approach our role over the project period. Our operating plan will address the following key priorities:

- Establish sound practical communication between Severn Trent and the City
- Establish/update written standard operating procedures and training for the operation of all unit processes and equipment according to their manuals, state and federal standards and recommendations from experienced Severn Trent staff
- Establish guidelines for sludge management, utilizing optimal solids concentrations, pumping rates and times, etc.
- Establish guidelines for sample collection and testing based on standard methods, USEPA and state regulations
- Schedule and track training for personnel
- Establish operator checklists for work tasks, duties and process control
- Provide a computerized maintenance management system for predictive, preventive and corrective maintenance and maintenance scheduling and tracking
- Establish schedules for instrumentation and equipment calibration
- Establish a safe workplace through security measures, training, facility inspection and safety equipment based on Severn Trent and regulatory standards
- Develop emergency response and risk management plans
- Develop electronic monthly reporting for communication to Severn Trent staff, the City and regulatory agencies
- Identify and correct any deficiencies in process equipment



## O&M Manuals

The O&M manual allows operators to make proper decisions and reduces inefficiency and damage caused by malfunction. The manual is a useful tool when it is necessary to add or delete services to the project, allowing staff to review the current procedures and quickly develop plans to implement change. The manual also allows employee cross-training, further increasing efficiency and depth of staff. Further, if a manager needs to interrupt his service, his immediate substitute is then able to step in and continue to manage the project without any interruption of service. Only through a written system such as this can the facilities operate efficiently and the City receive guaranteed, uninterrupted services.

We prepare and update the O&M manual that includes material such as:

- Detailed operating and maintenance instructions
- Sampling and analysis
- O&M reports forms
- Emergency response programs
- Visual aids
- Manufacturer's documents

A library containing all O&M data, manuals, drawings and vendor information will also be maintained. This library will provide easy access to information the staff can use in their daily operation and maintenance activities.

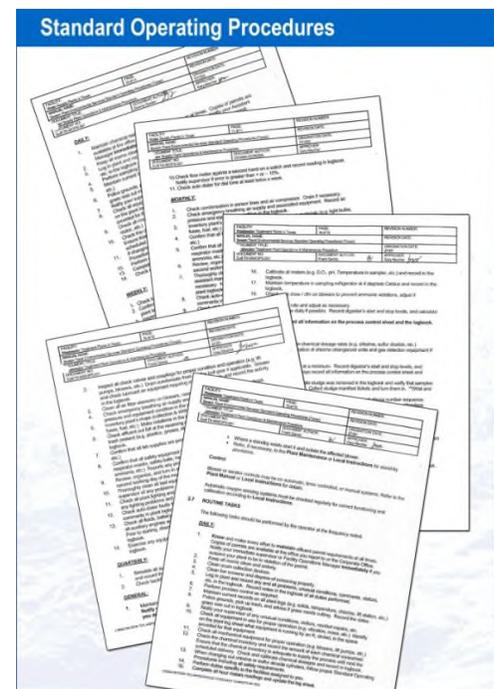
## Site-Specific Standard Operating Procedures

When a new facility is secured, site-specific procedures are developed with assistance by our Technical Services Group. These procedures provide easy access to information to assist the staff in their daily operation and maintenance activities and allow operators to make proper decisions and reduce inefficiency and damage caused by malfunction. It also allows for employee cross-training, further increasing efficiency and depth of staff.

As part of implementation of Severn Trent's management systems and protocols, our operating plan emphasizes process control procedures consisting of the following key elements:

- Centralized oversight and control of facility processes and process changes
- Analysis, ongoing review and fine tuning of all facility operational parameters
- Implementation of a facility performance measurement system
- Weekly operations management meetings to review, strategize and prioritize facility issues
- Regular meetings with City staff
- Periodic spot checks of facilities

**Centralized Process Control** – Severn Trent's success at its facilities is due to rigorous process control procedures and training. We use a team approach to manage treatment process operations. This approach and the





organizational and data analysis structure that supports it allows our operations teams to routinely review (and respond as necessary to) a few key performance indicators, rather than having to analyze all process data.

Concepts that are incorporated into the process management strategy and are critical to effective team review and response are:

- **Targets** – Values that process parameters should achieve for optimum process control and efficiency
- **Flags** – Values bracketing normal operational ranges within a facility. When process values fall outside these ranges, response and corrective action is required.
- **Trends** – Automatic computer analysis of the average daily change in a parameter allows future values to be forecast, which helps the team anticipate potential problems or verify that process improvements are occurring. The process control teams utilize graphs of key performance indicators when evaluating process changes or corrections.

We utilize centralized supervision and control through a matrix management system whereby senior management is directly involved with operational staff members on all levels throughout the organization. The process control team works with operators in the field to create a system of checks and balances for all operations.

**Analysis of Process Control Parameters** – Both qualitative and quantitative analyses are performed daily, recorded on laboratory benchsheets and entered into a computerized database.

Computerization of laboratory and process data provides readily available tables and graphs that can be used to evaluate operating conditions and identify process trends. This system also facilitates the generation of regulatory agency reports and operating reports to the City.

**Facility Performance Measurement System** – Process conditions and equipment status are recorded during each shift as part of the facility performance measurement system. The recorded data assists the operators in monitoring all phases of operations around the clock and allows senior O&M personnel to review operations on a daily basis. With continuous monitoring of overall facility performance operational personnel can identify and address potential issues before they become problems.

**Weekly Operations Meeting** – Every week, our Project Manager will meet with operations staff to discuss current facility status and/or issues, review and refine process control systems, set upcoming operational and maintenance priorities and solicit ideas and solutions to all operational concerns.

**Facility Spot Checks** – Periodic unscheduled spot checks are conducted at all Severn Trent-operated facilities by management and technical support personnel. These unscheduled checks help identify existing or potential issues that may not reveal themselves through established process control systems and provide a vehicle for our management to maintain in-person contact with field personnel.

### Operating Plan

**Wastewater Treatment Plant** – The City of Key West, Florida Richard A. Heyman Environmental Protection Facility is an advanced wastewater treatment plant with a design capacity 10.0 million gallons per day (MGD). The plant is currently operating at approximately half of its design capacity. The main unit processes are:



**Headworks** – Includes influent metering, sampling, screening with mechanical bar screens and cyclone-type grit removal. Severn Trent will monitor and remove grit and screenings regularly. We will monitor for odors and corrosion in this area and take appropriate corrective measures

**Activated Sludge Process** – Includes two (2) aeration basins with fine bubble diffusion, anoxic mixing zones and a re-aeration zone prior to clarification. Chemical bulk storage and feed system for iron salts solution used to remove free phosphates from the mixed liquor. Severn Trent will optimize treatment through use of the proper Food to Mass ratio, settelometer and solids testing of mixed liquor, WAS and RAS. Nitrogen will be monitored to optimize nitrogen removal. Recycle rates will be set for proper nitrogen removal and detention times. Phosphorous testing will be done in the process lab to assure correct chemical dosing.

**Secondary Clarifiers** – Includes two (2) circular clarifiers, mixed liquor center feed into flocculation well, circumferential weir launders and effluent collection, hopper collection and pumping of return sludge to aeration. Solids blankets will be monitored periodically throughout the day. Influent, effluent and RAS concentrations will be monitored as well. Detention times and loadings will be calculated on transition and periodically thereafter to ensure correct operation of the clarifiers.

**Filtration/Disinfection/Effluent Discharge** – Includes four (4) filtration basins with multiple rotary disk type cloth filters followed by ultraviolet disinfection, effluent compliance sampling, and final effluent disposal by two (2) deep well injection systems. Filters will be monitored, backwashed and cycled on a regular basis. Recycle flows will be checked periodically for impact on other unit processes.

Disinfection will be monitored through compliance sampling and monitoring of the UV units. Bulbs and ballasts will be monitored and changed out as required. Compliance sampling will be reviewed during our transition and periodically thereafter. Compliance samples will be analyzed by a certified laboratory and included in our laboratory quality controls.

**Sludge Management** – Includes two (2) aerobic sludge holding tanks for waste activated sludge. Waste sludge is dewatered with belt filter presses (2) and sludge cake is hauled by contractor approved disposal site. Sludge dewatering will be optimized by proper operation of the belt presses. During our transition, polymers will be tested to ensure that we are using the best polymer for the application. Odors from the dewater operation will be monitored and addressed as applicable.

**Emergency Power Generation** – Includes on-site stationary emergency power generators at the main treatment plant as well as numerous fixed generators at the remote sites for storm water and collection system lift stations. Several portable generators are warehoused at the main treatment plant for use with stations not having permanent generator installations. Severn Trent will exercise the generators with and without load on a regular basis. Generators will be tested additionally before any named storm events or other major weather event. The generators will be serviced at manufacturer's recommended frequencies.

**Wastewater Collection System** – Includes approximately 55 miles of wastewater collection main and 24 lift/pumping stations. The collection system also consists of 9 flow meters (to monitor and maintain) which measure the contribution of wastewater flow from Navy facilities on the island. The lift/pumping stations are monitored with control capability via SCADA. The levels of the lift station wet wells are monitored with ultrasonic sensors, bubbler systems, pressure switches or float systems. Five (5) of the lift/pumping stations have odor control systems installed and most stations are



equipped with pad mounted backup generators, some are equipped with portable generator quick connects. The wastewater collection system will be cleaned and televised at regular intervals agreed upon between the City and Severn Trent. Problem areas will be cleaned more frequently, lift stations will be checked regularly with problematic lift stations checked on a more frequent basis. The wet wells will be cleaned on a set schedule. Odor control systems will be monitored and optimized as appropriate.

**Stormwater System** – Includes approximately 49,500 linear feet of piping, with associated catch basins, manholes and basin strainers. The system consists of approximately 79 outfalls, 138 gravity recharge wells, four (4) pumping stations with discharge into injection wells (a 5th under construction), two (2) smaller pumping stations with discharge into collection ponds, and trench drains of various sizes. The 4 pumping stations are equipped with bar screens and vortex units on the pump suction side. Three of the four stations have pad mounted backup generators while the remaining pump station has connections for a portable generator. Additionally, one pump station is designed with bypass piping to aide with high water events. The stormwater collection system will be checked, cleaned and televised (if necessary) at regular intervals agreed upon between the City and Severn Trent. Stormwater lift stations will be checked regularly with problematic lift stations checked on a more frequent basis. Wet wells will be checked and cleaned when necessary. Odor control systems will be monitored and optimized as appropriate.

**Laboratory** – The laboratory at the Richard A. Heyman Environmental Protection Facility is certified by the Florida Department of Health, Bureau of Laboratories in the non-potable areas of general chemistry and microbiology. Some of the current laboratory performance areas include, but not limited to, process control at the treatment plant, collection system and ocean outfall monitoring, regulatory data entry and reporting, quality assurance and quality control programs, and an operating software program for data storage and acquisition.

The laboratory also maintains a scope of accreditation with the National Environmental Laboratory Accreditation Program (NELAP) for non-potable Carbonaceous Biological Oxygen Demand (CBOD), Residue-Nonfilterable (TSS), Enterococci and Fecal Coliforms. Maintaining this certification is beneficial to reporting and certifies bacteriological analysis on beach outfalls per FDEP requests.

Severn Trent’s approach to the continued operation and management of the facility consists of three main components:

- professional operations and maintenance activities for all unit processes
- training and management support of the local staff
- assistance from the Severn Trent Technical Services Group which provides a depth of experience unparalleled in the industry

The on-site operations and maintenance activities include the routine day-to-day tasks associated with treating wastewater flows. Daily operations are based upon standard operating practices with ongoing modifications as appropriate to optimize treatment efficiency. We continue to look for ways to determine better ways to operate each unit process.

Severn Trent will develop process control practices that have resulted in proven compliance for our clients. We will continue to strive for operational excellence with the goal of earning the Florida



Department of Environmental Protection Operations Excellence Award. This is accomplished by our thorough understanding of plant operations and the use of operational standard procedures.

Severn Trent's management staff will work closely with the operational, laboratory, and maintenance staff to evaluate all unit process and develop or implement changes to the site specific SOP's. It has been our experience that on-site operating personnel are often fully occupied with daily routine monitoring, keeping up with the preventive maintenance and responding to emergencies so we have support staff available to perform evaluations and assist the on-site staff with process modifications and evaluations. This is truly a support function as they work *with* the project staff to make the changes together. By working closely together, both support staff and on-site staff gain mutual respect for each other and work toward a common goal. Additional information about Severn Trent's Technical Services Group is provided in the Staffing section.

Severn Trent has a thorough understanding of the facility and the requirements of the City of Key West as set forth in the RFP as well as the facility permit. We look to the future with optimism and confidence that our team will continue and build on the operational success the City is expecting.

### Task 3.3

#### Maintenance

Our maintenance approach is based on an asset management system which involves effective predictive, preventive and corrective maintenance.

As your partner, Severn Trent can provide effective asset management by:

- Establishing an effective maintenance program
- Providing technical support to maximize the use of existing assets at no additional cost
- Providing training and career development opportunities to the staff
- Providing assistance with design and planning, capital procurement specification and support

Severn Trent implements maintenance protocols and procedures that reflect manufacturers' warranties for existing and newly bought equipment. As part of our maintenance approach, equipment maintenance and repair history is tracked and available, enabling the City to make educated decisions when it comes to repairing or replacing a particular component. Severn Trent will provide the City with a five-year plan of capital improvements that will be reviewed annually and adjusted as changing conditions dictate.

It is Severn Trent's philosophy that maintenance is part of every employee's day-to-day responsibilities. This approach, a key component of our overall management philosophy, provides employees with enhanced opportunities to understand and manage the entire treatment process. In addition, by placing routine maintenance under operator control, there is greater accountability and empowerment in plant operations and costly, unscheduled maintenance events are minimized. General preventive maintenance tasks are conducted by our own internal trained staff. Predictive maintenance is also typically performed internally, but may be outsourced where the task(s) requires a specific skill outside our licensed personnel.

Finally, because we recognize the importance of maintaining the condition and appearance of the physical assets and surrounding landscaping, we will maintain the grounds in a manner that reflects the pride we take in our work. The appearance of buildings will be monitored as part of our day-to-day routine maintenance activities and improved through touch-up painting as needed.



### Predictive Maintenance

Severn Trent emphasizes predictive maintenance to avoid the operational challenges associated with equipment failure and allows resources to be proactively directed to the most immediate areas of concern. We analyze equipment trends and manufacturers' suggested maintenance requirements and document maintenance histories for part of our predictive maintenance procedures. This includes all mechanical, electrical and instrumentation components to ensure compliance with all applicable warranties. Predictive maintenance reduces repair costs, decreases the need for a large inventory of parts and increases equipment reliability.

Where applicable, we will utilize state-of-the-art technology to identify potential problems. These include:

- **Thermographic Photography** – Polaroid and thermographic images are taken of each electrical panel in the system. With the hot spots identified, temperature readings of the area of the panel in question are taken. The problem is verified and corrected and temperature readings are verified.
- **Oil Analysis** – Oil from all medium to large gearboxes is sampled and sent for analysis that, in essence, tells the story of the gearbox. High metal content indicates significant wear and the level of moisture indicates whether we need to pay closer attention to that particular component.
- **Vibration Analysis** – This analysis allows us to estimate equipment life span and the rate of serviceable life degradation. By comparing sequential readings, we can predict when a unit might fail. These readings are taken every six months on all medium to large gearboxes and motors.
- **Airflow Measures** – This is used to estimate blower efficiency. The readings provide an indication of unusual wear and loss of effectiveness.
- **Hydrogen Sulfide Gas Monitoring** – The data obtained from this analysis is used to evaluate odor control systems.

### Preventive Maintenance

Our preventive maintenance program proceeds concurrently with the predictive maintenance procedures. Preventive maintenance ensures the reliable operation of facility equipment by requiring the operators and maintenance staff to perform regular maintenance activities, such as lubricating and calibrating equipment throughout the facilities. As part of this program, we track historical information for all equipment including time-based maintenance, equipment operating hours and opportunity maintenance.

Facilities and equipment are maintained using manufacturers' recommendations and standard operating procedures for each maintenance task. This activity is tracked by a computerized maintenance management system.

### Corrective Maintenance

The need for corrective maintenance is minimized through the effective implementation of predictive and preventive maintenance programs. However, even with the best preventive and predictive maintenance, corrective maintenance is required from time to time. When unscheduled maintenance is required, Severn Trent performs the necessary work in the most expedient and cost-effective manner through proper and effective management of work orders, personnel, inventory and purchase orders.



Maintenance personnel are on standby 24 hours per day, seven days per week. Subcontractors are utilized when necessary to ensure that maintenance schedules are met.

### Computerized Maintenance Management

Severn Trent's computerized maintenance management system is a key component our asset management-based approach to maintenance. With the overall objective of extending the useful life of our clients' valuable equipment and protecting against failure, our standardized computerized maintenance management system allows us to:

- Develop a targeted strategy for preventive maintenance scheduling that is unique to each facility, utilizing breakdown statistics collected during the transition and over the life of the project to forecast potential equipment failure
- Meet safety requirements by managing permits and other documentation such as lockout-tagout, confined space and electrical safety
- Generate work orders for predictive, preventive and corrective maintenance activities that include a listing of required tools and other consumables
- Integrate a list of suppliers into the system that will automatically trigger purchases of consumables when established thresholds are reached
- Quickly analyze equipment performance throughout the project via reports such as the "Top 10 List" of equipment repaired by hours worked or dollars spent
- Create customized reports documenting maintenance history and associated equipment performance for our clients, regulatory authorities and other key stakeholders

Implemented as part of our transition, our maintenance management system is a Windows-based system with access controlled by individual login. Equipment, tasks and scheduling information entered into the system are the basis for a calendar that uses color coding to indicate the status of every work order. A variety of reports are generated, based upon the individual client's requirements, and the resulting database serves as a valuable historical record of maintenance activities performed throughout the life of each piece of equipment.

Through asset management, Severn Trent seeks to improve performance through enhanced or modified process control rather than costly capital replacement and expansion. Severn Trent uses Hach JOB Cal® Plus at many of our projects to manage maintenance at the facilities. This computerized maintenance management system organizes and documents our maintenance effort. It provides scheduling of maintenance tasks, documentation of work performed and gives Severn Trent the ability to analyze data to spot maintenance trends. It is a valuable tool in enforcing equipment warranties.

Severn Trent is aware that the City currently has a CMMS system and we can work with the existing system should the City so desire. Severn Trent can however, in conjunction with the assets evaluation and asset management plan, install the Hach JOB Cal® Computerized Maintenance Management Software (CMMS) which allows us to catalog each piece of equipment, setup maintenance schedules, issue work orders and log maintenance items. This system will allow us to provide Severn Trent's operating approach and recognize the challenges faced by projects around the country in addressing future infrastructure needs. Therefore, in each project we undertake, we strive to improve overall asset management.



Preventive maintenance work orders are issued to appropriate personnel through the Hach JOB Cal® CMMS. These work orders reflect the manufacturer's recommended maintenance activities as well as any other maintenance activities our experience has shown to be useful in lengthening the life of the equipment at the lowest possible cost. These work orders also include any special safety precautions. A formalized maintenance request system is in place for staff to document suspected maintenance issues in facility equipment.

Compliant operations are our business. Building relationships and working close to the regulatory community is critical to the success of each of our projects. Critical to compliant operations and keeping the regulatory community happy is a full understanding of what is happening at the facility and in each of the different processes. The collection and proper maintenance of the plant data is critical and the Hach Water Information Management Solution (WIMS)<sup>™</sup> system provides the ability to collect, maintain and report the process data. Our goal is 100% compliance.

### Capital Improvement Planning

As a company that takes great pride in its assets management expertise, Severn Trent is well aware of the different factors driving the need for capital upgrades, expansion and replacements. Over the years, our operation-focused approach to capital improvement planning has saved our clients millions of dollars in avoidable capital outlays. To identify these savings opportunities, we begin with a careful review of planned capital expenditures and culminate with the development of a working draft of a revised capital improvement plan. This draft plan also addresses capital needs tempered by financial constraints, resulting in an analysis that truly attempts to balance priorities.

Our Technical Services Group is available to assist project personnel with this assessment. This capital improvement planning assistance is provided as part of our standard operations and maintenance services. The level of effort varies from project to project and services are provided under our base operating fee.

The following are examples of how Severn Trent has positively impacted the capital improvements program for our clients:

- **Gilbert, Arizona** – Because of studies performed by project staff and the Technical Services Group and the involvement of Dr. John Watts, a leading wastewater expert from the UK, the Town's design engineer agreed to adding supplemental air in the oxidation ditches to more efficiently meet the process's oxygen demands. In another situation when the decreased reliability of effluent filters threatened compliance at the Gilbert facility, Severn Trent researched solutions for their replacement. Our Project Manager, who is a registered professional engineer, designed the retrofit at no additional cost to the Town. We also provided construction management of the project as a value added service.
- **Kingwood, Texas** – We were instrumental in designing, installing and programming a SCADA system that monitors performance of the various components of the water and wastewater systems. The SCADA system allows our operators to view operations of the system on a continuous basis and exert greater control over the operations. Our Technical Services Group also recommended converting to fine air diffusion. When the mechanical aerators were removed, capacity was gained and power costs were reduced. All told, electricity usage has decreased approximately 30% because of associated process changes. Our Technical Services Group was also able to save our client more than over \$1,000,000 in construction costs by raising the level in the aeration tanks when replacing the mechanical aerators.



- Danville, Virginia – When Severn Trent offered the City of Danville a proposal to operate, maintain and manage their wastewater treatment facilities, we suggested changing the treatment process from pure oxygen to fine bubble diffusion. The City contracted with Severn Trent for the operation of its facilities and, since then, the City has begun implementing our suggestions as well as additional repairs and upgrades to improve the treatment process and our Technical Service Group has been working with the City's selected engineer to plan the upgrade. We recommended upgraded design innovations to expand the plant's activated sludge volume without building new tanks. The City's consulting engineer accepted our recommendation to raise the level in the aeration tanks, which was so beneficial for our client in Kingwood. By raising the aeration basin level and increasing the blower pressure at the facility, the City has retained the maximum existing capacity while changing over to air from pure oxygen – all without building more tank capacity. When complete, the upgrade will convert the plant from a pure oxygen to a conventional aeration system, which will significantly reduce operating costs for the treatment process.

Beyond providing capital planning assistance, Severn Trent has also invested capital to positively impact operations at several projects. During the first six months of our Mustang, Oklahoma and Alamogordo, New Mexico projects, Severn Trent funded, contracted and coordinated the construction and installation of the complete belt filter press and solids handling buildings.

### Task 3.4

#### Communications

Communication is vital to the successful performance of any contract. Our Project Manager will serve as the primary contact and ensure all avenues of communication are open and every effort is made to listen and respond quickly. Our Project Manager will make routine visits to the City Manager's office to discuss any needs or concerns that the City may have related to the operation of the facilities. Additionally, the Project Manager will be available to attend city council meetings at the City's discretion. Our employees will understand the company's commitment to respond promptly and openly to all City employees and designated officials. Severn Trent's culture is one in which all staff have a duty to the client and the client's customers.

When an emergency arises, our Project Manager will contact the City according to the protocol that will be established during the transition. While we will use best effort to contact the appropriate City representatives, there may be times when they are not available during an emergency. If in our opinion a serious emergency exists, we will do what is necessary to protect the environment and the residents of the community. A full follow-up report documenting details of the emergency and actions taken will be forwarded in a timely manner.

Severn Trent will make available all budgetary, financial and operational records related to the project for City review. We will present to the City any and all technical information that affects the operation of your treatment facilities. Severn Trent will also offer assistance to City employees in the inspection of any facilities or records. Ultimately, it is our policy to keep the City fully informed about all aspects of the project through use of an open-book accounting system that allows City staff and officials to review all records regarding the operation at any times.

The Project Manager will forward to the City copies of monthly operations and maintenance reports, state agency inspection reports and discharge monitoring reports that are filed with state regulatory



authorities. In addition, as part of our dealings with regulatory agencies, Severn Trent welcomes inspections and unannounced site visits by the regulatory authorities. These visits act as a check on the way we operate. We can and do take these inspections seriously and always respond to these inspections in a timely manner.

### Interaction with Regulatory Agencies

Severn Trent understands the importance of quality communications and interaction with regulatory agencies. We have committed several people in Severn Trent's Technical Services Group to monitor all applicable regulations so that our Project Managers are kept aware of any new or pending rules and regulations that may impact our operations and your facilities. The reporting process is closely scrutinized and procedures implemented to outline the proper protocol when working with the regulatory groups.

The primary way to achieve this good relationship is through the timely submittal of accurate regulatory reports and through open communication with regulatory authorities. We have been providing operating services across the country for more than 30 years and have developed a strong rapport with regulators in the states we provide services. We have maintained open, effective communications to build a strong working relationship.

We maintain a regulatory tracking program to ensure that all correspondence is responded to and required reports are completed by their regulatory deadlines. This tracking program details the specific task which needs to be completed and the required due date to allow employees to closely monitor and satisfy upcoming regulatory requirements.

Severn Trent has also developed computer spreadsheets for producing the monthly reports required for water and wastewater systems. These spreadsheets ensure that the collected data is analyzed and reported accurately. In addition, the spreadsheets allow easy manipulation and storage of large quantities of data to enable calculation of long-term trends, which aid in the planning, budgeting and reporting processes.

The operation of water and wastewater facilities periodically involves unexpected situations that must be reported to regulatory authorities and facility owners. Severn Trent has protocols in place for employee reference to provide guidance on the type and manner of reporting for these events. Forms for situations such as abnormal events and boil water notices have been developed to guide employees in providing consistent reports containing the necessary information requested by regulators and facility owners. In the event a meeting with regulatory officials is necessary, the Project Manager and other Severn Trent personnel can be made available to assist in discussions and resolutions.

### Customer Relations

Given our presence in the community, we will emphasize customer relations procedures. A plan for handling complaints, problems and inquiries with proper channels of communication will be developed in conjunction with the City at the start of the contract.

Employees who handle customer requests or complaints will receive special training for dealing with such situations. They will be provided resources to be able to accurately and quickly answer questions and address customer concerns in a satisfactory manner.



Additionally, once a customer's issues have been heard, staff will know the proper procedure for solving the problem. For instance, if the complaint is about odors, the customer service procedures will provide step-by-step instructions about who to contact to remedy an odor problem.

### Community Interface & Involvement

Severn Trent's philosophy with regard to community outreach is based on the recognition that we are part of the local community once project transition begins. Our employees have typically resided within the communities we serve well before their employment with Severn Trent. Therefore, we encourage employees and management to participate in community activities and make meaningful contributions based on the specific needs of the community we are serving.

We believe in being an integral part of the community in which we live and work. Severn Trent works closely with our customers to develop and participate in community activities and programs. We regularly participate in community informational and exchange sessions regarding the treatment systems we operate and attend meetings with local officials.

Our participation in community activities is typically guided by the Project Manager, which allows considerable flexibility and customization. Therefore, our participation in community programs and events ranges from sponsoring rodeos to contributing to scholarship funds.

In all of our projects, Severn Trent believes that our role in the community includes being a trusted resource in emergency situations and we have demonstrated a commitment to the communities we serve during disaster recovery efforts. Our teams are often very active during the period following a severe weather event or natural disaster. Therefore, our Project Manager will strive to be prepared and work closely with City management to help address emergency needs.

### Task 3.5

Severn Trent Services is quite familiar with deep well injection in the State of Florida. One project in particular that employed deep well injection was Lehigh Acres, Florida. Severn Trent provided operations and maintenance and customer service in Lehigh Acres from 2003 through 2011. We were responsible for a 3.875 MGD tertiary wastewater treatment plant (including 0.5 MGD Zenon MBR facility) with reuse, 3.1 and 1 MGD water treatment plants, 16 wells, collection and distribution systems, 66 lift stations, meter reading, billing and customer service

We also began an infiltration and inflow removal project which included testing and sealing joints and laterals, manhole to manhole lining, smoke testing, cleaning and video inspecting sewer lines. This assisted with restoring the manholes to their original condition. This work reduced the flow to the wastewater treatment plant.

When a decision was made to install remote telemetry on critical lift stations, Severn Trent provided assistance and information on the stations needing upgrades based upon our many years of experience with the system.

### Task 3.6

Severn Trent has been performing storm water collection services since 1981. Currently we are conducting services in 19 municipalities as indicated in the below table.



Client	State	Wastewater Treatment # WWTPs	Design Flow (MGD)	Average Daily Flow (MGD)	Pump Stations	# Pump Stations	Collection System Miles of Collection System	Any Other Services	Project Scope	Client Reference	Contract Start		
Addicks UD	TX	■	1	0.8	0.0	■	2	■	Storm interceptors, detention ponds	0.8 MGD WWTP, 1.44 MGD, 0 MGD WTP, 2 pump stations, collection system, distribution system, meter reading, billing, customer service, storm interceptors, detention ponds	Michael Ligon, Board President; 18323 Fern Trail Ct., Houston, TX 77084; 281-646-0828	2007	
Barker Cypress MUD	TX	•				■	1	■	9	Storm interceptors, detention ponds	1.2 MGD, 1.2 MGD WTP, 2 wells, 1 pump station, collection system, distribution system, meter reading, billing, customer service, storm interceptors, detention ponds	Mal Marks, Board President; 5150 Santrey, Houston, TX 77084; 281-463-6272	1981
Fort Bend County MUD #134C	TX	•				•		■	8	Stormwater collection system	Collection system, distribution system, meter reading, billing, customer service, stormwater collection system	Travis Stone, Developer; 11200 Richmond Ste 280, Houston, TX 77082; 281-809-7802	2012
Fort Bend County MUD #151	TX	■	1	0.6	0.3	■	3	■	10	stormwater collection system	0.6 MGD WWTP, 3.744 MGD WTP, 3 wells, 3 pump stations, collection system, distribution system, meter reading, billing, customer service, stormwater collection system	Lynn Humphries, Attorney; 3200 Southwest Freeway, Suite 2600, Houston, TX 77027; 713-860-6400	2012
Fort Bend County MUD #156	TX	•				•		■	3	Stormwater collection system	Collection system, distribution system, meter reading, billing, customer service, stormwater collection system	Katie Sherborne, Attorney; 3200 Southwest Freeway, Suite 2600, Houston, TX 77027; 713-860-6400	2012
Harris County MUD #166	TX	■	1	0.3	0.1	•		■	4	Storm interceptors, detention ponds	0.25 MGD WWTP, collection system, distribution system, meter reading, billing, customer service, storm interceptors, detention ponds	Richard Love, Board President; 16215 Willowpark Dr., Tomball, TX 77375; 281-320-1112	2000
Kaufman County MUD #12	TX	•				•		■	5	Drainage system	Collection system, distribution system, drainage system	Joey Gueda, Board President; 5438 Ridgedale Ave., Dallas, TX 75206; 214-684-4427	2006
Kaufman County MUD #5	TX	•				■	1	■	20	Drainages ystem	1 pump station, collection system, drainage system	John Sammons, Board President; 9636 Crestedge Dr., Dallas, TX 75238; 214-341-6606	2004
Kaufman County MUD #6	TX	•				•		■	20	Drainage system	Collection system, drainage system	Steven Shrum, Board President; 907 Hillcrest Tr., Southlake, TX 76092; 817-424-3837	2004
Kaufman County MUD #7	TX	•				•		■	7	Drainage system	Collection system, drainage system	Ryan Griffis, Board President; 8018 Nimrod Tr., Dallas, TX 75238; 214-221-4101	2004
Northwest Harris County MUD #9	TX	■	1	1.5	0.5	■	3	■	7	Storm interceptors	1.5 MGD WWTP, 1.2 MGD, 1 MGD WTP, 2 wells, 3 pump	Ronald Mitchell, Board President; 12610 Mill	1990



Client	State	Wastewater Treatment # WWTPs	Design Flow (MGD)	Average Daily Flow (MGD)	Pump Stations	# Pump Stations	Collection System Miles of Collection	Any Other Services	Project Scope	Client Reference	Contract Start		
								s, detention ponds	stations, collection system, distribution system, meter reading, billing, customer service, storm interceptors, detention ponds	Ridge Dr., Cypress, TX 77429; 713-685-5813			
Remington MUD #1	TX	■	1	1.1	0.5	■	6	■	10	Storm interceptors, detention ponds	1.1 MGD WWTP, 2.376 MGD, 0 MGD WTP, 6 pump stations, collection system, distribution system, meter reading, billing, customer service, storm interceptors, detention ponds	Vernon Elmore, Board President; 16503 Stone Prairie Dr., Houston, TX 77095; 713-735-0000	1981
Sunfield MUD #4	TX	•				■	2	■	5	Drainage facilities, detention pond maintenance	3 pump stations, collection system, billing, customer service, drainage facilities, detention pond maintenance	Reed Colman, Board President; 3 Greenway Plaza, Ste. 2000, Houston, TX 77046; 713-651-0111	2010
West Keegans Bayou Improvement District	TX	•				•		•		3 stormwater detention ponds	3 stormwater detention ponds	Sandra Weider, Board President; 15014 Tramore, Houston, TX 77083; 281-530-2453	1991
Williamson-Travis Counties MUD #1	TX	•				■	3	■	10	General mgmt /accounting services, detention pond maint	3 pump stations, collection system, distribution system, meter reading, billing, customer service, public works/parks, general management and accounting services, detention pond maintenance	Linda Garrett, Board President; 1307 Texas Oak Way, Cedar Park, TX 78613; 512-424-1150	1995
Willow Fork Drainage District	TX	•				•		•		Drainage structures	Drainage structures	Richard Ward, Board President; 21403 Kelliwood Greens Dr., Katy, TX 77450; 281-578-6242	2003

To further illustrate our experience in storm water collection, we have elected to provide details on selected projects below.

**Prichard, Alabama**

Severn Trent began wastewater operations, maintenance and management for the Water Works and Sewer Board of the City of Prichard in 2007. In 2009, the Board expanded Severn Trent’s scope to include the balance of the utility systems: four elevated tanks and one stand-pipe with a combined water storage capacity of 1.75 million gallons, 250 miles of distribution system in two different pressure zones, 150 miles of collection system and 26 lift stations plus customer service, meter reading and billing for 11,600 accounts.

With Severn Trent’s understanding of the Board’s short-, medium- and long-term goals, it was evident that significant capital investment was needed to accelerate improvements to the operation. The collection system was under a state consent decree due to extensive I&I and CSO issues so Severn Trent invested its capital in equipment to successfully implement a Capacity, Management, Operations and Maintenance (CMOM) program with in-house staff. As part of this program, we



regularly inspect and remove fats, oils and grease buildup at all lift stations. Severn Trent's capital was also used to improve security and safety at the facilities, for a new belt filter press to improve the effectiveness and reduce the cost of sludge handling and for customer service improvements such as statement billing and a renovated customer service payment center. All told, Severn Trent invested nearly \$1.7 million to improve operations in Prichard.

Our achievements during the first nine months of the new contract include:

- investing \$1,200,000 in capital and equipment improvements
- making over 100 sewer repairs and capping numerous abandoned sewer laterals to reduce I&I and overflows. Sanitary sewer overflows were eliminated except during significant rain events.
- utilizing our staff to clean sewer lines, eliminating the use of an outside contractor and reducing operating costs at least \$150,000 annually
- repairing over 200 water leaks, significantly reducing lost water from 42% to a low of 13.5%
- Implementing programs to routinely test, maintain and flush all fire hydrants and to locate test and repair all water valves
- Providing an uninterrupted supply of water to the people of Prichard. In fact, only one family experienced a short-term water loss during the extreme cold in January.
- Adding the belt press to wastewater operations that should save at least \$450,000 annually
- Cross training employees to expand their skill sets and increase overall staffing flexibility
- Instituted our comprehensive safety policy to ensure the safety of our employees and the community we serve

The Board commissioned an independent CPA analysis of the benefits of the new contract. The findings estimated the Board will realize savings in excess of \$10 million through the initial term of the expanded partnership. In addition to the financial benefits, key performance indicators such as leakage, billing accuracy, energy and sludge reduction targets were written into our performance-based contract.

### Riverwood CDD, Florida

Severn Trent has provided management services to the District since its inception in 1991 and assumed responsibility for operation and maintenance of the water and wastewater systems in 2003. The systems include a 0.5 MGD advanced wastewater treatment plant, 19 lift stations, collection and distribution systems for the 1,265 acre, master planned, mixed-use community located in Charlotte County.

Recent projects include a program to control odors by recommending injection sites for an odor control agent at selected lift stations. Our operators closely coordinate the injection schedule with the contractor to ensure the treatment does not cause a plant upset. We have also upgraded the SCADA system at the lift stations and the plant to improve monitoring efficiency which, in turn, improves process control techniques and water quality.

### Task 3.7

#### Training, Certifications and Advancement Opportunities

At Severn Trent, we recognize that much of the success of the company rests on the skills and commitment of our most valuable resource – our people. This is why, at every level, training and



developing our employees is seen as central to the health and growth of our organization. Training is a tool that enables employees to sharpen existing expertise and gain new skills that will help them develop personally and professionally and contribute to increased productivity, higher standards and improved client service.

Marie Davis, TSG Senior Process Specialist and Peter Strimple frequently travel to Severn Trent projects across the United States. One of their primary responsibilities is to train water and wastewater operators, project managers and other personnel on numerous analytical procedures, QA/QC, recordkeeping, data validation, environmental compliance and much more. In addition, Peter has extensive knowledge of, and experience with, the FDEP's "Standard Operating Procedures for Field Activities" (DEP-SOP-001/01). Adherence to these SOPs is required in FDEP wastewater permits and Peter has trained operators from several Florida wastewater treatment plants on many of these SOPs. Marie Davis is also experienced in ensuring adherence to the FDEP SOPs at various wastewater plants in Florida.

We encourage every employee to take the opportunities to develop and increase his/her effectiveness through either on-job training, in-house or external specialized courses, correspondence courses and/or professional and management certifications. Severn Trent provides each employee up to \$1,000 per year for job-related classes and seminars and up to \$3,000 per year for accredited job-related college courses.

**Certifications** - We encourage and reward operations and maintenance personnel for achieving certifications that promote professional excellence. Our certification incentive program provides opportunities for participants to receive additional compensation and receive reimbursement for the cost of certification. Any employee who earns certification or upgrades to a higher certification level is eligible for a salary adjustment at that time. The program is open to all operations staff that are managing, supervising, maintaining and operating facilities, laboratories or systems.

Employees who upgrade their water and wastewater certifications will receive a one-time financial incentive award for earning the higher certification and will have their base compensation increased according to established program guidelines. Severn Trent pays all certification costs including schooling, exam fees and renewal fees.

In addition to operations and maintenance certifications, Severn Trent recognizes additional certifications that are determined to bring value to the company. These certifications receive a one-time incentive award of \$200 plus an additional \$25 per month salary increase. Examples include backflow prevention assembly tester, customer service inspection, electrical and instrumentation certifications.

**Spot Bonuses** – From first line supervisors to senior managers, our management team members are empowered to authorize immediate spot bonuses to any employee for service above and beyond the norm. Although not large in monetary value, these bonuses are another way for us to recognize and encourage excellent performance in service to our clients.

**Facility Excellence Awards** – Severn Trent's goal for facility performance is 100% compliance. We strive to achieve this goal at every facility we operate. We recognize that much of that success is a result of the dedication of the facility's operators. When our clients and we receive recognition for excellence in operation from either regulatory agencies or professional associations, we reward the



full-time employees responsible for that success with an additional bonus as well as the public recognition of their efforts:

- \$200 for a state water or pollution control association O&M excellence award
- \$500 for regional EPA O&M excellence award
- \$750 for a national EPA O&M excellence

**Cross Training** – is a fundamental aspect of our operations. This principle allows Severn Trent to conduct cost-effective operational services by employing a lean and multi-skilled workforce.

Additionally, the practice of cross training is part of Severn Trent’s long-term objective of succession planning. Our project managers, as part of their career development profile, are tasked with identifying those employees who demonstrate the willingness and ability to ascend the ranks of management and to provide them with the needed resources to achieve their career goals.

Month	Topic
January	Exit Routes, Emergency Action Plans and Fire Prevention
	Recordkeeping
February	Employee Rights and Responsibilities
	Workplace Postings
	Back Safety
	Accident Prevention Signs and Tags
March	Occupational Health and Environmental Control (including Occupation Noise Exposure and Incident Investigation and Reporting)
	Permits to Work
April	Medical and First Aid
	Fire Protection
	Vehicle Safety
	Driver Awareness
May	General Environmental Controls (including Signs and Labeling, Permit Required Confined Spaces and Lockout/Tagout)
	Heat Related Illnesses
June	Personal Protective Equipment (including Respiratory Protection)
	Excavation
July	Hazardous Materials (including Flammable and Combustible Liquids and Process Safety Management)
	Office Safety/Ergonomics
August	Machinery and Machine Guarding
	Hand and Portable Powered Tools and Other Hand-Held Equipment (including Guarding of Portable Powered Equipment)
September	Toxic and Hazardous Substances (including Air Contaminants, Access to Employee Exposure and Medical Records, Bloodborne Pathogens and Hazard Communication)
October	Electrical
	Contractor Safety
	Asbestos
November	Welding, Cutting and Brazing
	Walking/Working Surfaces (including Slips, Trips and Falls and Ladder Safety)
	Fall Protection
December	Material Handling and Storage (including Powered Industrial Trucks, Overhead and Gantry Cranes, Crawler, Locomotive and Crane Trucks, and Slings)

Safety Training

We recognize that successful performance depends on our employees and, therefore, we diligently ensure that each employee receives extensive on-the-job safety training.

The safety coordinator holds monthly safety meetings at which various safety topics from the Health & Safety Manual and safety training program are discussed. Of particular concern is training of personnel in techniques for proper handling of chemicals, chemical spill cleanup/hazard

response and confined space entry procedures. We provide training on our standard safety programs including chemical “right-to-know,” hazardous spill responder, lock out/tag out and blood-borne pathogens. Employees are also trained on the use and limitations of personal safety equipment and are fit tested and medically certified to use respirators and self-contained breathing units. Practice drills are also conducted to ensure hands-on proficiency when faced with various safety situations. Representatives of the City are also welcome to participate in our safety training.

Severn Trent is constantly keeping up-to-date with new safety legislation and developing appropriate training initiatives. Our knowledge base is continuously examined to ensure that each of our operations has the advantages of knowledge and experience gained both within the United States and through our worldwide operating companies.



## Task 4.0 – Licenses and Certifications

### Task 4.1

Severn Trent Services is committed to monitoring all applicable state regulations to maintain awareness of any new or pending rules associated with certification requirements. All licensed and certified personnel, whether in operations or maintenance positions, will be scheduled for training in accordance with their certification requirements. Each supervisor and direct report together will develop a training plan annually with quarterly review to ensure sufficient progress toward the target date for completion. Our certification incentive program provides opportunities for participants to receive additional compensation and receive reimbursement for the cost of certification. Any employee who earns certification or upgrades to a higher certification level is eligible for a salary adjustment at that time. The program is open to all operations staff that are managing, supervising, maintaining and operating facilities, laboratories or systems.

### Task 4.2

Copies of licenses and certifications for the key personnel listed below are provided on the following page.

Robert M. Dick, Senior Area Manager  
Class A Wastewater Treatment Plant Operator, State of Florida

Bert Underwood, Project Manager  
Class A Wastewater Treatment Plant Operator, State of Florida

Richard Gardner, Regional Manager  
Underground Utility & Excavation Contractors License, State of Florida

A Certificate of Good Standing from the State of Florida for Severn Trent Environmental Services, Inc., the contracting entity, is included as well.



**State of Florida**  
**Department of Environmental Protection**

**ISSUED:** 3/21/2013 **LICENSE NO.:** 0006712

THE CLASS A WASTEWATER TREATMENT PLANT OPERATOR NAMED BELOW IS LICENSED UNDER THE PROVISIONS OF CHAPTER 403, FLORIDA STATUTES.

**VALID UNTIL:** 4/30/2015

**ROBERT M. DICK**

RICK SCOTT HERSCHEL T. VINYARD, JR

GOVERNOR SECRETARY

**DISPLAY IS REQUIRED BY LAW**

**State of Florida**  
**Department of Environmental Protection**

**ISSUED:** 4/18/2013 **LICENSE NO.:** 0013852

THE CLASS A WASTEWATER TREATMENT PLANT OPERATOR NAMED BELOW IS LICENSED UNDER THE PROVISIONS OF CHAPTER 403, FLORIDA STATUTES.

**VALID UNTIL:** 4/30/2015

**BERT K. UNDERWOOD**

RICK SCOTT HERSCHEL T. VINYARD, JR

GOVERNOR SECRETARY

**DISPLAY IS REQUIRED BY LAW**

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**AC# 6230564** **STATE OF FLORIDA**

**DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**  
**CONSTRUCTION INDUSTRY LICENSING BOARD**

**SEQ# L12072701198**

DATE	BATCH NUMBER	LICENSE NBR
07/27/2012	127003958	CUC1224946

The UNDERGROUND UTILITY & EXCAVATION CO  
Named below IS CERTIFIED  
Under the provisions of Chapter 489 FS.  
Expiration date: AUG 31, 2014

**GARDNER, RICHARD GARY**  
**SEVERN TRENT ENVIRONMENTAL SERVICES INC**  
**5352 SIESTA COURT**  
**SARASOTA FL 34232**

RICK SCOTT KEN LAWSON  
GOVERNOR SECRETARY

**DISPLAY AS REQUIRED BY LAW**



## *State of Florida Department of State*

I certify from the records of this office that SEVERN TRENT ENVIRONMENTAL SERVICES, INC. is a Texas corporation authorized to transact business in the State of Florida, qualified on April 26, 1985.

The document number of this corporation is P05815.

I further certify that said corporation has paid all fees due this office through December 31, 2013, that its most recent annual report/uniform business report was filed on April 22, 2013, and its status is active.

I further certify that said corporation has not filed a Certificate of Withdrawal.

*Given under my hand and the  
Great Seal of the State of Florida  
at Tallahassee, the Capital, this  
the Thirtieth day of May, 2013*



*Ken DeFina*  
**Secretary of State**

Authentication ID: CU7323598334

To authenticate this certificate, visit the following site, enter this ID, and then follow the instructions displayed.

<https://efile.sunbiz.org/certauthver.html>



### Task 5.0 – Safety

#### Task 5.1

##### Safety

Severn Trent has established three key health and safety principles for all employees:

- If a job cannot be done safely, don't do it.
- Always look out for safety hazards.
- Never ignore a safety hazard; fix it or report it.

Our operations have received numerous awards for safety-related programs. The success of our safety program is best illustrated by the continued decrease in lost work day cases and the continued reduction in workers' compensation costs. Further, our EMR (experience modification rating) has declined from 1.4 in 2001 to 0.78 in 2011-12.

As part of the transition, Severn Trent will develop a safety management plan based upon factors including the project scope, facility design, existing equipment and the process control program. We will evaluate facilities for OSHA compliance and meet with employees to discuss the transition and get their input on needs and concerns. The plan will include an inventory of personal protective equipment (PPE) that will be required and provided and will address specific requirements for inspection and maintenance of safety equipment such as air monitoring meters, safety harnesses, lifting equipment and breathing apparatus. This plan will be regularly reviewed and updated to reflect changes to operating conditions and equipment and revisions to the OSHA safe work standards.

We will implement our standard safety programs such as chemical "right-to-know," hazardous spill responder, lock out/tag out and blood-borne pathogens. Employees will be evaluated to confirm an understanding of how to perform activities safely and any needed training will be conducted. Employees will be provided with personal safety equipment and trained on its use and limitations. All employees will be fit tested and medically certified to use respirators and self-contained breathing units.

Ensuring a healthy and safe work environment for our employees is emphasized throughout the Severn Trent organization and, in fact, is a vital part of our corporate culture. We utilize a multi-level approach to developing, implementing and updating the health and safety program, which is under the direction of a Vice President who reports directly to the President of Severn Trent Services. Our health and safety policy details the responsibilities of all levels of employees within the organization.

On a project level, a site safety coordinator will be appointed and trained. Working with the Regional Health and Safety Manager and Manager of Compliance, this person will be responsible for the coordination of training, safety issues and accident investigations.

We recognize that successful performance depends on our employees; therefore, we diligently ensure that each employee receives extensive on-the-job safety training including procedural training that is in compliance with OSHA regulations. The safety coordinator participates in monthly train-the-trainer programs and holds monthly safety meetings. Of particular concern is training of personnel in techniques for proper handling of chemicals, chemical spill cleanup/hazard response



and confined space entry procedures. Practice drills are conducted to ensure proficiency when faced with various safety situations.

Systems will be introduced at your facilities that monitor the effectiveness of health and safety applications. This will typically include records such as near misses, number of accidents, type of accidents and employee days lost through injury. These statistics feed into the training needs and employee assessment area.

In addition to our ongoing health and safety monitoring, Severn Trent has adopted a practice of regular formal safety inspections to ensure that the importance of safety awareness is emphasized to employees. Our Project Manager will perform monthly inspections while the Manager of Compliance and/or Regional Manager will conduct annual environmental and safety audits.

Severn Trent is constantly keeping up-to-date with new safety legislation and developing appropriate training initiatives. Our knowledge base is continuously examined to ensure that each of our operations has the advantages of knowledge and experience gained both within the United States and throughout our worldwide operating companies.

### **Task 5.2**

Severn Trent has not experienced any safety citations in the State of Florida during the past five years.



## Task 6.0 – Corporate Capability

### Task 6.1

#### Financial Strength

The Severn Trent Services organization features a number of companies across several divisions and operations worldwide with revenues totaling \$519.8 million as of March 2013. We are part of the Severn Trent Plc group of companies. Severn Trent Plc is a \$2.8 billion publicly traded company on the London Stock Exchange. Severn Trent Plc is recognized as an industry leader in the global marketplace and has received the following recognition:

- Listed on the FTSE 100 Index, a share index of the 100 most highly capitalized companies listed on the London Stock Exchange.
- Listed on the Dow Jones STOXX Sustainability Index, which tracks European sustainability leaders and is comprised of the leading 20% of the Dow Jones STOXX 600 Index.

A copy of the Annual Reports for Severn Trent Plc for the past five years is provided on a separate flash drive for your review. They can also be accessed through website at [www.severntrent.com/investors/reports](http://www.severntrent.com/investors/reports).

MEMORANDUM OF INSURANCE				DATE	
<p>This Memorandum is issued as a matter of information only to authorized viewers for their internal use only and confers no rights upon any viewer of this Memorandum. This Memorandum does not amend, extend or alter the coverage described below. This Memorandum may only be copied, printed and distributed within an authorized viewer and may only be used and viewed by an authorized viewer for its internal use. Any other use, duplication or distribution of this Memorandum without the consent of Willis is prohibited. "Authorized viewer" shall mean an entity or person which is authorized by the insured named herein to access this Memorandum. The information contained herein is as of the date referred to above. Willis shall be under no obligation to update such information.</p>				1-Jul-2012	
<p>PRODUCER Willis of Pennsylvania, Inc. ("Willis")</p>				<p>INSURERS AFFORDING COVERAGE INSURER A: AIA Insurance Company - NAIC #32022-001 INSURER B: Travena Property Casualty Company of America - NAIC # 28074-000 INSURER C: Travena Indemnity Company of America - NAIC # 23695-02 INSURER D: Travena Property Casualty Company of America - NAIC # 28074-000 INSURER E: Chartist Specialty Insurance Company, USA - NAIC # 20883-002 INSURER F: Federal Insurance Company - NAIC # 20201-001</p>	
<p>INSURED Severn Trent Services, Inc. The Founders Building Ste 300 580 Virginia Drive Fort Washington, Pennsylvania 19034 United States</p>					
<p>COVERAGES</p> <p>THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS MEMORANDUM MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.</p>					
INSTR.	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE	LIMITS IN USD UNLESS OTHERWISE INDICATED
A	GENERAL LIABILITY COMMERCIAL GENERAL LIABILITY OCCURRENCE	PC00106812	1-1-12	1-1-13	GENERAL AGGREGATE PRODUCTS COMP/OP AGG \$2,000,000 PER/ACC AND ADV INJURY \$2,000,000 EACH \$2,000,000 FIRE DAMAGE \$7,000,000 MED EXP \$5,000
B	AUTOMOBILE LIABILITY ANY AUTO \$200 Comp/\$500 Coll Def	TC20-823R1818 TL-12	1-1-12	1-1-13	CORREDED SINGLE LIMIT \$1,000,000 BODILY INJURY (PER PERSON) \$500,000 PROPERTY \$500,000
A	EXCESS LIABILITY OTHER THAN UMBRELLA FORM	X300108712	1-1-12	1-1-13	EACH OCCURRENCE \$4,000,000 AGGREGATE \$4,000,000
C	WORKERS COMPENSATION/ EMPLOYERS LIABILITY THE PROPRIETOR / PARTNERS/ EXECUTIVE OFFICERS ARE INCLUDED	TC2K-LB-8042X19-12 (AOS) TRK-LB-8042X200 19 (AZ, MA, WI) TC2K-LB-8042X19-12 (CA)	1-1-12	1-1-13	WORKERS COMP LIMITS Statutory EL EACH ACCIDENT \$1,000,000 EL DISEASE - POLICY LIMIT \$1,000,000 EL DISEASE \$1,000,000
A	PROFESSIONAL LIABILITY	PC00106812	1-1-12	1-1-13	CLAIMS MADE \$2,000,000 PER CLAIM/AGG
F	CONTRACTOR POLLUTION LIABILITY	CPL 3779349	1-1-12	1-1-13	CLAIMS MADE \$6,000,000 PER CLAIM/AGG
E	COMMERCIAL CRIME / FIDELITY	8500-6283	1-1-12	1-1-13	PER LOSS \$1,000,000

### Task 6.2

Severn Trent has never had a bankruptcy filing, nor have any of the affiliated companies ever filed for bankruptcy.

### Task 6.3

#### Insurance

Severn Trent carries more than adequate levels of insurance and can easily comply with insurance coverage requirements. A representative memorandum of insurance, located on right of this page, provides information about standard coverages and descriptions.

Severn Trent will meet the required levels of coverage

### Task 6.4.1

#### Company Ownership

Severn Trent Environmental Services, Inc. (STES) is a wholly owned subsidiary of Severn Trent (Del), Inc., which is completely owned by Severn Trent Plc.

#### Corporate Structure

City of Key West

Professional Contract Services to Operate, Maintain, and Manage the City's Wastewater Treatment Wastewater Collection and Lift/Pumping Stations, and Stormwater Collection and Pumping Stations

12-536-3000-MAM

MEMORANDUM OF INSURANCE		DATE
<p>This Memorandum is issued as a matter of information only to authorized viewers for their internal use only and confers no rights upon any viewer of this Memorandum. This Memorandum does not amend, extend or alter the coverage described below. This Memorandum may only be copied, printed and distributed within an authorized viewer and may only be used and viewed by an authorized viewer for its internal use. Any other use, duplication or distribution of this Memorandum without the consent of Willis is prohibited. "Authorized viewer" shall mean an entity or person which is authorized by the insured named herein to access this Memorandum. The information contained herein is as of the date referred to above. Willis shall be under no obligation to update such information.</p>		1-Jul-2012
<p>PRODUCER Willis of Pennsylvania, Inc. ("Willis")</p>	<p>INSURED SEVERN TRENT SERVICES, INC. The Founders Building Ste 300 580 Virginia Drive Fort Washington, Pennsylvania 19034 United States</p>	
<p>ADDITIONAL INFORMATION</p> <p>Additional insured where required by contract with respects to General Liability, Automobile Liability and Excess Liability (not in excess of the limits of liability as shown on this document). Waiver of Subrogation with respects to General Liability, Automobile Liability, Workers' Compensation and Excess Liability as required by written contract and as permitted by law.</p> <p>The following are named insureds on the policy: Severn Trent Services, Inc. Severn Trent Environmental Services, Inc. Severn Trent Water Purification, Inc. Severn Trent De Nora Excel Technologies International Corp. Planned Community Management, Inc.</p>		
<p>The Memorandum of Insurance serves solely to list insurance policies, limits and dates of coverage. Any modifications hereto are not authorized.</p>		

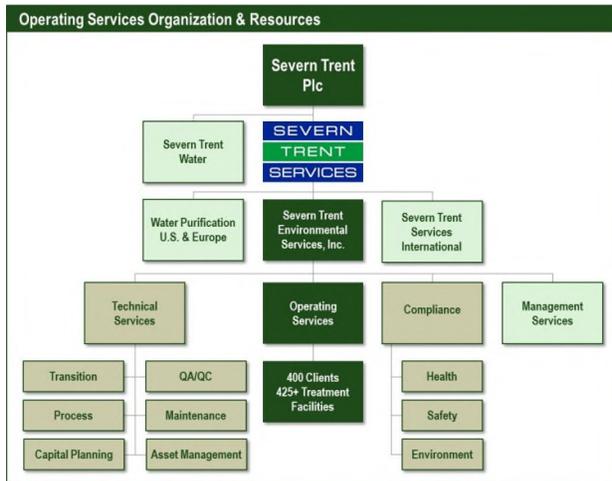




Severn Trent Services was incorporated in Texas in 1983 and currently provides contract operations in 22 states.

The Severn Trent Services organization features a number of companies across several divisions. The company has operations worldwide employing nearly 2,900 personnel and providing water and wastewater services to communities and industrial customers around the globe. The organization features a score of companies across several divisions:

- Contract operating and management services in the U.S. and internationally
  - Disinfection, filtration and instrumentation technologies
  - Analytical services in the UK



Changes in Ownership/Company Name

Severn Trent Environmental Services, Inc., the contracting entity, has had no changes in company ownership or company name during the last 10 years.

Corporate Officers

During the past five years, the following changes in corporate officers have occurred:

03/31/2009 Edward Goscicki, Vice President

was removed

04/01/2012 Leonard F. Graziano, CEO/President removed and replaced by Mr. Martin Kane

12/11/2012 Meg M. Watel, CFO/Secretary removed and replaced by Lisa Hardy as CFO

12/11/2012 Chris Turnbull appointed as Secretary

The current officers are:

Name	Title
Martin Kane	CEO/President
Lisa Hardy	CFO
Dana A. Kaas	Vice President
Gary W. Mechler	Vice President
Terry A. Pearce	Vice President
Chris Turnbull	Secretary
Kenneth J. Kelly	Treasurer/Asst. Secretary

6.4.2 Has the Respondent, its parent company or its owner ever been terminated, replaced or failed to complete work awarded under any operations and maintenance contract? Has another operator ever replaced the Respondent, its parent company or its owner before the end of your contract terms? If so, name the client and describe the circumstances.

The answers provided below are as detailed as possible considering the page limitation. Severn Trent will be happy to provide additional details should the City require such.



### Termination Issues

Severn Trent is proud of its performance history over the past 39 years. Virtually all contracts that may have expired did so according to their terms; some were rebid and some were not, depending on the political climate and local jurisdiction. Severn Trent has never had a contract terminated for cause. However, the Town of Sahuarita, Arizona terminated our contract for convenience in 2004 and Sun 'n Lake of Sebring Improvement District, Florida and the Town of Jupiter, Florida both cancelled their contracts with Severn Trent and internalized the operations with their own staffs in 2007. Harris County MUD #167 and Fort Bend County MUD #117 opted to terminate their contracts in 2008, the former because of communication issues and the latter when the Board wanted to use the same operator as the rest of the development.

In some cases, changing priorities at the local level and/or competitor actions have led customers to seek alternatives. In Texas, for example, our clients consist largely of municipal utility districts. These contracts typically hold 30-day cancellation provisions. Although we have held many of these contracts for more than 10 years, we experience new contract awards and contract losses as political changes occur at the district level.

On a few occasions, some of our clients have exercised contractually granted options to terminate their relationship with the company. Additionally, Severn Trent and some clients have mutually agreed to amend their contracts to provide a redefined scope of services and/or termination date. It should be noted that no Severn Trent contract has ever been terminated for cause, providing further proof of our operational expertise, financial strength and community investment.

There have been instances in which Severn Trent experienced contract interruption prior to expiration:

- In 1993, Severn Trent lost its IBM contract to M&E/PSG due to pricing. However, after 21 days, we were reinstated as the operator due to transitioning difficulties.
- In 1994, the City of Cortland terminated the contract for operation of its wastewater treatment plant for convenience as a result of the City's desire to contract with a local company.
- In 1998, the City of Harker Heights, Texas decided to bring its previously privatized facilities back in-house. The contract was terminated and the City paid Severn Trent for the remainder of its contract. More importantly, the City has provided a favorable recommendation to future Severn Trent clients.
- The Town of LaGrange, New York cancelled its contract with Severn Trent so that they could award the contract to a former senior manager of Severn Trent who had decided to leave the company and launch his own firm. Because of his time in the industry and strong personal relationship with several of our clients, he was able to convert LaGrange and several other small contracts to his company.

### Tasks 6.4.3 6.4.4 6.4.5 6.4.6

In response to the questions asked in the RFP as referenced above, we have provided below a list of the litigation history for Severn Trent Environmental Services, Inc.

As can be expected for a company of Severn Trent's size with hundreds of contracts and responsibility for serving hundreds of communities, there have been past and are currently claims brought both by and against the company. There have been no past actions nor are there any pending actions of a material nature that have or will affect our ability to perform and meet our obligations.



Lawsuits brought by or against Severn Trent include the following types of actions, many of which are covered by insurance. This listing does not include any litigation relating to businesses that it no longer operates (relating to businesses that have either been sold or disposed of such as Severn Trent Pipeline Services, which was formerly a division of Severn Trent Environmental Services, Inc.).

- Actions brought against Severn Trent and the company’s clients by residents seeking damages for alleged unspecified water quality violations
- Action, which was later withdrawn, brought against Severn Trent by a state environmental agency seeking statutory penalties related to an alleged small chemical spill resulting from equipment failure and a water leak from a water treatment facility operated by the company
- Actions brought against Severn Trent by a third party for alleged injuries sustained on the client’s or other property, generally covered by insurance
- Actions brought against Severn Trent by two former clients seeking reimbursement for the alleged inadequate rendering of management services
- Actions brought against Severn Trent by former employees seeking damages due to alleged wrongful termination of their employment
- Actions where Severn Trent sought the collection of unpaid fees owed by former clients

Additional information about some of these suits is shown below:

Client	Date	
Prairie View A&M, Texas	November 2011	On November 16, 2011, STES was served with a complaint filed by Perry, Inc. in Waller County Civil Court seeking payment for \$37,000 for plumbing repair services and materials. Perry is a plumbing services contractor who has done work for at Prairie View A&M University (PVAMU) where Severn Trent has served as the operations and maintenance contractor since 12/1/06. As litigation counsel, STES retained Dennis Barrow, Esq. of the firm Ware Jackson in Houston. On or around January 27, 2012, STES filed a third party complaint joining PVAMU as a defendant in this matter. Settlement among all of the parties was reached in September 2012.
STES/Mustang, Oklahoma	June 2011	STES was named as a defendant in the nuisance and property damage lawsuit from the homeowner (Hensley) against the City resulting from a backup during repairs of a sewer line. The matter was referred to AXA insurance for defense and AXA appointed litigation counsel. Trial commenced in May 2012 and it is our understanding that settlement was reached in June 2012.
Jackrabbit PUD, Texas	March 2008	There was a chlorine spill into receiving water at the Jackrabbit PUD treatment system, which is operated by STES, which resulted in a fish kill. The spill was investigated by the Harris County Constables Office. There was no active enforcement until March 2011, just ahead of the statute of limitations, when the Harris County District Attorney’s office went to a grand jury and obtained an indictment of STES for criminal charges related to the spill. In early 2012, the District Attorney’s office agreed to a settle the matter with a “pre-trial diversion”, which is a contract with the District Attorney that provides that in exchange for taking on an additional environmental project for the County, the case can be dismissed without any form of conviction. On or around February 14, 2012, STES and its local counsel (Timothy N. Smith, Esq., (713) 984-9404) finalized and approved an agreement with the County for STES to perform certain water and sanitary sewer collection line cleaning (with an estimated cost of \$100,000), which was filed with the Court. It was our understanding that, at such time as the project is deemed satisfactorily completed, the District Attorney would make a motion to the Court to dismiss the case against STES. As of this date, we are not aware as to whether the project was accepted by the District Attorney’s office and whether such motion was made.



Client	Date	
Texas Railroad Commission	2008	In 2008, The Commission issued a Penalty Order to STES for failure to report a "damage incident" related to underground piping at a Harris County facility. STES agreed not to challenge the Order and to pay a penalty of \$500 with no admission of liability.
New State Department of Labor, New York	2006 & 2007	In 2006 and 2007, STES received two willful violations from the New York State Department of Labor. Both centered on prevailing wage claims made in connection with heavy maintenance/construction projects performed by the company as far back as 2002. STES elected to accept a settlement in both cases and agreed to be debarred from New York State projects for a period of 4 years.
Town of Southeast, New York	2005	In 2005, STES was issued a misdemeanor charges brought by the New York State Department of Environmental Conservation arising from a water leak and an associated small chemical spill in 2004. Pursuant to an agreement with the Putnam County District Attorney's office, STES agreed to accept an Adjournment in Contemplation of Dismissal. Under the terms of the Adjournment, if STES was not charged with any wrongdoing by the NYSDEC within 6 months from the date of the plea, the District Attorney agreed to dismiss the charges. In September 2005, the charges were dismissed.
Sewanee Utility District, Tennessee	2005	In August 2005, STES was served with an Order and Penalty Assessment from the Tennessee Department of Environment and Conservation related to illegal runoff and other alleged violations at a spray irrigation facility that STES operated and maintained for the Sewanee Utility District. STES paid a civil penalty to the state, but was not included in a subsequent administrative order requiring certain remedial actions, as its term as the Sewanee operator had expired in August 2005.
Lewes, Delaware	2004	In 2004, an Administrative Order was issued to the City of Lewes and STES by the USEPA calling for the payment of an administrative penalty by Lewes, the acceptance of a compliance schedule for the upgrade of the wastewater treatment plant, and the undertaking of a supplemental environmental project by Lewes. When the Administrative Order was "restated" and finalized, STES was removed as a listed Respondent.
Town of Southeast, New York	December 2004	The New York State Department of Environmental Conservation brought a lawsuit for a small chemical spill resulting from equipment failure and a water leak spill from a water treatment facility on December 26, 2004. The matter was settled in 2005.
Town of Gilbert, Arizona	2002	STES and the Town were issued an enforcement order by the State of Arizona regarding unauthorized discharges into storm drains. Consent Judgment was executed by STES and the Arizona Department of Environmental Quality and entered by the Superior Court of Arizona (Maricopa County) on November 19, 2003. STES paid a civil penalty of \$10,000 and implemented a designated Supplemental Environmental Project (SEP), at a cost of approximately \$20,000.
City of Rio Rancho, New Mexico	2002	In 2002, the New Mexico Attorney General's office sought an indictment of STES on criminal charges resulting from an unauthorized discharge in 2000, a matter for which STES paid a civil penalty in 2000. In January 2005, following various meetings and document production, the New Mexico AG's office informed STES that no criminal charges would be brought. No further civil or administrative actions followed.

**Task 6.4.7**

Severn Trent has had no instances where the company or parent company experienced debt, bond or stock rating instability or discrediting by an outside rating agency.

The group's long-term credit ratings are:

Long term ratings	Severn Trent Plc
Moody's	Baa1
Standard and Poor's	BBB-



At this time, Severn Trent is not aware of any financial commitments or liabilities that could potentially cause an adverse effect on a contract between the City of Key West and Severn Trent. As stated previously, Severn Trent Plc is listed on the FTSE 100 Index, a share index of the 100 most highly capitalized companies listed on the London Stock Exchange. Severn Trent is fully capable of performing the requested services and is evidenced by our extensive list of successful contracts and our long-standing performance history.

### Task 6.4.8

At the heart of a successful public-private partnership is a well-balanced and carefully drafted and negotiated service agreement. History demonstrates that at the foundation of every successful public-private partnership is a service agreement that:

- Clearly and succinctly defines the scope of work and the parties' respective contractual rights and obligations
- Fairly and efficiently allocates risks among the public and private partners
- Ensures the provision of quality service by setting objective, measurable and achievable performance standards
- Includes provisions that are designed to ease project administration and to foster regular communications between the parties
- Provides an efficient framework for addressing changes that will inevitably occur during the term of the agreement

The following is a list of the sections of the Draft Agreement and Scope of Services that Severn Trent would like to change along with our proposed alternative language. This proposal is expressly conditional upon and subject to the negotiation of mutually agreeable terms and conditions of the contract with the City, and Bidder covenants that it will negotiate the terms of the final contract in good faith and based upon the requested changes as noted below:

**Section 3. Scope of Services.** In addition to the specific sections noted below, Severn Trent will expect to modify the scope provisions to the extent that there are any differences in the scope of services as outlined in this Bid and the scope of services outlined in this section of the Draft Agreement.

**3.2.4.d.** “Comply with the terms of the Navy Easement of which it has control, those terms being specifically numbers 2, 3, 5, 8 and 9 therein, and will use its best efforts and in good faith assist the City in complying with all other terms thereof, subject to the condition that Severn will have no liability associated with violations of the other terms of the Navy Easement as more specifically addressed in Sections 7.1.1 and 7.1.3 below.”

**3.2.4.e.** “Operate the Facilities unmanned for up to eight hours at a time as required by the Navy and at any time specified by the Navy. When the Contractor vacates the Facilities pursuant to the Navy’s request, the Facilities shall be operating properly and shall continue to so operate under normal conditions for Key West Florida, during the entire time that the CONTRACTOR is required to leave the Facilities unmanned. The requirement of this subsection is contingent upon the abilities of the plant and CONTRACTOR will have no liability for events occurring during said unmanned periods unless such event is due to CONTRACTOR’s gross negligence or willful misconduct.”

**3.2.4.p.** “Provide adequate security of the Facilities at all times in accordance with normal wastewater treatment plant industry standards.”



**Section 3.2.7.b. Removal of Non-Processible Waste.** “The CONTRACTOR, as agent for the City, shall remove non-processible waste from the refuse storage pit of the Facilities at its sole cost and expense. All Non-Processible Waste removed by the CONTRACTOR shall be removed from the site promptly by the CONTRACTOR and delivered to the City’s Rockland Key Transfer Station or such other FDEP approved compost site as may be designated by the City at CONTRACTOR’s sole cost and expense, except that the City shall pay for the increase in transportation of the Non-Processible Waste to such other landfill or compost site as part of the annual Budgeted Direct Cost. At all times the City shall retain title and ownership to any such Non-Processible Waste and CONTRACTOR shall assume no liability for the removal and disposal of same, except to the extent due to CONTRACTOR’s sole gross negligence or willful misconduct.”

**Section 3.2.7.c. Removal of Process Residue.** “The CONTRACTOR, as agent for the City, shall remove all Process Residue (i.e., screenings, grit and sludge) resulting from the processing of Processible Waste in the Facilities at its sole cost and expense. All Process Residue removed by the CONTRACTOR shall be removed from the site promptly by the CONTRACTOR and delivered to the City’s transfer station or such other FDEP landfill or such other compost site as may be designated by the City at the CONTRACTOR’s sole cost and expense, except that the City shall pay for the increase in transportation of the Process Residue to such other FDEP landfill or compost site as part of the annual Budgeted Direct Cost. At all times the City shall retain title and ownership to any such Process Residue and CONTRACTOR shall assume no liability for the removal and disposal of same, except to the extent due to CONTRACTOR’s sole gross negligence or willful misconduct.”

**Section 4.2. Termination.** During negotiations, Bidder will consider inclusion of a mutual termination for convenience clause and also proposes the language below in relation to termination for cause.

**4.2.1.** Either party may terminate this Agreement by immediate written notice if the other has failed to comply with a material term, provided that the non-defaulting party has first given the defaulting party written notice to cure their default within forty five (45) days (“Cure Period”) and the defaulting party has not done so. If a default cannot be cured within the Cure Period days, the parties may agree an extension as long as the defaulting party provides evidence within the Cure Period that it has commenced a cure and is pursuing it diligently.

**Section 6.1.2. Comprehensive General Liability Insurance.** “... insuring against claims of liability, contingent and otherwise, for injury to, or death of, any person, persons, or damage to real or personal property, arising out of, by reason of, or in connection with, the CONTRACTOR’s operations contemplated herein. The limit of liability of such policy shall be not less than Two Million Dollars (\$2,000,000.00) combined single limit.”

**Section 6.1.7. Terrorism Coverage.** “In addition to the other insurance coverage requirements stated herein, CONTRACTOR shall maintain terrorism coverage.”

**Section 7.1.1. Indemnification.** “The CONTRACTOR will indemnify and hold harmless the Navy, the City, its elective and appointed boards, officers, agents, and employees from and against all third party claims, damages, losses and expenses, including attorney’s fees, for personal injury, including death, and property damage, arising out of or resulting from, the negligent performance of its duties and obligations under this Agreement and Sections 2, 3, 5, 8, and 9 of the Navy Easement, including,



without limitation, acts, and omissions of the CONTRACTOR, its employees, agents, officers, and subcontractors except that such indemnity and hold harmless agreement shall not apply to any liabilities, claims, damages, losses and expenses arising out of the City's sole negligence. This covenant shall survive the termination of this Agreement."

**Section 7.1.2. Fines and Penalties.**

**7.1.2.a.** "The CONTRACTOR, subject to Section 7.1.2.b. below and except , shall be liable for (i) any fines or civil penalties which may be imposed by any governmental or quasi-governmental agency or (ii) any judgments or liabilities arising from action by non-governmental or quasi-governmental agencies or bodies for violations of the effluent guarantees specified herein arising out of, or resulting from, the performance or its duties and obligations under this Agreement, including, without limitation, acts and omissions of the CONTRACTORS, its employees, agents, officers and subcontractors. The City will assist the CONTRACTOR in any proceedings; provided, however, that the CONTRACTOR shall pay such fines or civil penalties prior to such protest if such payment is required prior to making such protest. The CONTRACTOR shall be solely responsible for all costs, including attorney's and accountants' fees, of protesting any such fines or civil penalties. The CONTRACTOR shall also not be responsible for any fines or civil penalties due to EPA proceedings concluded prior to execution of this Agreement unless such fines or civil penalties are the direct result of an act or omission of the CONTRACTOR pursuant to the terms hereof."

**7.1.2.b.** "If the facilities loading exceed its design parameters or if influent contains: (i) abnormal, toxic or other substances which cannot be removed or treated by the existing Facilities; or (ii) discharges which violate applicable sewage ordinances, the CONTRACTOR will use its best efforts to maximize performance of the facilities but shall not be responsible for associated effluent characteristics or damages, fines and penalties which result."

**Section 7.1.3. Navy Easement.** "The Contractor shall be responsible for the performance of all of the City's obligations under the Navy Easement of which the CONTRACTOR has control, those terms being specifically numbers 2, 3, 5, 8 and 9 therein. The CONTRACTOR will be liable for any damages or additional costs that result from a violation of any of the terms of the Navy Easement, unless caused by an act or omission or negligence of the City, Navy or other outside entity or individual."

**8.3.2. Default by the CONTRACTOR.** This section should be deleted in its entirety and CONTRACTOR will request that an express statement that CONTRACTOR will not be liable any consequential, incidental, punitive, or special damages under the overall limit of liability provisions.

**8.3.3. Default by the City.** "In addition to the rights of termination contained herein, upon a default by the City. In the event of the termination of this Agreement under 4.2.1 above, the City shall pay the CONTRACTOR for the Services provided and invoiced by CONTRACTOR up to the effective date of termination and the commercially reasonable costs of demobilization, plus the unamortized balance of any Capital Improvements financed or paid for by the CONTRACTOR as reflected on CONTRACTOR's financial statements. Payment shall be made within thirty (30) days of the date of termination."

In addition to the above suggested to changes to the Draft Agreement, Severn proposes the following additional sections be added to the agreement and this Bid is expressly conditional upon negotiating mutually agreeable language for inclusion of these sections:



**10.14. Limitation of Liability.** In the event that any claim(s) are raised against CONTRACTOR on account of this Agreement or related to CONTRACTOR's performance, or otherwise arising as a result of, or on account of, the services provided hereunder, CONTRACTOR's total aggregate liability shall not exceed an amount equal to the amount of the annual compensation for such services during the Agreement year in which such cause of action and/or claim accrued. Notwithstanding any provision to the contrary contained in this Agreement, in no event shall CONTRACTOR be liable, either directly or as an indemnitor, for any special, punitive, indirect, or consequential damages, including damages attributable to loss of use, loss of income, or loss of profit even if CONTRACTOR has been advised of the possibility of such damages."

### Task 6.4.9

Severn Trent proposes to offer positions to the current staff while maintaining their existing classification and/or range of compensation. Employees would retain their seniority for earnings of future vacation, 401(k) contributions and sick leave benefits. Our commitment to the affected employees will also include:

- Offering immediate employment to all current staff subject to normal hiring practices and staffing requirements
- Allowing the employee's start date with the City to be the effective start date with Severn Trent for the purposes of vacation accrual at Severn Trent
- Allowing participation in the ongoing Severn Trent bonus program
- Carrying over all unpaid sick leave to the maximum allowed within our current policies

Consistent with our policy for maintaining high standards for health and safety, offers for employment will be contingent upon satisfactory completion of a routine physical and drug screening.



## Appendix A Resumes



# ROBERT M. DICK

**Senior Area Manager  
Severn Trent Services**

## **Summary of Experience**

Mr. Dick has more than 35 years of experience in water and wastewater operations, maintenance and management. He has earned several operational and safety awards at various facilities and a personal award, the Leroy Henry Scott award for professionalism and management excellence in wastewater treatment. His background also includes extensive utility experience, including 12 years in facilities maintenance and water pretreatment in the steel industry.

## **Education/Training**

Numerous courses in water and wastewater operations, utility management and related areas at Virginia Tech, University of California and Michigan State University

Completed 10 hour and 30 hour Occupational Safety and Health Training Courses

## **Certifications & Licenses**

Class A Wastewater Certification, Florida

Class C Water Certification, Florida

Class I Wastewater Certification, Georgia

Class III Water Certification, Georgia

Mechanical Maintenance Journeyman Certification

## **Professional Affiliations**

American Water Works Association

Florida Water & Pollution Control Operators Association

Water Environment Federation

## **Awards**

Leroy Henry Scott Award

## **Specific Experience**

*Senior Area Manager, Severn Trent Services (1985 – Present)*

Responsible for overall management of Severn Trent projects in the Florida region. Ensures quality operations and effective client relations are sustained while providing leadership and direction to a team of Project Managers and support personnel.

Managed utility operations and maintenance. Responsibilities also included landscape maintenance, storm water management, lake management, signs and lighting.

Began career with the company as a Lead Wastewater Operator.

*Division Manager, Florida Cities Water Co. Ft. Myers and Golden Gate, Florida*

Responsible for the management of the utility system to ensure compliance with regulatory standards and provide cost effective, high-quality service to customers.

*Superintendent, Florida Cities Water Co., Ft. Myers, Florida*

Supervised operations, laboratory and maintenance of a 2.5 MGD advanced wastewater treatment plant and a 1.08 MGD advanced treatment plant. Involved in upgrade and construction of two plants. Supervisor of treatment plant, which was recipient of Earle B. Phelps Award for Best Advanced Treatment Facility in Florida twice.

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12-536-3000-MAM

# BERT K. UNDERWOOD

**Project Manager**  
**Severn Trent Services**

## **Summary**

Mr. Underwood has eight years of water and wastewater experience and a total of 13 years of maintenance experience.

## **Education/Training**

California State University

- Operation and Maintenance of Wastewater Collection Systems, Volumes I and II
- Operations of Wastewater Treatment Plants, Volumes I and II
- Water Treatment Plant Operations, Volumes I and II
- Advanced Waste Treatment and Manage for Success

## **Certifications & Licenses**

Class A Wastewater Certification, Florida

Class B Water Certification, Florida

Class I Wastewater Certification, Georgia

## **Specific Experience**

*Assistant Project Manager, Severn Trent Services, Naples, FL (2010 – Present)*

Manages multiple operations and maintenance contracts in South Florida. Responsibilities include managing operations, maintenance and repair of the facilities; liaising with clients and consultants and assisting clients in the budgeting process. His other duties include review of monthly regulatory reports regarding plant operations and compliance and attending meetings with the Florida Department of Environmental Protection upon clients' request. Attends monthly board meetings to report on the overall status of the facilities, including state and federal regulatory compliance, maintenance and capital and operational budgets.

*Lead Operator, Severn Trent Services, Naples, FL (2010)*

Responsible for operations at multiple water and wastewater treatment plants.

*Assistant Training Manager, Just Fitness, Jacksonville, FL (2009)*

Assessed new members and sold personal training. Designed custom fitness, nutrition and health plans.

*Electrician, Com-Pac Filtration, Jacksonville, FL (2008 – 2009)*

Responsible for construction and instillation of electronic and electrical equipment. Experience includes UL 508 compliance.

*Wastewater/Water Plant Operator, Baker Correctional, Sanderson, FL (2002 – 2008)*

Operated and maintained two extended aeration Category III Class C advanced wastewater treatment plants, Category IV Class C drinking water plant, lift stations and collection and distribution systems. Responsible for monthly regulatory reporting.

*Composite/Maintenance Technician, BF Goodrich Corporation, Jacksonville, FL (1997 – 2001)*

Fabricated various components using fiberglass, carbon fiber, Kevlar, rubber and metals. Also responsible for maintenance of plant facility.

# RICHARD G. GARDNER, P.E.

**Regional General Manager**  
**Severn Trent Services**

## **Summary of Experience**

Mr. Gardner is a licensed professional engineer and wastewater operator with more than 27 years of water and wastewater management, operations and maintenance experience in the public and private sectors. His background includes leading the company's environmental, health and safety compliance programs and work as a trainer for wastewater operations courses.

## **Education**

B.S. in Petroleum and Natural Gas Engineering, Pennsylvania State University  
 OSHSAS 19001, Auditor Training  
 Wet Weather Operations

## **Certifications & Licenses**

Professional Engineer, New York  
 Grade 4A Wastewater Treatment Plant Operator, New York  
 Certified Trainer, New York  
 U.S. EPA Hazardous Materials Incident Response Certification  
 Underground Utility Contractor, Florida

## **Specific Experience**

### *Regional General Manager, Severn Trent Services, Southeast Region*

Responsible for providing efficient, customer-focused operating services to approximately 100 clients in the Southeast Region. These services range from meter reading to comprehensive utility operations and management. More than 250 staff throughout the region provide local capabilities with the support of regional and national resources to meet any client's utility operating services needs.

### *Director of Compliance, Severn Trent Services*

Responsible for environmental, health and safety compliance on a corporate level reporting to Vice President of Operations. Interfaced with Regional Managers, Regional Health and Safety Managers and Project Managers to promote the company's environmental, health and safety programs and improve overall compliance. Also responsible for the Corporate Responsibility and DOT compliance programs within Operating Services.

### *Regional Manager, Severn Trent Services, Northeast Region*

Oversaw all aspects of customer relations, maintenance, repair, operations, billing and collecting and employee management for all Severn Trent projects in the Northeast Region. Duties included corporate and regulatory agency liaison and profit and loss accountability.

### *Division Chief, New York City Department of Environmental Protection (NYC DEP), Bureau of Clean Water*

Served as Director of a large division responsible for all ongoing maintenance and operational activities of four major water pollution control facilities whose capital worth exceeded \$1.5 billion.

### *Section Chief, NYC DEP, Bureau of Clean Water*

Managed the Residuals Technology Development Section. Supervised engineers in the preparation and/or review of plans and specifications, review of proposals, demonstration projects and preparation of periodic reports to regulatory agencies related to the sludge management program.

### *Instructor, Suffolk County Community College and Instructor, College of Staten Island*

Instructed plant managers and operations personnel in NYS sewage treatment plant operator certification courses. This included the preparation of lesson plans, lectures, evaluations and course materials.

### *Project Engineer, Nelson and Pope Engineers*

Developed design and specifications for sewage collection, sewage treatment and water distribution systems for existing and proposed developments.

### *Process Control Engineer, NYC DEP, Bureau of Wastewater Treatment*

Responsible for process control at two New York City wastewater treatment facilities.

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# PATRICK MYERS

**Process Specialist**  
**Severn Trent Services**

## Summary

Mr. Myers has more than 25 years of water and wastewater operations, maintenance and management experience. His background includes project and area management as well as starting up and transitioning key projects including a multi-million-dollar, multi-site project in Florida. He has also played a key role in the support of projects by using his experience in the development and implementation of management systems.

## Education/Training

General Studies, Central Texas College, Killeen, Texas  
 Training courses, TEEX and Sacramento College  
 Conflict Resolution  
 Multiple management seminars  
 Safety courses including OSHA, confined space and hazard and material response

## Specific Experience

### *Process Specialist, Severn Trent Services (2011 – Present)*

Provides technical support for existing clients and develops programs for effective operations for potential clients. Activities include process troubleshooting and optimization, operating procedures, regulatory compliance, customer service and project transition. Also provides develops technical solutions and the associated pricing for proposals.

### *Senior Area Manager, Severn Trent Services (2008 – 2011)*

Overall responsibility for management and support of Severn Trent projects in Texas with a focus on safety, compliance and client satisfaction.

### *Startup Project Manager, Severn Trent Services (2006 – 2007)*

Started up and led the transition for key Severn Trent projects:

- 15 MGD wastewater treatment plant and 31 pump stations for the Cities of Bristol, Tennessee and Bristol, Virginia.
- new 5 year, \$74 million contract with FGUA encompassing 24 water treatment plants, 11 wastewater treatment plants and full customer service to more than 57,000 accounts in four communities located in different regions of the state. Included renewing relationship with client, establishing new policies and procedures and acquiring project capital. Established/staffed office to provide centralized project oversight project and improve client communications.

### *Area Manager, Severn Trent Services, Houston, TX (1998 – 2006)*

Responsible for managing 35 employees and 4 budgets totaling more than \$6 million annually. Oversaw 26 contracts for municipal utility districts, private corporations and the City of Houston. Attended and provided monthly reports at all monthly Board meetings. Worked closely with engineers, attorneys, developers and bookkeepers serving each District and with City of Houston staff. Also participated in proposal processing, bid packages and client presentations.

### *Lead Operator, Severn Trent Services, Houston, TX (1993 – 1998)*

Managed and mentored a team of eight employees and oversaw all operations of 11 MUD utility systems. Participated in the pilot of Class A sludge processing unit in a 6.5 MGD wastewater facility. Also performed audits of labs and large facilities in other states.

### *Head Operator, Am-Tex Corporation, Kingwood, TX (1989 – 1993)*

Responsible for daily operation of a 5.25 MGD wastewater treatment plant and 18 MGD groundwater production facility. Supervised and trained a staff of four people.

### *Facility Operator, Am-Tex Corporation, Kingwood, TX (1987 – 1989)*

Performed all facets of operation of water and wastewater facilities ranging from 0.05 to 5 MGD.

### *Maintenance Technician, Am-Tex Corporation, Kingwood, TX (1985 – 1987)*

Performed commercial and residential repair calls, conducted repairs to the distribution and collection systems

### *Operator, Harris County MUD #5, Kingwood, TX (1984 – 1985)*

Training on operation of water production and wastewater treatment facilities and lift stations. Maintained and performed operational duties associated with water and wastewater plants

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# PETER STRIMPLE

**Process Specialist**  
**Severn Trent Services**

## Summary

Mr. Strimple has nearly 25 years of laboratory experience including safety, supervision, QA/QC, analytical testing, compliance, NELAC certification, writing SOPs, chemical hygiene plans and field sampling. Well versed in the selection, operation, calibration, maintenance and troubleshooting of numerous laboratory instruments. Professionally trained in root cause analysis (RCA) and performed RCA on safety and environmental incidents. Strong background in environmental compliance.

## Education/Training

B.S. in Biology, University of Cincinnati, Cincinnati OH  
 Root Cause Analysis (ThinkReliability Co.)  
 OSHA 40-hour Hazardous Waste Operations and Emergency Response; HAZWOPER refresher training  
 OSHA Hazardous Materials and Communication  
 Resource Conservation and Recovery Act  
 DOT Hazardous Materials Transportation  
 FDEP Field Sampling Training Course for Groundwater/Soil, Surface Water, Wastewater, Sediment, Ultra-Trace Metals  
 URS Health and Safety Program: behavior-based safety, hazard recognition, overhead safety, work practices, PPE, etc.  
 Laboratory Safety and Chemical Hygiene  
 Water Analysis – Electrical Utilities  
 “How to Win Friends and Influence People in Business by Communicating with Diplomacy and Tact,” Dale Carnegie Training of Central Florida

## Presentations

“Guidelines for Field Analysis and Sampling,” Florida/Alabama Joint Training Conference, 2010

## Specific Experience

*Process Specialist, Severn Trent Services (2010 – Present)*

As a member of the Technical Services Group, responsible for the QA/QC programs at water and wastewater treatment plants. Performs initial assessment of the QA/QC program implementation and any environmental compliance concerns on-site Project Managers or operators might have. Determines instruments, equipment, supplies and reagents needed to perform laboratory analyses (for compliance and process control) in accordance with Severn Trent SOPs and other procedures. Assesses the knowledge level of the operators and/or lab technicians and develops an appropriate training regimen. Provide training on the fundamentals of environmental compliance (based upon permits or EPA regulations) and the Severn Trent QA/QC program including the Lab Manual, applicable SOPs, a chemical hygiene plan, various log books and QA/QC data management system.

*Environmental Compliance and Health & Safety Coordinator, Severn Trent Services, Poinciana, FL (2009 – 2010)*

Evaluated, selected and purchased inline and bench top meters (e.g., pH, TSS, Cl<sub>2</sub>) used at water and wastewater treatment plants. Trained operators on the operation, calibration, maintenance and troubleshooting of bench top and inline meters and on applicable laboratory procedures. Developed, managed and conducted a training program that included safety, environmental compliance, FDEP SOPs, and analytical instruments/procedures. Performed root cause analyses on environmental and safety incidents. Managed the project’s safety program including safety meetings, safety audits of treatment plants, personal protective equipment needs and the submission of behavioral key performance indicators. Provided extensive safety training. Reviewed FDEP permits with operators and provided clarification where needed. Tracked, managed and resolved safety and environmental compliance issues and provided recommendations to managers to prevent reoccurrence.

*Project Scientist, HSW Engineering, Inc., Tampa, FL (2009)*

Reviewed environmental water quality data for the South Florida Water Management District to ensure accuracy/completeness. Reviewed, edited and rewrote standard operating procedures.

*Senior Environmental Scientist, URS Corporation, Orlando, FL (2006 – 2008)*

Managed safety program for project (organized regular safety meetings, trained employees on safety procedures, etc.). Performed Phase I Preliminary Assessments (PAs) at Patrick Air Force Base and managed the Environmental Scientists performing the PAs. Prepared and made presentations at meetings attended by U.S. Air Force, EPA and FDEP personnel. Prepared monthly reports and updated client on project status.

City of Key West

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## Appendix B Required Forms

As required in the RFP, the following forms have been signed and/or notarized as appropriate: and are provided on the following pages:

Anti-Kickback Affidavit

Sworn Statement Under Section 287.133(3)(a) Florida Statutes on Public Entity Crimes

Equal Benefits for Domestic Partners Affidavit Forms

Cone of Silence Affidavit

Addendum Acknowledgement Form



**SWORN STATEMENT UNDER SECTION 287.133(3)(a)  
FLORIDA STATUTES, ON PUBLIC ENTITY CRIMES**

**THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICE AUTHORIZED TO ADMINISTER OATHS.**

1. This sworn statement is submitted with Bid, Bid or Contract No. RFP No. 09-13 for Professional Contract Services to Operate, Maintain and Manage the City's Wastewater Treatment Plant, Wastewater Collection and Lift/Pumping Stations, and Stormwater Collection and Pumping Stations

2. This sworn statement is submitted by Severn Trent Environmental Services, Inc.  
(Name of entity submitting sworn statement)

whose business address is 16337 Park Row  
Houston, TX 77084 and (if applicable) its Federal Employer Identification Number (FEIN) is 62-1168252 (If the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement.)

3. My name is Dana A. Kaas and my relationship to  
(Please print name of individual signing)  
the entity named above is Vice President.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(1)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including but not limited to, any Bid or contract for goods or services to be provided to any public entity or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(1)(b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication guilt, in any federal or state trial court of record relating to charges brought by indictment information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1)(a), Florida Statutes, means

1. A predecessor or successor of a person convicted of a public entity crime: or

2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1)(8), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal

power to enter into a binding contract and which Bids or applies to Bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement, which I have marked below, is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies.)

Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor any affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989, AND (Please indicate which additional statement applies.)

There has been a proceeding concerning the conviction before a hearing of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer did not place the person or affiliate on the convicted vendor list. (Please attach a copy of the final order.)

The person or affiliate was placed on the convicted vendor list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in the public interest to remove the person or affiliate from the convicted vendor list. (Please attach a copy of the final order.)

The person or affiliate has not been put on the convicted vendor list. (Please describe any action taken by or pending with the Department of General Services.)

Dave Alaco  
(Signature) 9/27/13  
(Date)

STATE OF Florida

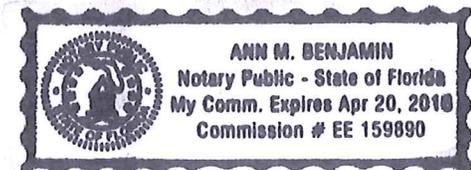
COUNTY OF Sarasota

Ann M. Benjamin  
PERSONALLY APPEARED BEFORE ME, the undersigned authority,

Dana A. Kaas who, after first being sworn by me, affixed his/her signature in  
(Name of individual signing)

the space provided above on this 27<sup>th</sup> day of September, 2013.

My commission expires: April 20, 2016  
NOTARY PUBLIC



EQUAL BENEFITS FOR DOMESTIC PARTNERS AFFIDAVIT

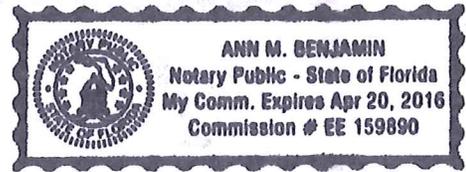
STATE OF FLORIDA )  
COUNTY OF Duval ) : SS

I, the undersigned hereby duly sworn, depose and say that the firm of Severn Trent Environmental Services, Inc. provides benefits to domestic partners of its employees on the same basis as it provides benefits to employees' spouses per City of Key West Ordinance Sec. 2-799.

By: *Dara A. Kaas*  
Dara A. Kaas, Vice President

Sworn and subscribed before me this  
27<sup>th</sup> day of September, 2013.

*Ann M. Benjamin*  
NOTARY PUBLIC, State of Florida at Large



My Commission Expires: April 20, 2016

**City Ordinance Sec. 2-799**  
**Requirements for City Contractors to Provide Equal Benefits for Domestic Partners**

- (a) Definitions. For purposes of this section only, the following definitions shall apply:
- (1) **Benefits** means the following plan, program or policy provided or offered by a contractor to its employees as part of the employer's total compensation package: sick leave, bereavement leave, family medical leave, and health benefits.
  - (2) **Bid** shall mean a competitive bid procedure established by the city through the issuance of an invitation to bid, request for proposals, request for qualifications, or request for letters of interest.
  - (3) **Cash equivalent** means the amount of money paid to an employee with a domestic partner in lieu of providing benefits to the employee's domestic partner. The cash equivalent is equal to the employer's direct expense of providing benefits to an employee for his or her spouse.

The cash equivalents of the following benefits apply:

- a. For bereavement leave, cash payment for the number of days that would be allowed as paid time off for the death of a spouse. Cash payment would be in the form of the wages of the domestic partner employee for the number of days allowed.
  - b. For health benefits, the cost to the contractor of the contractor's share of the single monthly premiums that are being paid for the domestic partner employee, to be paid on a regular basis while the domestic partner employee maintains such insurance in force for himself or herself.
  - c. For family medical leave, cash payment for the number of days that would be allowed as time off for an employee to care for a spouse who has a serious health condition. Cash payment would be in the form of the wages of the domestic partner employee for the number of days allowed.
- (4) **Contract** means any written agreement, purchase order, standing order or similar instrument entered into pursuant to the award of a bid whereby the city is committed to expend or does expend funds in return for work, labor, professional services, consulting services, supplies, equipment, materials, construction, construction related services or any combination of the foregoing.
  - (5) **Contractor** means any person or persons, sole proprietorship, partnership, joint venture, corporation, or other form of doing business, that is awarded a bid and enters into a covered contract with the city, and which maintains five (5) or more full-time employees.
  - (6) **Covered contract** means a contract between the city and a contractor awarded subsequent to the date when this section becomes effective valued at over twenty thousand dollars (\$20,000).
  - (7) **Domestic partner** shall mean any two adults of the same or different sex, who have registered as domestic partners with a governmental body pursuant to state or local law authorizing such registration, or with an internal registry maintained by the employer of at least one of the domestic partners. A contractor may institute an internal registry to allow for the provision of equal benefits to employees with domestic partner who do not register their partnerships pursuant to a governmental body authorizing such registration, or who are located in a

jurisdiction where no such governmental domestic partnership registry exists. A contractor that institutes such registry shall not impose criteria for registration that are more stringent than those required for domestic partnership registration by the City of Key West pursuant to Chapter 38, Article V of the Key West Code of Ordinances.

- (8) *Equal benefits* mean the equality of benefits between employees with spouses and employees with domestic partners, and/or between spouses of employees and domestic partners of employees.

(b) Equal benefits requirements.

- (1) Except where otherwise exempt or prohibited by law, a Contractor awarded a covered contract pursuant to a bid process shall provide benefits to domestic partners of its employees on the same basis as it provides benefits to employees' spouses.
- (2) All bid requests for covered contracts which are issued on or after the effective date of this section shall include the requirement to provide equal benefits in the procurement specifications in accordance with this section.
- (3) The city shall not enter into any covered contract unless the contractor certifies that such contractor does not discriminate in the provision of benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees.
- (4) Such certification shall be in writing and shall be signed by an authorized officer of the contractor and delivered, along with a description of the contractor's employee benefits plan, to the city's procurement director prior to entering into such covered contract.
- (5) The city manager or his/her designee shall reject a contractor's certification of compliance if he/she determines that such contractor discriminates in the provision of benefits or if the city manager or designee determines that the certification was created, or is being used for the purpose of evading the requirements of this section.
- (6) The contractor shall provide the city manager or his/her designee, access to its records for the purpose of audits and/or investigations to ascertain compliance with the provisions of this section, and upon request shall provide evidence that the contractor is in compliance with the provisions of this section upon each new bid, contract renewal, or when the city manager has received a complaint or has reason to believe the contractor may not be in compliance with the provisions of this section. This shall include but not be limited to providing the city manager or his/her designee with certified copies of all of the contractor's records pertaining to its benefits policies and its employment policies and practices.
- (7) The contractor may not set up or use its contracting entity for the purpose of evading the requirements imposed by this section.

(c) Mandatory contract provisions pertaining to equal benefits. Unless otherwise exempt, every covered contract shall contain language that obligates the contractor to comply with the applicable provisions of this section. The language shall include provisions for the following:

- (1) During the performance of the covered contract, the contractor certifies and represents that it will comply with this section.

- (2) The failure of the contractor to comply with this section will be deemed to be a material breach of the covered contract.
- (3) If the contractor fails to comply with this section, the city may terminate the covered contract and all monies due or to become due under the covered contract may be retained by the city. The city may also pursue any and all other remedies at law or in equity for any breach.
- (4) If the city manager or his designee determines that a contractor has set up or used its contracting entity for the purpose of evading the requirements of this section, the city may terminate the covered contract.

(d) Enforcement. If the contractor fails to comply with the provisions of this section:

- (1) The failure to comply may be deemed to be a material breach of the covered contract; or
- (2) The city may terminate the covered contract; or
- (3) Monies due or to become due under the covered contract may be retained by the city until compliance is achieved; or
- (4) The city may also pursue any and all other remedies at law or in equity for any breach;
- (5) Failure to comply with this section may also subject contractor to the procedures set forth in Division 5 of this article, entitled "Debarment of contractors from city work."

(e) Exceptions and waivers.

The provisions of this section shall not apply where:

- (1) The contractor does not provide benefits to employees' spouses.
- (2) The contractor is a religious organization, association, society or any non-profit charitable or educational institution or organization operated, supervised or controlled by or in conjunction with a religious organization, association or society.
- (3) The contractor is a governmental entity.
- (4) The sale or lease of city property.
- (5) The provision of this section would violate grant requirement, the laws, rules or regulations of federal or state law (for example, The acquisition services procured pursuant to Chapter 287.055, Florida Statutes known as the "Consultants' Competitive Negotiation Act").
- (6) Provided that the contractor does not discriminate in the provision of benefits, a contractor may also comply with this section by providing an employee with the cash equivalent of such benefits, if the city manager or his/her designee determines that either:
  - a. The contractor has made a reasonable yet unsuccessful effort to provide equal benefits. The contractor shall provide the city manager or his/her designee with sufficient proof of such inability to provide such benefit or benefits which shall include the measures taken to provide such benefits or benefits and the cash equivalent proposed, along with its certificate of compliance, as is required under this section.

- (7) The city commission waives compliance of this section in the best interest of the city, including but not limited to the following circumstances:
  - a. The covered contract is necessary to respond to an emergency.
  - b. Where only one bid response is received.
  - c. Where more than one bid response is received, but the bids demonstrate that none of the bidders can comply with the requirements of this section.
  
- (f) City's authority to cancel contract. Nothing in this section shall be construed to limit the city's authority to cancel or terminate a contract, deny or withdraw approval to perform a subcontract or provide supplies, issue a non-responsibility finding, issue a non-responsiveness finding, deny a person or entity prequalification, or otherwise deny a person or entity city business.
  
- (g) Timing of application. This section shall be applicable only to covered contracts awarded pursuant to bids which are after the date when this section becomes effective.



### Sec. 2-773. Cone of Silence

- (a) Definitions. For purposes of this section, reference to one gender shall include the other, use of the plural shall include the singular, and use of the singular shall include the plural. The following definitions apply unless the context in which the word or phrase is used requires a different definition:
- 1) *Competitive Solicitation* means a formal process by the City of Key West relating to the acquisition of goods or services, which process is intended to provide an equal and open opportunity to qualified persons and entities to be selected to provide the goods or services. Competitive Solicitation shall include request for proposals ("RFP"), request for qualifications ("RFQ"), request for letters of interest ("RFLI"), invitation to bid ("ITB") or any other advertised solicitation.
  - 2) *Cone of Silence* means a period of time during which there is a prohibition on communication regarding a particular Competitive Solicitation.
  - 3) *Evaluation or Selection Committee* means a group of persons appointed or designated by the City to evaluate, rank, select, or make a recommendation regarding a Vendor or the Vendor's response to the Competitive Solicitation. A member of such a committee shall be deemed a city official for the purposes of subsection (c) below.
  - 4) *Vendor* means a person or entity that has entered into or that desires to enter into a contract with the City of Key West or that seeks an award from the City to provide goods, perform a service, render an opinion or advice, or make a recommendation related to a Competitive Solicitation for compensation or other consideration.
  - 5) *Vendor's Representative* means an owner, individual, employee, partner, officer, or member of the board of directors of a Vendor, or a consultant, lobbyist, or actual or potential subcontractor or sub consultant who acts at the behest of a Vendor in communicating regarding a Competitive Solicitation.
- (b) Prohibited Communications: A Cone of Silence shall be in effect during the course of a Competitive Solicitation and prohibit:
- 1) Any communication regarding a particular Competitive Solicitation between a potential Vendor or Vendor's Representative and the City's administrative staff including, but not limited to, the city manager and his or her staff;
  - 2) Any communication regarding a particular Competitive Solicitation between a potential Vendor or Vendor's Representative and the Mayor, City Commissioners, or their respective staff;
  - 3) Any communication regarding a particular Competitive Solicitation between a potential Vendor or Vendor's Representative and any member of a City evaluation and/or selection committee therefore; and
  - 4) Any communication regarding a particular Competitive Solicitation between the Mayor, City Commissioners, or their respective staff, and a member of a City evaluation and/or selection committee therefore.

(c) Permitted Communications: Notwithstanding the foregoing, nothing contained herein shall prohibit:

- 1) Communication between members of the public who are not Vendors or a Vendor's representative and any city employee, official or member of the City Commission;
- 2) Communications in writing at any time with any city employee, official or member of the City Commission, unless specifically prohibited by the applicable Competitive Solicitation.

(A) However, any written communication must be filed with the City Clerk. Any City employee, official or member of the City Commission receiving or making any written communication must immediately file it with the City Clerk.

(B) The City Clerk shall include all written communication as part of the agenda item when publishing information related to a particular Competitive Solicitation.

- 3) Oral communications at duly noticed pre-bid conferences;
- 4) Oral presentations before publically noticed evaluation and/or selection committees;
- 5) Contract discussions during any duly noticed public meeting;
- 6) Public presentations made to the City Commission or advisory body thereof during any duly noticed public meeting;
- 7) Contract negotiations with city staff following the award of a Competitive Solicitation by the City Commission; or
- 8) Purchases exempt from the competitive process pursuant to section 2-797 of these Code of Ordinances.

(d) Procedure

- 1) The Cone of Silence shall be imposed upon each Competitive Solicitation at the time of Public Notice of such solicitation as provided by section 2-826 of this Code. Public notice of the Cone of Silence shall be included in the notice of the Competitive Solicitation. The city manager shall issue a written notice of the release of each Competitive Solicitation to the affected departments, with a copy thereof to each Commission member, and shall include in any public solicitation for goods and services a statement disclosing the requirements of this ordinance.
- 2) The Cone of Silence shall terminate at the time the City Commission or other authorized body makes final award or gives final approval of a contract, rejects all bids or responses to the Competitive Solicitation, or takes other action which ends the Competitive Solicitation.

- 3) Any City employee, official or member of the City Commission that is approached concerning a Competitive Solicitation while the Cone of Silence is in effect shall notify such individual of the prohibitions contained in this section. While the Cone of Silence is in effect, any City employee, official or member of the City Commission who is the recipient of any oral communication by a potential Vendor or Vendor's Representative in violation of this section shall create a written record of the event. The record shall indicate the date of such communication, the persons with whom such communication occurred, and a general summation of the communication.

(e) Violations/penalties and procedures.

- 1) A sworn complaint alleging a violation of this ordinance may be filed with the City Attorney's office. In each such instance, an initial investigation shall be performed to determine the existence of a violation. If a violation is found to exist, the penalties and process shall be as provided in section 1-15 of this Code.
- 2) In addition to the penalties described herein and otherwise provided by law, a violation of this ordinance shall render the Competitive Solicitation void at the discretion of the City Commission.
- 3) Any person who violates a provision of this section shall be prohibited from serving on a City of Key West advisory board, evaluation and/or selection committee.
- 4) In addition to any other penalty provided by law, violation of any provision of this ordinance by a City of Key West employee shall subject said employee to disciplinary action up to and including dismissal.
- 5) If a Vendor is determined to have violated the provisions of this section on two more occasions it shall constitute evidence under City Code section 2-834 that the Vendor is not properly qualified to carry out the obligations or to complete the work contemplated by any new Competitive Solicitation. The City's Purchasing Agent shall also commence any available debarment from city work proceeding that may be available upon a finding of two or more violations by a Vendor of this section.





**ADDENDUM 1**

**TABLE OF CONTENTS**

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Mandatory Pre-Proposal Meeting Minutes Sign-up Sheets – September 5, 2013	3 pages
Mandatory Pre-Proposal Site Visits Sign-up Sheets – September 5, 2013	3 pages
Mandatory Pre-Proposal Wastewater Treatment Plant Site Visit Sign-up Sheets – September 5, 2013	3 pages



**THE CITY OF KEY WEST**  
3140 Flagler Avenue  
Key West, Florida 33040

**ADDENDUM 1**

**TO ALL PROSPECTIVE BIDDERS:**

This addendum is issued as supplemental information to the RFP 09-13 package for clarification, correction, and additional information that will be of use to bidders.

**MANDATORY PRE-PROPOSAL MEETING & SITE VISITS:**

1. Attached is the meeting minutes from the pre-proposal meeting held on September 5, 2013.
2. Attached is a copy of the sign-in sheets from the pre-proposal meeting held on September 5, 2013.
3. Attached is a copy of the sign-in sheets from the pre-proposal site visits held on September 5, 2013.
4. Attached is a copy of the sign-in sheets from the pre-proposal site visit held on September 6, 2013.

**DRAFT AGREEMENT:**

Modify indicated sections of the "Draft Agreement" as follows:

5.4 Fee Parameters. Any annual compensation negotiated between the City and the CONTRACTOR pursuant to Section 5.2 of this Agreement shall be subject to the following parameters: (i) at least fifty percent (50%) of the annual compensation of the CONTRACTOR under this Agreement is based upon a periodic fixed amount and shall not be subject to any incentive based upon output of the Facilities; (ii) the annual compensation of the CONTRACTOR shall not be based (in whole or in part) on a share of the net profits of the Facilities; and (iii) in the event that the Fee is determined by arbitration pursuant to Section 5.2 and Section 9 hereof, the Fee so determined shall be subject to and comply with the provisions of Rev. Proc 82-14, 1982-1 C.B. 459 as amended by Section 1301 (c) of the Internal Revenue Code of 1986 ~~Rev. Proc. 97-13, 1997-1 C.B. 632. as amended (the "Code").~~

9.1.6 The parties hereby stipulate and agree for purposes of arbitration that any modification of the Fee shall be subject to the provisions of ~~Rev. Proc. 82-14, 1982-1 C.B. 459, as amended by Section 1301 (e) of the Code~~ Rev. Proc. 97-13, 1997-1 C.B. 632. The parties hereby further agree and stipulate for purposes of arbitration that the pricing and cost estimates contained in this Agreement or any subsequent modification hereto are fair and reasonable and are not to be a factual issue for determination by the Arbitration Board. The sole question of fact(s) for the Arbitration board shall be confined to changes (or anticipated future changes) in circumstances between the effective date of this Agreement or any modification(s) hereto (including, but not limited to, negotiated or arbitrated changes to fees and cost estimates pursuant to this Agreement) and the effect such changed circumstance(s) should have on the then effective fees and/or cost estimates.

### **PROPOSAL – STATEMENT OF QUALIFICATIONS**

Modify second paragraph of the “Proposal – Statement of Qualifications Section” as follows:

The deadline for submitting responses to the CITY CLERK is October 2, 2013 and not later than 3:00 PM. Any responses received after said date and time will not be considered. The submittal package will include responses to the Statement of Qualification Tasks below and signed execution of the Anti-Kickback Affidavit, Sworn Statement Under Section 287.133(3)(a) Florida Statutes on Public Entity Crimes, ~~and~~ Equal Benefits for Domestic Partners Affidavit Forms, and Cone of Silence Affidavit which follow this section. Furthermore, an acknowledgement of the issued Addenda’s shall also be included in the submittal package.

**MEETING MINUTES**  
**KEY WEST FLORIDA**

- 1) Meeting started at 1:30 PM
- 2) Introductions
  - a. Jay Gewin, City of Key West Utilities Management, presented introduction of current wastewater and stormwater systems operations and expectations for future operations.
- 3) Agenda Review
  - a. RFP Review
  - b. Day 1 Site visits description – Wastewater pump station, storm water pump station and gravity well to be visited immediately after meeting is adjourned.
  - c. Day 2 site visit to wastewater treatment plant – Work orders passed out to meeting participants to obtain day pass at the Navy. Instructions provided to obtain day pass and meeting location.
- 4) Information to Proposers
  - a. RFP shall be received by October 2, 2013 no later than 3:00 PM.
  - b. City Clerk - 3126 Flagler Avenue, Key West, Florida, 33040
- 5) Call for Request for Proposals
  - a. Review of instructions on how to submit as described on the RFP.
  - b. Statement of Qualifications (separate envelopes)
    - i. Original / Copy / CD-ROM or Flash Drive (Label)
  - c. Management Fee Affidavit (separate envelopes)
    - i. Original / Copy (Label)
  - d. Remaining Forms
    - i. Anti-Kickback Affidavit
    - ii. Sworn Statement under Section iii. 287.133(3)(a) Florida Statutes, Public Entity Crimes
    - iii. Equal Benefits Domestic Partner
    - iv. Cone of Silence Affidavit
    - v. Addenda's
- 6) Request for Proposals
  - a. Due Date
    - i. October 2, 2013
    - ii. No later than 3:00 PM

- b. City Reserves the Right to Reject Proposals
- c. Submit to City Clerk
- d. Five (5) year contract
- e. Two (2) Optional Five Year Renewable Periods
- f. Submittals must be Received before Deadline
- g. City Commission Final Approval
  - i. Negotiate Contract within 30 days
  - ii. City may Award to Next Qualified Firm

7) General Information

- a. Public/Private Partnership since 1989
- b. Modified Cost Plus Contract
  - i. Budget Control and Audit Rights
  - ii. City Owned Facilities and Equipment
  - iii. Expense above \$5,000 City Approval
  - iv. City Purchasing and Travel Policy
- c. US Navy Clearance (11:00 AM WWTP Tour)
  - i. 7:00 AM to 10:00 AM
  - ii. Work Order Form

8) Background Information

- a. Wastewater System Overview
  - i. Treatment Plant Schematic
  - ii. Collection System
- b. Stormwater System Overview
  - i. Stormwater System
- c. Laboratory Overview

9) Schedule and Award

DATE	MILESTONE
5-Sep-13	Mandatory Pre-Proposal Meeting (with site visits) - 1:30 PM
6-Sep-13	Mandatory (WWTP visit) - 11:00 AM
16-Sep-13	Deadline: Requests for Information (RFI)
20-Sep-13	Response: Requests for Information (RFI)
2-Oct-13	Proposal Due Date
16-Oct-13	Public Meeting: Review Committee Ranking and Review Meeting - Opening of pricing envelopes
17-Oct-13	Notification of Ranking Results
5-Nov-13	City Commission Presentation & Selection of firms
12-Nov-13	Start Contract Negotiation
12-Dec-13	End Contract Negotiation
7-Jan-13	City Commission - Contract Approval
1-Mar-14	Signed Contract - NTP

10) Selection and Scoring

- a. City ranking committee reviews each proposal and determines responsiveness
- b. Ranking committee will rank proposals at public meeting
- c. Management fee proposal – separate sealed envelope (labeled) – Points assigned based on equation

TASK NO.	SELECTION CRITERIA	POINTS ALLOWED
SOQ Document	SOQ Submittal Quality, Documentation, and Information	0 - 5
Task 1.0	Company Overview	0 – 12
Task 2.0	Qualifications and Experience	0 – 45
Task 3.0	Technical Approach	0 – 35
Task 4.0	Licenses and Certifications	0 – 8
Task 5.0	Safety	0 – 10
Task 6.0	Corporate Capability	0 – 25
	Regional Presence in Florida	0 – 25
	Management Fee	0 - 60
	<b>TOTAL SCORE</b>	<b>235</b>

- d. Ranking and selection presented to City Commission
- e. Proposers may be required to give presentation
- f. City Commission makes final selection
- g. City Commission authorizes City Manager to negotiate contract

11) Statement of Qualifications

- a. 75 pages, single sided
- b. 12 point font
- c. Proposers need to respond to each task
- d. Submittal package must include:
  - i. Anti-Kickback Affidavit
  - ii. Sworn Statement under Section 287.133(3)(a) Florida Statutes on Public Entity Crimes
  - iii. Equal Benefits for Domestic Partners Affidavit
  - iv. Cone of Silence Affidavit
  - v. Addenda's

12) Requests for Information

- a. Written RFI Requests (September 16, 2013)
- b. RFI Response (September 20, 2013)

c. Contact Person – Isabel Botero: Email Address – Boteroi@bv.com

13) Other RFP Information

- a. City of Key West insurance requirements included in the RFP
- b. Draft Agreement
- c. Exhibits A-G
- d. RAPIDGate – Required for personnel that will be working on the wastewater treatment plant.

14) Draft Agreement

- a. SOQ Section 6.4.8 with New Suggested Language – Submit with RFP
- b. RFI for Clarification

15) Review of overview map/locations of tour locations and wastewater treatment plant.

16) Meeting adjourned at 2:12 PM.



**Sign In Sheet RFP No. 09-13 Mandatory Pre-Proposal Meeting**  
**September 5, 2013 1:30 PM**

Attendees: Please Sign-in

Name	Company	Email	Phone
1 Aron Voss	US Water Services Corp	avoss@uswatercorp.com	(712) 224-2171
2 Dwayne Dousay	US Water Services Corp	ddousay@uswatercorp.net	305-393-0700
3 Jon Meyer	US Water Services Corp	JMeyer@uswatercorp.net	239-989-9791
4 Isabel Botero	Black & Veatch	ibotero@bv.com	(954) 319-9861
5 JAY GEWIN	City of Key West	jgewin@keywestcity.com	(305) 809-3902
6 Ron PARKER	Black & Veatch	rparker@bv.com	(352) 345-1494
7 Ricky Collins	CH2M Hill	ARNOLD.COLLINS@CH2M.COM	(305) 747-5107
8 Sean McCoy	CH2M Hill	SEAN.MCCOY@CH2M.COM	(305) 294-1645
9 MIKE FORDAK	CH2M Hill	mfordak@CH2M.COM	(305) 294-1645
10 Bob Dick	Severn Trent	Rdick@STES.COM	239-502-4225
11 Kelvin Pokers	"	kpokers@stos.com	601-874-7787
12 Michael A. Miller	"	mmiller2@stes.com	407.908.2548
13 Richard Gardner	Severn Trent Environmental Services Inc	rgardner@stos.com	516-315-5952



**Sign In Sheet RFP No. 09-13 Mandatory Pre-Proposal Meeting**  
**September 5, 2013 1:30 PM**

Attendees: Please Sign-in

Name	Company	Email	Phone
14 Jim Galipeau	XWNA	JAMES.GALPEAU@VEOLIAWATERNA.COM	774-281-3048
15 Steve Kruger	Veolia	STEVEN.KRUGER@VEOLIAWATERNA.COM	781-738-4333
16 Mike Kuhn	VEOLIA	MIKE.KUHN@VEOLIAWATERNA.COM	
17 John Borziani	OMI	John.Borziani@OMI.COM	305-292-5102
18 Sam Wood	OMI	Sam.Wood@omi.com	336 998 5005
19 Dan Stark	OMI	dan.stark@ch2m.com	478-361-5244
20 John Baeriger	HSR	jbaeriger@handexmail.com	561-613-9985
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**Sign In Sheet RFP No. 09-13 Mandatory Pre-Proposal Meeting**  
**September 5, 2013 1:30 PM**

**Attendees: Please Sign-in**

<b>Name</b>	<b>Company</b>	<b>Email</b>	<b>Phone</b>
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**Sign In Sheet RFP No. 09-13 Mandatory Pump Stations Tour**  
**September 5, 2013 – After Pre-Proposal Meeting**

Attendees: Please Sign-in

Name	Company	Email	Phone
1 Kelvin Peters	Severn Trent Services	kpeters@stes.com	001-874-7757
2 Michael A. Miller	" "	mmiller2@stes.com	407.908.2548
3 Bob Dick	Severn Trent	Redick@stes.com	239-903-4225
4 Richard Gardner	Severn Trent Environmental Services	rgardner@stes.com	516-315-5932
5 Jon Meyer	US Water Services Corp.	JMeyer@uswatercorp.net	299-989-9791
6 Dewayne Dourag	US Water Services Corp.	ddourag@uswatercorp.net	305-393-0700
7 Aaron Voss	US Water Services Corp	avoss@uswatercorp.com	712-224-2171
8 John Baeriger	HCR	jbaerigerchandexmail.com	561-613-9985
9 Steven Keizer	Veolia	STEVEN.KEIZER@VEOLIAWATERNA.COM	781-738-4333
10 Jim Colzoran	VUNP	JAMES.GALIERNO@VEOLIAWATERNA.COM	774-281-3048
11 MIKE KAHN	VEOLIA	MIKE.KAHN@VEOLIAWATERNA.COM	813-629-1070
12 John Bottino	OMI	John.Bottino@OMI.COM	305-292-5102
13 DANIEL STARK	OMI	DAN.STARK@OMI.COM	478-361-5244



**Sign In Sheet RFP No. 09-13 Mandatory Pump Stations Tour  
September 5, 2013 – After Pre-Proposal Meeting**

Attendees: Please Sign-in

Name	Company	Email	Phone
14 Gary Wood	OMI	Gary.Wood@ch2m.com	336 998-5005
15 Sean McCoy	CH2M Hill	Sean.McCoy@CH2M.COM	305 294 1645
16 MIKE FORDOCK	CH2M HILL	MFordock@CH2M.COM	305 294-1645
17 Ron Pawlke	Black & Veatch	rpawlke@bv.com	(352) 345-1494
18 Isabel Botero	Black & Veatch	Boteroi@bv.com	(954) 319-9801
19 Jay Gewin	City of Key West	jgewin@keywestcity.com	(305) 809-3902
20 TERRY DUFFY	OMI Chem Hill	Terry.Duffy@CH2M.COM	813 951 5725
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**Sign In Sheet RFP No. 09-13 Mandatory Pump Stations Tour**  
**September 5, 2013 – After Pre-Proposal Meeting**

**Attendees: Please Sign-in**

<b>Name</b>	<b>Company</b>	<b>Email</b>	<b>Phone</b>
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**Sign In Sheet RFP No. 09-13 Mandatory WWTP Visit**  
**September 6, 2013 11:00 AM**

Attendees: Please Sign-in

Name	Company	Email	Phone
1 Kelvin Peters	Severn Trent	kpeters@stes.com	601.874.7787
2 Jon Meyer	US Water Services Corp.	JMeyer@uswatercorp.net	801-239-9897-9791
3 Bob Dick	SEVERN TRENT	BobDick@STES.com	239-707-4225
4 Richard Gardner	Severn Trent Environmental Services	rgardnor@stes.com	516-315-5932
5 Aaron Voss	US Water Services Corp	avoss@uswatercorp.com	712-224-2171
6 Jay Gewin	City of Key West	jgewin@keyvestcity.com	305-809-3902
7 Sean McCoy	CH2M HILL	Sean.mccoy@CH2M.com	305-294-6645
8 JAMES GALPEAN	VWNA	JAMES.GALPEAN@VOLIAWATERNA.COM	774-281-3048
9 Steve Kruger	VWNA	STEVEN.KRUGER@	17817384333
10 MIKE KUHN	VWNA	MIKE.KUHN@VOLIAWATERNA.COM	813-629-1870
11 Dewayne Dousey	US Water Services	ddousey@uswatercorp.net	305-393-0200
12 Michael A. Miller	Severn Trent Services	mmiller2@stes.com	407.908.2548
13 Ron Luckie	Black & Veatch	rluckie@bv.com	(352) 345-1494



**Sign In Sheet RFP No. 09-13 Mandatory WWTP Visit**  
**September 6, 2013 11:00 AM**

Attendees: Please Sign-in

Name	Company	Email	Phone
14 Isabel Boto	Black & Veatch	iboto@bv.com	954-319-9861
15 Terry Duff	CIT2M.COM	Terry.Duff@CH2M.com	
16 Dan Stark	CH2M Hill	DAN.STARK@CH2M.COM	
17 Dawson Dowson	U.S. Water Services	dowson@uswaters.com	305-353-0700
18 Gary Wood	OMI	Gary.Wood@ch2m.com	336 998-5003
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**Sign In Sheet RFP No. 09-13 Mandatory WWTP Visit**  
**September 6, 2013 11:00 AM**

**Attendees: Please Sign-in**

<b>Name</b>	<b>Company</b>	<b>Email</b>	<b>Phone</b>
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**THE CITY OF KEY WEST**  
3140 Flagler Avenue  
Key West, Florida 33040

**ADDENDUM 2**

**TO ALL PROSPECTIVE BIDDERS:**

This addendum is issued as supplemental information to the RFP 09-13 package for clarification, correction, and additional information that will be of use to bidders.

**RESPONSES TO QUESTIONS/CLARIFICATIONS:**

<b><u>ITEM NO.</u></b>	<b><u>QUESTION</u></b>	<b><u>RESPONSE</u></b>
1	Can you please confirm the differences between the information requested in Task 2.0, Subtasks 2.1 and 2.2? Is Subtask 2.1 limited to only individual plants in Florida of 5 mgd or higher, and Subtask 2.2 includes all plants in Florida with only a preference to 5 mgd to 15 mgd?	Sub-Task 2.1 requires to submit a <b>reference list</b> including Client's contact information to verify at least 5 years of contract operations business experience (experience to include advance wastewater treatment facilities in Florida with an average flow rate of 5 mgd or greater). Sub-Task 2.2 requires to submit information about <b>full service contract operations</b> identifying the specific details listed under Sub-Task 2.2 (length of time in existing contract, type of treatment process, etc). It is preferred that the contracts included are for plants with advance wastewater treatment techniques, area designed between 5 to 15 MGD and possible influence by salt water intrusion.
2	Please confirm that Task 2.0, Subtask 2.1 is limited to full contract operations, which means at a minimum, providing all labor and management and paying operations and maintenance expenses, and that it does not include consulting contracts, management contracts, or staff augmentation contracts.	Confirmed.

<b><u>ITEM NO.</u></b>	<b><u>QUESTION</u></b>	<b><u>RESPONSE</u></b>
3	Task 6.0, Subtask 6.1 requests, among other items, “annual report for the past 5 years.” Our last annual report numbered 85 pages, and 5 years’ worth would be approximately 400 pages. Can this information be included on the requested flash drive, or at least be included in an appendix and fall outside the 75-page limit?	Any of the documentation listed, or additional documentation, can be included if it shows a “record of corporate financial stability and commitment to full service contract operation and maintenance of municipally owned wastewater and stormwater systems.” Annual reports can be included as a digital Appendix, but other documentation shorter in length must be included as part of the response.
4	Task 2.0, Subtask 2.7 – Given the significant number of plants a contractor operates, to list any failure, including all minor failures, is a very large undertaking. Would the City consider altering this to administrative failures or legal actions such as NOV’s, AOs, and Consent Decrees?	Modify Task 2.0, Subtask 2.7, as follows:  For all previous and current full service contract operations over the past 10 years, provide a summary of any reported failures with regulatory compliance permits; failures to meet contractual or financial obligations, or default.
5	As discussed at the pre-bid conference, please confirm that no alternate bids will be considered.	Confirmed.
6	RFP Page 11, Management Fee: Please confirm that the management fee percentage is mark-up on total direct costs as outlined in Exhibit F, and not the mark-up or margin on total revenues?	Confirmed.
7	Please confirm that each of the following Regional Operational Support-based efforts are part of the management fee: a) Procurement - labor associated with off-site purchasing activities for Direct Cost items for the City of Key West. These efforts would include required practices under the terms of the contract following all City purchasing ordinances. b) Contracts - labor to negotiate subcontracts and other contractual issues with vendors in support of Key West whether the person negotiating and/or writing the contract is onsite or off-site. c) Safety - labor directly supporting the Key West project for safety related tasks (training, site specific program development, incident investigations, etc.) whether the safety expertise is located onsite or off-site for the direct benefit to the City and staff.	Confirmed.

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	<ul style="list-style-type: none"> <li>d) Compliance - labor directly supporting the Key West project for specialized compliance and reporting employee training, laboratory audits, incident investigations, permit reviews, etc. whether the compliance expertise is located onsite or off-site for the direct benefit to the City.</li> <li>e) Sustainability - developing project specific sustainability and environmental management systems for the Key West project and support on identification and implementation of sustainability/efficiency improvement activities whether the sustainability expertise is located onsite or off-site for the direct benefit to the City.</li> <li>f) Quality - budgeted quality training programs.</li> <li>g) Accounting - Would labor for accounting professionals working on invoicing and payables tasks related directly to the City of Key West be considered a direct cost?</li> <li>h) Offsite Operations Specialist - providing specific assistance to Key West</li> <li>i) Offsite Maintenance Specialist - providing specific assistance to Key West</li> </ul>	
8	Per task 1.3, please confirm that “unbundled pay range classifications” should include only salary and benefits and that all recovery of overhead and profit is intended to be included management fee.	All recovery of overhead and profit is to be included in the Management Fee.
9	Please provide the following reports: <ul style="list-style-type: none"> <li>a) Previous twelve (12) months of DMRs.</li> <li>b) Copies of all regulatory agencies correspondence for the previous two (2) years.</li> <li>c) Prevention Maintenance Records for the plant, collection system and rolling inventory</li> <li>d) Corrective Maintenance Records for the plant, collection system and rolling inventory</li> </ul>	<ul style="list-style-type: none"> <li>a) See Attachment 3.</li> <li>b) See Attachment 3.</li> <li>c) See Attachment 1, 2 and 3.</li> <li>d) See Attachment 1, 2 and 3.</li> </ul>
10	What impact does inflow and infiltration have on the plant? Has either been quantified? Are there remediation plans in-place?	Collection system improvements have been undertaken that have significantly improved its performance. Plant influent flow rate was reduced from 7.5 MGD to 4.5 MGD after improvements were completed. I/I is monitored and not expected to be an issue at

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		the plant.
11	Provide a copy of the last Expanded Effluent Testing Data	See Attachment 3.
12	Can a copy of the latest version of the Operation and Maintenance Manual be provided? Is the Operation and Maintenance Manual up-to-date and accurate?	Operation and Maintenance Manuals are available for review at the City Hall from September 25 to September 27, hours 8:00 AM to 5:00 PM (not available from 12:00 Noon to 1:00 PM). Coordinate with Ms. Isabel Botero to schedule a visit. O&M Manuals are up-to-date and accurate.
13	Are any industry standard key Performance Indicator parameters tracked and if so can you provide these reports? a) Cost per gallon treated for power, chemicals and sludge removal b) Ratio of corrective vs. preventive maintenance work orders.	City is not aware of these parameters being currently tracked.
14	As the plant appears to be under loaded, has there been any effort to increase the customer base? Is the City interested in partnering with an organization with a track record of increasing the utility owner's revenue while improving plant efficiency and compliance in Florida?	The City may consider adding Key Haven (approximately 500 additional homes) to the service area. The final decision will be taken in coordination with the Florida Keys Aqueduct Authority (FKAA).
15	Is the current Process Control Management Plan available for review?	No.
16	Is any effort planned to reduce the corrosion at the new headworks of the facility?	The City encourages preventive/corrective maintenance of all existing equipment and facilities.
17	Does the City have a no odor tolerance policy or odor ordinance? If so, what is the current operator doing in support of the policy?	It is a priority for the City to manage odors. The City has an Ordinance for Nuisance (Sec. 26-32) that covers disagreeable odors. City expects the Contractor to be responsive to complains from residences and businesses. Any complaints receive from neighborhoods should be addressed in a very timely manner. Odor complaints have not been an issue at the wastewater treatment plant.
18	Does the City require all piping be labeled in accordance with industry standards?	The City expects pipe labeling to be in compliance with FDEP regulations and guidelines.
19	Is the Contractor responsible for paying all SCADA and/or telemetry licensing fees? If so, what are the licensing fees associated with the existing SCADA/telemetry system and are all licenses in the Owner's or Contractor's name? FCC? Software? Hardware?	Yes, Contractor is responsible for paying all SCADA and/or telemetry licensing fees. Budget provided in Exhibit F included a line item for licensing and fees. Licenses are in the Contractor's name. Software and hardware are the Owner's property.
20	CMMS a) In an effort to maintain the historical	a) Yes b) Software used is Maintenance

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	<p>integrity of the system and to make informed decisions on lifecycle costing for each asset, we assume an electronic copy of the existing CMMS database will be made available to the selected Contractor, is this correct?</p> <p>b) If the current contractor is utilizing CMMS software to manage the facilities, what CMMS software is being utilized?</p>	Connection
21	Please provide a copy of the current Capital Improvements Plan	See Attachment 3.
22	Please provide the currently approved Contractor's list for the operation and maintenance activities associated with this RFP.	<p>List of Contractors with security clearance to do work at the wastewater plant (may not be comprehensive):</p> <p>Airmark (uniforms) Waste Management Nearshore Electric Walker Landscape Data Flow Systems Debonair Mechanical Walker Landscape Arnolds Towing PHSI Pure Water</p>
23	What is all software that is in use, such as software currently utilized for Process Control monitoring, if any? Will the software be supplied to the Contractor?	Operator-10 and Maintenance Connection. Yes.
24	Please provide a list of all collection system backups and/or Sanitary Sewer Overflows (SSO's) over the past five (5) years as well as causes for such back-ups and SSO's.	See Attachment 1 and 2.
25	Please provide copies of the current Contractor's Monthly Operations and Maintenance Reports for the past 12 months.	See Attachment 3.
26	Task 2.0 Qualifications and Experience – As a company that performs services similar to those being requested in this RFP at smaller, similar and larger scales around the world, we would like to know if the Florida, and specifically “preference” for South Florida experience, will actually result in a higher score for respondents that have fewer overall facilities, but have more facilities in Florida and South Florida.	In general proximity to Key West is considered preferable due to the potential need of sharing resources during emergencies (i.e. hurricanes). Also, local Florida presence would indicate current knowledge of FDEP regulations and guidelines.
27	Will experience at similar treatment facilities in locations with similar climate conditions as South Florida score as high as facilities in Florida?	No.
28	Task 2.0 Qualifications and Experience – How	See answer 26.

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	will the differences between Florida experience and South Florida experience be reflected in points awarded to the various places in which they are called out?	
29	Exactly how will points be awarded for the scoring category of “Regional Presence in Florida”? There is no description of this scoring category.	Each reviewer can award up to 25 points with preference to a larger local presence in Florida.
30	Draft Agreement Section 5.1 – This indicates “At least Fifty percent (50%) of the Fee shall be fixed and not subject to the adjustment made pursuant to Section 5.3 hereof (the “fixed” portion of the Fee).” Since the “fixed” portion of the Fee is part of the Total Budgeted Direct Cost and the ultimate Total Actual Direct Cost, how does it not inherently become subject to the adjustment of Section 5.3? Does it have something to do with Section 5.3.3, which indicates a 50% share of cost savings when Total Actual Direct Cost is less than Total Budgeted Direct Cost? Please explain as this is very important to understanding the Fee structure.	The fixed portion of the Fee clause is related to City bonding/loan requirements. The fixed portion of the Fee does not affect the conditions of monthly payments to the Contractor. The payments are based on the Total Budgeted Direct Cost plus Management Fee percentage applied to the Total Budgeted Direct Cost divided by 12; to result in 12 equal monthly payments. At the end of the year, the adjustment to the Fee is made per Section 5.3, if applicable. A new Budget is established every year as indicated on Section 5.2.
31	Draft Agreement - Section 5.3 – This indicates that if the Total Actual Direct Cost exceeds the Total Budgeted Direct Cost, there is no adjustment to the Fee, meaning that the Fee is equal to the Total Budgeted Direct Cost plus the Management Fee applied to the Total Budgeted Direct Cost. Is that correct?	Correct.
32	Draft Agreement - Section 5.3 – It does not address who is responsible for the difference between the Total Actual Direct Cost and the Total Budgeted Direct Cost when Total Actual Direct Cost exceeds Total Budgeted Direct Cost. Who is responsible to cover the cost of that difference in the direct costs?	When the Total Actual Direct Cost exceeds Total Budgeted Direct Cost no adjustment is made to the Fee, therefore the Contractor is responsible for the difference in the direct costs.
33	Can normal treatment plant overtime be included in the “fixed” portion of the Fee?	All overtime shall be included as a line item in the Total Budgeted Direct Cost.
34	Can overtime for collection and storm system, hurricane and/or declared state of emergency events be included in the “variable” portion of the Fee?	All overtime shall be included as a line item in the Total Budgeted Direct Cost.
35	Draft Agreement - Sections 5.2 and 5.4.1 seem to clash since 5.2 indicates a negotiation takes place each year to determine the Total Budgeted Direct Cost and the Management Fee cannot remain fixed by virtue of the fact even though it	The Management Fee <b>Percentage</b> will be fixed. The actual monetary value will vary based on the annual adjustment to the Total Budgeted Direct Cost (if there is an adjustment).

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	is a fixed percentage, it is applied to a changing base value. Please clarify.	
36	Draft Agreement - Section 5.4.1 – Is the Fixed Fee the same thing as the Total Budgeted Direct Cost?	No. See answer to question No. 30.
37	Draft Agreement - Section 5.4.1 – is the Fixed Fee the same thing as the Total Budgeted Direct Cost plus the Management Fee applied to the Total Budgeted Direct Cost?	No. See answer to question No. 30.
38	Section 5.4.1 – Is the Fixed Fee the Management Fee applied to the Total Budgeted Direct Cost?	No. See answer to question No. 30.
39	Section 5.4.1 – Can the Fixed Fee be equated to any other defined item or combination of defined items?	No. See answer to question No. 30.
40	Section 5.4.1 – is the Variable Fee equal to the sum of the Management Fee and the incentives earned when Total Actual Direct Cost is less than Total Budgeted Direct Cost?	When the Total Actual Direct Cost is less than the Total Budgeted Direct Cost, the Fee is adjusted per Section 5.3.
41	Section 5.4.1 – Please explain how the Fixed Fee relates to the Fee on an annual basis.	See answer No. 30.
42	Section 3.2.3 – Please provide a copy of the latest inventory listing of tools and equipment.	See Attachment 3.
43	Please provide a list of the current staff positions provided by OMI that are included in the Total Budgeted Direct Cost, organized by wastewater treatment plant, wastewater collection system and stormwater system.	See Attachment 3.
44	Please provide design criteria data for the plant by unit process.	See Attachment 3.
45	Please provide design criteria data for the new aeration system (including blower horsepower and capacity).	Blowers are 5,000 SCFM, 300 HP each. See Attachment 3 for other design criteria.
46	Does the wastewater treatment plant receive septage?	Yes.
47	Please provide copies of the most recent 12 completed Discharge Monitoring Reports.	See Attachment 3.
48	Is there a GIS for the wastewater collection system?	No.
49	Is there a GIS for the wastewater collection system?	No.
50	Which CMMS product is being used at the wastewater treatment plant?	See answer 20.
51	Which CMMS product is being used for underground assets?	See answer 20.
52	Who is responsible for paying the licensing fees	Contractor.

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	for the CMMS products?	
53	Is it possible to receive a copy of the current O&M contract and budget?	Budget provided under Exhibit F of the RFP package has been approved by the City Commission and it is the adopted Budget. Copy of current contract is included as Attachment 3.
54	Does the 75 page limit include the attachments & addenda?	The 75 page limit includes items to be submitted as a response to Tasks 1.0 thru Task 6.0. Attachments (required forms) and Addenda are not part of the 75 page limit.
55	On item 14(a) of Addendum 1 the response is to "Submit with RFP". Could you please clarify? Does the City mean to submit the new suggested language in the draft agreement, addenda, or separate page within body of proposal?	Per Sub-Task 6.4, item 6.4.8 proposer shall: Provide an Affirmative Statement that your firm is willing to execute the attached contract as written, pending negotiation of Direct and Indirect Costs, and Profit Margin.  -OR-  Provide a detailed list of sections which your firm would like change and propose specific language you are requesting.  Proposed changes to draft agreement must be submitted within the body of the proposal under the responses to Task 6.0.

**FORMS:**

Updated "ADDENDUM ACKNOWLEDGMENT FORM" included.

**ATTACHMENTS:**

**Attachment 1:** Monthly Operating Reports - From 2008 to 2010

**Attachment 2:** Monthly Operating Reports - From 2011 to 2013

**Attachment 3:** Additional Data Requested

1. Capital Improvements Plans – Wastewater & Stormwater
2. Discharge Monitoring Reports
3. Expanded Effluent Testing Data
4. Inventories
5. Current Organizational Chart
6. Current Contract
7. Wastewater Treatment Plant Design Criteria
8. FDEP Correspondence



## Appendix C Annual Reports

Annual Reports for the last five years are provided separately on the enclosed flash drive.

# CITY OF KEY WEST

KEY TO THE CARIBBEAN



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