

REQUEST FOR PROPOSALS
CONSULTING SERVICES FOR
WATER ASSETS VALUATION
CITY OF READING

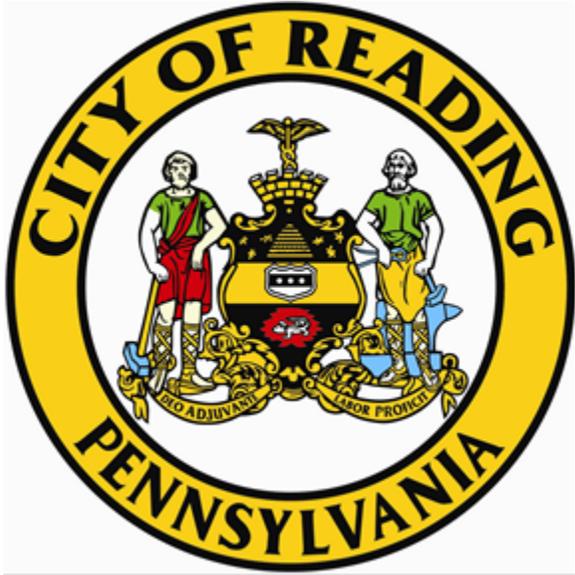


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I. REQUEST FOR PROPOSAL

The City of Reading (“City”) is soliciting proposals (each, a “Proposal”) from selected consulting firms (each, a “Proposer”) for the delivery of the valuation services to value the City’s water assets and subsequent valuation and financial modeling services (the “Project”). The City reserves the right to award all, some or none of the consulting services set forth in this Request for Proposals (“RFP”) to any one or more Proposers based on the City’s review and assessment of the Proposals meeting the criteria set forth herein. In the event the City awards consulting services pursuant to this RFP, the Proposer selected by the City (the “Selected Consultant”) may lead one or more subconsultants (“Subconsultants”) to perform the services requested by the City pursuant to this RFP.

II. INTRODUCTION

A. PURPOSE

1. General Background

The City is considering entering into a long-term leasing arrangement (the “Leasing Arrangement”) with a public or private entity whereby the City will lease the City’s water assets (the “Water Assets”). Accordingly, the City is seeking proposals from qualified firms to determine the actual value of the City’s Water Assets. Additionally, the City seeks to retain the Selected Consultant on an as-needed basis to provide consulting services during the process of selecting the appropriate public or private entity to contract with concerning the Leasing Arrangement (the “Bidding Process”).

2. Services Required

The City anticipates that the Project will consist of two major components:

1. Water Asset Valuation

The Selected Consultant will perform a detailed inventory and valuation of the City’s Water Assets and will produce a report documenting its results (the “Final Report”). The Selected Consultant must conduct its valuation utilizing the following four valuation approaches, as described more fully below: (1) asset valuation; (2) income valuation; (3) comparable sales; and (4) the rate base.

a. Asset Valuation

For the asset valuation approach, the Selected Consultant must develop an asset inventory and conduct a visual condition assessment of all of the water source, treatment facilities, and pump stations. Installation dates, current condition, and industry standard service lives must be documented and evaluated to estimate the remaining life of each asset. Further, the Selected Consultant must prepare costs estimates for each asset, representing the in-kind replacement value of the asset in today’s dollars.

b. Income Valuation

For the income valuation approach, the Selected Consultant must estimate the value of the potential cash flows in the form of pre-tax earnings of the physical assets of the system, as compared to the costs of construction or of replacing the system.

c. Comparable Sales

For the comparable sales approach, the Selected Consultant must estimate the value of the Water Assets based upon a comparative assessment of arm's length, local system purchases.

d. Rate Base

For the rate base approach, the Selected Consultant must calculate an estimate of the value of the Water Assets using the original cost of the asset, less accumulated depreciation and other reserves, less contributions in aid of construction, less advances for construction, plus a working capital allowance.

The Final Report will contain, at a minimum, the following elements:

- Appraisal certification;
- Summary of assets by type/group and location;
- Detailed list of each Water Asset, including the following:
 - Acquisition cost;
 - Life expectancy;
 - Depreciation to date;
 - Replacement cost (new);
 - Salvage value;
- Total value of the City's Water Assets based on the asset valuation, income valuation, comparable sales, and rate base approaches.

2. Continuing Consulting Services

During the Bidding Process, the Selected Consultant will consult and advise the City with regard to any leasing arrangements proposed by any public or private entity (the "Bids") on an as-needed basis, until the Leasing Arrangement has been finalized. Such services may include, but are not limited to, the following tasks:

- Analyze the proposals made by Reading Area Water Authority (and any subsequent such proposals) and whether these proposal are commensurate with the actual value of the City's Water Assets as set forth in the Final Report;
- Compare each Bid against the total value of the City's Water Assets as the Selected Consultant determined in the Final Report;

- Analyze each Bid and determine whether the Bid is commensurate with the actual value of the City's Water Assets as set forth in the Final Report; and
- Provide support and advice to the City, along with the City's legal and financial consultants, during the Bidding Process.

B. AVAILABLE BACKGROUND INFORMATION

Technical documents associated with the Project may be made available by the City to the Proposers if deemed necessary by the City for the Proposers to prepare a Proposal and evaluate the services required herein. The means of delivering the technical documents associated with this RFP may include e-mail transmittal; upload to a secure ftp site for downloading by the Proposers, or overnight mailing of a CD.

The Proposers shall treat all information disclosed by the City or its agents to the Proposers pursuant to this RFP as confidential information and shall not disclose such confidential information except to the extent required by applicable laws. However, the Proposer shall not be obligated to treat any information as confidential if it (a) is available to the public as of the date hereof, (b) becomes available to the Proposer on a non-confidential basis from a source other than the City or its agents; or (c) is developed independently by the Proposer.

In addition, each Proposer must submit in its Proposal a list detailing the specific information, records and documents, if available; it will need from the City to perform the Project in the event that the Proposer is selected.

C. PROJECT SCHEDULE

The Selected Consultant shall begin work immediately upon receipt of the City's issuance of a Notice to Proceed. The initial activities of the Selected Consultant shall be to work with the City to review the Project schedule and budget and develop and present a work approach to the City. The Selected Consultant is expected to present the Final Report to the City within six (6) weeks after issuance of the Notice to Proceed.

A detailed proposed Project schedule identifying a commencement date, key milestones and completion date for each Task (or, as appropriate, subtask) listed in the Project shall be included within the Technical Proposal submitted. The Proposer shall discuss its capability and capacity for meeting the Project schedule.

III. PROPOSAL CONTENT

While there is not a specific page limitation, the Proposals shall provide a straightforward, concise description of the Proposer's ability to fulfill the requirements of the Project, as set forth in this RFP. In order to ensure a uniform review process and to obtain the maximum degree of comparability, it is required that the Proposals include the information and be organized in the manner specified below with details on experience presented in the order of the tasks as listed.

A. QUALIFICATIONS AND TECHNICAL PROPOSALS

As a component of the Proposal, each Proposer shall submit a “Technical Proposal” which shall include, without limitation, the information outlined in this RFP. The response under this section shall include the following:

1. Company Overview: Provide an overview of the prime firm.
2. Project Qualifications and Experience
 - a. The Proposer shall demonstrate its knowledge and understanding of the Project with specific examples of similar projects, systems, and efforts. The Proposer shall have at least ten (10) years’ experience with comparable utilities. Include a summary of each such relevant project experience by the Proposer listing the Principal in Charge and Project Manager as well as any key individuals as identified below.
 - b. The Proposer shall submit at least ten (10) of its client references (including names and phone numbers) and describe the relevant project(s) for such clients. At least five (5) of these projects should be in a similar urban environment.
 - c. The Proposer shall indicate its local knowledge and understanding.
 - d. The Proposer shall identify and briefly explain any actual or potential conflicts of interest that might result if the Proposer is selected by the City.
3. Consulting Team: Organization charts identifying (a) the Principal in Charge, (b) overall Project Manager and individual task Project Managers, if different, (c) a description of staff roles, (d) a description of Subconsultant input and specific roles, and (e) the qualifications, experience and office address for each proposed key individual that the Proposer or a Subconsultant will use to perform the Project (the “Consulting Team”). The Proposer shall note which team members are considered key and ensure those key individuals have experience with appropriate reference projects. Résumés, limited to two (2) pages each, for each identified key individual on the Consulting Team shall be included in an appendix to the Proposal.
4. Project Approach: The Proposer shall describe its understanding and approach to completing the Project, including the following:
 - a. Each Proposer shall review the overall system configuration and identify in its Technical Proposal.
 - b. The Proposer shall detail the scope of work to be provided under each phase of work.
 - c. The level of effort under these tasks shall be based on an assumed number and extent of activities over the full Project time frame.

- d. All work necessary to complete the work and not specifically identified in Article II, Section B of this RFP, including any impacts on the Project schedule and deliverable deadlines identified herein.
5. Schedule: The Proposer shall also provide a preliminary Project schedule showing the planned approach, key task activities and milestones necessary to meet the Task and Project schedule. The Proposer shall identify significant potential risks that may impact the schedule with recommendations for the mitigation and/or elimination of such risks. In addition, the Proposer shall identify the proposed completion date for each Task as provided in the Cost Proposal Form attached hereto as Attachment A.
6. Financial Soundness of Proposer: The Proposer's most recent certified annual report, including balance sheets and profit and loss statements, must be submitted with the Proposal. All information pertaining to the financial soundness of the Proposer shall be marked by the Proposer as "Confidential." The City of Reading will contract only with a Proposer found to be financially sound. In addition, the City should be notified if there is (are) a major claim(s) against the Proposer that could affect its ability to perform the Project.

B. COST PROPOSAL

Payment for the Water Asset Valuation portion of the Project shall be on a time and materials (T&M), not-to-exceed fee basis. Payment for the Continuing Consulting Services portion of the Project shall be on based on an hourly rate.

The Proposal shall include a separate "Cost Proposal" which shall identify a schedule of the proposed hourly billing rates for all members of the Consulting Team as well as a total not-to-exceed fee for each Task as well as comprehensive not to exceed fee for all of the Selected Consultant's services to complete the Project on the Cost Proposal Form attached hereto as Attachment A. If, at the completion of a Task, the Selected Consultant has not exhausted the not-to-exceed fee allocated to such Task, the remaining amount may be allocated to other Tasks by an amendment to the Contract.

The Proposer shall attach to the Cost Proposal Form a detailed spreadsheet showing the hours, labor costs, expenses and total cost for each Task in the Project. The Cost Proposal shall include a not-to-exceed budget for reimbursable expenses, including but not limited to mileage, tolls and document reproduction. The Cost Proposal shall also estimate all potential fees associated with obtaining all permits required to complete the Project in accordance with applicable laws. Expenses for telephone, FAX and computer charges will not be allowed.

If the Proposer anticipates services not specifically identified in the RFP which, in its opinion, will be required for the Selected Consultant to complete the Project, such additional services shall be noted in the Cost Proposal, with a general explanation of the services, a brief justification as to why such services may be required, and a corresponding proposal for the cost of such services.

The Selected Consultant will invoice the City in accordance with the process set forth in the executed Contract for its performance of the Project. Unless otherwise approved in writing by the City's Managing Director, the Selected Consultant shall not be entitled to any payment from the City in excess of the not-to-exceed fee provided in the executed Contract.

The Proposer shall also provide a schedule of hourly billing rates for each Consulting Team member and other personnel (as identified by title) in the Cost Proposal Form. Such hourly rates shall not be increased during the term of the Contract.

C. ASSIGNMENT OF KEY STAFF

The key member(s) of the proposed Consulting Team must be identified and assigned to the Project and must remain assigned and available to the Project for its duration unless such person leaves the employment of the Selected Consultant or the City agrees in writing to modify the proposed Consulting Team. If a key member leaves the employment of the Selected Consultant during the course of the Project, the City must be notified immediately, and the Selected Consultant must submit the name and credentials of the person replacing the key member for approval by the City prior to that person starting work on the Project.

D. SUPPLEMENTARY DOCUMENTS

The Proposer shall execute a Non-Collusion Affidavit, Non Discrimination Statement, Political Contribution Affidavit, and Certification of Non-Indebtedness to the City as such documents are set forth below. Any Subconsultant identified in the Proposal shall also execute a Non Discrimination Statement and Political Contribution Affidavit, as such documents are set forth below. All such executed documents shall be included with the Proposal.

Each Proposer and any Subconsultants identified in the Proposal shall provide a completed Proposer's Statement for Public Disclosure, as such form is set forth below, with the Proposal.

IV. PROPOSAL PROCESS

By submitting a Proposal, each Proposer certifies that it has read the complete RFP, understands the Proposal process, and has full knowledge of the scope, nature and quality of work to be performed associated with this RFP, and accepts and agrees to all provisions of this RFP.

A. PRE-PROPOSAL CONFERENCE

There will be no pre-proposal conference for this project.

B. PROPOSER'S CLARIFICATION AND QUESTIONS

To ensure fair consideration for all Proposers, the City prohibits communication to or with any City official, department director, division manager, employee, or the Project/Construction Manager related to this RFP prior to the submission of the Proposal with the exception of those questions relative to interpretation of specifications or the Proposal process.

Interpretations of the meaning of the RFP documents made to any Proposer orally shall not be binding on the City or any other Proposer.

The City is requesting that any questions or clarification requests be submitted in writing via e-mail, fax, or hand delivery by **2 p.m. EDT, Friday, April 18, 2014**. It is the City's intent to review these questions, and provide a response to all of the Proposers (anonymously) by 3 p.m. EDT, Friday, April 25, 2014. All questions and associated correspondences should be submitted to:

Tammi Reinhart
Purchasing Coordinator
City of Reading
Tammi.Reinhart@readingpa.org

After the Proposal has been submitted to the City, communications related to this RFP, the Proposal or the Project initiated by a Proposer to the City shall be prohibited until a Contract has been executed by the City. Any communication between a Proposer and the City shall only be initiated by the appropriate City employee or agent in order to obtain information or clarification needed to develop a proper, accurate evaluation of the Proposal.

Any prohibited communications initiated by a Proposer may be grounds for disqualifying the offending Proposer from consideration for award of the Proposal and/or any future proposal.

C. CONFIDENTIALITY OF THE PROPOSAL

Under Pennsylvania's "Right to Know" law, public records are required to be open for reasonable inspection. All Proposal information, including detailed price and cost information, will be held in confidence while the City is evaluating the Proposals. After the City and Selected Consultant have executed the Contract, all Proposals will become public records. Copies of said public records may be requested through the City's Chief Clerk's office.

Trade secrets and other confidential proprietary data contained in the Proposal may be held confidential if the Proposer requests in writing that the City does so and the City agrees in writing to do so. Material considered trade secrets or confidential proprietary data by the Proposer must be clearly identified and the Proposer must include a brief statement that sets out the reasons for requesting the confidentiality of each such material. Blanket statements that entire Proposal is confidential shall be unacceptable.

The Proposal will become the exclusive property of the City and will not be returned.

D. EVALUATION OF PROPOSALS

The award of the services associated with this RFP may or may not be made to the Proposer submitting the lowest price Cost Proposal. The award will be made to the Proposer whose Proposal is determined to be the most advantageous to the City, taking into consideration, without limitation the evaluation factors set forth below:

1. Experience, qualifications, and commitment of the Consulting Team
 - a. The degree to which the personnel on the Consulting Team have held responsible project positions for similar projects;
 - b. The degree to which the Consulting Team brings experience in the full range of skills and expertise needed to accomplish the scope of work in all task areas;
 - c. The specific commitments made in the Proposal for staffing the Consulting Team, including percent of Project Manager's time dedicated to the Project;
 - d. Experience within the local permitting region; and
 - e. Any other experience and/or criteria the committee deems relevant.
2. Experience and past performance of the Proposer and Consulting Team members on similar projects within the last seven years:
 - a. The experience of the Proposer and Consulting Team members in conducting projects of similar nature and complexity;
 - b. The ability of the Proposer to draw on this experience to benefit the Project; and
 - c. Any other experience and/or criteria the City deems relevant.
3. Method of accomplishing the scope of work
 - a. Proposed organization of the work;
 - b. Unique capabilities that may influence the Project;
 - c. Understanding of the appropriate levels of effort required (hours) for various tasks;
 - d. Identification of Project risks and methods to mitigate or eliminate such risks to complete the Project within the proposed schedule, estimated budget and with the quality and/or performance specifications identified herein;
 - e. Appropriate Project financial and management controls including, but not limited to,
 - i. Clear method and effort level of meeting and tracking progress of schedule milestones, intended outcomes and deliverables for each task
 - ii. Quality assurance
 - iii. Project financial controls and invoicing systems
4. Any other experience and/or criteria the City deems relevant.

E. PROPOSAL SUBMISSION

Submit seven (7) copies of the Technical Proposal and one electronic copy (e.g. CD-ROM) of the Technical Proposal in a sealed envelope and seven (7) copies of the Cost Proposal in a separate sealed envelope. The Proposal envelopes shall be clearly labeled as "TECHNICAL PROPOSAL FOR WATER ASSETS VALUATION" and "COST PROPOSAL FOR WATER ASSETS VALUATION", respectively.

The Proposal shall be delivered to the City Purchasing Coordinator, Room 2-45, City Hall, 815 Washington Street, Reading, PA, no later than **3:00 p.m. EDT, Friday, May 2, 2014** (the "Proposal Opening"). Proposals received at the Office of the Purchasing Coordinator after the time specified will not be considered by the City.

F. WITHDRAWAL OF PROPOSALS

Proposals may not be modified after submittal. Proposals may be withdrawn after submittal, provided the Proposer makes its request to withdraw in writing and the request is received and acknowledged by the City in writing prior to the time specified for the Proposal Opening.

Negligence by Proposer in preparing its Proposal confers no right of withdrawal or modification of its Proposal after such Proposal has been opened. No claims on account of mistakes or omissions in any Proposal will be considered. Proposals are deemed a firm offer and each Proposer agrees that its Proposal shall not be withdrawn within one hundred twenty (120) days from the Proposal Opening.

G. PROCEDURE FOR REVIEW OF PROPOSALS

The City shall conduct a preliminary evaluation of all Proposals based on the information provided. The City will first review each Technical Proposal for compliance with the minimum qualifications and mandatory requirements of the RFP. Failure to comply with any mandatory requirements may disqualify a Proposal.

Upon completing its technical review, the City will evaluate and score each of the Technical Proposals. The City will then open each of the Cost Proposals and complete a similar review, evaluation, and scoring.

The City may arrange for meetings or interviews, with one or more of the Proposers to clarify any aspect of its Proposal and to give a Proposer the opportunity to explain its credentials. The City has the responsibility to negotiate the most favorable cost, terms and conditions for the City. The negotiating process may involve one or more Proposers, and may continue until the Contract is executed by the Selected Consultant. The City will contact the Proposers selected for an interview with the date and time for their respective interviews.

H. WINNING PROPOSAL

The City will select a winning Proposal if the City determines that an appropriate, acceptable and complete Proposal is submitted by a responsible Proposer which the City, at its sole and exclusive discretion, determines will provide the best overall value to the City.

V. CONTRACT TERMS REQUIRED TO COMPLETE THE PROJECT

The City will notify the selected Proposer with a "Notice of Award". The selected Proposer and the City will execute a contract, in a form substantially similar to the proposed contract attached to this RFP as Attachment 1, for the completion of the services identified in this RFP (the "Contract") within seven (7) calendar days after the City's transmittal of the Notice of Award. If the selected Proposer does not accept the Contract presented by the City within such time, the City may, in its sole discretion, withdraw the Notice of Award. Subject to the City's reservation of rights below, the City may select another Proposer to award the Contract or withdraw the RFP.

The Contract, when executed, shall be deemed to be the entire agreement between the parties; the Selected Consultant shall not base any claim for modification of the Contract upon any prior representation or promise made by the representatives of the City, or other persons. This RFP will be attached as an exhibit to the Contract.

The following terms and conditions shall apply to the Contract:

A. *INDEPENDENT CONTRACTOR AND INSURANCE*

The Selected Consultant shall be an independent contractor. The Selected Consultant shall properly safeguard against any and all injury or damage to the public, to public and private property, materials and things. The Selected Consultant shall be responsible for any and all damage, loss or injury to persons or property that may arise, or be incurred, in or during its performance of the Project.

The Selected Consultant shall maintain such insurance as will protect it from claims under worker's compensation acts and from claims for damages because of bodily injury, including death, and property damage, which may arise from and during operations under the Contract, whether such operations be by itself, by any Subconsultant or anyone directly, or indirectly employed by either of them.

The minimum amount of liability insurance to be maintained by the Selected Consultant and its Subconsultants are identified in the Contract.

B. *EQUAL EMPLOYMENT OPPORTUNITY*

During the performance of the Contract, the Selected Consultant agrees as follows:

The Selected Consultant will not discriminate against any employees or applicant for employment because of race, color, religion, sex, or national origin. The Selected Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Selected Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. The City may elect to provide the Selected Consultant with the required form notice.

The Selected Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Selected Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

In the event of the Selected Consultant's noncompliance with the non-discrimination clauses above or with any applicable laws, the Contract may be canceled, terminated, or suspended in whole, or in part and the Selected Consultant may be declared ineligible for further City contracts.

The Selected Consultant shall include the paragraphs set forth in this section in every subcontract or purchase order unless exempted.

C. EMPLOYMENT OF CERTAIN PERSONS PROHIBITED

No person who, at the time, is serving sentence in a penal or correctional institution shall be employed on the work covered by the Contract.

D. ALTERATIONS OR MODIFICATIONS

The Contract will be under the direct supervision of the City, its authorized representatives or its agents. Any alterations or modifications of the work performed under the Contract shall be made only by written agreement between the Selected Consultant and the City's authorized representative and shall be made prior to commencement of the altered or modified work. No claims for extra work or materials shall be allowed unless covered by a written agreement and signed by the City's Managing Director.

E. SUBCONTRACTS

The Selected Consultant will not be allowed to subcontract work under the Contract unless prior written approval of each Subconsultant is granted by the City in its sole discretion. The Subconsultants shall be bound by the conditions of the Contract and shall execute and deliver to the City a Political Contribution Affidavit and Non Discrimination Statement prior to performing any services under the Contract. All required notices, work orders, directives and requests for emergency services will be directed to the Selected Consultant. All directions given to a Subconsultant in the field shall bind the Selected Consultant as if the notice had been given directly to the Selected Consultant.

F. RIGHT TO AUDIT RECORDS

The City shall be entitled to audit the books and records of the Selected Consultant or any of its Subconsultants to the extent that such books and records relate to the Contract or its performance of the Project. Such books and records shall be maintained by the Selected Consultant and its Subconsultants for a period of three (3) years from the date of final payment under the Contract unless a shorter period is otherwise authorized in writing.

G. DISSEMINATION OF INFORMATION

During the term of the Contract, the Selected Consultant may not release any information related to the services or performance of services under the Contract, nor publish any report or documents relating to the City, the account or performance of services under the Contract without prior written consent of the City. The Selected Consultant shall indemnify and hold harmless the City, its officers, agents, and employees from all liability or damages which may be incurred by reason of the Selected Consultant's unapproved dissemination, publication and distribution, or circulation, in any manner whatsoever, of any information, data, documents, or material pertaining to the City, the account or the Contract by the Selected Consultant or its agents or employees.

H. BUSINESS PRIVILEGE LICENSE AND TAX

The City of Reading imposes a Business Privilege License, at \$55.00 per calendar year. In addition, a Business Privilege Tax is imposed at the rate of 2 ¼ mills upon the gross receipts attributable to business conducted within the City of Reading.

I. PERMITS / LICENSES

The Selected Consultant shall pay all fees and procure all licenses and permits necessary to complete the Project after first obtaining the written approval of the City. The Selected Consultant may invoice the City for the actual fees paid to the applicable regulatory agency to procure such licenses and permits. The Selected Consultant shall give any and all necessary formal notices required in conjunction with the lawful prosecution of the work of the Contract.

J. OBSERVANCE OF LAWS, ORDINANCES AND REGULATIONS

The Selected Consultant shall comply with all applicable Federal, State, and Local laws, ordinances, decrees, orders, published governmental guidance documents, and industrial statutes, regulations, codes and standards.

VI. RESERVATION OF RIGHTS

All Proposals and any subsequent submissions required to supplement the Proposal shall be prepared by the Proposer at the Proposer's sole cost and expense. If for any reason whatsoever, the Owner rejects a Proposer's Proposal, the Proposer agrees that it will not seek to recover profits on Work not performed nor will it seek to recover its Proposal preparation costs or claims for unjust enrichment.

The City reserves and may, at its sole discretion, exercise the following rights with respect to this RFP and all Proposals submitted pursuant to this RFP:

- a. To reject all Proposals and re-issue the RFP at any time prior to execution of a final Contract; to require, in any RFP for similar products and/or services that may be issued subsequent to this RFP, terms and conditions that are substantially different from the terms and conditions set forth in this RFP; or to cancel this RFP with or without issuing another RFP.
- b. To reject any Proposal if, in the City's sole discretion, the Proposal is incomplete, the Proposal is not responsive to the requirements of this RFP, the Proposer does not meet the qualification requirements set forth herein, or it is otherwise in the best interest of the City to reject the Proposal.
- c. To supplement, amend, substitute, or otherwise modify this RFP at any time prior to the execution of a final contract.
- d. To accept or reject any or all of the items in any Proposal and award a contract for the whole or only a part of any Proposal if the City determines, in its sole discretion, that it is in the City's best interest to do so.

- e. To reject the Proposal of any Proposer that, in the City's sole judgment, has been delinquent or unfaithful in the performance of any contract with the City, is financially or technically incapable, or is otherwise not responsible.
- f. To waive any informality, defect, non-responsiveness, and/or deviation from this RFP that is not, in the City's sole judgment, material to the Proposal.
- g. To permit or reject, at the City's sole discretion, amendments (including information inadvertently omitted), modifications, alterations, and/or corrections to Proposals by one or more of the Proposers following Proposal submission.
- h. To request that one or more of the Proposer modify their Proposals, including, but not limited to, modifying the pricing or provide additional information.
- i. To request additional or clarifying information from any Proposer at any time, including information inadvertently omitted by a Proposer.
- j. To require that the Proposer appear for interviews and/or presentations of their Proposals at City offices.
- k. To inspect projects similar in type and scope to the work sought in this RFP.
- l. To conduct such investigations as the City considers appropriate with respect to the qualifications of any Proposer and with respect to the information contained in any Proposal.

NON-COLLUSION AFFIDAVIT

INSTRUCTIONS FOR NON-COLLUSION AFFIDAVIT

1. This Non-Collusion Affidavit is material to any contract pursuant to a proposal. According to the Pennsylvania Antirigging Act, 73 P.S. 1611 et seq., governmental agencies may require Non-Collusion Affidavits to be submitted together with proposals, such as the Proposal submitted by the Proposer.
2. This Non-Collusion Affidavit must be executed by the member officer, or employee of the Proposer who is authorized to legally bind the Proposer.
3. Proposal rigging and other efforts to restrain competition, and the making of false sworn statements in connection with the submission of bids are unlawful and may be subject to criminal prosecution. The person who signs the Affidavit should carefully examine it before signing and assure himself or herself that each statement is true and accurate, making diligent inquiry, as necessary, of all other persons employed by or associated with the Proposer with responsibilities for the preparation, approval or submission of the Proposal.
4. If the Proposal is submitted by a joint venture, each party to the venture must be identified in the Proposal documents, and a Non-Collusion Affidavit must be submitted separately on behalf of each party.
5. The term “complementary proposal” as used in the Non-Collusion Affidavit has the meaning commonly associated with that term in the RFP process, and includes the knowing submission of a proposal higher than the proposal of another firm, any intentionally high or noncompetitive proposal, and any form of proposal submitted for the purpose of giving a false appearance of competition.
6. Failure to file a Non-Collusion Affidavit in compliance with these instructions will result in disqualification of the Proposal.

NON-COLLUSION AFFIDAVIT

State of _____

County of _____

_____, being first duly sworn, deposes and says that:

(1) He/She is _____
(Owner, Partner, Officer, Representative or Agent of Proposer)

of _____, the Proposer that
(Name of the Proposer)
has submitted the attached Proposal;

(2) He/She is fully informed respecting the preparation and contents of the attached Proposal and of all pertinent circumstances respecting such Proposal;

(3) Such Proposal is genuine and is not a collusive or sham Proposal;

(4) Neither the said Proposer nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly, with any other Proposer, firm or person to submit a collusive or sham proposal or complementary proposal in connection with the Contract for which the attached Proposal is submitted or to refrain from submitting in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication of conference with any other Proposer, firm or person to fix the price or prices in the attached Proposal or of any other Proposer, or to fix any overhead, profit or cost element of the prices in the Proposal or the price of any other Proposer, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Reading or any person interested in the proposed Contract;

(5) The price or prices quoted in the attached Proposal are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Proposer or any of its agents, representatives, owners, employees, or parties in interest, including this affiant; and,

(6) Neither the said Proposer nor any of its officers, partners, owners, agents or parties in interest, have any interest, present or prospective, that can be reasonably construed to result in a conflict of interest between them and the City of Reading, which the Proposer will be required to perform.

I state that _____ understands
(Name of Proposer)

and acknowledges that the above representations are material and important, and will be relied on by the City of Reading in awarding the Contract(s) for which the Proposal is submitted. I understand and the Proposer understands that any misstatement in this Non-Collusion Affidavit is and shall be treated as fraudulent concealment from the City of Reading of the true facts relating to the submission of proposals for this Contract.

Name: _____

By: _____
Authorized Signatory

Title: _____
President or Vice President

SWORN TO AND SUBSCRIBED
BEFORE ME THIS _____ DAY
OF _____, 20__

Notary Public

My Commission Expires: _____

POLITICAL CONTRIBUTION AFFIDAVIT

INSTRUCTIONS FOR POLITICAL CONTRIBUTION AFFIDAVIT

1. This Political Contribution Affidavit is material to any contract pursuant to all proposals. Chapter 1, Section H, Exhibit A, Section 8 of the City of Reading's Codified Ordinance places limitations and restrictions on the City's purchase of services from a professional business entity, as defined therein, under certain circumstances related to political contributions.
2. This Political Contribution Affidavit must be executed by the member officer, or employee of the Proposer who is authorized to legally bind the Proposer. In addition, this Political Contribution Affidavit must be signed by any Subconsultant the Proposer identifies in the Proposal. To the extent a Subconsultant is identified by the Selected Consultant after submission of the Proposal, said Subconsultant shall sign this Political Contribution Affidavit prior to performing any services on behalf of the City.
3. If the Proposal is submitted by a joint venture, each party to the venture must be identified in the Proposal documents, and a Political Contribution Affidavit must be submitted separately on behalf of each party.
4. Failure to file a Political Contribution Affidavit in compliance with these instructions will result in disqualification of the Proposal.

POLITICAL CONTRIBUTION AFFIDAVIT

State of _____

County of _____

_____, being first duly sworn, deposes and says that:

(1) He/She is _____
(Owner, Partner, Officer, Representative or Agent)

of _____ (the "Proposer"),
(Name of the Proposer)

the Proposer that proposes to perform services to the City of Reading;

(2) The Proposer hereby certifies, swears and represents to the City of Reading under penalty of perjury that it has not made a contribution in violation of Chapter 1, Section H, Exhibit A, Section 8.2 of the City of Reading's Codified Ordinance.

(3) The Proposer certifies, swears and represents that it has not knowingly made a contribution in violation of Chapter 1, Section H, Exhibit A, Section 8 of the City of Reading's Codified Ordinance and has not made or solicited contributions through intermediaries, third parties, immediate relatives, or PACs for the purpose of concealing the source of the contribution.

(4) Without limiting the generality of the foregoing, the Proposer certifies, swears and represents that neither the said Proposer, nor any of its principals who own 10% or more of the equity in the Proposer, officers of the Proposer in the aggregate or subsidiaries directly controlled by the Proposer made any contribution of money or pledge of a contribution, including in-kind contributions to (i) any campaign committee of any candidate for elective City office or to the current holders of any elective City office, or (ii) to any City of Reading party committee, or (iii) to any municipal party committee within the City of Reading, or (iv) to any candidate committee, state, or county political party or any Political Action Committee ("PAC") that is engaged in the financial or in kind support of candidates for elective City of Reading offices, City elections and/or City of Reading political parties in excess of the maximum thresholds specified below within one calendar year immediately preceding the date of the Proposal. Proposer, its principals, officers or subsidiaries may annually contribute a maximum of \$300 each or up to the amount of reportable contributions as may from time to time be established by State or Federal Law for any purpose to any candidate for elective City office or current office holder, or \$500 to any City of Reading party committee, or municipal party committee within the City of Reading, or to a single or joint campaign account of a candidate committee, state or county political party or PAC. Any group of individuals, including principals, partners, and officers of the Proposer in the aggregate, may annually contribute a maximum of \$2,500 to all candidates for elective City offices and to

officeholders with ultimate responsibility for the award of the contract, and all City and state political parties, municipal party committees within the City of Reading and PACs.

I state that _____ understands
(Name of Proposer)

and acknowledges that the above representations are material and important, and will be relied on by the City of Reading in awarding the Contract(s) for which the Proposal was submitted. I understand and my firm understands that any misstatement in this Affidavit is and shall be treated as fraudulent concealment from the City of Reading and subject to penalty of perjury.

Name: _____

By: _____
Authorized Signatory

Title: _____
President or Vice President

SWORN TO AND SUBSCRIBED
BEFORE ME THIS _____ DAY
OF _____, 20____

Notary Public

My Commission Expires: _____

PROPOSER'S STATEMENT FOR PUBLIC DISCLOSURE

If space on this form is inadequate for any requested information, this should be furnished on an attached page which refers to the appropriate numbered item on this Proposer's Statement for Public Disclosure.

1. a. Name of Proposer:

b. Address and Zip Code of Proposer:

2. If the Proposer is not an individual doing business under his own name, the Proposer has the status indicated below:

_____ a corporation organized under the laws of _____

_____ a partnership organized under the laws of _____

_____ a limited liability company organized under the laws of _____

_____ a joint venture organized under the laws of _____

_____ other (explain) _____ organized under the laws of _____

3. If the Proposer is not an individual or a government agency or instrumentality, give date of organization: _____

4. Names, addresses, title of position (if any), and nature and extent of the interest of the officers and principal members, shareholders, investors other than a government agency or instrumentality, are set forth as follows:

a. If the Proposer is a corporation, the officers, directors, trustees, and each stockholder owning more than 10% of any share of stock.

b. If the Proposer is a partnership, each partner, whether a general or limited partner, and either the percent of interest or a description of the character and extent of interest.

c. If the Proposer is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest.

d. If the Proposer is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%.

NAME, ADDRESS & ZIP CODE	POSITION TITLE (if any) AND PERCENT OF INTEREST OR DESCRIPTION OF CHARACTER AND EXTENT OF INTEREST

5. Name, address and nature and extent of interest of each person or entity (not named in response to Item 4) who has a beneficial interest in any of the shareholders or investors named in response to Item 5 which gives such person or entity more than a computed 10% interest in the Proposer (for example, more than 20% of the stock in a corporation which holds 50% of the stock of the Proposer, or more than 50% of the stock in a corporation which holds 20% of the stock of the Proposer).

NAME, ADDRESS & ZIP CODE	DESCRIPTION OF CHARACTER AND EXTENT OF INTEREST

6. Names (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 4 or Item 5 above:

7. Is the Proposer a subsidiary of or affiliated with any other corporation or any other firm or firms?

___ YES ___ NO. If yes, list each such corporation or firm by name and address, specify its relationship to the Proposer, and identify the officers and directors or trustees common to the Proposer and such other corporation or firm:

Subsidiary or Affiliated Entity Name	Address	Relationship to Proposer	Common Officers, Directors or Trustees

8. List the federal grant projects under Title I of the Housing and Community Development Act of 1974 (CP.L.93-383), as amended, in which the Proposer or any of the principals of the Proposer is or has been the contractor, or a stock-holder, officer, director or trustee, or partner of such a contractor:

9. If the Proposer or a parent corporation, a subsidiary, an affiliate or a principal of the Proposer is to participate in the Project as a Subconsultant:

a. Name and address of such Subconsultant:

Name of Subconsultant	Address

b. Has such Subconsultant within the last 10 years ever failed to qualify as a responsible bidder or proposer, refused to enter into a contract after an award has been made, or failed to complete a contract?

___YES ___ NO. If yes, explain:

c. Outstanding contract bids of such Subconsultant:

Awarding Agency	Amount	Date Opened
	\$	
	\$	

10. Brief statement respecting equipment, experience, financial capacity, and other resources available to such Subconsultant for the performance of the work or services involved in the contract, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the Subconsultant.

11. a. Does any member of the governing body or employee of the Local Public Agency or any officer or employee of the Local Public Agency who exercises any functions or responsibilities in connection with the awarding and/or carrying out of the contract have any direct or indirect personal interest in the Proposer or in the Proposer's performance under the contract? ___YES ___NO. If yes, explain:

b. Does any member of the governing body of the locality in which the Public Improvement Project is situated or any other public official of the locality, who exercises any

functions or responsibilities in the review or approval of the awarding and/or carrying out of the contract have any direct or indirect personal interest in the Proposer or in the Proposer's performance under the contract? ___YES ___NO. If yes, explain:

CERTIFICATION

I (We) _____ certify that this Proposer's Statement for Public Disclosure is true, accurate and complete to the best of my (our) knowledge and belief(s) after reasonable inquiry.

DATED:

DATED:

(SIGNATURE)

(SIGNATURE)

(TITLE)

(TITLE)

(ADDRESS & ZIP CODE)

(ADDRESS & ZIP CODE)

1 - If the Proposer is an individual, this Proposer's Statement for Public Disclosure should be signed by such individual; if a partnership, by one of the partners; if a corporation or other entity, by one of its chief officers having knowledge of the facts required by this Statement.

2 - Penalty For False Certification: It is unlawful to knowingly and willfully making or using any false writing or document, knowing the same to contain any false, fictitious or fraudulent statement or entry in a matter to a public servant under Section 1001, Title 18, of the U.S.C. and Section 4904, Title 18 of the Pennsylvania Consolidated Statutes. Penalties may include a fine of not more than \$10,000, imprisonment of not more than five years, or both.

CERTIFICATION OF NON-INDEBTEDNESS TO THE CITY OF READING

Proposer hereby certifies and represents that Proposer and Proposer’s parent company(ies) and subsidiary(ies) are not currently indebted to the City of Reading (the “City”), and will not at any time during the term of this Contract (including any extensions or renewals thereof) be indebted to the City, for or on account of any delinquent taxes, liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. In addition to any other rights or remedies available to the City at law or in equity, Proposer acknowledges that any breach or failure to conform to this certification may, at the option of the City, result in the withholding of payments otherwise due to Proposer and, if such breach or failure is not resolved to the City’s satisfaction within a reasonable time frame specified by the City in writing, may result in the offset of any such indebtedness against said payments and/or the termination of this Contract for default (in which case Proposer shall be liable for all excess costs and other damages resulting from the termination).

Proposer: _____

Name: _____

By: _____
Authorized Signatory

Title: _____
President or Vice President

Attest: _____

NON DISCRIMINATION STATEMENT

The undersigned hereby certifies that it shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, handicap, familial status, or national origin. The undersigned shall take affirmative action to insure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, handicap, familial status, or national origin.

Name: _____

By: _____

Title: _____

Attachment 1: Cost Proposal Form

Task	Task Not-to-Exceed Fee	Proposed Completion Date
Total Project Not-to-Exceed Fee:		
Total Project Completion Date:		

* Attach a separate sheet to include additional third party expenses to the scope of Reimbursable Expenses, if desired

Contact information for whom notices required by the Contract shall be sent:

Name: _____

Title: _____

Mailing Address: _____

Email Address: _____

Phone Number: _____

Fax Number: _____

CONSULTING AGREEMENT

This **CONSULTING AGREEMENT** (this “*Agreement*”) is entered into and effective as of this [redacted]th day of [redacted], 2014, (the “*Effective Date*”) by and between the City of Reading, Pennsylvania, a Municipal Corporation organized and existing under the laws of the Commonwealth of Pennsylvania (the “*Owner*”), and [redacted], a [redacted] [redacted] (the “*Consultant*”).

Background

The Owner desires to engage the Consultant for the delivery of the valuation services to value the City’s water assets and subsequent valuation and financial modeling services associated with a long-term leasing arrangement (“*Project*”) in accordance with the requirements set forth in a Request for Proposals consulting services for water assets valuation, dated April, 2014 (“*RFP*”), attached hereto as Exhibit A and incorporated herein and Consultant’s proposal thereto, attached hereto as Exhibit B and incorporated herein (collectively, the “*Services*”).

Agreement

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree as follows:

1. **Engagement; Scope of Services.** Subject to the terms and conditions set forth in this Agreement, the Owner hereby engages the Consultant to perform the Services for the Project on behalf of the Owner consistent with the terms of this Agreement and as specifically set forth in Exhibit A.

2. **Performance of Services.**

(a) The Consultant shall perform the Services in accordance with the terms of this Agreement and in coordination and/or conjunction with those services rendered by the Owner and its authorized representatives, agents or other consultants. The Consultant shall fully cooperate with the Owner’s authorized representatives, agents or other consultants in relation to the performance of their respective contractual obligations to the Owner. The Owner’s retention of other consultants shall not relieve the Consultant of its responsibilities under this Agreement or entitle the Consultant to an adjustment in the schedule, the Services, or the Consultant’s compensation.

(b) The Consultant shall submit the deliverables and reports required by this Agreement to the Owner and otherwise complete each Task in strict accordance with the Project Schedule attached hereto and incorporated herein as Exhibit D. Time is of the essence in connection with each and every performance obligation of the Consultant under this Agreement.

(c) The Consultant shall follow the highest standards of the profession in performing the Services. The Consultant shall perform its Services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Services.

(d) Upon the Owner's request, the Consultant shall develop, organize and maintain throughout the term of this Agreement and at least 180 days thereafter ("***Time Period***"), a secure and private electronic data, information and document storage database (e.g., Microsoft SharePoint) for all documents or data used or created in connection with the Services ("***Electronic Database***"). The Consultant shall ensure that the Owner and its employees and agents have remote internet access to the Electronic Database at all times during the Time Period. Notwithstanding the foregoing, the Owner or its agents may develop an Electronic Database. Upon the Owner's request, the Consultant shall, consistent with the Owner's directions, upload all documents or data used or created in connection with the Services to such Electronic Database. Notwithstanding any dispute, claimed breach or other disagreement between the parties, the Consultant shall continuously comply with the obligations set forth in this Paragraph 2(d). The Consultant agrees that any failure to do so shall be grounds for the Owner to seek from a court immediate injunctive relief.

3. **Compensation.**

(a) The Owner shall pay the Consultant for the Services performed by the Consultant or its Subconsultants in compliance with the terms hereof in accordance with the schedule set forth on Exhibit C, attached hereto and incorporated herein.

(b) Any services to be performed that are outside the scope of this Agreement shall be memorialized in a change order executed by the Owner and Consultant with a detailed description of the scope of work and identification of the change to the Consultant's compensation resulting therefrom. Consultant shall not be entitled to any compensation for preparing proposals, amendments or change orders associated with this Agreement.

(c) "Reimbursable Expenses" are set forth in Exhibit C and are in addition to compensation for Services. Reimbursable Expenses incurred by the Consultant or its Subconsultants shall be submitted to the Owner without markup and shall be directly related to the performance of Services for the Project. The Reimbursable Expenses shall not exceed _____ dollars (\$ _____) without the prior written authorization of the Owner.

4. **Payments to the Consultant.**

(a) Payments are due and payable upon the Owner's receipt of an invoice detailed as provided below from the Consultant. Undisputed amounts unpaid sixty (60) days after the receipt of such invoice shall bear interest at the rate of three percent (3%) per annum.

(b) By the 15th of each month, the Consultant shall submit a detailed invoice to Owner by electronic mail, which identifies the specific tasks of the Services performed by the Consultant and/or its Subconsultants (as defined in Paragraph 17) in the preceding month. Each invoice shall clearly set forth in single line items: a detailed description of each action performed by each person (with their corresponding billing rate) and the time required to perform such action to the nearest tenth of an hour. The invoice shall also generally describe the relative percentage of completion for each Task (as identified in the RFP), the total cumulative amount invoiced for each Task, the total remaining compensation for completing each Task, any supporting documentation

and the overall percentage of the Project's Services completed as of the date of such invoice. Progress reports shall accompany each invoice in MS Word format.

(c) If the Owner determines that the Consultant's invoice lacks sufficient detail or inappropriately block bills, the Owner will notify the Consultant promptly. Consultant shall revise the invoice in accordance with the requirements of this Agreement and resubmit to the Owner.

(d) No payments made under this Agreement shall be evidence of the proper performance of this Agreement, either in whole or in part, and no payment, including the final payment, shall be construed to be an acceptance of defective or improper services or relieve the Consultant of its responsibility to perform its services in a professional manner and in accordance with the terms of this Agreement.

(e) In the event of any dispute between the Owner and the Consultant as to the percentage or quality of work completed or the absence of supporting documentation, the Owner shall not be obligated to pay the amount in dispute until a final resolution of the dispute. Unless the parties expressly agree otherwise in writing, in the event a dispute arises under this Agreement in connection with payments to be made on any invoice, or otherwise, the Consultant, shall continue to perform its duties and responsibilities under this Agreement, including, without limitation, the Services, during the pendency of such dispute.

5. **Equipment and Supplies.** The Consultant shall supply any equipment and supplies required to render the Services, except as otherwise provided herein, at no additional cost to Owner.

6. **Permits and Licenses.** The Consultant shall pay all fees and procure all necessary licenses and permits needed to conduct the Services, except as specifically set forth in the RFP. The Consultant shall give any and all necessary formal notices required in conjunction with the lawful prosecution of the Services.

7. **Term.** This Agreement shall commence as of the Effective Date, and it shall continue in effect until (i) such time when the Services have been completed in their entirety, or (ii) this Agreement is terminated in accordance with the provisions of Sections 14 or 16(c) hereof, whichever is earlier (the "***Term***").

8. **Independent Contractor.** The Consultant is an independent contractor and shall not be deemed an employee of the Owner. Neither party shall be responsible for the acts or omissions of the other party hereto nor the acts or omissions of the employees or agents of the other party hereto. Neither party shall have the authority to speak for, represent or obligate the other party hereto in any way without either the express prior written consent of or written ratification by the other party.

9. **Confidentiality and Non-Disclosure.**

(a) In connection with the provisions of the Services to the Owner, the Consultant will have access to certain "Confidential Information" (as defined herein). For purposes of this Agreement, "***Confidential Information***" means all information of the Owner (or

information of another party which the Owner has in its possession) that the Owner identifies to the Consultant as confidential and/or proprietary information, regardless of whether such information was or is transmitted orally, in writing, electronically or other form, or whether such information was or is tangible or intangible or observed.

(b) The Consultant may not release any Confidential Information, nor publish any report or documents relating to the Owner or the performance of the Services without prior written consent of the Owner. The Consultant shall indemnify and hold harmless the Owner, its officers, agents, and employees from all liability which may be incurred by reason of the Consultant's unapproved dissemination, publication and distribution, or circulation, in any manner whatsoever, of any Confidential Information by the Consultant or its agents or employees.

(c) Notwithstanding Sections 9(a) and 9(b), the Consultant shall not have any obligations under this Agreement with respect to information which (i) is already known to the Consultant (as evidenced by the Consultant's prior written records) or is publicly available at the time of disclosure; (ii) is disclosed to the Consultant by a third party, unless the Consultant is aware that the third party is subject to an obligation of confidentiality with respect to such information; (iii) becomes publicly available after disclosure through no act of the Consultant; or (iv) is independently developed by the Consultant without breach of this Agreement. Notwithstanding Sections 9(a) and 9(b), the Consultant may use and disclose any information (i) to the extent required by an order of any court or other governmental authority, or (ii) as necessary for the Consultant to protect its interest in this Agreement, but in each case only after the Owner has been so notified and had the opportunity to obtain reasonable protection for such information in connection with such disclosure.

10. **Copyrights and Licenses.**

(a) If the Owner and the Consultant intend to transmit Instruments of Service or any other information or documentation in digital form, they shall endeavor to establish necessary protocols governing such transmissions.

(b) Drawings, specifications, reports, data and other documents, including, without limitation, those in electronic form, prepared by the Consultant and/or its Subconsultants in connection with the Services are the property of the Owner who shall be vested with all common law, statutory and other reserved rights. At the Owner's request, the Consultant and/or its Subconsultants shall provide the Owner and any third party designated by the Owner, a full and complete release, in a form and substance acceptable to the Owner, of any and all rights the Consultant and/or its Subconsultants may have to the drawings, specifications, reports, data and other documents prepared by the Consultant and/or its Subconsultants in connection with the Services.

11. **Insurance & Indemnity.**

(a) During and throughout the entire Term of this Agreement, the Consultant and its Subconsultants shall maintain all such insurance products with the limits set forth below:

(i) Comprehensive General Liability (Per Project) – for bodily injury and property damage – including any liability normally covered by a general liability policy with limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the annual aggregate.

(ii) Professional Liability – in minimum amounts of \$5,000,000 per occurrence and \$5,000,000 aggregate.

(iii) Products & Completed Operations – Aggregate (Per Project) with a limit of not less than \$2,000,000. The Products & Completed Operations Insurance policy shall be maintained for a minimum of two (2) years after final payment and the Selected Consultant shall continue to provide evidence of such coverage to the City on an annual basis during the aforementioned period.

(iv) Automobile Liability – with a combined single limit of not less than \$1,000,000.

(v) Excess Umbrella Liability – with limits of not less than \$2,000,000 per occurrence and \$2,000,000 aggregate.

(vi) Worker’s Compensation – with coverage in compliance with the statutory requirements.

(vii) Employer’s Liability – with limits of not less than \$100,000 each accident, \$500,000 disease-policy limit, and \$100,000 disease-each employee.

(b) Within five (5) calendar days of the Owner’s transmittal of the Notice of Award, the Consultant shall furnish to the Owner a certificate of insurance evidencing all required coverage in at least the limits required herein, naming the City of Reading, its elected officials, agents, and employees as additional insureds under the Comprehensive General Liability, Products & Completed Operations, Automobile Liability, and Excess Umbrella coverages, and providing that no policies may be modified or cancelled without thirty (30) days advance written notice to the Owner.

(c) All insurance policies shall be in effect with companies holding an A.M. Best rating of “A-” or better or financial rating of IX or better with the A.M. Best’s Company Key Rating, Guide – Latest Edition and shall be licensed or authorized to do business in the Commonwealth of Pennsylvania. Such companies shall also be acceptable to the Owner.

(d) Except as set forth above with respect to the Products & Completed Operations Insurance policy, each insurance policy shall remain in full force and effect until the expiration or termination of the Agreement or until all duties to be performed hereunder by the Consultant have been performed to the satisfaction of the Owner, whichever shall occur later.

(e) All Subconsultants performing work under the Agreement must also carry, at its own expense, the same insurance products in the same coverage amounts that the Consultant is required to carry, as identified above, during the term of the Agreement. No Subconsultant shall perform any work associated with the Project unless and until the Owner reviews and approves the certificates of insurance provided by such Subconsultant.

(f) The Consultant shall indemnify, defend and hold harmless Owner, its officials, officers, employees and/or agents, from and against any and all third party claims, losses, damages, expenses, costs or other liabilities, including reasonable attorney's fees, arising out of, or resulting from any breach of this Agreement and/or any act or omission of the Consultant or its Subconsultants, or any of their officials, officers, employees and/or agents or anyone directly or indirectly employed by them or anyone whose acts or omissions they may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder. The Consultant shall further indemnify, defend and hold harmless the Owner, its officials, officers, employees and/or agents from and against any and all claims made for infringement of any copyright, trademark or patent arising out of the use of any plans, designs, drawings, reports, data or specifications furnished by the Consultant or its Subconsultants in the performance of the Services.

12. **Representations and Warranties.**

(a) The Consultant represents that the Consultant possesses the training, skills and expertise necessary to perform the Services with the highest standards of the profession.

(b) The Consultant represents that it may lawfully conduct its business in the Commonwealth of Pennsylvania.

(c) The Consultant represents and warrants that it possesses the necessary license or licenses to perform the Services in the Commonwealth of Pennsylvania, and if any part of such Services are to be subcontracted, the Subconsultants have the necessary license or licenses to perform such Services.

(d) The Consultant represents and warrants that any and all statements that it made in its response to the RFP, including, but not limited to, those statement made in documents provided to the Owner, are true and correct and may be relied upon by the Owner.

(e) Each party represents to the other party that such party has the power and authority to enter into this Agreement and that such party is not a party to any restrictions, agreements or understandings whatsoever which would prevent or make unlawful such party's acceptance of the terms set forth in this Agreement or such party's performance hereunder. Each party further represents that such party's acceptance of the terms of this Agreement and the performance of such party's obligations hereunder do not and will not (with the passage of time) conflict with or constitute a breach or default of any contract, agreement or understanding, oral or written, to which such party is a party or by which such party is bound.

13. **Correction of Services.** The Consultant shall promptly correct any Services rejected by the Owner or failing to conform with the requirements of this Agreement, whether discovered before or after the Term. Costs of correcting such rejected or nonconforming Services, including, but not limited, any additional labor or materials of the Consultant, its Subconsultants, the Owner or the Owner's agents, made necessary thereby, shall be at the Consultant's cost and expense. If the Consultant fails to correct such rejected or nonconforming Services within a reasonable time after receiving notice from the Owner, the Owner or its agents may correct such Services and the Consultant shall pay the Owner all costs, expenses, losses and damages incurred by the Owner to make such correction.

14. **Termination.**

(a) The Owner may immediately terminate this Agreement if the Consultant (i) refuses or fails to supply enough properly skilled workers to perform the Services, (ii) fails to make payment to its Subconsultants or suppliers for labor in accordance with the respective agreements between the Consultant and its Subconsultants or suppliers, (iii) violates any laws, ordinances, rules, regulations or orders of a public authority having jurisdiction, (v) becomes insolvent, suffers or permits the appointment of the receiver for its business or assets, or becomes subject to any proceeding under any bankruptcy or insolvency law, or (vi) otherwise materially breaches a provision of this Agreement.

(b) In the event the Owner terminates this Agreement pursuant to Section 14(a), the Owner may assess any legal fees, professional fees, costs and expenses, including, but not limited to, employee time attributable to said event, to the Consultant. The Consultant shall immediately reimburse the Owner for the same. In the event the Consultant fails to adhere to a contractual provision or other requirement of this Agreement, whether the subject provision is material or not, to the extent the Owner incurs legal fees, professional fees, costs or expenses, of any kind in the Owner's attempt to enforce such provision, the Consultant shall be liable to the Owner for the same. In such event, the Owner may deduct such amounts from any fees required to be paid to the Consultant pursuant to this Agreement.

(c) The Owner may terminate this Agreement upon not less than seven (7) days written notice to the Consultant for the Owner's convenience and without cause. In the event of termination not the fault of the Consultant, the Consultant shall be compensated only for Services performed prior to termination. After the Owner has made such payment, the Owner shall have no further obligation or liability to the Consultant with respect to this Agreement.

(d) If the Owner fails to make payments to the Consultant of any undisputed amounts due in accordance with this Agreement without just cause relating to Consultant's failure to perform in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Consultant's option, cause for suspension of performance of services under this Agreement. In the event of a suspension of services, the Consultant shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Consultant shall be paid all sums due prior to suspension. Prior to any suspension of services or termination of this Agreement, the Consultant shall give sixty (60) calendar days' written notice to the Owner during which period Owner may cure its nonperformance by making payment of all sums due to Consultant and not in dispute.

(e) Immediately upon expiration or termination of this Agreement, the Consultant shall return to the Owner, in both written and electronic format, all information and other property used or created in connection with the Services by the Consultant or its agents, along with such information and assistance as is reasonable and customary to enable the Owner to successfully transfer the Services to another service provider or other third-party. The Consultant shall maintain a copy of such information in electronic format for at least twelve (12) months after termination of the Services for the purpose of carrying out the intent of this provision.

15. **Claims for Consequential Damages and/or Incidental Damages.** The Consultant waives claims against the Owner for lost profits, lost expected profits, consequential damages and/or incidental damages arising out of or relating to this Agreement. This waiver is applicable, without limitation, to all consequential damages and/or incidental damages, due to either the Consultant and/or the Owner's termination in accordance with Sections 14 or 16(c). Notwithstanding anything else to the contrary in this Agreement, the Owner shall have the right to recover consequential damages and/or incidental damages from the Consultant to the extent permitted by law.

16. **Equal Employment Opportunity.**

(a) During the performance of the Agreement, the Consultant shall not discriminate against any employees or applicant for employment because of race, color, religion, sex, or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

(b) The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. The Owner may elect to provide the Selected Consultant with the required form notice. The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(c) In the event of the Consultant's noncompliance with Section 16(a), Section 16(b) or with any applicable laws, the Agreement may be canceled, terminated, or suspended in whole, or in part, by the Owner. In such event, the Consultant may be declared ineligible for further Owner contracts. The Consultant shall include the paragraphs set forth in this Section 16 in every subcontract or purchase order.

17. **Employment of Certain Persons Prohibited.** No person who, at the time, is serving sentence in a penal or correctional institution shall be employed on the work covered by the Agreement.

18. **Subcontracts.** The Consultant shall not subcontract work under the Agreement unless prior written approval is granted by the Owner. Each person or entity which the Consultant subcontracts with to perform Services, as approved in writing by the Owner (each a "***Subconsultant***"), shall be bound by the conditions of the Agreement and shall execute and deliver to the Owner a Political Contribution Affidavit and Non Discrimination Statement, as set forth in the RFP, prior to performing any Services.

19. **Right to Audit Records.** The Owner shall be entitled to audit the books and records of the Consultant or any of its Subconsultants to the extent that such books and records relate to the Agreement or the performance of Services. Such books and records shall be maintained by the Consultant and its Subconsultants for a period of three (3) years from the date of

final payment under the Agreement unless a shorter period is otherwise authorized by the Owner in writing.

20. **Compliance with Applicable Laws and Standards.** The Consultant shall strictly comply with all applicable Federal, State, and local laws, ordinances, decrees, orders, published governmental guidance documents, and industrial statutes, regulations, codes and standards in its performance of Services.

21. **Communicating with Governmental Agencies.** Notwithstanding anything to the contrary in this Agreement, the Consultant shall provide the Owner with notice before communicating with any governmental agencies about any information related to the Services. The Owner shall be provided with the opportunity to direct all communications with governmental agencies.

22. **Governing Law; Jurisdiction.** This Agreement shall be governed and construed by the laws of the Commonwealth of Pennsylvania without regard to its principles of conflicts of law. EACH PARTY IRREVOCABLY CONSENTS TO THE EXCLUSIVE JURISDICTION AND VENUE OF THE STATE COURTS LOCATED IN THE COUNTY OF BERKS, COMMONWEALTH OF PENNSYLVANIA, AND IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS BETWEEN THE PARTIES, INCLUDING, BUT NOT LIMITED TO, THOSE ACTIONS OR PROCEEDINGS RELATING TO THIS AGREEMENT, SHALL BE LITIGATED IN SUCH COURT.

23. **Entire Agreement.** This Agreement (including its exhibits) constitutes the entire agreement of the parties pertaining to the subject matter hereof and merges all prior negotiations and drafts of the parties with regard to the transactions contemplated herein. Any and all other written or oral agreements existing between the parties hereto regarding such transactions are expressly canceled. In the event of any conflict between this Agreement and any of the exhibits attached hereto, the more stringent terms shall govern.

24. **Alterations, Modifications or Additions of the Services.** The Services will be under the supervision of the Owner or its authorized representatives, agents or other consultants. In the event the Consultant determines that any alteration, modification or addition to the Services is warranted (“***Additional Services***”), the Consultant shall submit a proposal to the Owner’s Managing Director setting forth in reasonable detail the scope of such Additional Services, the estimated time and price of performing the Additional Services and any potential impact on the then-existing Services and any fees related thereto. The Consultant shall obtain the prior written approval from the Owner’s Managing Director before performing any Additional Services. The Consultant shall not be entitled to additional compensation for any work or materials associated with Additional Services unless it received such approved. If approved by the Owner’s Managing Director, the Consultant shall perform or cause to be performed such Additional Services in accordance with the terms of this Agreement.

25. **Waiver.** No provisions hereof may be waived except by an agreement in writing signed by the parties. A waiver of any term or provision hereof shall not be construed as a waiver of any other term or provision hereof.

32. **Background.** The Background Section of this Agreement is expressly incorporated into the substantive provisions of this Agreement and shall be binding upon the parties as if expressly contained in the body of the Agreement.

33. **Drafting of Agreement.** The parties hereto acknowledge that each has participated in the drafting of this Agreement and the parties hereto expressly waive the defense of contra proferentum, i.e., that this Agreement or any portion of this Agreement may be construed against any party as the drafter thereof.

34. **Exhibits.** Unless otherwise indicated, references to this Agreement shall be interpreted to include the main body of this Agreement and the Exhibits. In interpreting this Agreement and resolving any conflicts, inconsistencies, discrepancies or ambiguities between and/or within this Agreement and the Exhibits attached hereto, the main body of this Agreement takes precedence over the Exhibits. Any conflict, inconsistency, discrepancy or ambiguity of the scope of services shall be resolved in favor of the performance of the greater degree, quantity or quality of services (as determined by the Owner). All other conflicts, inconsistencies, discrepancies or ambiguities between or among the Exhibits shall be governed by the provisions of the Exhibits in the following listed order:

- (a) Exhibit C: Service Compensation Schedule
- (b) Exhibit D: Project Schedule
- (c) Exhibit A: Request for Proposals
- (d) Exhibit B: Consultant's Proposal

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

The City of Reading:

By: _____

Name: _____

Title: _____

The Consultant:

By: _____

Name: _____

Title: _____

Exhibit A
Request for Proposal

Exhibit B

Consultant's Proposal

Scope of Reimbursable Expenses

Copies of 8 ½” x 11” documents:	\$0.10 per black and white photocopy \$0.20 per color photocopy
Copies of 11” x 17” documents:	\$0.20 per black and white photocopy \$0.25 per color photocopy
Drawing plots, blue lines, xerographic prints, extra large prints:	\$0.30 per square foot
Outsource Printing:	Reimbursable at cost with the Owner’s prior approval
Auto Mileage:	\$0.555 per mile
Parking fees:	At cost
Meals:	Reimbursable at cost with the Owner’s prior approval
Overnight Accommodations:	Reimbursable at cost when out-of-state travel is required by the Owner in writing

Exhibit D
Project Schedule