Alderwood Water & Wastewater District
Request for Proposals

Automated Meter Reading (“AMR”) System

Proposals Due: November 24, 2009
4:00 PM (Pacific)
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1 Introduction

1.1 Overview

The Alderwood Water & Wastewater District (AWWD) is located in South Snohomish County and encompasses approximately 60 square miles. A Board of Commissioners form of municipal government administers the District with five elected Board members. The District’s approximately 115 regular full time employees provide water and sewer services to customers in the service area. The District also provides wholesale water services to other agencies.

AWWD is the largest Special Purpose District in the State of Washington and serves approximately 45,500 water accounts and an estimated population of 200,000.

Of the roughly 45,500 water meters currently in use by the District, approximately 2,500 are currently radio read meters, about 28,000 are touch read meters with the remaining balance of approximately 15,000 being manual read meters, many of which have reached the end of their useful life. AWWD has determined the need to upgrade the existing manual meters. These replaced meters will become the basis for an Automated Meter Reading system for the District.

The purpose of the Request for Proposal (RFP) is to provide interested vendors with sufficient information to enable them to submit proposals for an Automated Meter Reading (AMR) System that will fulfill the specified needs of the District. Proposals also should include detailed equipment, maintenance, conversion and training costs.

The District will be considering two approaches for an AMR solution: a mobile based radio read system and a fixed based network system. Each RFP response may include proposals for either or both of the AMR solutions. The mobile based radio read system is envisioned as a hybrid system consisting of manual meters to be phased out, touch-read meters to be replaced at the end of their service life with radio equipped meters, existing radio read meters and new services utilizing radio read meters. Reading would be accomplished by a combination of vehicle mounted data collectors and hand held data collectors depending on the composition of the individual routes. Fixed base solutions are also expected to be a hybrid system with many of the same qualities as the above described mobile systems, with converted and new services being read by the fixed base system until a sufficient density allows full fixed base operation.

The District expects this RFP will result in a contract with two separate schedules with a vendor that will:

a) Establish a standard AMR system for the District
b) Complete all work necessary and provide all equipment necessary except the AMR meter endpoint units to implement the operation of a hybrid system utilizing the existing AWWD meters and the newly selected AMR system solution (implementation schedule of contract).
c) Establish a guaranteed price for the purchase of AMR meter endpoint units by the District for installation by both the District and the District’s contractors for the next 5 years (equipment schedule of contract).

The District’s address is: 3626 156th St. SW, Lynnwood, WA 98087.

The District currently plans to upgrade approximately 10,000-15,000 manual meters over an approximately five year period. For a five year period the District will purchase both replacement meters and new meters per the terms of the equipment contract negotiated as a result of this Request for Proposals.

Establishing an updated meter standard and AMR system is of great interest to the District. This will allow all new meters and District replaced meters to be installed per the new standard. Depending on workloads and financial conditions, the District will evaluate on an annual basis if in-house staff or a contractor will be replacing the manual read meters. In addition, the program to replace the 10,000-15,000 manual read meters is funding dependent and may be accelerated or delayed. The decision regarding wholesale replacement of manual read meters will be made on an annual basis and will address number of manual meters to be replaced in that individual year. Finally, if the results of this RFP do not generate a solution acceptable to the District in both functionality and economic considerations, the District may choose to remain with the existing meter reading standard.

1.2 Project Background

In 2008, the District decided to move forward with upgrading the approach to meter reading. The District currently maintains a hybrid system containing:

- Manual Read Badger Meters
- Manual Read Sensus Meters
- Manual Read Neptune Meters
- Manual Read Meters of other various Manufacturers in lesser quantities
- Touch Read Badger Meters
- Touch Read Sensus Meters
- Touch Read Neptune Meters
- Neptune meters with Neptune radios
- Sensus meters with field wired Neptune radios
- Badger meters with field wired Neptune radios

As of August 2009 the District had in service:

<table>
<thead>
<tr>
<th>Meters Type</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manual Meters</td>
<td>14,708</td>
</tr>
<tr>
<td>Radio Meters</td>
<td>2,358</td>
</tr>
<tr>
<td>Touch Meters</td>
<td>27,808</td>
</tr>
</tbody>
</table>

Distributed by size at approximately:
As well as additional larger meters which are not included in the scope of this RFP.

During review of the existing meter reading system, some of the key findings and objectives identified include the following:

- The District currently uses touch read meters as its primary meter reading technology.
- The District desires to establish a new meter reading technology standard, both for replacement of existing manual read meters and for installation of new services.
- The District recognizes the value in the existing touch read system and may chose to convert these meters to the AMR technology chosen by this RFP incrementally at the end of the touch read meters service life. Therefore, during the next 10 to 20 years, both touch read and radio read meters may be in use on the same meter reading routes.
- The District desires capture more water usage data for use in analyzing customer demand and supporting conservation activities for District customers.
- The District would look favorably on a system that is upgradable to fixed based systems in the future if a mobile read system is selected.
- Functional experts within the District would largely support the AMR system. Users and supporters will include the District’s IT staff, Finance/billing staff and meter reading staff. A small IT organization supports the IT infrastructure and District-wide IT system facilities.
- The District seeks a system that can be administered by existing staff without becoming heavily dependent upon outside services or consultants.
- The District will include the impacts to existing equipment and software which may be affected by the implementation of the selected AMR solution as part of the evaluation process.
- The District plans to evaluate the total impact and cost of the selected AMR solution over the next 20 years.
- The District intends to create a fully functional hybrid meter reading system, including the ability to read the newly selected AMR solution prior to wide spread deployment of the new AMR meters through the Implementation portion of the Contract developed as part of this RFP.
- The District intends to purchase new radio equipped meters through the Equipment portion of the Contract developed as a result of this RFP. Installation of the replacement meters and new meters will be performed by other contractors or the District and is not part of the contract to be developed from this RFP.
The District seeks integrated solutions (e.g., single manufacture for meters, register/encoder, transmitters, radios, handheld collection units, vehicle mounted collection units, fixed base data collection units, radio repeaters and collection and analysis software) for this project. It seeks proposals from experienced vendors that have successfully deployed similar sized systems in organizations similar to the District.

1.3 Guidelines for Submission

By virtue of submitting a proposal, interested parties are acknowledging:

1.3.1 This RFP is a request for equipment and implementation services proposals. As such, proposals from individual equipment, installation or implementation vendors alone will not be considered unless the vendor will be providing all services with their own forces.

1.3.2 The District reserves the right to reject any or all proposals if it determines that select proposals are not responsive to the RFP or if the proposals themselves are judged not to be in the best interests of the District. Moreover, the District reserves the right to reconsider any proposal submitted at any phase of the procurement. It also reserves the right to communicate or meet with select vendors at any time to gather additional information to thoroughly evaluate proposals. In addition, the District reserves the right to waive or modify any provision as deemed appropriate by the Board of Commissioners. Furthermore, the District reserves the right to delete or add functionality up until the final contract signing.

1.3.3 The intent of this RFP is to facilitate the selection of an Automated Meter Reading System and implementation of the necessary items to allow the operation of the chosen meter data acquisition and data processing approach. The District’s acquisition approach will follow RCW Title 39.04.270. One of the key tenants of this approach is to employ “competitive negotiation, rather than competitive bidding” in the procurement of the AMR solution. As such, the District will negotiate with vendors throughout the process to get the best price and business terms for its Rate payers. The District will consider all cost and business terms to be negotiable and not artificially constrained by internal corporate policies. In short, vendors that contend that they lack flexibility because of their corporate policy on a particular negotiation item will face a significant disadvantage and may not be elevated to the final negotiation phase.

1.3.4 The District is seeking licenses for software, radio frequencies or any other licensed items to be perpetual (i.e., the District purchases and retains the license to use item forever) with a fixed price for the first five years.

1.3.5 Proposals on implementation services are required to be on a not-to-exceed basis. Under a not-to-exceed arrangement, the District compensates vendors on the basis of hours and expenses incurred up to a ceiling amount. If there is a “residual” amount at the end of the
project (difference between total implementation contract amount and actual total costs),
the District will retain the difference by simply not spending the funds. By contrast, if the
implementation cost ceiling is exceeded, vendors must finish the work with no additional
compensation and within the agreed upon timeframe, unless the District does not meet
specific assumptions outlined in the contract. Vendors are to provide all work effort
needed to meet the detailed business requirements as part of their proposal. Finally, the
District reserves the right to ask vendors to resubmit proposal pricing on either a fixed
basis or a combination of fixed and not-to-exceed basis at any point during the process.
*All vendors submitting proposals are encouraged to submit the most competitive proposal possible, as the failure to do so may lead to elimination prior to demonstrations.*

1.3.6 Vendors selected for interviews, demonstrations or other on-site meetings agree to be available on dates specified by the District. Failure to be available for specified dates may lead the District to elevate another proposal.

1.3.7 Vendors submitting proposals agree that their pricing (for equipment and implementation) is valid for a minimum of twelve months after proposal submission to the District, and once the contract is executed, pricing remains valid for the length of the contract.

1.3.8 Vendors hereby certify that they have carefully examined all of the documents for the project, have carefully and thoroughly reviewed this RFP, and understand the nature and scope of the work to be done; and that this proposal is based upon the terms, specifications, requirements, and conditions of the RFP. The proposing vendor further agrees that the performance time specified is a reasonable time, having carefully considered the nature and scope of the project.

1.3.9 Vendors certify that this proposal is submitted without collusion, fraud or misrepresentation as to other proposing vendors, so that all proposals for the project will result from free, open and competitive proposing among all vendors.
2 General Submittal Requirements

2.1 Issuing Agent

Vendors are specifically directed not to contact any District officials or staff for meetings, conferences or technical discussions related to this procurement, other than those individuals specified here in this RFP. Unauthorized contact with District officials or staff at any time during this procurement will be cause for rejection / disqualification of the vendor’s RFP response. All procedural, and/or, content questions relating to this RFP should be directed to Paul Richart, Project Engineer, at (425) 743-4605, or via email at prichart@awwd.com.

2.2 Submission Requirements

To facilitate evaluation of proposals, one copy of a CD-ROM must be submitted containing the entire contents of your proposal. In addition, six (6) bound copies shall be submitted to the address shown below.

Alderwood Water & Wastewater District
Attention: Paul Richart
3626 156th St SW
Lynnwood, WA 98087
(425) 743-4605

The original submission shall be clearly marked “original.” Proposals must be received no later than November 24, 2009 at 4:00 PM (Pacific). Proposals shall be sealed and marked in the lower left-hand corner with “Automated Meter Reading System Proposal Response.” The vendor’s name and address should also be marked clearly on the proposal submission. Proposals become the property of the District and become public record, and will not be returned. The District will not consider late proposals.

Please use the following checklist to ensure that you are submitting a complete proposal.

- One copy of the entire proposal submitted electronically (on CD-ROM only).
- Six (6) bound copies of the proposal (including hard copies of costs and all required attachments), presented in a professional manner, are to be submitted.
- Microsoft Word 2007 (or lower version) containing selection criteria responses.
- Microsoft Excel 2007 (or lower version) workbook containing cost estimates. In addition, vendors are expected to estimate the costs of additional hardware and footnote this appropriately in the cost estimates.
2.3 Delivery of Proposal

Each proposal must be received by the date and time set for closing receipt of offers. The submission shall be identified with the name of the vendor and the date and time of closing. Proposals received prior to the time of the opening will be securely kept, unopened. No responsibility will be attached to the District for the premature opening of a proposal not properly addressed and identified. Vendors are responsible for actual delivery of mailed or hand-delivered proposals to the designated location by the established deadline.

2.4 Submittal Costs

Those submitting proposals do so entirely at their expense. There is no expressed or implied obligation by the District to reimburse any individual or vendor for any costs incurred in preparing or submitting proposals, providing additional information when requested by the District or for participating in any selection interviews.

2.5 Acceptance of Submittal Requirements

Submission of any proposal indicates a vendor’s acceptance of the conditions contained in this RFP unless clearly and specifically noted otherwise in the proposal.

2.6 Interpretations

Should any vendor find procedural discrepancies, omissions, or ambiguities in this RFP, they should submit a written request for clarification to the individual designated in Section 2.1. The last day to submit a request is 2:00 P.M. (Pacific) on November 18, 2009.

The issuance of a written addendum is the only official method by which interpretation, clarification or additional information will be given by the District. Only questions answered by formal written addenda will be binding. Oral and other interpretations or clarification will be without legal effect. If it becomes necessary to revise or amend any part of this Request For Proposal, notice will be given to all prospective vendors who were sent a Request For Proposal. Each vendor shall ensure that they have received all addendum and amendments to this RFP before submitting their proposals.

Note: The vendor shall acknowledge any addendum issued by the District during the RFP process in the Executive Summary of their proposal. The requirements of all the District-issued addenda to this RFP shall be made part of the agreement between the District and the selected vendor.
### 2.7 Tentative Procurement Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 28, 2009</td>
<td>RFP Released by the District</td>
</tr>
<tr>
<td>November 13, 2009</td>
<td>Pre-Proposal Meeting – 9:00 AM Pacific</td>
</tr>
<tr>
<td>November 24, 2009</td>
<td>Proposals Due to the District – 4:00 PM Pacific</td>
</tr>
<tr>
<td>December 18, 2009</td>
<td>Select Vendors Elevated for Further Evaluation (Short-List)</td>
</tr>
<tr>
<td>January 11-28, 2010</td>
<td>Detailed Evaluation, Potential Interviews and Demonstrations</td>
</tr>
<tr>
<td>February 2010</td>
<td>AWWD Board Approval of Selected Vendor</td>
</tr>
<tr>
<td>March 2010</td>
<td>Complete Negotiations with Finalist, Approve Contract</td>
</tr>
</tbody>
</table>

### 2.8 Rejection

The District reserves the right to reject any and all proposals, to waive any formality in proposals received, to accept or reject any or all of the items in the proposal, and to award the contract in whole or in part and/or negotiate any or all items with individual vendors if it is deemed in the best interest of the District. Moreover, the District reserves the right to make no selection if proposals are deemed to be outside the fiscal constraints or not in the best interests of the District.

### 2.9 Force Majeure

In the event vendor or the District is delayed in performing any of its respective obligations under the agreement, except payment of money, due to force majeure, and only if notice of such delay is properly given, such delay will be excused and the period of such delay will be added to the time for performance of the obligation delayed. However, no delay will be permitted if the date, schedule or time period for performance of the obligation is expressly stated in the agreement not to be subject to extension by reason of force majeure. In the event of a delay due to force majeure, the affected party will exercise due diligence to shorten, avoid and mitigate the effects of the delay and will keep the other party advised as to the continuance of the delay.

In no event will either party be entitled to any adjustment to compensation because of any delay due to force majeure. No direct, indirect or consequential damages, whether for delay, disruption, interference, impact, extended overhead, lost profit or any other cause, will be payable by either party as a result of any delay due to force majeure.

### 2.10 Contract

It is recognized that the formal basis of any agreement between vendor and user will be a contract to be negotiated between parties rather than a proposal. In submitting proposals, vendors must indicate that they are prepared to complete a contract containing all the information submitted in their proposals. Vendors must also be prepared to meet District’s insurance requirements at the time the contract is awarded. A sample contract and copy of the
insurance requirements are attached for your reference. All comments on the District’s contract shall be provided as an attachment to the cover letter that accompanies any proposal. If a vendor has no comments, provide a declaration of no comment in the cover letter or in an attachment. (See Appendix D – Section 3 – Insurance).

2.11 Public Disclosure of Proposal Information

This procurement is subject to the Washington Public Disclosure Act, RCW 42.17.250 et seq. Proposals submitted under this RFP shall be considered public documents unless the documents are exempt under public disclosure laws. After the selection process has been concluded and both parties have signed a contract, Proposals shall be available for inspection and copying by the public.

If a Proposer considers any portion of its Proposal delivered to the District to be protected under the law, the Proposer shall clearly identify each such item with words such as “CONFIDENTIAL,” “PROPRIETARY” or “BUSINESS SECRET.” If a request is made for disclosure of such item, the District shall determine whether the material shall be made available under the law. If the material or parts thereof are determined by the District to be exempt from public disclosure, the District shall not release the exempted documents. If the material is not exempt from public disclosure law, or the District is not in the position to make such a determination, the District shall notify the Proposer of the request and allow the Proposer ten (10) days to take whatever action it deems necessary to protect its interests. If the Proposer fails or neglects to take such action within said period, the District shall release the item(s) at issue. By submitting a Proposal, the Proposer assents to the procedure outlined in this paragraph and shall have no claim against the District on account of actions taken under such procedure.

2.12 Warranty

A warranty is required for both the equipment and implementation services, as specified below:

**Equipment.** The District is seeking a 20 year warranty (including both full and pro-rated portions of warranty) on equipment installed on each customer’s service, especially the meter, register and radio, including batteries. Warranties under ten years will not be accepted and the District will look more favorably at respondents with longer warranty periods up to a maximum of 30 years.

**Implementation Services.** The District also requires a warranty for implementation services (e.g., work products, software, equipment and system configuration) for a minimum of 24 months after the system acceptance date.

2.13 Confidential Matters

All data and information gathered by the vendor and its agents, including this RFP and all reports, recommendations, specifications, and data shall be treated by vendor and its agents as
confidential. The vendor and its agents shall not disclose or communicate the aforesaid matters to a third party or use them in advertising, publicity, propaganda, and/or in another job or jobs, unless written consent is obtained from the District.

2.14 Retention of Vendor Material

The District reserves the right to retain all proposals regardless of which response is selected. All proposals and accompanying documents become the property of the District.

2.15 Payment Terms.

**Implementation Payment:** The District will make payments according to the contract based on meaningful and critical milestones/deliverables.

**Equipment Payment:** The District will make payments according to the contract based on actual equipment purchased and delivered. The quantities provided for each year are estimated annual requirements. The District will place orders as needed in lots per quarter. The District does not guarantee the quantities estimated for each item; nor does the District limit itself to the estimate numbers.

Equipment pricing shall be good for a period of 12 months following the date of the bid award. This bid may be extended for four (4) additional 12-month periods by the issuance and acceptance of a Purchase Order. After the first 12 months, a price revision is permitted in subsequent 12 month periods. Only one revision will be allowed in each 12-month period. The selected Vendor shall guarantee that the prices charged to the District, over the course of the Contract, will not exceed the prices charged by the selected Vendor to any other customer purchasing a similar product or service under similar terms and conditions.

To apply for a price escalation, the Vendor must request an adjustment. Requests for any such change are to be made in writing to the District's Meter Supervisor. The proposed method for calculating a price adjustment shall be identified by the vendor in the proposal.

A common method of adjustment is made on the basis of a comparison to changes in the Producer Price Index (“PPI”) Series Title: PPI - All Commodities: 1982 - 100 NSA (available at www.bls.gov). An alternate process may be negotiated as part of this RFP process or other information satisfactory to the District. The District will exercise reason in its evaluation of this information to determine if revising the pricing is fair and reasonable to the District. Any approved price adjustment shall be retroactive to the date of the written request for adjustment. If the Vendor fails to give timely notice, prices shall not be changed.
2.16 Termination for Convenience.

The District’s contracts typically include a provision by which the District can terminate a contract with thirty days notice for any reason.

2.17 Limitation of Liability

For both equipment and services, the vendor selected by the District based on this RFP process will be required to include as part of the contract a liability provision acceptable to the District. Any limitation on liability must be acceptable to the District.

2.18 Subcontractors

The District has approval rights over the use of all subcontractors. A copy of the proposed subcontract must be filed with the District. Proposing firms must conform to all other standard District policies regarding subcontractors.

2.19 Services and Statement of Work.

“Services” means all work performed by the proposer for the District as agreed to in writing under the Implementation Services Agreement. Such Services are set forth in the Statement of Work (“SOW”).

The intent of the Implementation Services Agreement is for the Services to be completed in the detail described in the Statement of Work, which is attached to, and part of the Implementation Services Agreement. Except as otherwise explicitly stated in the Implementation Services Agreement, the proposer will furnish all labor, materials, equipment, products, tools, transportation, and supplies required to complete the Services. Proposer will provide Services to the District as required in the Implementation Services Agreement and the Statement of Work. Any additional services will be mutually agreed to in writing by each party through the Change Order process.

2.20 Jurisdiction, Venue, Choice of Law

This RFP and any contract resulting therefrom shall be governed by and construed according to the laws of the State of Washington and the venue will be Snohomish County, Washington.

2.21 Indemnification

The respondent agrees to indemnify and hold harmless the District, and its officers and its employees, from and against all liability, claims, demands, and expenses, including court costs and attorney fees, on account of any injury, loss, or damage, which arises out of the work to be performed under this Agreement, if such injury, loss, or damage is due to the negligence of the
respondent, any subcontractor of the respondent, or any officer, employee, or agent of the respondent.

2.22 Delivery Of The Project Plan

The project plan (or other substantively equivalent implementation documents as may be agreed to by the District prior to contract signing) are to be delivered within a contractually specified timeframe after contract signing. Non-performance in this regard will result in liquidated damages, where specified, or similar penalties.

2.23 Responsibility And Default

The proposer shall be required to assume responsibility for all items listed in this Request for Proposals. The successful respondent shall be considered the sole point of contact for purposes of this contract.

2.24 Independent Contractor

The proposer is an independent contractor and no employee or agent of the proposer shall be deemed for any reason to be an employee or agent of the District.

2.25 Ownership Of Information

All information pertaining to records, property, financial, or other information acquired under the scope of this contract shall be strictly confidential and shall be considered works for hire and become the property of the District. Any such works will not be stamped with the Proposers’ proprietary marking. The proposer shall return all information to the District upon termination, and/or request and shall not utilize any of the information for purposes outside of the scope of this contract or without express approval of the District.

2.26 Insurance

The Proposer shall be responsible for maintaining insurance coverage in force for the life of the contract. The insurance companies must have an A.M. Best rating of A or better and be licensed to write such insurance. Prior to commencement of services to the District, certificate(s) of insurance must be presented verifying the coverage. The insurance carrier shall give the District a thirty (30) day written advance notice of any termination, expiration, or any and all changes in coverage. Deductibles and self-insurance retentions shall be declared in the certificate(s) of insurance. All deductibles/retentions are the sole responsibility of the Proposer to pay. Certificates shall verify the following coverage:

a.) Workers Compensation --- as required by law.
b.) Commercial General Liability Insurance, including contractual liability in accordance with the indemnification requirements in the above paragraph, and including bodily injury, personal injury, and property damage, with limits of at least $1,000,000 per occurrence. The general liability insurance shall name the District as an additional insured. Such coverage shall be on an “occurrence” basis and not on a “claims made” basis.

c.) Professional liability (Errors & Omissions) with minimum limits of at least $1,000,000 per occurrence. The insurance required above may be proven under primary policies or by a combination of primary and excess policies.

2.27 Cooperative Purchasing

RCW 39.34 allows cooperative purchasing between public agencies (political subdivisions). Public agencies which have filed an Intergovernmental Cooperative Purchasing Agreement with the District and which are actively participating may purchase from District contracts, provided that the Vendor has agreed to such participation. Each Bidder shall indicate on the bid submittal form if it will honor other public agency orders in accordance with contract terms and conditions in addition to orders from the District. The District does not accept any responsibility for orders issued by other public agencies. Cooperative purchasing would apply to the equipment contract only.

Public agencies desiring to use the District’s contracts must have executed an Intergovernmental Cooperative Purchasing Agreement with the District, as required by RCW 39.34. Only those public agencies that have complied with these requirements are eligible to use this contract. The public agency accepts responsibility for compliance with any additional or varying laws and regulations governing purchase by or on behalf of the public agency in question. A purchase by a public agency shall be in effect by an order from the public agency, directed to the Vendor or other party contracting to furnish goods or services to the District.

The District accepts no responsibility for the performance of any purchasing contract by the Vendor, and the District accepts no responsibility for payment of the purchase price for any public agency.

2.28 Protests

1. Time to File a Protest.

   a. Any prospective Proposer may file a protest challenging the requirements identified in the RFP provided such protest is received no later than ten (10) calendar days prior to the date established for responding to this solicitation.

   b. A financially interested proposer may file a protest based on evaluation of Submittals provided such protest is received no later than five (5) calendar days after the protesting party knows or should have known of the facts and circumstances upon which the
protest is based.

c. In no event shall a protest be considered if all Submittals are rejected or after execution of this contract.

2. Form of Protest. A protest shall be in writing and addressed to: Alderwood Water & Wastewater District, 3626 156th Street SW, Lynnwood, Washington 98087, Attention: District Engineer. The protest shall include the following:

   a. The name, address and telephone number of the party protesting or their representative;
   b. The RFP number and contract title under which the protest is submitted;
   c. A detailed description of the specific grounds for protest and any supporting documentation; and
   d. The specific ruling or relief requested.

3. Determination of Protest. Upon receipt of a timely written protest, the District Engineer shall investigate the protest and shall prior to execution of the contract respond in writing to the protest. The District Engineer’s decision shall be considered the final action by the District.

4. Compliance with Protest Process. Failure to comply with these protest procedures will render a protest untimely and inadequate and may result in rejection thereof by the District.

5. Exhaustion of Administrative Remedies: As a mandatory condition precedent to initiating a lawsuit against the District, a prospective Proposer or a Proposer shall comply with the Protest Procedures defined herein.

6. Venue: By responding to this RFP and for the convenience of the parties, the prospective Proposer or a Proposer acknowledges and agrees that a lawsuit or action related to or arising out of this procurement shall be brought in the Superior Court of Snohomish County, Washington.

2.29 Modification or Withdrawal of Proposals prior to Proposal Due Date

At any time before the time and date set of submittal of Proposals, a Proposer may request to withdraw or modify its Proposal. Such a request shall be submitted in writing and signed by an authorized representative of the Proposer as identified in the Proposal. All Proposal modifications shall be made in writing and executed and submitted in the same form and manner as the original Proposal.

2.30 Procedure when only One Proposal is Received

If the District receives a single responsive, responsible and advantageous Proposal, the District shall have the right, in its sole discretion, to extend the Proposal due date to conduct any of all of the following with the Proposer: price analysis, clarifications, discussions, or negotiations. The Proposer shall promptly provide all pricing data, documentation, and explanation requested by the District to assist in such analysis. By conducting such analysis, the District shall not be
obligated to accept the single Proposal; the District reserves the right to reject such Proposal or any portion thereof.
3 Detailed Submittal Requirements

3.1 Proposal Format

In order to facilitate analysis of responses to this RFP, vendors are required to prepare their proposals in accordance with instructions outlined in this section. Vendors are required to submit the proposal in a sealed package. Vendors should ensure they have received an electronic copy of this RFP that contains the following Microsoft Excel spreadsheets and Microsoft Word documents: (1) cost proposal worksheets; (2) equipment reference form; and (3) implementation reference form.

Proposals should be prepared as simply as possible and provide a straightforward, concise description of the vendor’s capabilities to satisfy the requirements of the RFP. Emphasis should be concentrated on accuracy, completeness, and clarity of content. All parts, pages, figures, and tables should be numbered and clearly labeled. The proposal should be organized into the following major sections:

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
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<tbody>
<tr>
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<td>Exceptions to the RFP</td>
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<tr>
<td>13.0</td>
<td>Alternate Solutions</td>
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</table>

Specific instructions relative to each part of the response to this RFP are defined in the remainder of this section.

3.2 Executive Summary (Section 1.0)

This part of the response to the RFP should be limited to a brief narrative highlighting the vendor’s proposal. The summary should contain as little technical language as possible and should be oriented toward non-technical personnel. Please note that the executive summary
should identify the primary engagement contact for the equipment vendor and the contact for the implementation services vendor, if different, being proposed. Contact information should include a valid email address and a telephone number. The District will only consider equipment vendors, NOT their implementation partners, to be the primary point of contact throughout this engagement.

3.3 Scope of Services (Section 2.0)

This section of the vendor’s proposal should include a general discussion of the vendor’s understanding of the “overall” project and the scope of work proposed. The response must clearly describe the proposed AMR solution included in the proposal that are necessary to meet the District’s requirements, as well any products, items or modules included in the proposal that are “value-added” or “optional.” The response must also confirm that the proposal includes all of the work effort necessary to implement the software products or modules included in the proposal.

3.4 Company Background (Section 3.0)

Vendors must provide the following information about their company and the implementation partner’s company so that the District can evaluate the vendor’s stability and ability to support the commitments set forth in response to the RFP. The District, at its option, may require a vendor to provide additional support and/or clarify requested information.

The background information contained in the proposal should include the following:

- How long the company has been in business.
- A brief description of the company size and organizational structure. Include the current number of permanent, full-time employees. Identify if the firm is a publicly traded company, and for partnerships and sole proprietors, identify all owners of the firm.
- How long the company has been selling the proposed AMR solution to clients similar to the District.
- Most recent audited financial statements for the equipment vendor and the implementation vendor (e.g., annual sales, profitability).
- Listing of installations at entities similar to the District by name and state. Municipal governments similar to the District are to be listed first. The number of meter end points for each jurisdiction should also be included.
- Any material (including letters of support or endorsement from clients) indicative of the vendor’s capabilities.
- If partnering, how long the implementer has worked with the equipment vendor and how many projects the two parties have completed together.
3.5 Proposed Application and Meter Reading Environment (Section 4.0)

In addition to providing an overview of the AMR solution proposed for the District, the vendor must present, in detail, the key technology features and capabilities of the proposed system as they relate to this project.

3.5.1 Current Meter Reading Environment and Standards: The District prefers a solution that is compatible with its current environment and future technology vision. The following information provides vendors with an overview of the District’s current meter reading environment and technology preferences.

Current Meter Reading Environment: The following points are intended to provide vendors with additional information regarding the District’s current meter reading environment:

- The District employs approximately five Neptune Advantage II cordless wands, DAP CE5320X hand-held units with HR26501 hand-held interface units (HHIU) loaded with Neptune EZ Route Maps and upgraded with Neptune’s current ARB Meter Reading Software.

- Four meter readers perform meter reading full time. The District is divided into eight areas or “Controls”, each of which is read every eight weeks.

- Route data for a Control is downloaded from the “Host Billing Database” in the Northstar billing Software located at the District’s Administrative Building to ARB Equinox software located at the District’s Operations & Maintenance Building. This transfer occurs via a customized transfer file format and occurs over the Districts’ established intranet system. Individual routes are then loaded into specific handheld units and meter data is collected. Collected meter data is downloaded from the hand held units daily back into the ARB Equinox Neptune meter reading software located on a local/master computer machine at the Maintenance and Operations Building. This data is reviewed, cleaned up and uploaded to the Host Billing Database. At the end of each week, billing is notified the data is ready and the data is then sent to the billing journal for creation of customer bills. The next week, the process repeats for the next Control in the schedule.

- Systems software – Microsoft SQL Server is used by the Great Plains Accounting, Northstar Billing and SCADA systems; Microsoft Access is used for other databases including the District maintained meter database. The District is currently running Active Directory.

The District has a variety of meter installations: Concrete boxes with concrete, cast iron or steel lids, plastic boxes with plastic, cast iron or steel lids, concrete vaults with concrete, steel or aluminum lids and within buildings with a variety of exterior walls. Meter pits are located in lawns, sidewalks, planting strips, parking lots, driveways, roadways and other such areas. Meter boxes containing manual read meters are almost universally without the 1¾” hole in the lid which is standard on meters employing the touch read system.

3.5.2 Meter Reading Standards and Preferences common to all solutions

3.5.2.1 Meter Reading Standards and Preferences for the all AMR Systems: In regard to the District’s preferences as they relate to this project, vendors should take into consideration the following points:

- The District prefers Microsoft operating systems, applications and the SQL Server database.
- The District prefers equipment that is standards-based and does not lock the District into proprietary technology.
- Preference is for GUI-based applications.
- The District currently has Neptune Software and Neptune Handhelds deployed. These handhelds are paired with wireless wands and are used to enter manual meter readings, receive touch meter readings from wands and perform radio meter readings. The vendor may re-use or replace this existing equipment based on their proposal needs.
- District prefers a single handheld data collection unit which can support manual entry, touch meter readings and radio meter readings.
- The District has recently selected “Maintenance Connection” to develop and provide a Computer Maintenance Management System (CMMS) for the District. Any AMR solution should be compatible with the Maintenance Connection system and preferably use an open architecture.
- District prefers that any solution requiring penetration through the meter box lid replace the meter box lid rather than drill the existing lids. The costs of replacing the lids shall be included in the costs of any through lid AMR system.

3.5.2.2 Technology and System-Wide Features: Proposals must provide, in succinct narrative form (at least one paragraph per item), a description of the following features and capabilities for each solution proposed: (1) Meter compliance with AWWA standards; (2) Meter capabilities in excess of AWWA standards, if any; (3) Encoder registrar compliance with AWWA standards; (4) Encoder registrar capabilities in excess of AWWA standards, if any.
3.5.2.3 Based on the above stated preferences of the District, vendors must include a response for each of the following issues for each solution proposed:

- **Hardware Environment:** Describe the optimal required to utilize the proposed AMR solution. In the event there is more than one suitable meter reading / data collection approach, list all options indicating the relative strengths and drawbacks (if any) of each.

- **Upgrade Tools:** What is the upgrade frequency of the proposed software? How are patches and fixes deployed? How are patches and fixes applied? How are upgrades applied? How many versions of the software does your company support?

- **Reporting and Analysis Tools:** What reporting tools are available? What tools are included in each platform, Handheld data collection, Vehicle mounted data collector and Master computer?

- **Battery:** How was the battery life determined? What are the discharge rates, how are those rates validated? How does the operation options of the proposed meter end point affect battery life? Are there any special considerations or requirements for disposal of batteries and what are the estimated associated disposal costs?

3.6 Third-Party Products/Optional Products (Section 5.0)

The vendor shall explicitly state the name of any third-party products that are part of any of the proposed solutions to the District. For each third-party product there should be a statement about whether the vendor’s contract will encompass the third-party product and/or whether the District will have to contract on its own for the product.

Include a description of any products, features or other value added components available for use with the proposed system that have not been specifically requested in this RFP. For those third-party items that will be included in the main proposal, the vendor should provide proof that they have access to the third-party item, and that they have the ability to provide long-term support for these items. The District may consider these products, features or other components if they are likely to provide value to the District.

3.7 Responses to Selection Criteria (Section 6.0)

Responses to the District’s selection criteria listed below must be provided in this section of the vendor’s proposal for each solution.

1) **Water Meter Body Features**
Describe the ability of the proposed water meter body to meet the current District standard as described in Appendix A of this RFP. Also specifically discuss the low flow registration capabilities of each proposed size of meter.

2) Datalogging Capacity and Features
Describe the data logging available in the proposed system. Include the number of data points stored, the period of time storage is available, default configuration of the data collection, retrieval method, the analysis tools available, how those tools are provided and any other applicable information.

3) Leak Detection
Describe the standard alarm points, how setpoints are adjusted, threshold levels, calculation methods, general approach, measurement resolution and any other applicable information.

4) Back Flow Detection
Describe the standard alarm points, how setpoints are adjusted, threshold levels, calculation methods, general approach, measurement resolution and any other applicable information.

5) Tamper Detection
Describe the standard alarm points, how setpoints are adjusted, threshold levels, calculation methods, general approach, measurement resolution and any other applicable information.

6) Range of Transmission
Describe broadcast range of the proposed endpoint device under both ideal and actual field conditions. Include the range to both hand held and vehicle mounted receiver units and any other applicable information for the Mobile Read solution. Include the range of both data collectors and repeaters and any other applicable information for the Fixed Base Network solution.

7) Rate of Data Transfer
For the Mobile Read solution, describe how many meter reads per minute both the proposed hand held and vehicle mounted receiver units can support. Provide top recommended travel speed for both units and any other applicable information. For the Fixed Base Network solution, describe how many meter end points each collector unit can support, the rate of transfer to either a repeater or a receiver and any other applicable information.

8) Data Collection – Hand Held Units
Describe the features, approach, battery life, error checking, size, weight, feedback to the user (both audible and visual) and general operation of the proposed hand held data collection units and any other applicable information. Discuss ability to operate for 8
continuous hours and how many charging cycles the battery will support this level of usage.

9) Data Collection – Vehicle Mounted Units
   Describe the features, approach, error checking, size, weight, antennas, feedback to the user (both audible and visual) and general operation of the proposed vehicle mounted data collection units and any other applicable information. Include power sources, mounting instructions, data storage capacities and transfer procedures, and procedures/requirements to move unit from one vehicle to another vehicle.

10) Data Collection – Fixed Base Units
    Describe the features, approach, error checking, feedback to the user and general operation of the proposed Fixed Base Data Collection and Repeater units and any other applicable information. Include power sources, mounting instructions, data storage capacities and data connection options.

11) Hybrid System Data Collection
    Describe what software, hardware and procedures will be required with the proposed system to collect data during:
    a) Transition period where existing manual meters, existing touch read meters, existing radio equipment meters and new radio equipped meters will all exist in a single collection route.
    b) After project completion where existing touch read meters, existing radio equipped meters and new radio equipped meters will exist.
    c) Potential future conversion from bi-monthly reading/billing to monthly reading/billing.
    d) Potential incremental conversion from mobile based system to fixed network based system. (if applicable)

    For each scenario included programming requirements, if any, to properly interface data collection units, meter reading software and billing software.

12) Meter Replacement Data Upload
    Describe the procedure to be used for the installation contractor or District to collect new meter information, link the replacement meter to the correct account, record the final old meter reading and the initial new meter reading, GPS coordinates and upload this data to the District Billing software. Proposer shall be explicit if module from District Billing software vendor is proposed or an alternate method is proposed.

13) Typical Installation Procedure
    Describe the procedure for the conversion process for a typical residential 5/8x3/4 meter from existing manual meter to the proposed meter unit. Include sufficient detail such that the description could be included in contract specifications for a third party installation by a contractor. Explicitly discuss replacement or retention of existing meter box lids.
14) Customer Interface
   Describe methods for providing customer information and feedback on both temporary and long-term timeframes for customer water usages to support District Conservation efforts and any other applicable related information.

15) Radio Frequency
   Describe the radio frequency chosen for the proposed meter units to operate within. Include information regarding any FCC licensing requirements, any leasing and any long terms costs. Provide discussion of risks and benefits of this particular frequency choice for the District and any other applicable information.

16) Battery Life, Warranty and Disposal
   Describe the expected battery life of the proposed meter end point. Include information for both the proposed operating method and any other operating methods the proposed units are capable of supporting. Include detailed information on the proposed warranty for the units and the associated battery. Indicate if batteries are sealed, field replaceable and typical field staff response to low or dead batteries. Discuss effect on meter data during low or dead batteries. Discuss proper disposal options for expended batteries. Also provide information on low battery alarms and feedback to District staff of those conditions and any other applicable information.

17) End Point Unit Construction
   Describe the physical construction, connections and features of the proposed meter/radio endpoint unit. Include specifics on the proposed meter body, encoder/register, radio transmitter and register and any other applicable information. If multiple vendors are teaming (for example a meter vendor & radio vendor), each vendor shall provide a written statement showing compatibility. Also include details regarding connection/interface between equipment. Items requiring District assembly in field or shop are not as attractive to the District with preference given to units delivered fully assembled.

18) Re-use or replacement of existing and proposed equipment
   a) Describe what existing District equipment would be replaced to accommodate the proposed equipment. Specifically address the existing hand held collection units and the existing radio equipment meters.
   b) Describe the recommended replacement schedule for proposed equipment included at a minimum the hand held collection units, the vehicle mounted collection units and the meter endpoint units. What frequency will software updates occur, how will these software updates be installed and what costs can be expected for software updates.

19) Multiple Platform Compatibility
   Describe protocols, abilities, additional modules and all other procedures related to collecting data from meters, encoders and/or radio units provided by other suppliers, if possible with proposed system. Describe what steps are required, additional costs would
exist and if multiple platform abilities use open or proprietary communication methods. Provide any other applicable information on this topic.

20) Customer Information
Describe any tools, equipment (including costs) or other features that can provide water use information to customers.

21) Additional Features
Describe and additional features and options that may provide additional value to the District through selection of the proposed system.

3.8 Implementation Plan (Section 7.0)
The vendor must provide a detailed plan for implementing each of the proposed AMR solutions. This information MUST include the following components:

A detailed methodology and plan for implementing the AMR solution. The implementation plan must include a response to the following questions/issues:

- Provide an overview of the implementation plan.
- What is the timeframe for fully implementing the solution?
- Included a testing plan for the Reading System and Billing System. Vendor shall be responsible for successful completion of File Transfers, test runs etc. Testing, at a minimum, shall verify:
  - Collection of data from meters
  - Transfer of collected data to Master Computer
  - Transfer of data to billing system
  - Transfer of route/reading information to Data Collection Units
- Include an estimate of project work effort estimates. Include estimates for both vendor and District staff. The District reserves the right to alter work effort ratios based on further discussion with the vendors throughout the evaluation process.
  - Explain the rationale and/or assumptions forming the basis for the staffing plan proposed for both the vendor and District staff. This explanation should be in the context of the overall project plan and rollout strategy to enable the District to fully understand the implications of and need for the proposed staffing plan.
- Provide a matrix of “roles and responsibilities” for each major activity contained in the proposed implementation plan.
3.9 Training Plan (Section 8.0)

The vendor must provide a detailed plan for user training. The training plan must address the following issues:

- Include an overview of proposed training plan/strategy, including timeline and options for on-site or off-site training services. Up to 12 staff may require training.
- Identify and describe all training materials such as work books, CD’s, software, etc.
- Describe Operation & Maintenance manuals to be provided with completed system including level of detail on supplied hardware and software.
- Identify all training topics. Minimum topics shall include installation, repair, battery replacement, data collection unit operation and data transfer procedures.
- Identify vendor staff that will perform training, their qualifications, and where they have conducted similar training.

3.10 Maintenance and Support Program (Section 9.0)

Specify the nature of any post-implementation and on-going support provided by the vendor including:

- The availability of telephone support (include toll-free support hotline, hours of operation, availability of 24 x 7 hotline, etc.).
- Special plans defining “levels” of customer support (e.g., gold, silver, etc.). Define what level of support is being proposed.
- Delivery method of future upgrades and product enhancements including historical frequency of upgrades.
- Availability of user groups and their geographic areas.
- Problem reporting and resolution procedures.
- Bug fixes and patches.
- Support provided for third-party solutions.
- Other support (e.g., on-site, remote dial-in, Web site access to patches, fixes and knowledge base) and available hours/response times for each type of support.
3.11 Client References (Section 10.0)

The District considers references for both the equipment and implementation vendor to be important in its decision to award a contract. The District (or its designee) will contact vendor references. Neither the District (nor its designee) will call vendors to tell them that their references will be contacted. Similarly, the District (or its designee) will not work through a vendor's Reference Manager to complete a reference. The names and phone numbers of the government project manager must be listed. Failure to provide this information may result in the vendor not being elevated to the next stage.

3.11.1 Equipment Vendors.

Using the forms attached to this RFP, equipment vendors should provide at least five (5) client references that are similar in size and complexity to this procurement and have utilized the proposed system in a comparable municipal environment. Submit references for fully completed installations. Information should include at the minimum: date of installation, length of implementation, name of client reference, name of agency’s project manager, jurisdiction, address, telephone, and fax numbers. Vendors should inform their references that the District (or its designee) might contact them in October 2009.

3.11.2 Implementation Vendors.

Using the forms attached to this RFP, implementation vendors, if separate company, are also expected to provide five (5) references (unless already included in the references for equipment vendors) for sites similar to this procurement where they have implemented the software being proposed. The information requested for the equipment vendors (names, addresses, titles, etc.) should also be provided here. Vendors should inform their references that the District (or its designee) might contact them in October 2009.

3.12 Cost Proposal (Section 11.0)

Vendors shall submit cost proposals which must be presented in the format provided in Appendix D. The District reserves the right to contact vendors on cost and scope clarification at any time throughout the selection process and negotiation process. Finally, it is important that vendors use the cost format presented in this RFP and NOT their own format. DO NOT use “TBD” (to be determined) or similar annotations in the cells for cost estimates. All cells must be completed. The District is asking vendors to estimate costs for all categories with the understanding that they may have to make assumptions.

Note: Failure to fully provide complete cost and work effort estimates may lead to elimination prior to software demonstrations.

The District may award a purchase contract, based on initial offers received without discussion of such offers. A vendor’s initial offer should, therefore, be based on the most favorable terms available. The District may, however, hold discussions with those vendors that it deems in its...
discretion to fall within a competitive range. It may also request revised pricing offers from such vendors and make an award and/or conduct negotiations thereafter.

In addition to completing the MS Excel spreadsheets contained in the Cost Proposal Spreadsheet (Appendix C), provide a written response to the following items as they relate to the cost proposal and project assumptions:

- Identify how external parties such as suppliers and businesses are licensed in the proposed software.
- Confirm that this proposal has been submitted on the “not-to-exceed” basis as requested in the RFP.
- Clearly state all assumptions that form the basis of the cost proposal. Include any proposal elements that include a limitation on quantity of work effort (e.g., number of hours, number of training classes, amount of data) as part of the “not-to-exceed” proposal.

3.13 Exceptions to the RFP (Section 12.0)

All requested information in this RFP must be supplied. Vendors may take exception to certain requirements in this RFP. All exceptions shall be clearly identified in this section and a written explanation shall include the scope of the exceptions, the ramifications of the exceptions for the District, and the description of the advantages or disadvantages to the District as a result of exceptions. The District, in its sole discretion, may reject any exceptions or specifications within the proposal. Vendors may also provide supplemental information, if necessary, to assist the District in analyzing responses to this RFP.

3.14 Alternate Solutions (Section 13.0)

Vendors may provide alternate AMR Solutions which the vendor feels meets the goals of the District. All assumptions will remain the same, and all responses required by the requested solutions shall also be provided. The District shall determine if an alternate solution is equivalent to the requested solutions.
4 Evaluation of Proposals

4.1 Project Governance and Evaluation Structure

The District will use the following structure for the evaluation of the equipment and implementation services proposals received in response to this RFP.

**Proposal Evaluation Team.** The Proposal Evaluation Team (the Evaluation Team) will be made up of the Project Manager and may include District managers and employees intimately involved in day-to-day operations. The Evaluation Team will be responsible for tasks such as evaluating and rating proposals and participating in any other evaluation tasks that may be required, such as site visits. The Evaluation Team members will be responsible for evaluating the quality of the proposed AMR solution to assess its ability to meet the District’s selection criteria requirements, as well as assessing implementation strategies, costs, and other evaluation criteria. The Evaluation Team’s objective is to make a final vendor recommendation to the District’s Board of Commissioners.

4.2 Overview of the Evaluation Process

The District will use a competitive process based upon elevating a certain number of vendors to compete against each other at different levels (stages) of the process. The District recognizes that if a vendor fails to meet expectations during any part of the process, it reserves the right to proceed with the remaining vendors or to elevate a vendor that was not elevated before.

Selection of the final vendor will be based upon the following steps and factors:

- **Level 1 (Procurement Requirements Evaluation)**
  - Conformance with RFP guidelines and detailed submittal requirements.

- **Level 2 (Detailed Proposal Evaluation)**
  - Cost of Equipment and Implementation Services
  - Maintenance and Support Costs
  - Compatibility with the District’s Meter Reading Vision
  - Experience of the Equipment and Implementation vendor(s)
  - Implementation Plan/Rollout/Staffing
  - Responses to Selection Criteria Requirements

- **Level 3 (Equipment Demonstrations and Interviews)**
  - Equipment Demonstrations and/or Site Visits
  - Equipment and Implementation Firm References (especially public sector clients)
  - Interviews (Implementation Plan/Rollout/Staffing) (Optional)
  - Completeness of Cost Proposal and Value of the Solution
  - Responsiveness to Contract Terms and Conditions
4.2.1 Level 1 – Procurement Requirements Evaluation

Task: Elevate vendors that have met the minimum RFP requirements.

Result: Vendors that meet the decision criteria advance to Level 2.

Process: All proposals received will be inspected for compliance with the general RFP requirements. The District may contact individual vendors for clarification or correction of minor errors and submissions. Upon such a request the vendor must furnish any requested information to the District within two (2) business days or the proposal will be evaluated as originally received. Major errors or omissions, such as the failure to provide a cost schedule, may result in a declaration that the proposal is non-conforming and may be rejected.

4.2.2 Level 2 – Detailed Proposal Evaluation

Task: Conduct a detailed evaluation of the submitted proposals.

Result: No more than three proposals, based upon the criteria identified in Section 4.3, will advance to Level 3 (equipment demonstrations and interviews).

Process: This elevation will be based on a thorough evaluation of each of the qualified proposals received by the District. The Evaluation Team will assess the following: (1) proposed cost of the equipment and implementation services; (2) total estimated AMR program cost; (3) compatibility with the District meter reading vision; (4) implementation plan; and (5) responses to selection criteria requirements. A decision on which AMR approach (Mobile vs Fixed base) may be made at this level or at the next level.

4.2.3 Level 3 – Equipment Demonstrations and Interviews

Task: Conduct demonstrations and interviews (optional). Site visits to municipalities employing the proposed AMR solution within Washington State are the preferred equipment demonstrations. If this option is not available, alternate demonstrations such as on-site demonstrations may be substituted at the District’s discretion. On-site demonstrations utilizing existing District equipment may also be requested. In addition, the results of reference checks and an evaluation of the vendors’ public sector experience (plus optional interviews) will be used to identify the vendor elevated to Level 4. Vendors will be asked to respond in writing to issues and questions raised by the District. In addition, the District may request that the vendors provide an updated cost proposal based on discussions during demonstrations, interviews or comments to the proposals.
Result: Based on the proposal receiving the highest ranking, a single vendor will be identified as the finalist for contract negotiations. If the District cannot successfully negotiate a contract with the elevated vendor after a period of time it deems reasonable, the District reserves the right to contact any of the other vendors that have submitted bids and enter into negotiations with them.

Process: Select vendors may be required to present on-site demonstrations or interviews at the District’s offices. Implementation methodology, staffing, rollout and costs may also be examined during the on-site meetings. References checks will also occur at this step. Prior to and/or following the demonstrations or interviews, issues specific to each of the remaining vendor’s proposals will be addressed via memorandums from the District which solicit clarification and position from vendors to specific issues in writing. The memos are used to negotiate implementation rates, software license costs, the project scope, warranty requirements and other items related to meeting the important contractual terms and conditions for the project. The District will continue to negotiate with the remaining proposal teams until it has sufficient information to select a final vendor.

4.2.4 Level 4 – Final Contract Negotiations

Task: Conduct negotiations to develop the equipment and implementation services agreement, and Statement of Work (SOW).

Result: An agreement consisting of two schedules, an implementation services schedule and an equipment schedule. The potential exists for future equipment contracts.

Process: The final vendor will work with the District to develop an equipment schedule. At the same time, the District will develop a SOW and Implementation Services schedule with the vendor that outlines the deliverables, milestone, roles and responsibilities, and other key issues that affect the cost and quality of the implementation. The SOW will be attached to the implementation services schedule.

4.3 Description of Evaluation Criteria

Based on the multiple elevation stages of the evaluation process described in Section 4.2, the following table provides prospective vendors with a high-level description of the evaluation criteria that will be used by the District at each decision point.

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<thead>
<tr>
<th>Evaluation Criteria</th>
<th>General Description</th>
<th>Relative Importance</th>
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<tbody>
<tr>
<td>Level 1</td>
<td>Conformance With RFP Guidelines and Detailed Submittal Requirements. All proposals received will be inspected for compliance with the requirements of the RFP. Major errors or omissions, such as the failure to provide required proposal elements such as the standard cost schedule, an implementation/staffing plan, and/or vendor reference forms, may result in a declaration that the proposal is non-conforming, and may be rejected.</td>
<td>Pass/Fail</td>
</tr>
<tr>
<td>Level 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cost of Equipment and Implementation Services.</strong></td>
<td>The initial analysis of proposal costs will include the equipment costs and all implementation service fees. Equipment costs include both the equipment required to enable operation of the proposed system and the estimated future equipment to be used in the next 5 years. Implementation costs include all non-equipment costs to enable operation of the proposed AMR system. All cost estimates should include the assumptions that form the basis of each cost category (e.g., number of hours, number of training units, specific interfaces assumed).</td>
<td></td>
</tr>
<tr>
<td><strong>Maintenance and Support Costs</strong></td>
<td>The District will examine the total estimated recurring costs, if any, for licenses, leases, maintenance and support contracts and other periodic, non-equipment purchase costs. The District will look more favorably on vendors that (a) waive maintenance and support fees for Year 1; (b) include minimal increases in maintenance fees for Years 2-5; and, (c) provide a cap on future maintenance fees or reasonable increases for Years 6-10.</td>
<td></td>
</tr>
<tr>
<td><strong>Compatibility with the District’s Meter Reading Vision.</strong></td>
<td>Meter readings solutions that are more compatible with the future meter reading vision of the District (e.g., radio read, hybrid system, open architecture, possible future fixed base network) will be rated more favorably by the District. In addition, the District will consider the potential benefits of items or products that provide additional functionality not required for the scope of this RFP but may be desirable to the District in the future.</td>
<td></td>
</tr>
<tr>
<td><strong>Experience of the Equipment and Implementation Vendor(s)</strong></td>
<td>The District seeks an AMR solution that has been successfully implemented in public sector organizations similar to the size and scope of this District’s project. While the District will only conduct reference checks for those vendors elevated to Level 3 of the process, the District will rely on the information contained in each proposal, as well as its own analysis and research, to evaluate the experience of each vendor.</td>
<td></td>
</tr>
<tr>
<td><strong>Implementation Plan.</strong></td>
<td>The District will look favorably on those vendors proposing a comprehensive and quality implementation plan. Important elements of this evaluation factor include:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Implementation plan and methodology;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Implementation timeframe;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Estimated work effort for the District staff and vendor consultants;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Specific assumptions and work effort estimates for data conversion, interface development, and known customizations; and</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• A training plan.</td>
<td></td>
</tr>
<tr>
<td><strong>Meter Replacement Program Implementation and Cost</strong></td>
<td>The District will examine the projected costs and implementation requirements of using the proposed meter end points as part of the Meter Replacement Program. Items reviewed will include the cost of the meter end points, the longevity of the proposed system, the complexity of the replacement operation and the estimated replacement program costs.</td>
<td></td>
</tr>
<tr>
<td><strong>Responses to Selection Criteria.</strong></td>
<td>Solutions that can meet the District requirements will be rated more favorably by the District than those solutions that cannot provide important functionality.</td>
<td></td>
</tr>
<tr>
<td><strong>Level 3</strong></td>
<td>During the demonstrations, prospective vendors must successfully demonstrate their ability to meet the requirements of the District. In addition to meeting the core needs of the District, vendors must demonstrate the overall strength of their solution in terms of system-wide features.</td>
<td></td>
</tr>
</tbody>
</table>
### Equipment and Implementation Vendor References & Public Sector Experience.

The proposals should provide sufficient detail regarding specific public sector organizations where the AMR Solution is in active use. For equipment vendors, the District will seek to determine the extent to which the proposed system has been successfully implemented in similar public sector organizations, as well as client evaluations of the overall quality of the equipment in terms of functionality and technology features. For implementation vendors, the District will seek to determine the extent to which the proposed implementation vendor (especially if different from the equipment vendor) has significant experience implementing the solution in the public sector, as well as client evaluations of the overall quality of the vendor’s staff and implementation plan/strategy. In assessing the experience of both equipment and implementation vendors, the District may consider factors such as its public sector presence, recent increases in new customers, depth of its consulting staff, and other factors.

### Interviews (Optional)

Topics described above. Throughout the process, the District will take into consideration any additional information supplied by the vendors regarding the proposed equipment, implementation, project staffing, and rollout strategy.

### Completeness of Cost Proposal and Value of the Solution.

The decision to elevate vendors will be based on the overall value of the solution compared to its proposed cost. The value of each solution will be determined by the District based on factors such as the ability of the equipment to meet its current needs while also remaining a viable long-term solution. To the extent possible, costs will be evaluated on an “apples to apples” basis, with the cost of each solution to be evaluated by the District in terms of its overall fiscal situation and goals. Factors considered in the evaluation will included total capital costs, annual costs, impacts to Districts labor costs, value of data acquired and customer service and other related items.

### Responsiveness to Contract Terms and Conditions.

Vendors who are willing to provide the District with more favorable terms for key contract terms and conditions for the equipment agreement and implementation services agreement will be viewed more favorably by the District. Examples of such responsiveness terms include, but will not be limited to, the following:

- Equipment pricing;
- Price protection for future equipment purchases;
- Payment terms for software, services, and maintenance/support; and
- Length of warranty for equipment and services.
Appendix A

Alderwood Water & Wastewater District Water Meter and Meter Box Criteria

Description of District requirements for Water Meters taken from most recent District solicitation for touch read meters:

- Water Meters shall be Cold-Water Meters Positive Displacement Type, Bronze Main Case in sizes 5/8 x 3/4 through 2-inch. Meters must be of oscillating piston or nutating disc type. Multi-jet meters are not acceptable.

- All meters shall meet or exceed the most recent revision of the American Water Works Association Standard C700 for Cold-Water Meters – Displacement Type – Bronze Main Case.

- All meters shall meet or exceed the most recent revision American Water Works Association Standard C707 for Encoder-Type Remote-Registration Systems for Cold-Water Meters.

- Water meter main cases shall be made of a copper alloy containing not less than 75 percent copper, and the meters shall meet the ANSI/NSF 61 standard. All materials used in the construction of the main cases shall have sufficient dimensional stability to retain operating clearances at working temperature up to 80 degrees F. The manufacturer shall warranty the main case for a period of 25 years from the date of shipment. The meter serial number and direction of flow must be clearly visible from the top of the meter. Must be capable of withstanding working pressures of one hundred fifty (150) psi. The meter serial number shall be stamped on the main-case of the meter.

- Bottom plates shall be made of a copper alloy containing not less than 75 percent copper, and the bottom plates shall meet the ANSI/NSF 61 standard. Bottom plates shall be held in place with stainless steel bolts.

- Measuring chambers shall be made of a suitable engineered plastic as described in AWWA C700, most recent revisions. All measuring chamber assemblies shall operate smoothly and be capable of sustaining long-term accuracy. All motion from piston or disc shall be transferred to the register via magnetic drive.

- Meters shall not exceed 15 psi pressure loss at AWWA safe maximum operating capacity.

- Meters shall be 100% factory tested for accuracy and have the factory test results provided with each meter. Meters shall be pressure tested to ensure against leakage, in compliance with the most recent revisions of the AWWA C700 Standard. Meters shall comply with the most recent revisions of the AWWA C700 accuracy requirements.

- All meters shall be provided with strainer screens installed in the meter. Strainers shall be rigid, fit snugly, be easy to remove, and have an effective straining area at least twice that of the inlet opening.

- Registers shall be magnetic driven, straight reading in 100 cubic feet, and permanently sealed by the manufacturer. The register shall provide for visual registration at the meter. Registers shall incorporate a low-flow indicator. The register shall be secured to the
Automated Meter Reading (AMR) System
Request for Proposals

Description of District requirements for Water Meters Boxes taken from most current District standard for meter boxes:

- Boxes for ¾” Meters shall be:
  - Fog Tite B 9 1/2T complete with Cl cover; with TRPL – or Christy Concrete FL12P
  - Christy Concrete 37-1220WA; with FL12P or 37-1220Cl-TRP

- Boxes for 1” Meters shall be:
  - Fog Tite B 10T complete with Cl cover; with TRPL
  - Christy Concrete 38-1324; with FL30P or 38-1327Cl-TRP

- Boxes for 1½” & 2” Meters shall be:
  - Fog Tite B 2T or Brookes 65-TR with Hinged Steel Traffic Cover
Appendix B

Software and Implementation Vendor Reference Forms

(MS Word document attachment)
EQUIPMENT VENDOR REFERENCES

Please provide at least five (5) references for the proposed AMR solution equipment vendor. Each reference provided should be similar to the Alderwood Water & Wastewater District, in that the number of endpoint / meters installed should be similar to the scope desired by the District. These references should be sites at which the AMR solution has been **FULLY IMPLEMENTED** and is operational. References should have gone operational with the AMR solution within the past five (5) years. Please use the following format in submitting references.

*Please note: The contact person should be an employee of the reference, not the equipment vendor or implementation firm. All references will be contacted.*

### GENERAL BACKGROUND

Name of Government or Agency: _____________________________ Phone: _________________________

Address: __________________________________________________________

Government Project Manager: ___________________________/ Title: _________________________

Service Dates: ___________________________ AMR Solution/Model: ____________________________

Summary of Project: __________________________________________

Operating Budget: ___________________________ Number of Employees: __________________

### PROJECT SCOPE

Please indicate (by checking box) equipment or function installed for this reference:

- [ ] (1) Radio Equipped Meters
- [ ] (3) Vehicle Mounted Data Collectors
- [ ] (5) Computerized Maintenance Management System Interface
- [ ] (2) Hand Held Data Collectors
- [ ] (4) Billing System Interface
- [ ] (6) GIS System Interface
- [ ] (7) Hybrid AMR Systems

### PROJECT COST

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment Cost</td>
<td>$ __________</td>
</tr>
<tr>
<td>Implementation Services</td>
<td>$ __________</td>
</tr>
<tr>
<td>Installation Cost</td>
<td>$ __________</td>
</tr>
<tr>
<td>Gov’t Internal Cost (if known)</td>
<td>$ __________</td>
</tr>
</tbody>
</table>
## IMPLEMENTATION VENDOR REFERENCES

Please provide at least five (5) references for the proposed implementation firm. The references must be for client sites that partnered with the proposed implementation firm to implement the proposed AMR Solution. Each reference provided should be similar to the Alderwood Water & Wastewater District, in that the number of endpoint / meters installed should be similar to the scope desired by the District. These references should be sites at which the AMR solution has been *FULLY IMPLEMENTED* and is operational. References should have gone operational with the AMR solution within the past five (5) years. Please use the following format in submitting references.

*Please note: The contact person should be an employee of the reference, not the software vendor or implementation firm. All references will be contacted.*

### GENERAL BACKGROUND

<table>
<thead>
<tr>
<th>Name of Government or Agency:</th>
<th>Phone:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td></td>
</tr>
<tr>
<td>Government Project Manager:</td>
<td>/Title:</td>
</tr>
<tr>
<td>Service Dates:</td>
<td>AMR Solution/Model:</td>
</tr>
<tr>
<td>Summary of Project:</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Budget:</th>
<th>Number of Employees:</th>
</tr>
</thead>
</table>

### PROJECT SCOPE

Please indicate (by checking box) equipment or function installed for this reference:

- (1) Radio Equipped Meters
- (2) Hand Held Data Collectors
- (3) Vehicle Mounted Data Collectors
- (4) Billing System Interface
- (5) Computerized Maintenance Management System Interface
- (6) GIS System Interface
- (7) Hybrid AMR Systems

### PROJECT COST

<table>
<thead>
<tr>
<th>Equipment Cost</th>
<th>$ _____________</th>
<th>Implementation Services</th>
<th>$ _____________</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installation Cost</td>
<td>$ _____________</td>
<td>Gov’t Internal Cost (if known)</td>
<td>$ _____________</td>
</tr>
</tbody>
</table>
Appendix C

Cost Proposal Spreadsheets

(Excel spreadsheet attachment)
### Implementation Contract Costs

<table>
<thead>
<tr>
<th>Reading Equipment</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle Mounted Data Collector Purchase &amp; Install</td>
<td>1</td>
<td>Ea</td>
<td>$1,967.00</td>
<td>-</td>
</tr>
<tr>
<td>Handheld Data Collector Upgrade or Replace</td>
<td>5</td>
<td>Ea</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Subtotal Meter Reading Data Collector Equipment Cost: $- 

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>mXchange module for Harris Northstar Purchase &amp; Install</td>
<td></td>
<td></td>
<td>$19,967.00</td>
<td>-</td>
</tr>
<tr>
<td>Labor to install, configure, test all non-meter items for AMR Solution</td>
<td></td>
<td>Hr</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Subtotal Software, Labor and other implementation costs: $- 

Total Proposed Cost for AMR Implementation Contract: $-

<table>
<thead>
<tr>
<th>Annual Maintenance Costs and Fees</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>mXchanged Module for Harris Northstar Yr</td>
<td></td>
<td>Yr</td>
<td>$2,908.00</td>
<td>-</td>
</tr>
</tbody>
</table>

Subtotal Annual Costs & Fees: $-

<table>
<thead>
<tr>
<th>Additional optional items (not included in base price eval)</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
</table>

Subtotal Optional Items: $-

---

1 Handheld units shall upload to Master Computer at M&O. Vendor shall upgrade if necessary or replace at vendor's expense.
2 Additional items may include any outside vendors, master computer upgrades or replacement or other items vendors determine necessary to create a fully functional AMR System.
3 If proposing an alternate to the exchange module from Harris Northstar, enter 0 and include cost of alternate in itemized lists. Prices provided based on quote from Harris Northstar to District.
4 Total Price shall be basis for negotiating the AMR Implementation Contract and Vendor shall ensure that all items necessary to implement a fully functional AMR system with the exception of the meters are included.
5 Vendors may provide pricing for items which would provide additional functionality or value to the District but are not required by the specifications.
Appendix C
Cost Proposal Spreadsheets - Mobile Read Solution

### Equipment Contract Costs

<table>
<thead>
<tr>
<th>Meter, Register, Radio, etc</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8x3/4-inch Radio Meter</td>
<td>1,800</td>
<td>Ea</td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td>1-inch Radio Meter</td>
<td>80</td>
<td>Ea</td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td>1(\frac{1}{2})-inch Radio Meter</td>
<td>60</td>
<td></td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td>2-inch Radio Meter</td>
<td>60</td>
<td>Ea</td>
<td>$</td>
<td>-</td>
</tr>
</tbody>
</table>

**Escalation Method for Future years:**

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Unit</th>
<th>Estimated Unit Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 2 Purchase</td>
<td>1,800</td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td>Year 3 Purchase</td>
<td>1,800</td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td>Year 4 Purchase</td>
<td>1,800</td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td>Year 5 Purchase</td>
<td>1,800</td>
<td>$</td>
<td>-</td>
</tr>
</tbody>
</table>

Subtotal Equipment Contract Cost $ - 
Tax 9.5% $ - 
Equipment Contract Cost $ - 

---

Installation will be by District or others under separate contract. Meters shall be purchased by the District at quoted price. Quantities are annual estimated quantities only.

---

Escalation method for future years may be: Percent discount from list price, percentage based on Producer Price Index (PPI), guaranteed price or other reasonable method. Clearly identified proposal must be included. If the PPI is used, a 4% per year index shall be assumed.

---

1 Installation will be by District or others under separate contract. Meters shall be purchased by the District at quoted price. Quantities are annual estimated quantities only.

2 Actual costs will be determined by agreed upon escalation method.
## RFP Comparison / Long Term Costs Work Sheet

In this section, numbers from the previous sections shall be used with some additional information to gauge the relative value to the District of each proposal. This will not provide an exact 20 year cost, however, it will provide a common basis to evaluate the various AMR solutions being proposed.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementation Contract Costs from Sheet 1</td>
<td>$ -</td>
</tr>
<tr>
<td>Estimated additional impact to District Staff if new software is provided</td>
<td>$ 25,000</td>
</tr>
<tr>
<td>Adjusted District Implementation Costs</td>
<td>$ 25,000</td>
</tr>
<tr>
<td>Equipment Contract Costs from Sheet 2</td>
<td>$ -</td>
</tr>
<tr>
<td>Estimated Installation Costs (@$200 ea)</td>
<td>$ 2,000,000</td>
</tr>
<tr>
<td>Installed Value of Meter Equipment Subtotal</td>
<td>$ 2,000,000</td>
</tr>
</tbody>
</table>

### Warranty Adjustment

\[
\text{Length of Warranty} = \text{Years} = \text{Insert Value} \\
\text{Warranty Adjustment} = (\text{Equipment Value}) \times \left( \frac{20}{\text{Length of Warranty}} - 1 \right)
\]

### Lid/Box Replacement Adjustment

<table>
<thead>
<tr>
<th>Through Lid Radio Required? (Y/N)</th>
<th>Replace Box &amp; Lid</th>
<th>Ea</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>If “Y”</td>
<td>13,000</td>
<td>125.00</td>
<td>$</td>
</tr>
</tbody>
</table>

| Total RFP Comparison Basis of Proposed AMR Solution                        | #VALUE!          |
### Implementation Contract Costs

<table>
<thead>
<tr>
<th>Reading Equipment</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handheld Data Collector(^2) Upgrade or Replace</td>
<td>5</td>
<td>Ea</td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td>Fixed Base Collector</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Base Repeater</td>
<td></td>
<td></td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td><strong>Tax</strong></td>
<td></td>
<td></td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td><strong>Subtotal Meter Reading Data Collector Equipment Cost</strong></td>
<td></td>
<td></td>
<td>$</td>
<td>-</td>
</tr>
</tbody>
</table>

**Itemized list of items and effort required to implement Proposed AMR Solution\(^2\)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>mExchange module for Harris Northstar(^3) Purchase &amp; Install</td>
<td></td>
<td>Ea</td>
<td>$ 19,967.00</td>
<td>$ -</td>
</tr>
<tr>
<td>Labor to install, configure, test all non-meter items for AMR Solution</td>
<td></td>
<td>Hr</td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td><strong>Subtotal Software, Labor and other implementation costs</strong></td>
<td></td>
<td></td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Proposed Cost for AMR Implementation Contract(^4)</strong></td>
<td></td>
<td></td>
<td>$</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual Maintenance Costs and Fees</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>mExchanged Module for Harris Northstar</td>
<td>-</td>
<td>/Yr</td>
<td>$ 2,908.00</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Subtotal Annual Costs &amp; Fees</strong></td>
<td></td>
<td></td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Optional Items</strong></td>
<td></td>
<td></td>
<td>$</td>
<td>-</td>
</tr>
</tbody>
</table>

\(^1\) Handheld units shall upload to Master Computer at M&O. Vendor shall upgrade if necessary or replace at their discretion.

\(^2\) Additional items may include any outside vendors, master computer upgrads or replacement or other items vendors determine necessary to create a fully functional AMR System.

\(^3\) If proposing an alternate to the exchange module from Harris Northstar, enter 0 and include cost of alternate in itemized lists.

\(^4\) Total Price shall be basis for negotiating the AMR Implementation Contract and Vendor shall ensure that all items necessary to implement a fully functional AMR system with the exception of the meters are included.
## Equipment Contract Costs

<table>
<thead>
<tr>
<th>Meter, Register, Radio, etc</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1 Purchase ¹ 5/8x3/4-inch Radio Meter</td>
<td>1,800 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 1 Purchase ¹ 1-inch Radio Meter</td>
<td>80 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 1 Purchase ¹ 1 1/2-inch Radio Meter</td>
<td>60 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 1 Purchase ¹ 2-inch Radio Meter</td>
<td>60 Ea</td>
<td>$ -</td>
</tr>
</tbody>
</table>

**Escalation Method for Future years:**

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Estimated Unit Price</th>
<th>Estimated Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 2 Purchase ¹ ² 5/8x3/4-inch Radio Meter</td>
<td>1,800 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 2 Purchase ¹ ² 1-inch Radio Meter</td>
<td>80 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 2 Purchase ¹ ² 1 1/2-inch Radio Meter</td>
<td>60 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 2 Purchase ¹ ² 2-inch Radio Meter</td>
<td>60 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 3 Purchase ¹ ² 5/8x3/4-inch Radio Meter</td>
<td>1,800 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 3 Purchase ¹ ² 1-inch Radio Meter</td>
<td>80 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 3 Purchase ¹ ² 1 1/2-inch Radio Meter</td>
<td>60 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 3 Purchase ¹ ² 2-inch Radio Meter</td>
<td>60 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 4 Purchase ¹ ² 5/8x3/4-inch Radio Meter</td>
<td>1,800 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 4 Purchase ¹ ² 1-inch Radio Meter</td>
<td>80 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 4 Purchase ¹ ² 1 1/2-inch Radio Meter</td>
<td>60 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 4 Purchase ¹ ² 2-inch Radio Meter</td>
<td>60 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 5 Purchase ¹ ² 5/8x3/4-inch Radio Meter</td>
<td>1,800 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 5 Purchase ¹ ² 1-inch Radio Meter</td>
<td>80 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 5 Purchase ¹ ² 1 1/2-inch Radio Meter</td>
<td>60 Ea</td>
<td>$ -</td>
</tr>
<tr>
<td>Year 5 Purchase ¹ ² 2-inch Radio Meter</td>
<td>60 Ea</td>
<td>$ -</td>
</tr>
</tbody>
</table>

Subtotal Equipment Contract Cost $ -
Tax 9.5% $ -
Equipment Contract Cost $ -

Will you sell additional units to other government agencies within the State of Washington at the bid price, terms, and conditions until further notice? The District accepts no responsibility for the payment of the purchase price by other government agencies.

(Y/N) [ ]

Escalation method for future years may be: Percent discount from list price, percentage based on Producer Price Index (PPI), guaranteed price or other reasonable method. Clearly identified proposal must be included. If the PPI is used, a 4% per year index shall be assumed.

¹ Installation will be by District or others under separate contract. Meters shall purchased by District at quoted price. Quantities are annual estimated quantities only.
² Actual costs will be determined by agreed upon escalation method.

Attachment C
## RFP Comparison / Long Term Costs Work Sheet

In this section, numbers from the previous sections shall be used with some additional information to gauge the relative value to the District of each proposal. This will not provide an exact 20 year cost, however, it will provide a common basis to evaluate the various AMR solutions being proposed.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementation Contract Costs from Sheet 1</td>
<td>$ -</td>
</tr>
<tr>
<td>Estimated additional impact to District Staff if new software is provided</td>
<td>$ 25,000</td>
</tr>
<tr>
<td>Adjusted District Implementation Costs</td>
<td>$ 25,000</td>
</tr>
<tr>
<td>Equipment Contract Costs from Sheet 2</td>
<td>$ -</td>
</tr>
<tr>
<td>Estimated Installation Costs (@$200 ea)</td>
<td>$ 2,000,000</td>
</tr>
<tr>
<td>Installed Value of Meter Equipment Subtotal</td>
<td>$ 2,000,000</td>
</tr>
</tbody>
</table>

### Warranty Adjustment

Length of Warranty = [Equation]

\[ \text{Warranty Adjustment} = \left( \frac{\text{Equipment Value} \times 20}{\text{Length of Warranty} - 1} \right) \]

<table>
<thead>
<tr>
<th>Through Lid Radio Required? (Y/N)</th>
<th>Total RFP Comparison Basis of Proposed AMR Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Y)</td>
<td>#VALUE!</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If "Y" Replace Box & Lid  
10,000 Ea $ 125.00 $ -
Appendix D

Alderwood Water & Wastewater District – Sample of Contract Terms

Sample of Agreement

(MS Word document attachment)
AUTOMATED METER READING SYSTEM EQUIPMENT AND SERVICES

CONTRACT

THIS CONTRACT by and between the Alderwood Water & Wastewater District, (hereinafter "District") and ________________, with its principal place of business at ________________ (hereinafter "AMR Supplier") is effective upon execution of this Contract by the District ("Effective Date").

W I T N E S S E T H:

WHEREAS, the AMR Supplier has represented to the District that it has the specialized expertise and experience necessary to properly provide the Equipment and Services required by this Contract in a timely manner and that its proposal includes all of the functions and features required for the Equipment and Services; and

WHEREAS, the District has accepted the AMR Supplier's offer to provide the Equipment and Services in accordance with the Contract Documents;

NOW THEREFORE, in consideration of the mutual covenants and agreements of the parties herein contained and to be performed:

1. The AMR Supplier agrees to complete the work, furnish all tools, services, materials and equipment necessary on the terms and conditions specified in the Contract Documents. The AMR Supplier further agrees to assume and perform all of the covenants and conditions required of the AMR Supplier pursuant to the Contract Documents, for a Not To Exceed Price of ___________ dollars ($________ U.S. Dollars) plus sales tax of ___________ dollars ($________ U.S. Dollars), for total Contract Price of ___________ dollars ($________ U.S. Dollars) for Work identified in Attachment A.

2. The parties acknowledge that the District reserves the right to purchase District Equipment, as defined herein, in accordance with the unit prices set forth in Terms and Conditions, and Attachment B.

THE FURTHER TERMS, CONDITIONS AND COVENANTS of the Contract are set forth in the following Contract Documents, each of which is attached hereto and are made part of the Contract by this reference in the following order of precedence; (1) Contract Amendments/Change Orders; (2) this Contract Form (3) the AMR Contract Terms and Conditions including Attachments, (5) RFP Addenda; (6) the Request for Proposals; and (7) AMR Supplier's Proposal.
CONTRACTOR:  

Authorized Signature  

Name and Title (Print or Type)  

Date:  

Federal Tax ID:  

ALDERWOOD WATER & WASTEWATER DISTRICT  

Authorized Signature  

Name and Title (Print or Type)  

Date:  

Federal Tax ID:  
TERMS AND CONDITIONS

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ATTACHMENTS:
Attachment A Scope of Work (placeholder)
Attachment B Pricing Matrix (placeholder)
Attachment C Delivery Schedule (placeholder)
Attachment D Performance and Payment Bond (placeholder)
Attachment E Schedule of Values (placeholder)
Attachment F W-9 tax form (not provided)
Attachment G Key Personnel Matrix (not provided)
Attachment H AMR Supplier’s Certificate of Insurance and Endorsement (not provided)
Attachment I Equipment Specifications (not provided)
Attachment J Equipment Warranty Agreement (not provided)
DEFINITION OF WORDS AND TERMS

Words and terms shall be given their ordinary and usual meanings. Where used in the Contract Documents, the following words and terms shall have the meanings indicated. The meanings shall be applicable to the singular, plural, masculine, feminine and neuter of the words and terms.

Acceptance or Accepted: Written documentation of the District's, or General Contractor's determination, as applicable, that the AMR Supplier's Work has been completed in accordance with the Contract.

AMR: Automated Meter Reading System.

AMR Supplier: The individual, association, partnership, firm, company, corporation, or combination thereof, including joint ventures, contracting with the District to provide the Equipment and Services or perform the Work under this Contract.

Change Documentation: A written document agreed upon by the AMR Supplier and the District or the General Contractor, as applicable, which if it creates a material change to the Contract term or Specifications shall be executed as a Change Order.

Change Order: A written change to the Contract modifying, deleting or adding to the terms or scope of work, signed by the District with or without notice to the sureties.

Commissioning Period: The period beginning with training and concluding with performance testing.

Contract or Contract Documents: The writings and drawings embodying the legally binding obligations between the District and the AMR Supplier for completion of the Work under the Contract.

Contract Price: The total amount payable by the District to the AMR Supplier for performance of the Work in accordance with the Contract.

Contract Schedule: The schedule for AMR Supplier’s Provision of the Equipment and Services and attached as Attachment C.

Contract Time: The total time for AMR Supplier to perform the Work as set out in the Contract Schedule.

Day: Calendar day.

District Services: Furnishing of labor, time or effort by the AMR Supplier including Software Maintenance or Support, custom Software, consulting, design, operation assistance, training services and other on-call services that may be required by the District.

District Equipment: Any equipment that the District may purchase based on the unit pricing contained in Attachment B.
**Documentation**: Technical publications relating to the use of the Software or Services to be provided by AMR Supplier under this Contract, such as reference, user, installation, systems administration and technical guides, delivered by the AMR Supplier to the District.

**Equipment and Services during Installation**: The furnishing of materials, equipment, custom software, consulting, design, labor, time and effort by the AMR Supplier during the installation and operation of the supplied AMR system.

**Final Acceptance**: The date as of when the District acknowledges that the AMR Supplier has performed the Work through installation as defined in Section 2.11 herein.

**Force Majeure**: means an event that is unforeseeable as of the Effective Date and that is beyond the reasonable control of the AMR Supplier and District and is limited to:
- Natural Disasters declared by the governor of Washington or President of the United States, including but not limited to earthquakes;
- Acts or omissions of any government entity acting within its governmental capacity;
- Fire or other casualty for which a Contractor or its Subcontractors and/or Suppliers party are not responsible;
- Quarantine or epidemic;
- Strike or defensive lockout; and,
- Unusually Severe Weather Conditions.

**Person**: Includes individuals, associations, firms, companies, corporations, partnerships, and joint ventures.

**Project Manager**: The individual designated by the District or the General Contractor, as applicable, to manage the project on a daily basis and who may represent the District or General Contractor for Contract administration.

**Proposal**: All submissions by the AMR Supplier in response to the District's RFP.

**Provide**: Furnish without additional charge.

**RCW**: The Revised Code of Washington.

**RFP**: The solicitation documents issued by the District to select the AMR Supplier, including any addenda.

**Subcontractors**: A subcontractor shall mean an individual, firm, partnership, or corporation having a contract, purchase order, or agreement with the AMR Supplier, or with any Subcontractor of any tier for the performance of any part of the Contract. When the District refers to Subcontractor(s) in the Contract Documents, for the purposes of the Contract Documents and unless otherwise stated herein, the term "Subcontractor(s)" includes, at every level and/or tier, all subcontractors, subconsultants, suppliers, and materials men.

**Specifications**: A section of the Contract consisting of written descriptions of Services to be performed, or the Equipment to be provided or the technical requirements to be fulfilled under this Contract contained within the Specifications Section.
Work: Everything to be provided and done for the fulfillment of the Contract and shall include all Equipment, software, hardware and Services specified under this Contract, including Change Orders, also referred to as "Equipment and Services." AMR Supplier's Scope of Work is found at Attachment A.

SECTION 1. STANDARD CONTRACTUAL TERMS AND CONDITIONS

1.1. Contract Administration and Contract Assignment

This Contract is between the District and the AMR Supplier who shall be responsible for providing the Work described herein. The District is not party to defining the division of Work between the AMR Supplier and its Subcontractors, if any, and the Specifications have not been written with this intent.

The AMR Supplier represents that it has or shall obtain all personnel, materials and equipment required to perform Work hereunder, including but not limited to that set forth in the Scope of Work, attached as Attachment A. Such personnel shall not be current or former employees of the District without the written approval of the District. Any current or former employee of the District who is involved, or becomes involved, in the performance of the Contract shall be disclosed; and the District shall determine whether conflicts of interest or ethical violations exist under the circumstances.

The AMR Supplier's performance under this Contract will be monitored and reviewed by a Project Manager appointed by the District. Reports and data required to be provided by the AMR Supplier shall be delivered to the Project Manager. Questions by the AMR Supplier regarding interpretation of the terms, provisions and requirements of this Contract shall be addressed to the Project Manager for response.

The District may purchase supplemental units pursuant to the pricing matrix found in Attachment B. Such additional units will be by purchase order in accordance with Subsection 2.2.

1.2. Contract Changes

A. Change Orders.

At any time before completion and Final Acceptance of the Work, the District shall have the right to order in writing the omission or addition of Work, or order changes or alterations in the Work required to be performed by AMR Supplier, and reasonable deductions or increases shall be made in Contract Price for such omissions, additions, changes or alterations in the Work, time for completion or Contract Price; but no such omissions, additions, changes or alterations shall be made by AMR Supplier, or paid for by the District, unless and until authorized by the District in writing by Change Order. If AMR Supplier objects to or otherwise disagrees with such Change Order, AMR Supplier shall so notify the District's Project Manager in writing within ten (10) days of the date of such modification, submitting with such notification a claim of equitable adjustment. If AMR Supplier fails to so notify the District such modification becomes final and
accepted by AMR Supplier and becomes part of the Contract between the parties. The District will ordinarily respond within ten (10) days. However, absent a response the request for equitable adjustment shall be deemed denied and the AMR Supplier may make a claim pursuant to Subsection 1.7.

B. Requests for Equitable Adjustment.

For the purposes of this Subsection 1.2, the written request for equitable adjustment must include sufficient detail to enable the District to ascertain the basis and the amount of any time or price increase requested, including the event or condition which causes the AMR Supplier to submit its request for the adjustment; and the nature of the impacts which causes an increase to the Contract time or Contract Price.

Failure to timely provide the written notice and documentation as required by the District to support the request for equitable adjustment shall constitute a waiver of the AMR Supplier's right to an adjustment. Discussion between AMR Supplier and District and/or General Contractor after the time period for notification of claim has expired shall not waive the ten (10) day requirement in Subsection 1.2A.

Pending a final resolution of any request for adjustment, the AMR Supplier shall diligently proceed with its performance of the Work, including all work associated with the request for adjustment and maintain progress of the Work.

1.3. Taxes, Licenses, and Certificate Requirements

AMR Supplier agrees to comply with all applicable federal, state and local laws, regulations, ordinances, and orders and to promptly pay when due all taxes and contributions to trust funds. The District may require certificates from federal, state, local or private bodies showing that all obligations are current and not delinquent and, in the event the District is held liable to pay any such taxes or contributions, AMR Supplier agrees to supply the District with all records necessary to compute the same and to fully reimburse the District upon demand for the amount (including penalties and interest) paid by the District, and the District shall have the right to offset any amount so paid against any sums due AMR Supplier hereunder.

1.4. Assignment

AMR Supplier Nonassignment. The AMR Supplier shall not assign any interest, obligation or benefit under or in this Contract or transfer any interest in the same, whether by assignment or novation, without prior written consent of the District, the granting of said consent being in the District's sole discretion.
1.5. **Indemnification and Hold Harmless**

AMR Supplier's Obligations.

1. AMR Supplier shall defend, indemnify and hold harmless the District, its elected and appointed officers, officials, employees, agents and volunteers from and against any and every claim and risk and all losses, damages, demands, suits, judgments and attorney fees, and other expenses of any kind, on account of injury to or death of any and all persons and/or on account of all property damage of any kind, whether tangible or intangible, including loss of use resulting therefrom, in connection with the Work performed under this Contract, or caused or occasioned in whole or in part by reason of the presence of the AMR Supplier or its subcontractors, or their property, employees or agents, upon or in proximity to the property of the District, or any other property upon which the AMR Supplier is performing any Work called for or in connection with this Contract, except only for those losses resulting solely from the negligence of the District, its officers, officials, employees and agents.

2. Should a court of competent jurisdiction determine that this Section 1.5 is subject to RCW 4.24.115, then in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the AMR Supplier and the District, its officials, officers, employees and agents, the AMR Supplier's liability hereunder shall be only to the extent of the AMR Supplier's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes AMR Supplier's waiver of immunity under industrial insurance, Title 51 RCW, solely for the purposes of this indemnification. AMR Supplier represents that this waiver was mutually negotiated by the parties.

3. If a lawsuit arises in respect to this Hold Harmless and Indemnification Agreement, the AMR Supplier shall appear and defend that lawsuit at its own cost and expense, and if judgment is rendered or settlement made requiring payment of damages by the District, its elected or appointed officers, officials, employees, agents and volunteers, the AMR Supplier shall pay the same.

4. The District may, in its sole discretion, (1) withhold amounts sufficient to pay the amount of any claim for injury, and/or (2) pay any claim for injury of which the District may have knowledge, regardless of the formalities of notice of such claim, arising out of the performance of this Contract. The District shall exercise this discretion reasonably.

5. Any amount withheld will be held until the AMR Supplier secures a written release from the claimant, obtains a court decision that such claim is without merit, or satisfies any judgment on such claim. In addition, the
AMR Supplier shall reimburse and otherwise be liable for costs incurred by the District, including, without limitation, costs for claims adjusting services, attorneys, engineering, and administration.

In the event the District incurs any judgment, award, and/or costs arising therefrom, including attorneys' fees, to enforce the provisions of this article, all such fees, expenses and costs shall be recoverable from the AMR Supplier.

1.6. **Termination for Default or Convenience**

A. **Termination for Default**

1. The District may terminate, without prejudice to any right or remedy of the District, the Work, or any part of it, for cause upon the occurrence of any one or more of the following events:

a. The AMR Supplier fails to prosecute the Work or any portion thereof with sufficient diligence to ensure completion of the Work within applicable Contract milestones;

b. The AMR Supplier fails to prosecute the Work or any portion thereof with sufficient diligence to ensure Final Acceptance of the Work in a timely manner;

c. The AMR Supplier is adjudged bankrupt, makes a general assignment for the benefit of its creditors, or a receiver is appointed on account of its insolvency;

d. The AMR Supplier fails in a material way to repair, replace or correct work not in conformance with the Contract;

e. The AMR Supplier repeatedly fails to supply skilled workers, or proper services, materials or equipment;

f. The AMR Supplier repeatedly fails to make prompt payment to its employees or subcontractors;

g. The AMR Supplier materially disregards or fails to comply with laws, ordinances, rules, regulations, permits, easements or orders of any public authority having jurisdiction;

h. The AMR Supplier fails to comply with all safety requirements; or

i. The AMR Supplier is otherwise in material breach of any provision of the Contract.
2. If the District reasonably believes that one of the aforementioned events has occurred, the District will provide the AMR Supplier with written notice of its “Intent to Terminate” the AMR Supplier for default, specifying within such notice the ground(s) for such termination. The District, at its option, shall require the AMR Supplier to either, within five (5) days of the date of notice of default (a) correct the deficiencies noted in the District's Intent to Terminate; or (b) provide the District with a corrective action plan as to how such deficiencies will be remedied or cured in a timely fashion. However, if after receipt of the proposed remedy, the District has a reasonable basis for concluding that the AMR Supplier has (a) failed or is unwilling to repair, replace or correct the deficiencies, or (b) failed or is unwilling to provide a reasonable and satisfactory corrective action plan, the District shall thereafter have the right to terminate this Contract for default. The AMR Supplier shall receive written notice of the termination notice.

3. Upon termination, the District may at its option:
   a. Finish the Work by whatever reasonable method it deems expedient; or
   b. Call upon the surety to perform its obligations under the performance and payment bond.

4. The AMR Supplier and its sureties shall be liable for all damages and costs, including but not limited to: (1) compensation for architect and engineering services and expenses made necessary thereby; (2) any other costs or damages incurred by the District in completing and/or correcting the Work; and (3) any other special, incidental or consequential damages incurred by the District which results or arises from the breach or Termination for Default.

5. In the event of Termination for Default, the District shall only pay the AMR Supplier for Work successfully completed and accepted by the District prior to the date of termination. The District shall not be responsible for any other AMR Supplier costs, expenses, or damages including any consequential, special, or incidental damages or lost profits associated with the Contract. In no event shall the District reimburse the AMR Supplier for any costs directly or indirectly related to the cause of this Termination for Default.

6. If, after Termination for Default, it is determined that the AMR Supplier was not in default, the rights and obligations of the parties will be the same as if the termination had been issued for the convenience of the District.
B. **Termination for Convenience**

1. Upon written notice the District may terminate the Work, or any part of it, without prejudice to any right or remedy of the District, for the convenience of the District.

2. If the District terminates the Work or any portion thereof for convenience, the AMR Supplier may make a request for adjustment for:
   a. Reasonable direct costs for all Work completed prior to the effective date of the termination and not previously paid for by the District;
   b. A reasonable allowance for overhead and profit for Work actually performed and accepted by the District prior to the date of termination, at a rate of 10% of all Contract direct costs.
   c. Actually incurred reasonable administrative costs for settlement of the Work terminated.

3. The AMR Supplier shall not be entitled to any other costs or damages.

4. In no event, shall the total sum payable upon termination exceed the total Contract Price stated in Subsection 2.1, as reduced by prior payments.

C. **AMR Supplier's Obligations During Termination**

Unless the District directs otherwise, after receipt of a written notice of Termination for Default or Termination for Convenience, the AMR Supplier shall promptly:

1. Stop performing Work on the date and as specified in the notice of termination;

2. Place no further orders or subcontracts for materials, equipment, services or facilities, except as may be necessary for completion of such portion of the Work not terminated;

3. Cancel all orders and subcontracts, upon terms acceptable to the District, to the extent that they relate to the performance of Work terminated;

4. Assign as specifically requested by the District all of the rights, title, and interest of the AMR Supplier in all orders and subcontracts;

5. Continue performance of Work only to the extent not terminated; and

6. Take any other steps required by the District with respect to this Contract.
1.7. **Disputes, Claims and Appeals**

1. The AMR Supplier shall address questions or claims (other than a request for equitable adjustment) regarding the Contract in writing to the Project Manager, within ten (10) days of the date in which the AMR Supplier knows or should know of the question or claim (including any denial of a request for equitable adjustment). No claim by the AMR Supplier shall be allowed if asserted after final payment under this Contract. No claim shall be allowed for any costs incurred more than ten (10) days before the AMR Supplier gives written notice, as required in this section. The Project Manager shall ordinarily respond to the AMR Supplier in writing with a decision, but absent such written response, the question or claim shall be deemed denied upon the tenth (10th) day following receipt by the Project Manager. Discussion between AMR Supplier and District and/or General Contractor after the time period for notification of claim has expired shall not waive the ten (10) day requirement in Subsection 1.7(1).

2. Pending final decision of a dispute hereunder, the AMR Supplier shall proceed diligently with the performance of the Contract and in accordance with the direction of the Project Manager. Complying with the procedures set forth herein are a prerequisite to filing any lawsuit by the AMR Supplier against the District. Failure to comply precisely with the time deadlines under this Subsection as to any claim shall operate as a waiver and release of that claim and an acknowledgment of prejudice to the District.

3. All the provisions of this Subsection 1.7 shall survive the completion or termination of this Contract.

1.8. **Severability**

Should any provision of this Contract now or at any time during the term hereof be in conflict with any federal, state or municipal law, regulation or the like, or any applicable judicial decision, then such provision shall continue in full effect only to the extent permitted. In the event any provision of this Contract is thus held inoperative, the remaining provisions of this Contract shall nevertheless remain in full force and effect.

1.9. **Nonwaiver of Breach**

A waiver by the District of any breach or violation by AMR Supplier of any provision of the Contract shall not constitute a waiver of any further or additional breach of such provision or of any other provision. No provision of this Contract may be waived by AMR Supplier except with written notice to the District. This Contract may only be amended by a Change Order.
1.10. [NOT USED]

1.11. **Laws and Venue**

In the event that either party to this Contract shall bring a lawsuit or action related to or arising out of this Contract, such lawsuit or action shall be brought in the Superior Court, Snohomish County, Washington. This Contract shall be governed by, and construed and enforced in accordance with the laws of the State of Washington.

1.12. **Independent Status of AMR Supplier**

In the performance of this Contract, the parties shall be acting in their individual, corporate or governmental capacities and not as agents, employees, partners, joint ventures, or associates of one another. The parties intend that an independent contractor relationship shall be created by this Contract. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever. AMR Supplier shall not make any claim of right, privilege or benefit, which would accrue, to an employee under chapter 41.06 RCW or Title 51 RCW.

1.13. **Nondisclosure of Data**

Data provided by the District either before or after the Effective Date of the Contract shall only be used for its intended purpose. AMR Supplier and Subcontractors shall not utilize nor distribute the District data in any form without the express written approval of the District.

1.14. **Non-Disclosure Obligation**

While performing the Work under this Contract, the AMR Supplier may encounter personal information, licensed technology, Software, Documentation, drawings, schematics, manuals, data and other materials described as “Confidential,” “Proprietary” or “Business Secret”. The AMR Supplier shall not disclose or publish the information and material received or used in performance of this Contract. This obligation is perpetual. The Contract imposes no obligation upon the AMR Supplier with respect to confidential information which the AMR Supplier can establish that: a) was in the possession of, or was rightfully known by the AMR Supplier without an obligation to maintain its confidentiality prior to receipt from the District or a third party; b) is or becomes generally known to the public without violation of this Contract; c) is obtained by the AMR Supplier in good faith from a third party having the right to disclose it without an obligation of confidentiality; or, d) is independently developed by the AMR Supplier without the participation of individuals who have had access to the District's or the third party's confidential information. If the AMR Supplier is required by law to disclose confidential information the AMR Supplier shall notify the District of such requirement prior to disclosure.
1.15. **Public Disclosure Requests**

Contracts shall be considered public documents and, with exceptions provided under public disclosure laws, shall be available for inspection and copying by the public.

If the AMR Supplier considers any portion of the Work, including Software, data and related materials, delivered to the District to be protected under the law, the AMR Supplier shall clearly identify each such item with words such as "CONFIDENTIAL," "PROPRIETARY" or "BUSINESS SECRET." If a request is made for disclosure of such item, the District shall determine whether the material should be made available under the law. If the material or parts thereof are determined by the District to be exempt from public disclosure, the District shall not release the exempted documents. If the material is not exempt from public disclosure law, or the District is not in the position to make such a determination, the District shall notify the AMR Supplier of the request and allow the AMR Supplier ten (10) days to take whatever action it deems necessary to protect its interests. If the AMR Supplier fails or neglects to take such action within said period, the District shall release the item(s) at issue. By signing this Contract, the AMR Supplier assents to the procedure outlined in this Subsection and shall have no claim against the District on account of actions taken under such procedure.

1.16. **No Prototype Components**

All equipment and materials furnished under this Contract shall be in production and be used by customers comparable to the District at the time of the Contract Effective Date. Test or prototype items shall be clearly identified as such and may be subject to rejection by the District. A sufficient inventory of Equipment shall be available to meet delivery requirements.

1.17. **Hazardous Chemical Communication**

In order to comply with WAC 296-62-054, Hazard Communication, the AMR Supplier shall prepare, a Material Safety Data Sheet (MSDS) for all products containing any toxic products that may be harmful to the end user. The MSDS Sheet is to accompany the toxic product(s) to the specified delivery sites.

Include the following information in the MSDS:

A. Chemical Abstract Service (CAS) numbers for every chemical that is listed in the MSDS.

B. If the product is actually used diluted, the dilution rate should be so stated in the MSDS and the hazards and corresponding Personal protection, etc. also be listed.

C. SARA Title 3 chemicals shall be listed with the percentage by weight of the total product.

D. A statement as to the intended use of the product.
1.18. **Industrial and Hazardous Waste**

The AMR Supplier shall comply with all applicable local ordinances, state and federal statutes, and supporting rules and regulations governing the discharge of industrial waste to a public sewer, private sewer, or side sewer tributary to the metropolitan sewerage system.

AMR Supplier shall handle and dispose of all hazardous wastes in compliance with all applicable local, state and federal laws and regulations, including the Resource Conservation and Recovery Act, the Washington Hazardous Waste Management Act, and applicable rules and regulations of the Environmental Protection Agency and the Department of Ecology governing the generation, storage, treatment, transportation or disposal of hazardous wastes.

1.19. **Prohibition on Asbestos-Containing Products**

Asbestos-containing products shall not be provided to the District under this Contract, unless no practicable alternative for the asbestos-containing product exists and the AMR Supplier obtains the written consent of the District. The AMR Supplier shall notify the District in writing at least sixty (60) days before it plans to supply the District with an asbestos-containing product. The District shall respond to such notification within thirty (30) days of receipt. The AMR Supplier shall comply with applicable state, federal and local labeling and other laws, regulations and ordinances pertaining to asbestos-containing products, including, but not limited to, the State of Washington Industrial Safety and Health Act and the federal Occupational Safety and Health Act.

1.20. **Patents, Royalties and AMR Supplier's Infringement Indemnity**

The AMR Supplier is responsible for paying all license fees, royalties or the costs of defending claims for the infringement of any intellectual property that may be used in performing this Contract. Before final payment is made on this Contract, the AMR Supplier shall, if requested by the District, furnish acceptable proof of a proper release from all such fees or claims.

**AMR Supplier's Infringement Indemnity.** AMR Supplier shall indemnify and hold the District harmless from and against any and all third-party suits, actions, losses, damages, claims or liability of any type of character, type or description, including, but not limited to, all expenses of litigation, court costs and attorneys' fees, based upon any claim of infringement of any patent or other license or intellectual property right (whether by way of trademark or otherwise) resulting directly or indirectly from the manufacture, sale, supply or importation of the parts and components or their use in a waste water treatment plant. AMR Supplier agrees to notify the District as soon as reasonably possible of any material matters with respect to which the foregoing indemnity is likely to apply and of which the AMR Supplier has actual knowledge. If notified in writing of any action or claim for which the AMR Supplier may be liable to provide indemnity, the AMR Supplier shall, without limitation, defend (subject to reasonable consultation with the District) such action or claim at AMR Supplier's expense and pay the cost and damages
and attorneys' fees awarded against the District in such action or claim; provided, however, that the AMR Supplier shall have the reasonable right to control the defense and settlement of all such actions or claims, which settlement shall be subject to the consent of the District, if applicable, not to be unreasonably withheld. Indemnification pursuant to this provision shall not be predicated on the District having made payment on any such claim. The obligations of this Subsection 1.20 shall survive Contract completion or termination and/or assignment of this Contract.

AMR Supplier grants the District a royalty-free irrevocable non-exclusive license to use the technologies provided and contained in the materials furnished for the relevant Automated Meter Reading System project.

1.21. **Design Defects**

The District shall declare a design defect in the event that twenty percent (20%) of the items purchased under this Contract fail for the same failure. The District shall notify the AMR Supplier of the defect in writing; the AMR Supplier shall provide a modification, redesign or a plan to correct the defect within thirty (30) days of receipt of the notification.

The warranty period and terms for corrected items shall be the same as for the initial items purchased under this Contract and shall begin on the correction of the defect as determined by the District.

1.22. **Changed Requirements**

New Federal, State and District laws, regulations, ordinances, policies and administrative practices may be established after the Effective Date of this Contract and may apply to this Contract. To achieve compliance with changing requirements, the AMR Supplier agrees to accept all changed requirements that apply to this Contract and require Subcontractors to comply with revised requirements as well. If the AMR Supplier believes such changes entitle it to a change in Contract Price or Contract Time, it shall submit a Change Order request to the District in compliance with Subsection 1.2 Contract Changes.

1.23. **Liquidated Damages**

Notwithstanding any other remedies allowed under this Contract, the parties agree that time is of the essence on each and every portion of the Contract. In the Contract, fixed milestone dates are established for the performance of the Contract. These milestone dates shall only be changed via a Change Order.

Should the AMR Supplier fail to meet the milestone dates established in Contract Schedule, including any extension of time authorized by Change Order, it is mutually understood and agreed by and between the AMR Supplier and the District that the District may assess Liquidated Damages ("LDs") for such delays to the contract Schedule, fixed and agreed, but not as a penalty, PROVIDED HOWEVER, LDs shall not be charged when the failure to meet specified milestones is due to a Force Majeure delay.
or when the District causes the delay. It is further understood and agreed that the LDs set forth below may be offset against progress payments to the AMR Supplier. In the event the remaining balance due to the AMR Supplier is insufficient to cover the full amount of the assessed LDs, upon demand, the AMR Supplier or its Surety on the payment and performance bond shall pay the difference to the District:

<table>
<thead>
<tr>
<th>LDs for services rendered before and after construction period</th>
<th>Liquidated Damages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Missing District milestones in Attachment C</td>
<td>$100 for each day that expires after the dates specified in Attachment C.</td>
</tr>
</tbody>
</table>

1.24. **Patents, Copyrights and Rights in Data**

Any patentable result or materials suitable for copyright arising out of this Contract shall be owned and retained by the District, excluding improvements to AMR Supplier’s own previously patented and copyrighted items, which shall and do remain the sole and exclusive property of the AMR Supplier. The District in its sole discretion shall determine whether it is in the public's interest to release or make available any patent or copyright.

The AMR Supplier agrees that the ownership of any plans, drawing, designs, scope of Work, computer programs, technical reports, operating manuals, calculations, notes and other Work submitted or which is specified to be delivered under this Contract, whether or not complete (referred to in this Subsection as "Subject Data") shall be vested in the District.

Notwithstanding the above, nothing in this Contract transfers any right, title or interest in or to any previously patented or copyrighted items of AMR Supplier to the District or any other party.

All such Subject Data furnished by the AMR Supplier pursuant to this Contract, other than documents exclusively for internal use by the District, shall carry such notations on the front cover or a title page, (or in such case of maps, in the name block), as may be requested by the District. The AMR Supplier shall also place its endorsement on all AMR Supplier-furnished Subject Data. All such identification details shall be subject to approval by the District prior to printing.

The AMR Supplier shall ensure that the substance of foregoing Subsections is included in each subcontract for the Work under this Contract.

1.25. **Performance and Payment Bond**

A. The AMR Supplier shall furnish a performance and payment bond on the form provided in Attachment D, “Performance and Payment Bond,” in the amount of 100 percent of the total Contract Price as security for the faithful performance of the Work, including the payment of all persons furnishing materials and
performing labor on the Work, and all payments arising from the performance of the Work due the State of Washington pursuant to Titles 50 and 51 RCW. Such bond shall be submitted with the Contract executed by the AMR Supplier. A duly licensed surety company, which is registered with the Washington State Insurance Commissioner, shall execute such bond and the surety's name shall appear in the current Authorized Insurance Company List in the State of Washington published by the Office of the Insurance Commissioner. The scope of the performance and payment bond or the form thereof prescribed in Attachment D shall in no way affect or alter the liabilities of the AMR Supplier to the District under Subsection 1.5, Indemnification and Hold Harmless.

B. The District may require the sureties or surety company to appear and qualify themselves upon the bond. If at any time, the District determines, in its sole judgment, that the sureties or surety company are insufficient, the District may require the AMR Supplier to furnish additional surety in form and arrangement satisfactory to the District and in an amount not exceeding that originally required. Payments shall not be made on the Contract until sufficient surety as required is furnished.

C. Upon Final Acceptance, the AMR Supplier may be required to provide security, in an amount and form acceptable to the District, to secure future performance by the AMR Supplier during the Warranty Period. Such security may be in the form of an irrevocable letter of credit, appropriate parent or third party guaranty, warranty bond at the sole discretion of the District. It is anticipated the amount required will be no less than the full cost of replacement. If required by the District, the actual cost to provide such security shall be reimbursable to the AMR Supplier. Prior to obtaining such security, AMR Supplier shall provide the District with the estimated cost to supply such security. If accepted by the District, the AMR Supplier shall submit an "at cost only" change order, together with proof of the actual and verifiable cost to be incurred by the AMR Supplier if the security is provided. The AMR Supplier shall not be entitled to any mark up on the costs.

1.26. Bankruptcy

In the event AMR Supplier shall, at any time when this Contract is in effect, be adjudicated bankrupt, make an assignment for the benefit of creditors, commit any act of insolvency, or fail to pay promptly when due all bills and charges for labor, materials, and rental of equipment used in the performance of this Contract, or of insolvency, or fail to pay promptly when due all bills and charges for labor, materials, and rental of equipment used in the performance of this Contract, or required by this Contract to be paid, and/or in the event of AMR Supplier's failure to perform promptly each and every obligation required hereunder, the District, upon mailing a written notice to AMR Supplier, may take over the Work or any separable part thereof, and complete the same, or have same completed at AMR Supplier's expense, and in taking over District shall have the right, for the purpose of completing the Work hereunder, to take possession of all drawings belonging to AMR Supplier, and for such purpose this Contract shall be construed as an assignment by AMR Supplier to District of said drawings. Such taking
over shall not constitute or be construed as a waiver by District of any action, claim or demand District may have against AMR Supplier by reason of injury or damage resulting to District because of AMR Supplier's failure of performance hereunder. It is agreed that in the event of such taking over by District, AMR Supplier shall pay to District a sum equal to District's total cost of completing the Work, plus a sum of reasonable attorney's fees in taking over and completing the Work. In no event shall any delay in performance hereunder by AMR Supplier be excused unless (and then to the extent only) such delay is excused by the District in respect to AMR Supplier's obligations under its Contract.

1.27. **Audits**

A. The AMR Supplier, including its Subcontractors, shall maintain books, records, documents, and other evidence directly pertinent to performance of the work under this Contract in accordance with generally accepted accounting principles and practices consistently applied. The District, or any of its duly authorized representatives, shall, for the purpose of audit and examination, have access to and be permitted to inspect such books, records, documents, and other evidence for inspection, audit and copying for a period of six years after completion of this Contract. The District shall also have access to such books, overhead data, records and documents during the performance of this Contract if deemed necessary by the District to verify AMR Supplier Work and invoices, to assist in negotiations for amendments to the Contract, and to resolve claims and disputes. Such information shall include but not be limited to:

1. A statement about the accounting system indicating the following:
   a. An overview of the accounting system and its capability to track costs and provide financial information.
   b. Written procedures and policies concerning the accounting system, timekeeping, payroll, purchased services and materials, direct and indirect cost control, asset capitalization, depreciation, and pre-contract costs.

2. Chart of accounts including definition of what is included in each account.

3. Amounts charged other customers for AMR units similar to those supplied pursuant to this Contract.

B. Audits conducted under this Section shall be in accordance with generally accepted auditing standards and established procedures and guidelines of the reviewing or audit agency(ies).

C. If the audit shows that any amount was overpaid or underpaid, such amount will promptly be paid by the appropriate party to the other party. If the audit shows that AMR Supplier has overcharged the District by more than ten percent (10%) over any calendar month or if AMR Supplier has not maintained complete and accurate books and records, AMR Supplier will pay for the cost of the audit.

D. The AMR Supplier agrees to the disclosure of all information and reports resulting from access to records under subparagraphs A and B of this Subsection.
E. The AMR Supplier shall ensure that the foregoing paragraphs are substantially included in each subcontract for Work on the Project.

SECTION 2. SPECIFIC CONTRACTUAL TERMS AND CONDITIONS

2.1. Execution of the Contract and Total Price

A. The documents constituting the Contract between the District and the AMR Supplier are intended to be complementary so that what is required by any one of them shall be as binding as if called for by all of them. In the event of any conflicting provisions or requirements within the several parts of the Contract Documents, they shall take precedence as listed on the Contract Form. The date the Contract Form is countersigned by the District is the Contract Effective Date. No other act of the District shall constitute Contract award. After Contract award, the District shall issue Notice to Proceed detailing the Work to be performed. The Total Price of this Contract, $__________, consists of a lump sum amount of $__________ plus applicable sales tax at $_________ for a total for Equipment and Services during Implementation of $__________. Purchase of Meter End Points shall be by Purchase Order per Section 2.5. The Contract Price shall not be adjusted unless authorized by a Change Order in accordance with Subsection 1.2 Contract Changes.

B. District Equipment and District Services may be purchased at the District's option based on the unit prices set forth in Attachment B.

C. The Contract may be executed in two counterparts, each of which shall be deemed an original and which shall together constitute one Contract.

2.2. Contract Term and Notice to Proceed

A. The term of this Contract shall commence on the Effective Date of the Contract and, unless terminated earlier, shall terminate at the District's discretion pursuant to the provisions of Subsection 1.6B.

B. Notice(s) to Proceed shall be issued referencing this Contract. Notice(s) to Proceed shall define and authorize the Work by the AMR Supplier based on the Work contained in Attachment A. The Notice(s) to Proceed issued by the District may confirm duly executed Change Orders to the Contract terms, funding or other matters subject to Subsection 1.2, Contract Changes. AMR Supplier shall commence the Work upon receipt of the Notice to Proceed and shall diligently prosecute the same in conformity with the Contract Schedule, which the District may change from time to time for any reason.

2.3. Schedule

Found at Attachment C is the schedule by which AMR Supplier shall provide the Equipment and Services required by this Contract.
2.4. **Notices**

All notices or Documentation required or provided pursuant to this Contract shall be in writing and shall be deemed duly given when delivered to the addresses first set forth below.

For Project Management related notices or Documentation:

<table>
<thead>
<tr>
<th>Alderwood Water &amp; Wastewater District</th>
<th>AMR SUPPLIER</th>
</tr>
</thead>
<tbody>
<tr>
<td>-, Project Manager</td>
<td>-, Project Manager</td>
</tr>
<tr>
<td>3626 - 156th Street SW</td>
<td></td>
</tr>
<tr>
<td>Lynnwood, WA 98087-5021</td>
<td></td>
</tr>
<tr>
<td>Phone: 425-743-4605</td>
<td>Phone:</td>
</tr>
<tr>
<td>Fax: 425-742-4562</td>
<td>Fax:</td>
</tr>
<tr>
<td>Email:</td>
<td>Email:</td>
</tr>
</tbody>
</table>

2.5. **Payment Procedures**

1. **Invoices**

   Attachment E is the Contract Schedule of Values that identifies the major milestones.

   **FAILURE TO COMPLY WITH THESE REQUIREMENTS OR TO PROVIDE AN INVOICE IN CONFORMANCE WITH THE CONTRACT MAY DELAY PAYMENT.**

2. **Subcontractor Prompt Payment**

   The AMR Supplier shall pay each Subcontractor under this Contract for satisfactory performance of its subcontract no later than ten (10) days from the receipt of each payment the AMR Supplier receives from the District. AMR Supplier shall pay any and all other bills when due for all charges in connection with its work. Failure to comply with the provisions of this paragraph shall constitute a default under this Contract. At any time the District may request, as a condition precedent to payment under this Subsection 2.5, lien releases from Subcontractor(s) for the completed portion of the Subcontractor's work, in a form acceptable to the District.

A. **For the Implementation Services**

   Attached as Attachment E is the Contract Schedule of Values that identifies the major Implementation Services milestones. Within thirty (30) days of the Notice to Proceed for this Contract, the AMR Supplier shall submit to the District a more
detailed schedule of values that accurately defines the Work (or deliverables) performed for each month and a refined value of such Work. The final schedule of values shall substantially conform to the preliminary schedule attached as Attachment C and shall be subject to the Project Manager's approval prior to implementation. Such approval shall not be unreasonably withheld. The revised and approved Schedule of Values shall include line items, which reflect the values associated with the design of the major components of the AMR system in such detail to allow the Project Manager to monitor and track monthly progress and percentage completion of the Work to insure timely progress and approval of progress payments.

Monthly Progress Disbursements. Monthly progress payments are controlled by successful, timely completion of the milestones set forth in Attachment E. Monthly progress payments will be made against the allocated funds for each milestone as invoiced and approved by the Project Manager. However, the AMR Supplier shall not be entitled to any payment for successive milestones if the deliverables from the previous milestone have not been accepted by the District.

B. For the Meter End Point Equipment Purchases

Following the request by purchase order of Meter End Point Equipment and the delivery of the same, the AMR Supplier shall invoice the District. The District will make payments according to the contract based on actual equipment purchased and delivered as set forth in Attachment B. The quantities provided for each year are estimated annual requirements. The District will place orders as needed in lots per quarter. The District does not guarantee the quantities estimated for each item; nor does the District limit itself to the estimated quantities.

General Condition

Before any payment can be made, the AMR Supplier must submit a completed W-9 form, found at Attachment F.

2.6. Pricing

Prices for the Implementation Services shall remain firm through the delivery dates set forth in Attachment C plus one year (364 calendar days) from those dates. For the purpose of calculating the Notice to Proceed, the parties will assume March 16, 2010.

Prices for the Meter Endpoint Equipment shall be good for a period of twelve (12) months following the date of the bid award. This bid may be extended for four (4) additional twelve (12)-month periods by the issuance and acceptance of a Purchase Order. After the first twelve (12) months, a price escalation is permitted in subsequent 12 month periods. Only one escalation will be allowed in each twelve (12)-month period. The AMR Supplier shall guarantee that the prices charged to the District, over the course
of the Contract, will not exceed the prices charged by the AMR Supplier to any other customer purchasing a similar product or service under similar terms and conditions.

To apply for a price escalation, AMR Supplier must request an adjustment. Requests for any such change are to be made in writing to the District's Meter Supervisor. The method for calculating a price adjustment shall be identified at the time of contract execution. A common method of adjustment is made on the basis of a comparison to changes in the Producer Price Index ("PPI") Series Title: PPI - All Commodities: 1982 - 100 NSA (available at www.bls.gov). The District will exercise reason in its evaluation of this information to determine if revising the pricing is fair and reasonable to the District. Any approved price adjustment shall be retroactive to the date of the written request for adjustment. If AMR Supplier fails to give timely notice, prices shall not be changed. *(Note This process is a placeholder and may be negotiated as part of the RFP process or other information satisfactory to the District.)*

The AMR Supplier warrants that the prices charged the District, over the course of this Contract, will not exceed the prices charged by the AMR Supplier to any other customer purchasing a similar product or service under similar terms and conditions.

2.7. **Shipping Charges**

All prices shall include freight FOB to the delivery point(s) designated by the District. The District shall reject requests for additional compensation for freight charges.

2.8. **Cost Mark-Up on Additional Work**

On all additional Work, the AMR Supplier shall be entitled to a ten percent (10%) mark up on Subcontractor costs and other direct costs.

2.9. **Direct Costs Related to Additional Work**

All direct costs for additional Work, if any, performed by the AMR Supplier at the District's request, and included in a Change Order, shall be billed at cost and in accordance with subparagraph 2.8 above.

Reimbursement of AMR Supplier travel, lodging and meal expenses are limited to the eligible costs based on the rates and criteria established by the U.S. General Services Administration (GSA).

1. The mileage rate allowed by AWWD shall not exceed the current Internal Revenue Services (IRS) rates per mile as allowed for business related travel. The IRS mileage rate shall be paid for the operation, maintenance and depreciation of individually owned vehicles for that time which the vehicle is used during Work hours. Parking shall be the actual cost. When rental vehicles are authorized, government rates shall be requested. If a Person does not request government rates, he/she may be personally


4. The direct costs contained in 1, 2 and 3 above shall only be authorized by the District Project Manager for AMR Supplier staff living beyond commuting distance, normally considered to be for the travel beyond 50 miles from the District’s office.

5. Air travel shall be by coach class at the lowest price available at the time the District Project Manager requests a particular trip. In general, a trip is associated with a particular Work activity of limited duration and only one round-trip ticket, per person, shall be billed per trip. See www.policyworks.gov/org/main/mt/homepage/mtt/perdiem/travel.htm.

6. Cost for equipment, materials and supplies, such as approved equipment rental; telephone, telegraph and cable expenses; reproduction costs including blueprinting, photographing, telecopying, mimeographing, photocopying and printing; express charges; commercial printing, binding, artwork and models; and, computer programming and data entry costs shall be billed without markup.

7. Authorized Subcontract services; provided that the limitations set forth in the above paragraphs shall be applicable to such Subcontract Services.

8. Other direct costs, not listed above, may be billed if the District has given prior written approval.

9. Receipts are required for purchases $25 and over, not including meals.

2.10. **Acceptance Process**

The District may give iterative acceptances as the Work is accomplished either by phase or milestone. The AMR Supplier shall give the District “notice of completion” of Work related to a specific milestone following the AMR Supplier's completion of all such Work associated with that Milestone or phase.

A. **Acceptance process.**
Upon completion of the milestone deliverables the AMR Supplier shall notify the District and the Acceptance process will commence. Acceptance shall be based on conformance with the milestone guidelines. After notice by AMR Supplier of completion of the milestone, District will issue a written notice of milestone Acceptance or provide AMR Supplier with a notification of rejection, which will include documentation of the specific grounds for the rejection, outlining items not in compliance with the deliverable guidelines. Acceptance shall not be unreasonably withheld.

B. **Correction of deficiencies process.**

If a deliverable is rejected, AMR Supplier will have a commercially practicable time to correct items documented in the District's notification of rejection. Following the delivery of AMR Suppliers' notice that the Work has been corrected, the District will issue a written notice of Acceptance or provide AMR Supplier with a notification of rejection, which will include documentation of the specific grounds for the rejection, outlining Work not in compliance with the milestone. The project schedule will be adjusted accordingly in the event that a dispute regarding the method or accuracy of the correction causes a delay. If the deliverable(s) fails to comply with the milestone after AMR Suppliers' second attempt to correct the Work and no clear plan can be agreed upon between the District's Project Manager and the AMR Supplier's Project Manager, the District will determine the appropriate corrective actions.

2.11. **Final Acceptance Process**

The District shall begin the Final Acceptance process in accordance with the Contract as follows:

A. Final Acceptance shall be based on successful completion of commissioning period, as set forth in the Specifications and described in the Scope of Work provided in Attachment A.

B. If the District Accepts the Work, the District will send a notice of Final Acceptance to the AMR Supplier indicating the successful completion of the performance testing described in the Scope of Work, Attachment A.

C. If District determines that the Work is not acceptable, the District shall notify the AMR Supplier in writing, describing the deficiencies.

D. The AMR Supplier shall either provide a detailed, written plan to achieve Final Acceptance or to make corrections or replacements within a mutually agreed upon time period with no charge to the District. The parties shall mutually agree on a start date for beginning another Performance test as described in Attachment A, Scope of Work.

E. If the District Accepts the Work following a second or subsequent Performance Test the District will send a notice of Final Acceptance to the AMR Supplier.
F. If the AMR Supplier does not correct or replace the unacceptable Work the District may declare a breach of contract.

G. Final Acceptance shall not be unreasonably withheld.

2.12. **Warranty Provisions**

A. **No Waiver of Warranties and Contract Rights.** Conducting of tests and inspections, review of Specifications or plans, payment for Work, or Acceptance or Final Acceptance of the Work by the District shall not constitute a waiver of any rights under this Contract or in law. The termination of this Contract shall in no way relieve the AMR Supplier from its warranty responsibility.

B. **Warranty Applicable to Third Party Suppliers, AMR Manufacturer, Distributors and Subcontractors.** The AMR Supplier shall ensure that the warranty requirements of this Contract are enforceable through and against the AMR manufacturer, suppliers, distributors, subconsultants and Subcontractors of the AMR Supplier. The AMR Supplier is responsible for liability and expense caused by any inconsistencies or differences between the warranties extended to the District by the AMR Supplier and those extended to the AMR Supplier by its suppliers, AMR Suppliers, distributors and Subcontractors. Such inconsistency or difference shall not excuse the AMR Supplier's full compliance with its obligations under this Contract. The AMR Supplier shall cooperate with the District in facilitating warranty related Work by such suppliers, AMR Suppliers, distributors and Subcontractors.

2.13. **Express Warranties for Implementation Services**

A. AMR Supplier warrants that the Implementation Services shall in all material respects conform to the requirements of this Contract.

B. AMR Supplier warrants that qualified, professional personnel with in-depth knowledge shall perform the Implementation Services in a timely and professional manner, and that the Implementation Services shall conform to the standards generally observed in the industry for similar Implementation Services.

C. AMR Supplier warrants that the Implementation Services shall be in compliance with all applicable laws, rules and regulations.

D. AMR Supplier warrants that the performance of the Implementation Services and any Software provided is free from intentional viruses, disabling code or other intentional programming defects. Prohibited intentional programming defects include, but are not limited to, features such as “backdoor shutdown mechanisms”, “time bombs”, “automatic unauthorized connection to outside systems”, programming that responds to or provides information to outside systems' “pinging”, and features that can “retire”, “shut down”, “cripple” or “stop” the software. AMR Supplier further warrants that neither the software alone or
through contact with the AMR Supplier is capable of electronic self-help that may deprive the District of the use of the licensed software.

THE EXPRESS WARRANTIES SET FORTH IN THIS SECTION ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

2.14. **Equipment Warranty**

For the specific terms of the Equipment Warranty, see Attachment J incorporated herein as if fully set forth.

2.15. **Defective Work**

Prior to Final Acceptance, when and as often as the District determines that the Work, furnished under the Contract is not fully and completely in accordance with any requirement of the Contract, it may give notice and description of such non-compliance to the AMR Supplier. Within seven (7) days of receiving such written notification, the AMR Supplier shall supply the District with a detailed, written plan which indicates the time and methods needed to bring the Work in compliance with the Contract. The District may reject or accept this plan at its reasonable but sole discretion. If the District rejects the plan the AMR Supplier may be determined to be in material default of the Contract. This procedure to remedy defects is not intended to limit or preclude any other remedies available to the District by law, including those available under the Uniform Commercial Code, Title 62A RCW.

2.16. **Key Personnel**

A. Attached as Attachment G is the Key Personnel Matrix. The AMR Supplier shall not remove or reassign personnel assigned to this Contract without written consent from the District. The AMR Supplier recognizes and agrees that if a change is made, substituting or changing assigned personnel, the AMR Supplier shall be responsible for any and all costs associated with "Transfer of Knowledge and Information." The Transfer of Knowledge and Information shall be defined to include the labor hours spent reviewing project documentation, participating in meetings with AMR Supplier and District personnel or consultants, and participating in site visits to familiarize oneself with the Project. The District shall not pay for any time spent for the "Transfer of Knowledge and Information." However, should the AMR Supplier request a substitution, the AMR Supplier shall provide sufficient advance notice to the District. Such request for substitution of individuals or positions identified in the Key Personnel Matrix shall include the following:

1. An explanation of the reason for the reassignment or removal;
2. The name of the person proposed to replace the individual;
3. Identification of the experience and qualifications of the individual proposed;

4. A plan and schedule for showing how the transfer of knowledge and information between the departing and incoming individual will occur; and

5. Proposed allocation of hours associated with the entire Transfer of Knowledge and Information.

B. The AMR Supplier shall provide a certificate with its invoice certifying that the time associated with the "Transfer of Knowledge and Information" is not billed to the District and is not a cost borne by the District.

C. The AMR Supplier shall remove from the Project any personnel or Subcontractor if, after the matter has been thoroughly considered by the District and the AMR Supplier, the District considers such removal necessary in the best interests of the Project and so advises the AMR Supplier in writing.

SECTION 3. INSURANCE REQUIREMENTS

3.1. Evidence and Cancellation of Insurance

A. Prior to execution of the Contract, the AMR Supplier shall file with the District evidence of insurance and endorsements from the insurer(s) certifying to the coverage of all insurance required herein. All evidence of insurance shall be certified by a properly authorized officer, agent, general agent or qualified representative of the insurer(s) and shall certify the name of the insured, the type and amount of insurance, the location and operations to which the insurance applies, the expiration date, and that the District received notice at least forty-five (45) days prior to the effective date of any cancellation, lapse or material change in the policy.

B. The AMR Supplier shall, upon demand of the District, deliver to the District all such policy(s) of insurance, and all endorsements and riders, and the receipts for payment of premiums thereon.

C. Failure to provide such insurance in a timeframe acceptable to the District shall enable the District to suspend or terminate the AMR Supplier's Work hereunder in accordance with Contract provisions regarding “Termination for Convenience/Default.” Suspension or termination of this Contract shall not relieve the AMR Supplier from its insurance obligations hereunder.

3.2. Insurance Requirements

A. The AMR Supplier shall obtain and maintain the minimum insurance set forth below. AMR Supplier shall provide proof of such required insurance coverage
(certifications and endorsements which shall be made part of the Contract Documents in Attachment H).

By requiring such minimum insurance, the District shall not be deemed or construed to have assessed the risks that may be applicable to the AMR Supplier under this Contract. The AMR Supplier shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits and/or broader coverage.

Nothing contained within these insurance requirements shall be deemed to limit the scope, application and/or limits of the coverage afforded, which coverage shall apply to each insured to the full extent provided by the terms and conditions of the policy(s). Nothing contained with this provision shall affect and/or alter the application of any other provision contained with this Contract.

For all coverages:

Each insurance policy shall be written on an “occurrence” form; excepting that insurance for professional liability. Errors and omissions when required, may be acceptable on a “claims made” form.

If coverage is approved and purchased on a “claims made” basis, the AMR Supplier warrants continuation of coverage, either through policy renewals or the purchase of an extended discovery period, if such extended coverage is available, for not less than three (3) years from the date of completion of the Work that is the subject of this Contract.

B. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. General Liability

   Insurance Services Office form number (CG 00 01 Ed. 11-88) covering COMMERCIAL GENERAL LIABILITY.

2. Automobile Liability

   Insurance Service form number (CA 00 01 Ed. 12-90) covering BUSINESS AUTO COVERAGE, symbol 1 “any auto”; or the combination of symbols 2, 8 and 9.

3. Professional Liability

   Professional Liability, Errors and Omissions coverage. Such coverage shall not include a product exclusion provision, or in any way exclude or limit coverage because the AMR Supplier provides a product on an ongoing operation.
As this AMR Contract either directly or indirectly involves or requires professional engineering services, Professional Liability, Errors and Omissions coverage shall be provided. Such coverage may be provided by the AMR Supplier or its professional engineering subconsultant.

4. Workers' Compensation

Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington, as well as any similar coverage required for this Work by applicable federal or “Other States” State Law.

5. Employers Liability or “Stop Gap”:

The protection provided by the Workers Compensation Policy Part 2 (Employers Liability) or, in states with monopolistic state funds, the protection provided by the “Stop Gap” endorsement to the General Liability policy.

C. Minimum Limits of Insurance

The AMR Supplier shall maintain limits no less than, for:

1. General Liability: $2,000,000 combined single limit per occurrence for bodily injury, Personal injury and property damage, and for those policies with aggregate limits, a $2,000,000 aggregate limit.

2. Automobile Liability: $1,000,000 combined single limit per accident for bodily injury and property damage.

3. Professional Liability, Errors and Omissions: $2,000,000 per Claim and in Aggregate. Such coverage may be provided by the AMR Supplier or its professional engineering subconsultant.

4. Workers' Compensation: Statutory requirements of the state of residency.

5. Employers Liability Stop Gap: $1,000,000.

D. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions shall be declared to, and approved by, the District. The deductible and/or self-insured retention of the policies shall not limit or apply to the AMR Supplier's liability to the District and shall be the sole responsibility of the AMR Supplier.

E. Other Insurance Provisions

The insurance policies required in this Contract are to contain, or be endorsed to contain the following provisions:
1. General Liability and Auto Liability Policies:

"The District and its elected and appointed officers, officials, employees and agents are additional insureds" as respects liability arising out of activities performed by or on behalf of the AMR Supplier in connection with this Contract. **Use the above exact quoted language on the Endorsement Form.**

The AMR Supplier's insurance coverage shall be primary insurance as respects the District and their collective officers, officials, employees and agents. Any insurance and/or self-insurance maintained by the District, its officers, officials, employees or agents shall not contribute with the insurance or benefit the AMR Supplier in any way.

The AMR Supplier's insurance shall apply separately to each insured against whom a claim is made and/or lawsuit is brought, except with respect to the limits of the insurer's liability.

F. Acceptability of Insurers

Unless otherwise approved by the District:

Insurance is to be placed with insurers with a Bests' rating of no less than A:VIII, or, if not rated with Bests', with minimum surpluses the equivalent of Bests' surplus size VIII.

If at any time one of the foregoing policies shall be or become unsatisfactory to the District, as to form or substance, or if a company issuing any such policy shall be or become unsatisfactory to the District, the AMR Supplier shall, upon notice to that effect from the District, promptly obtain a new policy, and shall submit the same to the District, with the appropriate certificates and endorsements, for approval.

G. Subcontractors

The AMR Supplier shall include all Subcontractors and/or subconsultants as insureds under its policies, or shall furnish separate certificates of insurance and policy endorsements for each Subcontractor and/or subconsultant. Insurance coverages provided by Subcontractors as evidence of compliance with the insurance requirements of this Contract shall be subject to all of the requirements stated herein.

H. Work Site Safety

The AMR Supplier shall have the “right to control” and bear the responsibility for the job site conditions, and job site safety of its personnel and Subcontractors while on the construction jobsite. The AMR Supplier shall comply with all applicable Federal, State and Local safety regulations governing the job site,
employees and Subcontractors. The AMR Supplier shall be responsible for the compliance of its Subcontractors with these provisions.

I. Endorsements

Endorsement must be included with insurance form, i.e. standard industry form: “CG 2026” or other form acceptable to the District. **The District requires this Endorsement to complete the Contract.**

SECTION 4. SPECIFICATIONS

Attached as Attachment I are the equipment specifications that shall be used with this contract.

SECTION 5. ADD/DEDUCT PRICING

At the District's option, it may add or deduct equipment at the prices set forth in Attachment B to this Contract. At the District's sole discretion it may purchase additional AMR units and/or AMR components at the prices set forth in Attachment B to this Contract.

SECTION 6. FUTURE PURCHASE OF AMR EQUIPMENT

This contract will be used by the District to purchase AMR equipment at a future date. Pricing for these future purchases is provided in Attachment B and Section 2.6.
ATTACHMENT A - SCOPE OF SERVICES

AWD 445-07 – AUTOMATED METER READING SYSTEM IMPLEMENTATION

This project includes all work and equipment required to implement an Automated Meter Reading (AMR) System. AMR system shall be functional, in use and ready for installation of new radio equipment meter in large quantities by others at completion of this project.

The Consultant will provide backup documentation of work products as appropriate to adequately record the Consultant’s work, including assumptions made, regulation interpretations, methodology used, calculations, rationale supporting recommendations, and meeting or conversation records. Standards for the design deliverables will be provided to the selected consultant during negotiations.

All draft and final deliverables are to be provided to the District in the following formats:

1. Five bound copies (unless otherwise noted)
2. One unbound, camera-ready copy
3. One electronic copy

The District will create and distribute additional copies of the deliverables as required.

Task 100 – Project Management

The Consultant shall organize, manage, and coordinate the disciplines required to accomplish the services required for this project. The Consultant shall coordinate its work with efforts performed by District staff. The Consultant shall provide project management and contract administration services. Project management services are as follows:

1. Preparation and submittal of a draft Project Management Plan (PMP) within 15 days following Notice to Proceed, a final PMP incorporating District comments, and updating the PMP quarterly throughout the duration of the contract. The PMP will include the project scope, task assignments and deliverables, project organization chart, team roles and responsibilities, communication protocols, initial project schedule, budget, project procedures including documentation, filing system and standards, QA/QC Plan, health and safety plan, and other items as needed.
2. Prepare agendas and draft and final meeting notes for regular project team management meetings with the District staff.
3. Prepare monthly invoices and progress reports. Progress reports to include a description of work accomplished, upcoming work, and schedule status.
4. Coordinate work of prime, subconsultants, and other parties’ input for production and quality assurance/quality control of all deliverables.

A. Deliverables (only 2 bound copies req’d)
   1. Draft and final PMP, with elements described above.
   2. Meeting agendas and notes, including revisions as required.
   3. Monthly invoices and progress reports as described above.

Task 200 – Hand Held Data Collection Units

The Consultant shall provide four (4) Hand Held Data Collection Units (HHDC) per the specifications. The HHDC units shall be programmed with software capable of interfacing with the master meter computer. Each unit shall be field tested on an Alderwood meter reading route before acceptance.
Details of this task shall be expanded by the Vender during the RFP process.

**Task 300 – Vehicle Mounted Data Collection Units**

The Consultant shall provide one (1) Vehicle Mounted Data Collection Unit (VMDC) per the specifications. The VMDC unit shall be programmed with software capable of interfacing with the master meter computer. Each unit shall be field tested on an Alderwood meter reading route before acceptance.

Details of this task shall be expanded by the Vender during the RFP process.

**Task 400 – Master Meter Computer**

The Consultant shall replace or upgrade the master meter computer. All required hardware and software to communicate with the data collection units shall be included. Conversion of the District’s existing route, meter data and other information shall be included. All historical information shall be persevered and accessible. Unit shall field tested using units provided in both Task 200 & Task 300 before acceptance.

Details of this task shall be expanded by the Vender during the RFP process.

**Task 500 – Billing interface**

The Consultant shall provide or upgrade the software providing the interface between the meter reading system and the District’s billing system. Two elements must be included:

1) Transfer of meter reads for utility billing purposes
2) Transfer of whole meter changeout information.

Details of this task shall be expanded by the Vender during the RFP process.

**Task 600 – Computer Maintenance Management System**

The Consultant shall provide the software providing the interface between the meter reading system and the District’s Computer Maintenance Management System.

Details of this task shall be expanded by the Vender during the RFP process.

**Task 700 – Integration**

The Consultant shall provide and ensure that all of the systems developed or provided in Tasks 200 thru 500 work together seamlessly and easily. Products must be fully integrated and fully functional.
Details of this task shall be expanded by the Vender during the RFP process.

**Task 800 – Training**

The Consultant shall provide training for the use of the new AMR system. At least three groups of uses must be trained. These included:

1) Meter Reading Staff responsible for the daily operation of the HHDC and VMDC units.
2) Meter Reading Supervisors responsible for the overall operation of the AMR system and maintenance of the route and meter databases
3) Billing/Finance Staff responsible for processing the meter readings and producing utility billings.

Details of this task shall be expanded by the Vender during the RFP process.
ATTACHMENT B – PRICING MATRIX

NOTE TO PROPOSERS: THIS IS A PLACEHOLDER ATTACHMENT THAT WILL BE COMPLETED WITH THE SELECTED PROPOSER PRIOR TO CONTRACT EXECUTION.

1. XXXX
ATTACHMENT C

DELIBERY SCHEDULE

AWD 445-07 – AUTOMATED METER READING SYSTEM IMPLEMENTATION

For the purposes of the table below, the NTP referenced is the Notice to Proceed that will be issued by the District to AMR Supplier.

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task 100 Project begins</td>
<td>No later than NTP</td>
</tr>
<tr>
<td>Task 100 – Draft Project Management Plan</td>
<td>No later than NTP + 15 calendar days</td>
</tr>
<tr>
<td>Task 100 – Final Project Management Plan</td>
<td>No later than NTP + 30 calendar days</td>
</tr>
<tr>
<td>Task 200 – Delivery of Hand Held Data Units</td>
<td>No later than NTP + XX calendar days</td>
</tr>
<tr>
<td>Task 300 – Delivery of Vehicle Mounted Data Collection Units</td>
<td>No later than NTP + XX calendar days</td>
</tr>
<tr>
<td>Task 400 – Master Meter Computer</td>
<td>No later than NTP + XX calendar days</td>
</tr>
<tr>
<td>Task 500 – Billing Interface</td>
<td>No later than NTP + XX calendar days</td>
</tr>
<tr>
<td>Task 600 – Integration</td>
<td>No later than NTP + XX calendar days</td>
</tr>
<tr>
<td>Task 700 – Training</td>
<td>No later than 15 days prior to both substantial completion and system operation</td>
</tr>
<tr>
<td>Substantial Completion</td>
<td>No later than NTP + 180 calendar days</td>
</tr>
</tbody>
</table>
PERFORMANCE AND PAYMENT BOND

CONTRACTOR

BOND NUMBER

KNOW ALL BY THESE PRESENTS: That we, ________________________________, as Principal, and, ________________________________, as Surety, a corporation legally doing business in the State of Washington, are held and firmly bound and obligated unto the State of Washington and Alderwood Water and Wastewater District ("District"), pursuant to laws of Washington and the Contract between the District and the Principal, in the full sum of the Contract Amount of _______________ DOLLARS ($ ____________), for the faithful performance of the Contract referenced below, and for the payment of which sum we do bind ourselves, and each of our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, THIS OBLIGATION IS CONDITIONED on the Principal entering into a Contract with the District for the Automated Meter Reading System Equipment and Services Contract and by this reference incorporates all of the Contract Documents referenced in said Contract, as now or hereafter amended, with or without notice to Surety;

NOW, THEREFORE, IT IS DECLARED AND AGREED if the Principal shall faithfully perform all provisions of such Contract, pay all laborers, mechanics and subcontractors and materialmen, and all persons who shall supply such person or persons, or subcontractors, with provisions and supplies for the carrying on of such work, then this obligation is void, otherwise it shall remain in full force and effect. Provided, however, that the conditions of this obligation shall not apply to any money loaned or advanced to the Principal or to any subcontractor or other person in the performance of any such work; and

IT IS FURTHER DECLARED AND AGREED that the District shall have the right to sue on this bond in its own name to recover for any loss, injury, damage, or liability whatsoever sustained or incurred by it, by reason of any breach of the Contract, or of any provision in this bond; and

IT IS FURTHER DECLARED AND AGREED that nothing of any kind or nature whatsoever that will not discharge the Principal shall operate as a discharge or release of liability of the Surety, notwithstanding any law, rule of equity or usage relating to the liability of sureties to the contrary; and

IT IS FURTHER DECLARED AND AGREED that whenever Principal shall be in default under the Contract as determined by the District, the Surety, upon the District’s request, shall promptly remedy the default in a manner acceptable to the District.

SIGNED this __________ day of ________________________, 20__________.

Principal: ________________________________ Surety: ________________________________

By: ________________________________ By: ________________________________

Title: ________________________________ Title: ________________________________

Address: ________________________________ Address: ________________________________

City/Zip: ________________________________ City/Zip: ________________________________

Telephone: ( ) ________________________________ Telephone: ( ) ________________________________

Note: A power of attorney must be provided which appoints the Surety's true and lawful attorney-in-fact to make, execute, seal and deliver this performance and payment bond, which power of attorney shall meet the approval of the District's Attorney as to form and substance.
ATTACHMENT E

SCHEDULE OF VALUES

AWD 445-07 – AUTOMATED METER READING SYSTEM IMPLEMENTATION

NOTE TO PROPOSERS: THIS IS A PLACEHOLDER ATTACHMENT THAT WILL BE COMPLETED WITH THE SELECTED PROPOSER PRIOR TO CONTRACT EXECUTION.
Appendix E

Alderwood Water & Wastewater District – System Map

Location map of 8 Meter Reading Controls & District Facilities

(AutoCAD Map attachment)