



**SOLID WASTE
MANAGEMENT
CONSULTANTS**

September 21, 2016

City of Broken Arrow
1700 West Detroit
Broken Arrow, Oklahoma 74012

Dear Mr. Zirk:

Gershman, Brickner & Bratton, Inc. (GBB) is happy to respond to your request for an additional scope of work and an amendment to our contract for professional services. As described in our previous correspondence of September 1, 2016, and verbally approved by you on September 8, the first additional scope of work would include project support, preparation of four webinars to be delivered via teleconference to advisory committee meetings, review of the committee's outputs, and travel to Broken Arrow (including an overnight stay due to flight schedules) to participate in presentation of the committee's output to the City Council. The price proposal for that scope was a fixed price of **\$33,000**, to be invoiced monthly in ten equal amounts of \$3,300. In the same phone call of September 8, the City asked GBB to prepare two additional tasks for the contract amendment.

The first is for an optional task of benchmarking up to four cities regarding their curbside collection programs, operations, level of service, and funding mechanisms. As a point of clarification, this would not be to identify cities that have a set of services like that in Broken Arrow and compare them; instead, it would be a review of four other communities to learn what certain other communities do at the curb. In our experience, completing this type of review usually requires about two full days of effort per city, including time to conduct research, place calls, and write up results. Based on that level of effort, GBB proposes a fixed price of **\$12,350** to report on up to four cities. The output of this task would be a concise report consisting of a brief executive summary of the top-level findings and a pertinent description of the four cities within the parameters of the research.

The City also asked for a proposal for a detailed cost analysis of one service option to be identified by the City's advisory committee. The output of this cost analysis would include the impact on the price for ratepayers for that option. As we discussed, there are several variables which can impact the level of effort needed to complete such a task. The first is the number of scenarios which are modeled. We agreed that only one scenario would be modeled, with a "scenario" meaning one service package—i.e., the materials collected, the frequency of service, the containers used (or not used), and technology and equipment used. I have included in this price proposal a level of effort that would allow for one "what if?" variation—for example, "what if carts are used

Gershman, Brickner & Bratton, Inc.

8550 Arlington Blvd, Suite 304
Fairfax, Virginia 22031

Phone: 703-573-5800 Toll Free: 800-573-5801 Fax: 703-698-1306
www.gbbinc.com

compared to customer-provided containers?” or “what if yard waste is collected separately and what if it is not?” The variation to be modeled would be determined in the course of the project.

Another variable that impacts the level of service for rate modeling is the amount and types of information that needs to be researched or estimated. Examples include salaries, insurance costs, truck costs, route miles, number of customers, transportation costs, disposal costs and tipping fees, and other details. The City has indicated that it intends to continue as the service provider. Per our telephone and email discussions, GBB’s proposal relies on the City to provide as much as possible of the operational and financial information needed to complete the rate modeling in a format that can be inputted into a model. As an example, truck costs need to be in cost-per-mile and cost-per-hour; employee costs need to be in cost-per-hour and include both labor and benefits; proportions for overhead need to be provided. If GBB needs to derive and calculate a significant portion of these inputs from raw data, the cost estimate will likely need to be adjusted.

Also included in the rate modeling is work to be done by our subcontractor, C2Logix. C2Logix is a national routing technology firm with whom GBB has worked for many years. Their role will be to provide mileage, timing, and stops information for the model. C2Logix will rely on the City to provide the GIS, road, and customer information it needs. If a data purchase is necessary, that will need to be billed as an expense. The output from C2Logix is data for the model, not actual drivable routes; however, if within one calendar year the City retains C2Logix for routing optimization, C2Logix will credit that project the value of the resource estimator services provided in this project.

The price proposal for the rate modeling task is an estimated **\$22,700**, to be billed on a time-and-materials basis. This estimate is framed by the parameters described above, particularly the number of rates to be modeled and the provision by the City of the data inputs. If those parameters should change, a revision to the estimate may be needed. The outputs of this task would be a memorandum summarizing the methodology for producing the rate(s); the assumptions used; and, the resulting rate(s) produced by the model.

In summary, this contract amendment contains the following three tasks:

- Staffing and support of a citizen advisory committee regarding curbside recycling: fixed price proposal is **\$33,000**, to be invoiced monthly in ten equal amounts of \$3,300;
- Benchmarking of four cities and their curbside recycling programs, at the request of the citizen advisory committee: fixed price proposal for this optional task is **\$12,350**, to be invoiced in two equal amounts; and,
- Rate modeling of one service scenario and one “what if” variation: price proposal estimate of **\$22,700**, to be invoiced on a time-and-materials basis.

Tasks with fixed price proposals include all assignments, expenses, and labor to complete those tasks. If the City wishes to expand the scope of the rate modeling task beyond the deliverable and the parameters described above, we are happy to prepare additional information at that time.

To provide the necessary assistance, we agree that this letter constitutes the arrangement pursuant to which GBB is being engaged by the City of Broken Arrow for the purpose of providing the described scope of services. If this letter agrees with your understanding of the services, terms, nature, scope and limitations of the services that we intend to provide, please sign and date this agreement and return it to my attention.

We appreciate the opportunity to serve the City of Broken Arrow, and we are excited to continue to be a part of this project. If you have any questions or need additional information, please contact me at 1-800-573-5801 or lscozzafava@gbbinc.com.

Sincerely,

Gershman, Brickner & Bratton, Inc.



Lori Scozzafava
GBB Vice President, Operations Officer

Approval:

This letter correctly sets forth the understanding of the City of Broken Arrow:

Signature: _____ Date: _____

Michael Spurgeon, City Manager
City of Broken Arrow, OK

APPROVED AS TO FORM:



ASSISTANT CITY ATTORNEY