

City of Dunwoody and CH2M HILL OMI
City Operating Services
Draft Term Sheet

Parties	City of Dunwoody and CH2M HILL OMI
Purpose of Agreement	Establishment of a contract services agreement documenting the intent of the Parties to enter into a contractual relationship for CH2M HILL OMI to provide city operations services. The basis of agreement is a result of CH2M HILL OMI's response to the Request for Proposals (RFP) issued by the Citizens for Dunwoody Committee on June 2, 2008.
Designation of Preferred Service Provider – Good Faith Commitment	The Parties agree to work in good faith and intention prior to the authorization and signing of a contract services agreement. The Citizens for Dunwoody Selection and Negotiations Committee agrees it has recommended CH2M HILL OMI as the preferred service provider, (and with approval of the Dunwoody Governor's Commission ?) and intends to negotiate a mutually agreeable contract services agreement for review and approval by the city's elected officials at the earliest possible date
Description of Project Scope of Services	<p>a). Scope of Services to be provided by CH2M HILL OMI as described in the response the June 2, 2008 RFP and as modified in the CH2M HILL OMI letters to Oliver Porter of August 27, 2008 and September 5, 2008, include:</p> <ul style="list-style-type: none">• Administrative Services<ul style="list-style-type: none">– Program Management– Financial Services– Purchasing, procurement, and contracting– Human resources– Facilities, Information Systems and Technology– Communications• Community Services<ul style="list-style-type: none">– Planning and Zoning– Permitting and Inspections– Code Enforcement• Public Works<ul style="list-style-type: none">– Transportation Planning– Traffic Engineering– Street, Rights-of-Way, and Facilities– Recreation and Parks <p>b). Responsibilities of Dunwoody:</p> <ul style="list-style-type: none">• City Management and Governance• Legal Counsel• Clerk of the Court• City Clerk• Police, Fire, and 911 Emergency Services• Financial Investment• Capital Program Funding• Insurances

Routine Maintenance and Repair vs. Capital Improvements

- a) CH2M HILL OMI is responsible for routine/non-routine maintenance and repair services.
- b) City of Dunwoody is responsible for funding of repairs in excess of \$10,000 per year and capital improvements.

Term of Agreement

Term to be automatically renewable on an annual basis for a period of three years and two months. To accommodate Dunwoody plan, contract is drafted to commence on December 1, 2008 for a period of thirty-six months through November 30, 2011. The contract will have an optional renewal period of two years, upon mutual agreement of the Parties.

Compensation for Services

Compensation is based on an annual lump sum amount of \$8.7 Million Dollars to be paid in equal monthly disbursements. The monthly and annual compensation amounts for the first 12 months are fixed in the contract. Successive years compensation amounts are adjusted based on inflation indexes. Compensation for Mobilization and Start-up will be reimbursed during the first 36 months of the contract period.

Mobilization, Startup Cost and Temporary Facilities

Upon mutual approval of a Memorandum of Understanding (MOU), CH2M HILL OMI will begin mobilization and start-up of Dunwoody for a one time lump sum cost of \$1.8 Million dollars. Interim, manual processes will be implemented to accommodate an expedited start-up until such time as all information technology and telephones systems can be procured and installed.

In the event Dunwoody chooses to utilize temporary facilities, the two parties agree to reassess scope and level of service requirements during this interim period.

Termination

Both parties maintain the opportunity to terminate the contract for convenience with 120 calendar days notice. The contract will automatically renew on an annual basis unless either party provides at least a 120 calendar days notice.

Insurance

- Corporation shall provide as part of the base compensation:
- Statutory Workers Compensation and Employers Liability Insurance
 - Comprehensive Automobile and Vehicle Liability
 - Commercial General Liability
 - Professional Liability Insurance

Corporation shall also provide Excess Liability Insurance and City will reimburse for additional cost.

City shall procure an Insurance Broker to advise on risk management strategies and requirements. With respect to the Agreement, City shall demonstrate proof of Property Damage Insurance for all city property and Liability Insurance for all motor vehicles and equipment.

Audits and Inspections

The City may for a period of up to two (2) years following the date of final performance audit those books and records of Corporation that are related to Corporation’s performance under this Agreement, excluding all financial records unless related to direct cost reimbursable expenses or other matters contemplated in the agreement.

Corporation shall make available to the City all reasonable facilities and assistance to facilitate the performance of inspections by the City’s representatives.

Governing Law

State of Georgia, USA

Dispute Resolution

To facilitate the timely and effective resolution of any controversy or dispute that may arise under the agreement each party shall appoint one representative to serve on a Management Board. The Management Board will resolve any issues that arise from the Service Agreement that cannot be resolved from the project management level. The Management Board shall convene to discuss such notice and shall make a good faith effort to resolve any issues within a period of thirty (30) calendar days of its receipt.

If a compromise is not negotiated within thirty (30) calendar days of the written notice then the matter shall be referred to non-binding mediation. If the parties can not come to an agreement after the non-binding mediation, the matter will be assigned to arbitration.

Asset Condition Assessment, Evaluation, and Transfer

CH2M HILL OMI will commission an evaluation and condition assessment of major assets in Year Two of the services agreement, pending the City’s approval to fund such task(s). City of Dunwoody will retain and continue to own all city assets.

Contractor Performance Metrics and Benchmarking

As successful projects require common goals, the agreement envisions the parties will mutually agree to develop performance metrics and goals during the first 12 months of the project term.

Comment [CH1]: Do we want to look at first 18 months?