

The following proposal has been modified to remove the section "Price Proposal". The initial proposal has been modified since this draft was presented; the final price proposal will be presented at the November 29th, Utility Meeting.

PROPOSAL FOR THE  
Operations and Maintenance of the Water and Wastewater  
Treatment Facilities for the City of Boone, Iowa



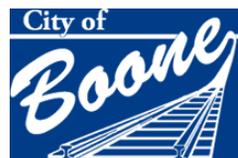
Prepared By:



1406 Central Ave.  
Fort Dodge, IA 50501  
888-348-0110

November 17, 2021

Prepared For:



William J Skare, CPM  
City Administrator  
City of Boone  
923 8<sup>th</sup> Street  
Boone, IA 50036

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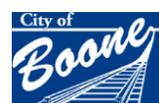
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# Cover Letter

## COVER LETTER

November 17, 2021

William J Skare, CPM  
City Administrator  
City of Boone  
923 8<sup>th</sup> Street  
Boone, IA 50036

Dear Mr. Skare:

**U.S. Water Services Corporation d/b/a USW Utility Group (USWUG)** would like to thank you for the opportunity to present this Proposal for the Operations and Maintenance (O&M) of the Water and Wastewater Treatment Facilities for the City of Boone, Iowa.

USWUG brings a remarkable diversity of industry talents to the **City of Boone (City)**. Our shareholders are practicing professionals, actively involved in projects, personally at risk and committed to client-oriented solutions. This professional grouping provides a diverse compliment of engineering, consulting, operations, maintenance, residuals management and construction services in drinking water and wastewater utility management to serve the needs of our public and private sector clients. We are confident that the City can benefit from the unique qualifications of the USWUG Management and Technical Professionals which bring hundreds of years of cumulative experience particular to the Water and Wastewater Utility Industry.

We know that for City, the water and wastewater infrastructure is one of the single largest public-sector investments of the communities. We understand that the facilities we operate are integral to public health and safety and remain the overall responsibility of local officials. We are aware of the impact that the operation of these facilities can have on the social, natural, and economic environments. We work hard to become responsible corporate citizens in those communities in which we serve.

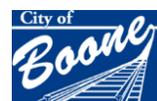
To successfully fulfill the scope of services and technical requirements proposed by USWUG for the City, an operations company must offer a wide array of experience. USWUG understands the City's concern for the proper operation, management and maintenance of its utility infrastructure and its need for a partner capable of delivering stable management and sustainable, long-term performance. As the contract operator of hundreds of water and wastewater plants and systems throughout the country, USWUG's depth of experience provides an expansive level of knowledge of different water and wastewater processes and technologies, and a base of in-house experts and experienced operators and managers to draw upon to improve and optimize individual facilities.

Your facilities are similar in size and scope to many of the facilities which we operate. We are often called upon by engineers and regulatory authorities as a reference to assist clients seeking contract operations, maintenance, and management services.

Throughout the United States, USWUG is known for our innovative approach to operations and our ability to accommodate diverse client needs, resolve operational problems, and maintain compliance with governmental regulations. USWUG's qualified team of professional engineers, licensed contractors and



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maintenance staff provides USWUG the advantage over our competitors. We are able to supplement operations with the ability to evaluate and rectify any process related problems, as well as plan, design, permit and build facilities.

At USWUG, we have always approached an agreement to operate water and wastewater facilities as, first and foremost, a **partnership** with local officials and the community-at-large. For the City, we will work as diligently as we have with our other clients to develop clear and open lines of communication. This perspective provides us with an understanding of, and concern for, client needs and requirements that has allowed us to creatively address a wide variety of service concerns using a cooperative approach. In all of our operations, our management philosophy is guided by the following principles:



- *To achieve a level of operations so reliable that they become invisible to the local consumer;*
- *To meet or exceed all contractual and regulatory requirements;*
- *To operate all facilities in a manner that will provide the most efficient and cost-effective services possible;*
- *To maintain the facilities, following policies and procedures which sustain the assets' economic value, such as using life-cycle capital cost management; and*
- *To proactively identify for the client, opportunities to create additional asset value.*

USWUG's experience demonstrates that the operation of utilities by private sector firms can offer great benefit to both municipalities and their consumers through the savings that accrue. Our mission in operating any utility system is to meet or exceed all water, wastewater, and maintenance requirements while delivering outstanding service through the provision of the operational resources, technical support and management services necessary to achieve the client's overall goals.

At USWUG, we're committed to providing our Clients with personalized service that goes beyond their expectations and in doing so we practice **Open and Honest Pricing**. With that, the City will be positioned to make informed financial decisions as it considers scope of services clarification and what the financial impacts are with the service changes. It has been our experience, that our competitors are unwilling to be this transparent with its clients.

USWUG strives to find efficiencies and provide an increased level of operational expertise, all while saving our Clients money. As a contract operator, it is USWUG's responsibility to use the City's financial resources wisely and to make financial decisions in an open and transparent way. USWUG strives to operate the facilities in a manner that is fiscally responsible, while at the same time providing a high level of service delivery. Fiscal responsibility at its essence is establishing budgets that are affordable, sustainable, stable and responsible.

**USWUG strives to make a positive impact in each of the communities in which we operate.** There is no stronger testament to the level of service delivery excellence that a company can provide than the testimony of their Clients. A few examples have been included for your reference that illustrates the level of service delivery provided to Clients of USWUG. We strongly encourage the City to reach out to any of our Clients for project references.

In summary, USWUG is a full-service delivery provider. Being a Water and Waster Operating Company, Licensed Engineering Firm, General Contractor, Certified Plumbing Contractor, Certified Electrical Contractor and Underground Utility Contractor provide a diverse understanding of means and methods to supply a service delivery excellence second to none. USWUG is an American owned and operated company made up of over 550 utility professions providing operations and maintenance services to hundreds of treatment plants and providing quality water services to over 1,000,000 people every day.

USWUG appreciates the opportunity to provide this Proposal as well as the consideration given on our behalf. Authorized Person to legally bind U.S. Water Services Corporation d/b/a USW Utility Group into a contractual relationship and/or make representations on behalf of USWUG are as follows:

**Authorized Person to Contract with City**

Jeffrey DuPont, Vice President  
1406 Central Avenue  
Fort Dodge, Iowa 50501  
(727) 919-2942  
JDuPont@USWaterCorp.net

**Primary Contact/Company Representative**

Chris Gutschow, Director of Business Development  
1406 Central Avenue  
Fort Dodge, Iowa 50501  
(402) 960-3689  
CGutschow@USWaterCorp.net

Sincerely,



Chris Gutschow  
Director of Business Development

11/17/2021

Date

# General Information and Qualifications

**GENERAL INFORMATION AND QUALIFICATIONS**

**CORPORATE PROFILE**

**Company Name:** U.S. Water Services Corporation d/b/a USW Utility Group  
**Tax Identification Number:** 20-0008821  
**Mid-Central Region Office Address:** 1406 Central Avenue, Fort Dodge, IA 50501  
**Corporate Office Address:** 4939 Cross Bayou Blvd, New Port Richey, FL 34652  
**State of Incorporation:** Florida  
**Date of Incorporation:** 04/28/2003

U.S. Water Services Corporation d/b/a USW Utility Group is a privately held corporation that was founded in the state of Florida in April 2003 by Gary Deremer, current President and CEO and several professionals seasoned in the industry. USW Utility Group is wholly owned and operated within the United States. The principals and top-level management staff collectively represent over 300 years of experience particular to the water and wastewater operating environment. USWUG has enjoyed year on year growth, is privately



held by several of its employees (Shareholders) with the Majority Shareholder being Mr. Gary Deremer. All Shareholders are employees of the Company, there are NO outside investors. USWUG enjoys a very good credit and bond rating while maintaining a zero to low balance on its line of credit, USWUG is a very financially healthy American owned Company

**DEPTH OF RESOURCES**

USWUG is a full-service delivery provider. Being a Water and Wastewater Operating Company, Licensed Engineering Firm, General Contractor, Residuals Hauling Contractor, Certified Plumbing Contractor, Certified Electrical Contractor and Underground Utility Contractor provide a diverse understanding of means and methods to supply a service delivery excellence second to none. USWUG is an American-owned and operated company made up of over 550 utility professionals providing operations and maintenance services to hundreds of treatment plants and providing quality water services to over 1,000,000 people every day. As a partner with the City, USWUG will make these resources are available to the City. As a nationally recognized Water and Wastewater Utility Contractor, additional resources and skilled workforce are readily available; these resources can be utilized for any large scale event or to supplement local staffing levels, should the need arise. This will minimize delays during critical times when resources are needed most. In a large-scale event in Iowa, when local staff are personally affected by mass incidents, USWUG is positioned to mobilize outside resources to quickly and effectively provide relief and make sure any utility service interruptions are mitigated.



USWUG has a fleet of over five hundred (500) fully equipped maintenance vehicles, including heavy duty crane type vehicles, a full complement of excavation and trenching machines, closed circuit televising equipment, sludge hauling equipment, tractor trailers, a fleet of jet rod vactor-trucks, and other industry specific equipment such as Ground Penetrating Radar (GPR), line locating equipment and additional testing equipment specific to water and wastewater utility systems that allow us to quickly provide relief during any emergency situation. In addition to fleet vehicles, USWSC maintains a fleet of portable generators, by-pass pumps, portable office/housing space, portable fuel transport, etc.

## COMPREHENSIVE MANAGEMENT PHILOSOPHY

In order for USW Utility Group to ensure a high degree of self-reliance, senior management continues to make a commitment to mentoring key staff members on our philosophy and principles. In many cases these Key Staff members are or grow to become shareholders of USW Utility Group, and their charge is to utilize our principles in their roles in managing and training their staff members. This approach has significantly led to reductions in the use of outside contractors and increased the level of delivery to our clients in a cost-effective manner.

USWUG embraces a comprehensive management philosophy which ensures our decisions are economically, environmentally and socially sound. This allows USWUG to focus on all aspects of the City whether it relates to operations, maintenance, customer service, or innovation to reduce operating or capital costs while focusing on meeting our client's goals.

At USWUG, we have always approached a contract as **an alliance with the client and the end-users in mind – the utility customer**. This perspective provides an understanding of, and concern for, client needs and has allowed us to creatively address a wide variety of service concerns using this philosophy. Our philosophy is based on the following principles:

### Long Term Commitment

*Our primary principle is establishing a long-term commitment.* USWUG looks at all clients as a mutual investment between USWUG and the owner of a system and not just a contract to perform services. This provides a focus on the system as a whole, including the client, customers, and the impact that decisions have on the quality of service. **USWUG is proud to say we are still providing service to our first customer.**

### Transparency

With our focus on creating a long-term relationship with our clients, USWUG has always provided a high level of transparency. We provide our clients with our pricing models, shared assumptions, costs and margins. **We refer to this as “open and honest pricing”.** We have come to understand that a true alliance with our clients can be best achieved when they know our basis of pricing, and assumptions. This level of transparency leads to building a strong foundation of trust.

### Key Performance Indicators (KPIs)

USWUG believes in the importance of utilizing Key Performance Indicators (KPIs) to measure USWUG's performance in carrying out their roles and responsibilities in providing services to the City's customers. **“What gets measured, gets done”.**

USWUG recommends the City and USWUG review the current indicators and targets and establish indicators based on the City needs and establish appropriate targets based on industry data. USWUG recommends these indicators are reviewed annually and adjustments are made based on current conditions.

## CAPITAL PLANNING

USWUG understands the budgeting process for capital improvement plans (CIP) and operational expenses. Because of USWUG's experience in the water and wastewater utility operations and maintenance market, we have been able to successfully predict these costs, stabilizing operation and maintenance budgets from year to year. For USWUG, budgeting is a continuous process. As issues arise throughout the year, they are continuously tracked in our Computerized Enterprise Asset Management System. A list of facility components are maintained, including all repair and maintenance activity performed on each asset which allows USWUG to provide the information necessary to accurately forecast budgeting, to **develop Capital Improvement Plans**, and to perform more accurate Repair and Replacement (R&R) planning.

Capital improvements are typically larger expenses that address major maintenance needs and facility infrastructure upgrades. USWUG will maintain a suggested CIP budget that will address future requirements taking into account regulation changes, system capacities and overall system efficiency. The operating budget is based on several factors as well.

USWUG is an Operations and Maintenance (O&M) company that actively participates in the construction and rehabilitation of water and wastewater treatment facilities utilizing their Engineers as a resource as well as experience being a General Contractor. As an added value, USWUG is a full-service provider that will provide expert advice to the City during future Capital Improvement Projects to assure that the City's best interests are accomplished.

## EXPERIENCE UPGRADING OR MODIFYING WATER AND WASTEWATER SYSTEMS TO IMPROVE PERFORMANCE

Currently, USWUG provides contract operation, maintenance and management services to hundreds of water and wastewater treatment plants. USWUG provides quality water service to over 1,000,000 people every day. These water systems range in size from very small well-fed systems to very complex surface water lime softening plants rated up to 45 MGD. The wastewater facilities we operate range in size from package plants to wastewater treatment plants with average day design flows over 21.0 MGD. The water facilities consist of surface water, reverse osmosis (RO), membranes, and conventional treatment, while the wastewater facilities ranging in complexity from extended aeration, lagoon systems, to biological nutrient removal and even some very technically advanced AWT systems that directly recharge water supply reservoirs. As plant rules and regulations are constantly changing, many of the facilities we design, build and operate are under construction. USWUG continues to provide award winning operations at these facilities. A brief sampling of projects that are either currently or have recently been under construction, while being operated by USWUG has been provided for reference below.

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## FORT DODGE, IA

USWUG recently assisted the City of Fort Dodge with the design and plant operations during on-going construction of an approximate \$30,000,000 plant expansion project. This expansion was designed to be modular in design; with anticipated increased growth in the near future, the result of rapid development in the North Ag Industrial Park. Anticipated build-out of the Industrial Park may increase the wastewater treatment demands in excess of 25 MGD.

In addition to operating the wastewater facilities, the City of Fort Dodge has called upon USWUG to assist with numerous other projects. These projects include:

- Pilot testing, engineering design review and water quality analysis of the new \$20MM reverse osmosis water treatment facility, currently in the start-up/shakedown phase,
- Revamping the City's Industrial Pretreatment Program. The City entered into a contract with USWUG to complete a comprehensive review of the Fort Dodge IPP program. This included writing the Program/Policy, updating City Ordinances and meeting with EPA Region 7 to ensure program compliance,
- Working closely with Cargill and CJ America who located large industrial production facilities in the Fort Dodge North Ag Park Development. Review construction design and provide pretreatment facility design, operation and maintenance for the industrial community.

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## NORTH AG PARK DEVELOPMENT:

USWUG is assisting the City of Fort Dodge, Cargill and CJ BioAmerica with needs assessments, plant modification design review, rate structure analysis, water and sewer use agreements, and various other components of the project relative to the City's water and wastewater utilities. USWUG recently teamed up with the City to conduct a valued engineering alternative study. The scope of this comprehensive study was to provide the City with the most cost-effective approach for the modification of existing facilities to provide water and wastewater service to their potential \$1B industrial park, while keeping utility costs down. These innovative solutions have allowed the City to remain a viable site for companies such as Cargill and CJ America to locate and expand operations, thus bringing beneficial economic growth to the communities we serve. Complete build-out of the Ag Park Development is expected to reach \$1B (\$1,000,000,000.00), bringing hundreds of new jobs into the Greater Fort Dodge area. This new development could drive water and wastewater demands to 30 MGD and 25 MGD, respectively.

USWUG's Project Management Team acted as a vital partner assisting the City with negotiations with these Companies and with positioning themselves as a viable location, competing on a global scale for industry site selection, for these large companies to locate their operations. The announcement of Cargill and CJ BioAmerica locating operations in Fort Dodge brought national attention as well as the intimate involvement of the Governor. Shortly after the announcement of Cargill bringing hundreds of jobs to the area, came the announcement of their first of many anticipated "over-the-fence" customers, CJ BioAmerica. Local Economic Development has relied heavily on USWUG as the City's partner to provide them with design and economics favorable to continued community and economic growth as it relates to water and wastewater utility infrastructure and needs assessments.

## INSURANCE

As part of the Agreement for Professional Contract Services, USW Utility Group will furnish the City with Certificates of Insurance as evidenced that policies providing the required coverage's and limits are in full force and effect upon signing of an Agreement carrying the following coverage's:

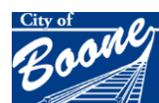
- Workers compensation Insurance in compliance with the statutes of the State of Iowa, which has jurisdiction of USWUG employees engaged in the performance of services hereunder, to the required statutory amount.
- Comprehensive General Liability Insurance with a minimum combined single limit of two million dollars (\$2,000,000), including the broad form property damage endorsement.
- Automobile Liability Insurance (owned, non-owned, or hired units) minimum combined single coverage limit of one million dollars (\$1,000,000).
- Errors and omissions coverage under USWUG's corporate professional liability insurance, with a minimum coverage of one year's fee, and up to USWUG's professional liability insurance limit of two million dollars (\$2,000,000).
- USWUG Pollution Liability insurance coverage; per claim and aggregate, minimum coverage of five million dollars (\$5,000,000).
- Crime insurance coverage; per claim and aggregate, minimum coverage of one million dollars (\$1,000,000)
- Employer's Liability insurance coverage; per claim and aggregate, minimum coverage of one million dollars (\$1,000,000).
- USWUG shall name the City as additionally insured for bodily injury and/or property damage in an amount of not less than two million dollars (\$2,000,000).
- USWUG Excess/Umbrella coverage; per claim and aggregate, of ten million dollars (\$10,000,000).

USWUG will provide at least thirty (30) days' notice of the cancellation of any policy it is required to maintain under this Agreement. USWUG may self-insure reasonable deductible amounts under the policies it is required to maintain to the extent permitted by law and consistent with the coverage requirements in the Agreement. USWUG shall include the City of Boone as additional insured on the coverages, required to be maintained hereby and shall contain a waiver of subrogation in favor of the City of Boone as respects any claims covered or which should have been covered by valid and collectible insurance including any deductibles or self-insurance maintained there under.

The policies will be periodically reviewed, updated and appropriately administered during the term of the Agreement. It will remain the responsibility of USWUG to ensure affirmative implementation of these policies and provide applicable certificates and insurance throughout the term of the Agreement.

## BONDING CAPABILITY

USW Utility Group does not currently have a maximum bonding limit established; however, jobs in the \$20,000,000.00 single range and \$100,000,000.00 aggregate would be within the "normal" standard operating area for USW Utility Group.



**SUBCONTRACTORS**

USW Utility Group will not utilize sub-contractors or vendors to perform the daily operations task. However, we propose to utilize subcontractors and vendors for various services for which USWUG does not have sufficient local expertise, specialized services or resources available to perform ourselves. USWUG shall secure the approval of the City of preferred subcontractors prior to subcontracting or retaining outside contractors. Examples of which subcontractors may utilized are the following, but not limited to: Generator Maintenance, Instrumentation Calibration, Flow Meter Calibration, Pump Gear Box Mixer and Motor Rebuilds, Crane Inspections, HVAC Maintenance and Repair, Rolling Stock Repairs, Welding and Fabrication, Tank Inspections, and Heavy Rigging. Below is a brief listing of some of the sub-contractors/vendors for said services:

Subcontractor	Services	Phone
Pace Analytical	Compliance Laboratory Analysis	(612) 607-6400
Keystone Laboratories, Inc.	Compliance Laboratory Analysis	(641) 792-8451
State Hygienic Laboratory	Compliance Laboratory Analysis	(515) 725-1600
Hawkins	Chlorine, Fluoride and Polyphosphate	(605) 368-5793
Graymont	Lime	(262) 334-3005
Chem-Sult, Inc.	Polymer	(641) 782-9157
Hach	Water and Wastewater Instrumentation	(800) 227-4224

**COMMUNITY OUTREACH**

USWUG has a long history of community outreach. It is one of our most important and rewarding principles. Community outreach provides our clients and USWUG the opportunity to communicate information about the utility while at the same time receive feedback that leads the utility to provide better customer service.

*As with other Communities in which we do business, if selected, USWUG will commit to donating annually to non-political contributions to support activities in the City of Boone!!*

Chamber of Commerce

USW Utility Group joins and supports the Chamber of Commerce in each of the Communities in which we do business. By joining the Chamber, USWUG has become involved in several activities that the Chamber has to offer. Staff members attend the Annual Dinners, Network at Noon luncheons and several Ribbon



Cuttings. This has given USWUG the opportunity to meet other members of the business community and to introduce USWUG to each community we serve.

Beacon of Hope Homeless Shelter

USWUG makes financial contributions to The Beacon of Hope Homeless Shelter. The shelter for homeless is funded entirely by donations. It is a facility for those who are in need of assistance, where they can be assisted both physically and emotionally. We hope to continue to support such a great humanitarian cause.



Fort Dodge Trail System



USWUG has made a 3-year financial commitment to the Fort Dodge Trail System. With USWUG’s help, the community has developed an extensive trail system with several more miles currently in the planning stages. By supporting this program, the Company believes that it promotes good health and recreation and the trails can be used by walkers, joggers, and bicyclists of all ages. The trail project improves the overall character of the community. We are very happy to be part of this investment in the City’s vitality, quality of life and vision of its future as a Blue Zone Community for healthy living lifestyles.

Youth Sports



USWUG believes in supporting youth activities in the communities that we serve. Youth sports teach lifelong skills including teamwork, sportsmanship, and the importance of physical activity. USWUG’s financial donations allowed each of the teams to purchase matching uniform shirts. USWUG t-shirts can be seen throughout the communities that we serve.



Tee-Ball and Youth Sports



Thank you SO much for sponsoring the tee shirts for the FD Parks and Recreation’s Tee-ball, 3<sup>rd</sup> and 4<sup>th</sup> Grade and 5<sup>th</sup> and 6<sup>th</sup> Grade Youth Softball leagues again this summer!

As you can see, you have many walking billboards right now.

Thanks Again,



Ryan Maehl, Parks and Recreation Department

## PROJECT REFERENCES

There is no stronger testament to the level of service delivery excellence that a company can provide than the testimony of their Clients and Companies we do business with. USWUG has projects of similar size, scope and complexity to the City's, which we have included a brief listing below.

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### CITY OF FORT DODGE, IOWA



Operation, Maintenance, and Management of the Water and Wastewater Utility Systems

#### Reference name, address, telephone, fax number and email address

David Fierke, City Manager  
 819 1<sup>st</sup> Avenue South  
 Fort Dodge, IA 50501  
 Phone: (515)573-7144  
 Fax: (515) 573-5751  
 dfierke@fortdodgeiowa.org

#### Size and type of facility

- 21.6 MGD Siemens VLR "SMARTBNR" utilizing MLE treatment for nutrient removal wastewater treatment plant;
- Twelve (12) lift stations;
- 16.1 MGD Reverse Osmosis (RO) water treatment plant;
- Four (4) elevated storage tanks; and
- Stormwater retention basins and pumping stations

#### Contract Duration

USWUG has been providing O&M services since October 14, 2010.

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### CITY OF CHARITON, IOWA



Operation, Maintenance, and Management of the Wastewater Treatment Plant, Collection system, and Lift Stations

#### Reference name, address, telephone, fax number and email address

Laura Liegois, City Manager  
 115 S. Main Street  
 Chariton, IA 50049  
 Phone: (641) 774-5991  
 citymanager@iowatelecom.net

#### Size and type of facility

- 1.25 MGD Oxidation Ditch wastewater treatment plant;

- Seven (7) lift stations;
- Collection System

#### Contract Duration

USWUG has been providing O&M services since April 1, 2020.

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#### CITY OF GRIMES, IOWA



OM&M of the Water and Wastewater Treatment Plants, Lift Stations, Distribution and Collection Systems, Field Service and Meter Reading

#### Reference name, address, telephone, fax number and email address

Jake Anderson, City Administrator  
 101 NE Harvey Street  
 Grimes, IA 50111  
 Phone: (515) 986-3036  
 Fax: (515) 986-3846  
 janderson@grimesiowa.gov

#### Size and type of facility

- 1.73 MGD lime softening water treatment plant;
- 1.6 MGD reverse osmosis (RO) water treatment plant;
- 400,000-gallon Ground storage tank;
- 1,000,000-gallon Standpipe;
- 2.13 MGD extended aeration wastewater plant; and
- Three (3) lift stations

#### Contract Duration

USWUG has been providing O&M services since July 1, 2014.

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#### CITY OF HEAVENER, OKLAHOMA



HEAVENER  
UTILITIES AUTHORITY

Operation, Maintenance, and Management of the Water Treatment, Industrial Wastewater Treatment Plant, Municipal Wastewater Treatment Plant, Distribution system, Collection system, and Lift Stations

#### Reference name, address, telephone, fax number and email address

Cody Smith, City Manager  
 103 East Avenue B  
 Heavener, OK 74937  
 Phone: (918) 653-2217  
 heavencitymanager@gmail.com

### Size and type of facility

- 0.600 MGD SBR municipal wastewater treatment plant;
- 3.0 MGD extended aeration industrial wastewater treatment plant;
- Seven (7) lift stations;
- Purchase water (City just closed their 3.0 MGD surface water treatment plant);
- Two (2) ground storage tanks; and
- Two (2) booster stations

### Contract Duration

USWUG has been providing O&M services since January 1, 2020.

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### FLORIDA GOVERNMENT UTILITY AUTHORITY



Operation, Maintenance, and Management of the Water and Wastewater Utility System, Distribution and Collection Systems, Field Service and Meter Reading

### Reference name, address, telephone, fax number and email address

Mr. Robert Sheets, CEO  
 Government Services Group, Inc.  
 1500 Mahan Drive, Suite 250  
 Tallahassee, FL 32308  
 Phone: (850) 681-3717  
 Fax: (850) 224-7206  
 rsheets@govserv.com

### Size and type of facility

- MacDill Air Force Base Wastewater Facility, Tampa, FL: The MacDill AFB has a 1.2 MGD WWTP with Reuse and 80 lift stations;
- Aloha Wastewater Utility System, Pasco County Florida: The Aloha Wastewater Utility System has a 2.5 MGD Seven Springs WWTP and Reuse System and 80 lift stations;
- Aloha Water Utility System, Pasco County Florida: The Aloha Water Utility system has a 2.17 MGD Water Treatment System;
- North Fort Myers Wastewater Utility System, Lee County Florida: The North Fort Myers Wastewater Utility System has a 4.25 MGD Oxidation Ditch WWTF and Reuse;
- Lehigh Acres Wastewater Utility System, Lee County Florida: The Lehigh Acres Wastewater Utility System has a capacity of 2.3 MGD WWTP and Reuse;
- Lehigh Acres Water Utility System, Lee County Florida: The Lehigh Acres Water Utility System consist of a 3.1 MGD and a 1.0 MGD water treatment plant; and
- Golden Gate Water and Wastewater Utility Systems, Collier County Florida – Utility system consists of a 1.125 MGD lime softening package plant, 0.875 RO water plant and a 1.5 MGD wastewater treatment plant.

**Contract duration**

USWUG has been providing O&M services since February 27, 2009.

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**CITY OF GALENA, ILLINOIS**

Operation, Maintenance, and Management of the Water and Wastewater Utility System,  
Distribution and Collection Systems

**Reference name, address, telephone, fax number and email address**

Mark Moran, City Administrator  
101 Green Street  
Galena, Illinois 61036  
Phone: (815) 777-1050  
Fax: (815) 777-3083  
mmoran@cityofgalena.org

**Size and type of facility**

- 1.171 MGD Oxidation Ditch wastewater treatment plant;
- Five (5) lift stations;
- 368-kW solar array;
- Three (3) wells with chemical addition;
- Two (2) elevated water towers;
- Standpipe; and
- Ground storage tank

**Contract Duration**

USWUG has been providing O&M services since August 1, 2019.

# Project Approach

**PROJECT APPROACH**

**MANAGEMENT TEAM AND TECHNICAL SUPPORT**

USWUG recognizes that the successful operation of a utility asset depends on the knowledge, training and experience of the facility’s staff. Because we are keenly aware of the challenges involved in finding and keeping well-trained and motivated employees, we find staff recruitment and communication with our current and future employees and clients is a key element in securing both a smooth transition and a cooperative working relationship going forward. We diligently ensure that each employee has the appropriate experience and training for the positions they are assigned. We provide technical instruction and safety training designed to make the City’s facilities not only safe but efficient and productive. When it comes to staffing, we provide comprehensive operational resources, technical support and management services necessary to successfully operate and maintain facilities on a continuous basis. In order to achieve our objectives, our local Project Manager’s performance will meet and exceed the City’s expectations. We will develop a well-organized, competent, licensed, and highly motivated and qualified team of employees who are trained in the optimal operation and maintenance of the facilities. This begins with assembling an outstanding management and support staff to provide the necessary leadership and guidance.

It is anticipated that USWUG shall provide some Corporate Technical Support throughout the Term of the Agreement as part of its Overhead fee. Examples of Corporate Technical Support are:

- Human Resources;
- Client Relations;
- Accounting (Monthly Billing for Services Rendered, Reconciliation, and Vendor Payments); and
- Agreement (Contract) Administration.

Members of the technical support group will also provide services and support in connection with the Start Up/Transition. Technical support group services utilized in connection with the transition shall be considered transition costs to be amortized over the Agreement Term or those costs may be borne by USWUG as part of its overhead expense. This approach, also allows key technical resources to develop a thorough understanding of the City’ Facilities which expands the local staff support network should issues arise that require technical troubleshooting.

The following USWUG Team Members resumes can be found in Appendix A and are professionals that will have some role as management/technical support for the City of Boone Project:

Management Team Biographical Information	
<p><b>Aaron Voss</b> Principal-in-Charge Transition Manager Vice President – Operations</p>	<ul style="list-style-type: none"> <li>• Experience encompassing project management, due diligence, startup, facility automation, process optimization, training and budget development</li> <li>• Experience with Industrial Pretreatment Programs (IPP)</li> <li>• Responsible for all aspects of System Acquisition and Analysis, Due</li> </ul>



Management Team Biographical Information	
<b>Years' Experience: 18</b>	Diligence, and preparation of Statement of Conditions reporting <ul style="list-style-type: none"> <li>• Expert on technology applications</li> </ul>
<b>Jeffrey DuPont</b> Authorized Representative Corporate Officer Co-Transition Manager <b>Years' Experience: 40</b>	<ul style="list-style-type: none"> <li>• A recognized industry leader with over 40 years of progressive experience in the water and wastewater industry</li> <li>• Vast knowledge of complex operational, economic and maintenance challenges, resulting in innovative approaches, cost savings and financial models that provide long term financial stability</li> <li>• Expert on biosolids technologies</li> </ul>
<b>Chris Gutschow</b> Client Relations Project Transition <b>Years' Experience: 24</b>	<ul style="list-style-type: none"> <li>• Experience with various types of water and wastewater treatment processes</li> <li>• Provide the resources necessary to meet as well as exceed the Client's expectations</li> <li>• B.S. in Natural Science</li> </ul>
<b>Cathy Gardner</b> Accounting Manager Project Transition <b>Years' Experience: 12</b>	<ul style="list-style-type: none"> <li>• Over 12 years of accounting experience</li> <li>• Background in accounts payable, accounts receivable, payroll, and budgets</li> <li>• Assists with HR duties</li> <li>• Works directly with Clients to provide financial reports, expense caps, etc.</li> </ul>

The following USWUG Team Members are professionals that may have some role as management/technical support to assist the on-site staff for the City of Boone Project:

Management/Technical Support Team Biographical Information	
<b>Gary Deremer</b> USWUG President & CEO <b>Years' Experience: 35</b>	<ul style="list-style-type: none"> <li>• Progressive experience in all phases of water and wastewater services</li> <li>• Provides professional guidance on utility consulting, transactional activities, management of municipal and private utility systems, engineering, and construction</li> <li>• Highly regarded amongst regulators; DOH, FDEP, WMD, FPSC &amp; provides expert testimony</li> </ul>
<b>Mo Kader, P.E.</b> Vice President of Engineering	<ul style="list-style-type: none"> <li>• Extensive experience with design, permitting and construction of utility projects including industrial wastewater, wastewater</li> </ul>



Management/Technical Support Team Biographical Information	
<p><b>Years' Experience: 30</b></p>	<p>collection systems, reclaimed water systems, water supply, and wastewater treatment</p> <ul style="list-style-type: none"> <li>• M.S. in Civil Engineering</li> <li>• M.S. in Engineering Management</li> </ul>
<p><b>Brad Labella, P.E.</b>  <b>Process Engineer</b>  <b>Years' Experience: 24</b></p>	<ul style="list-style-type: none"> <li>• Experience in the planning, permitting, and design of water and wastewater treatment systems.</li> <li>• He has extensive experience in water and wastewater utility assessments in support of acquisitions and O&amp;M transitions.</li> <li>• Performs plant evaluations for O&amp;M support and process optimization</li> <li>• B.S. in Environmental Engineering</li> </ul>
<p><b>Doug Tondreau</b>  <b>Maintenance &amp; Repair Management Specialist</b>  <b>Project Transition</b>  <b>Years' Experience: 35</b></p>	<ul style="list-style-type: none"> <li>• Over 35 years of experience in maintenance management</li> <li>• PACP Certified (Pipeline Assessment Certification Program)</li> <li>• LACP Certified (Lateral Assessment Certification Program)</li> <li>• MACP Certified (Manhole Assessment Certification Program)</li> </ul>
<p><b>Robert Livermore</b>  <b>Wastewater O&amp;M Specialist</b>  <b>Years' Experience: 45</b></p>	<ul style="list-style-type: none"> <li>• Experience with multiple Wastewater Treatment processes such as activated sludge, trickling filters, SBR's, RBC's, Lagoons, Membrane, and Industrial facilities</li> <li>• Managed multiple facilities with heavy industrial loadings</li> <li>• Iowa Class IV Wastewater license</li> <li>• Licensed in three states at the highest wastewater certification level</li> </ul>
<p><b>Chris Jones</b>  <b>Water &amp; Wastewater O&amp;M Specialist</b>  <b>Years' Experience: 30</b></p>	<ul style="list-style-type: none"> <li>• Experience with industrial wastewater treatment facilities</li> <li>• Vast experience in operations, maintenance, R&amp;R, capital planning, and budgets</li> <li>• Dual licensed operator in multiple states</li> </ul>
<p><b>Dewayne Dousay</b>  <b>Wastewater O&amp;M Specialist</b>  <b>Years' Experience: 41</b></p>	<ul style="list-style-type: none"> <li>• Experience with facilities ranging in size up to 300 MGD in the water and wastewater industry</li> <li>• Respected in the wastewater industry as an expert troubleshooter</li> <li>• B.S in Microbiology</li> </ul>

## STAFFING PLAN

With USW Utility Group's experience with facilities of similar size and complexity for other private and municipal clients, USW Utility Group has developed a staffing plan that provides the level of operational and maintenance coverage required to efficiently operate the City's utility facilities with licensed and certified staff at levels and coverage meeting prudent industry standards and Iowa Department of Natural Resources (IDNR) requirements. USW Utility Group acknowledges and agrees to monitor the City's utility facilities twenty-four (24) hours per day, seven (7) days per week.

**USWUG shall bring a fresh perspective, new approaches, and renewed excitement about the opportunity to escalate the operation and maintenance service delivery to a level of excellence.**

Because we firmly believe in maintaining the economic viability of the communities whose facilities we operate, it is customary to attempt to fill open positions with **existing staff**, or to recruit locally when this is not possible. USWUG proposes that staff will consist of seven (7) full time equivalent (FTE) employees, consisting of the following positions: one (1) Project Manager, one (1) Lead Water Operator, one (1) Lead Wastewater Operator, one (1) Water Operator, one (1) Wastewater Operator, two (2) Operator Trainee/Maintenance Technicians. USW Utility Group believes that this is the appropriate level of staffing with the supplement of subcontractors for maintenance and repair activities as well as back-up certified operators supplied from our other area projects as well as technical support supplied by vast network of professional certified water and wastewater treatment facility operators.



USWUG proposes to price the project with seven (7) employees. Should the City wish to increase or reduce the staffing level, USWUG agrees to provide its financials used in pricing the project, providing the City with full transparency and to adjust its price proposal accordingly. USWUG is very comfortable with all forms of Contract Pricing; some of these are Lump Sum, Cost Plus, Cost Plus-Not to Exceed, Lump Sum CIP Funding Assistance, as well as others. With this **transparent approach**, we (City and USWUG) would then determine the need and financial impact of each position. USWUG has found this approach to be very beneficial to our Clients, as the Contract Operator does not have to include additional cost probabilities in its pricing and the Clients get a transparent financial view of the Facilities Operation and Maintenance cost.

The distinctive responsibilities of each team member are detailed below:

**Project Manager (1 FTE)** - The Project Manager (PM) will be required to hold/obtain a license in compliance with IDNR requirements and will be assigned full-time to the City and as the primary point of contact for the City. In addition to organizing staff and processes, the Project Manager will provide training and mentoring for each team member. The primary objectives are to ensure the safety of all team members and to establish and implement a site-specific safety training program. Once all processes and procedures are established and training is complete, the PM will ensure all operation, lab and maintenance protocols are being followed which includes the oversight of all day-to-day project activities. The Project Manager will review all compliance reports, CMMS reports, Safety Audits, In-House Compliance Inspections, Process Control Spreadsheets and Key Performance Indicator (KPI) reports on a monthly basis. It is the PM's responsibility to provide the City of Boone with all required reports.

**Lead Water Operator (1 FTE)** - The Lead Water Operator is to ensure the operational compliance and mechanical reliability of the water treatment facilities and will be required to hold/obtain a license in compliance with IDNR requirements. The main objective of the Lead Water Operator is to ensure the operational compliance and mechanical reliability of the water treatment facilities. USWUG considers the Lead Water Operator position to be critical in the utility and as such, these individuals receive the majority of the training and mentoring. Using our proven management techniques and processes; these individuals will have clear attainable and measurable objectives that will improve not only facility performance but give team members feedback and specific encouragement where improvement is needed. In cooperation with local team members, the Technical Support team will compose a Process Control Management Plan customized for each facility. This provides the Lead Water Operator adequate direction and establishes a communication protocol.

**Lead Wastewater Operator (1 FTE)** - The Lead Wastewater Operator position will be required to hold/obtain a license in compliance with IDNR requirements and undergo training that is customized to fit the City facilities. The main objective of the Lead Wastewater Operator is to ensure the operational compliance and mechanical reliability of the wastewater treatment facilities. Our staff is familiar with the City wastewater treatment technologies. The Operator is responsible for ensuring all samplers and meters are working properly and accurately. This is done by following manufacturers recommended procedures and maintenance frequencies. Process control testing and understanding what the data means and how it applies to the plant is also a critical part of an operator's duties. Application of onsite process control testing is also critical to the reliable operation. Standard Operating Procedures and Frequencies will be established and followed. The Operator is also expected to collect representative samples, ensure quality control procedures are followed and present the analysis accurately and in a timely manner.

**Technical Support (Aaron Voss, Jeff DuPont, Doug Tondreau, Dewayne Dousay, Robert Livermore, Chris Jones, Brad Labella and Chris Gutschow)** - The Technical Support Committee is comprised of water, wastewater, mechanical, compliance, laboratory, engineering, and underground professionals with hundreds of years of combined experience. Working hand in hand with the Project Manager and City team members, the Technical Support Team will be deeply engaged in the project start-up and transition as well as the establishment of the reporting and planning procedures and protocols. Specific team members will get engaged at a moment's notice. Each member of this team is experienced in their area of expertise.

**Water Operator (1 FTE)** – The Water Operator will be required to hold/obtain a license in compliance with IDNR requirements. As with the Lead Operator, the operators will go through training that is customized to fit the City facilities. Our staff is familiar with the City of Boone water treatment technologies. Operators are responsible to ensure all samplers, and meters are working properly and accurately. This is done by following manufacturers recommended procedures and maintenance frequencies. Process control testing and understanding what the data means and how it applies to the plant is also a critical part of an operator's duties. Application of onsite process control testing is also critical the reliable operation. Standard Operating Procedures and Frequencies will be established and followed. USWUG will be cross-training team members between facilities to further ensure proper O&M during vacations, sick leave, training or departures. Operators are also expected to perform facility cleaning, general housekeeping, and facility aesthetics duties.

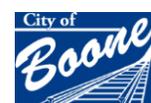
**Wastewater Operator (1 FTE)** - The Wastewater Operator will be required to hold/obtain a license in compliance with IDNR requirements and responsible for daily operation of the wastewater treatment plant, preventive, predictive and corrective maintenance of facility equipment, and operate a variety of equipment and machinery. Work orders will be generated from the computerized maintenance management system and given to the Wastewater Operator to complete. These are to be completed and returned to the Lead Wastewater Operator to be closed and properly documented. Working closely with the operations staff, a list of recommended spare parts will be generated and prioritized.

**Operator Trainee/Maintenance Technician (2 FTE’s)** - The Operator Trainee/Maintenance Technician will be responsible for preventive, predictive and corrective maintenance of facility equipment, lift stations and operate a variety of equipment and machinery. Work orders will be generated from the computerized maintenance management system and given to the maintenance technician to complete. These are to be completed and returned to the Project Manager to be closed and properly documented. Working closely with the operations staff, a list of recommended spare parts will be generated and prioritized. While this position isn’t required to currently hold a water and/or wastewater license, it is the intent for this position to hold/obtain a water or wastewater license in compliance with IDNR requirements.

City of Boone	
Type of Employee(s)	Number of Positions
Project Manager	1
Lead Water Operator	1
Lead Wastewater Operator	1
Water Operator	1
Wastewater Operator	1
Operator Trainee/Maintenance Technician	2
<b>TOTAL</b>	<b>7</b>

USWUG recognizes that the successful contract operation of public sector assets depends on the knowledge, training and experience of the facility’s staff. Because we are keenly aware of the challenges involved in finding and keeping well-trained and motivated employees, we see staff recruitment and the development of a proactive communication policy with our future employees to be a key element in securing both a smooth transition and a cooperative working relationship. We diligently ensure that each employee has the appropriate experience for the position and receives technical instruction and safety training designed to make the facilities not only safe but efficient and productive. In staffing each of our operations, we provide comprehensive operational resources, technical support and management services necessary to successfully operate, manage and maintain the project on a stand-alone basis. In order to achieve our overall management strategy to meet and exceed the City’s expectations, we will develop a well-organized, competent, licensed, highly qualified team of employees who are trained in the optimal operation and maintenance of the City’s facilities.

We treat our employees well because the success of any operation depends principally upon those individuals assigned to operate the system. We believe we have improved operations at the facilities we operate through the deliberate empowerment of employees, the encouragement of their creativity, and the provision of appropriate training.



USWUG is a Drug Free Workplace and an Equal Opportunity Employer. Prior to becoming a USWUG Team Member, all applicants will undergo pre-employment drug screening as well as background checks.

If selected, USWUG is aware of the institutional knowledge that is possessed by the current staff members and wants to assure that each new Team Member is in a position where both USWUG and the Team Member shall be successful. USWUG intends to interview all current City of Boone employees assigned to the water and wastewater facilities that are interested in employment to determine if they are appropriate for their current position or positions within the contracted scope of services for the City. The current City of Boone employees will be given priority status in the employee selection process.

USWUG utilizes tools to assure that its employees are successful in their respective careers; such as training needs assessments, development plans, and performance evaluations. Training needs assessments are utilized to determine employees training needs for their respective discipline. This tool assures that employees have the skills to match their positions. Development plans are part of the employees training process. Needs determined during the training needs assessment are incorporated into a development plan which is mutually agreed upon between the Manager and the Employee. Performance evaluations are used to measure the employee’s performance against the criteria set out for their position and the development plan. This collaborative effort gains buy-in from the Employee and the Manager, resulting in a better equipped/trained Team Member, which is motivated and excited about the many opportunities afforded them.



**TRANSITION PLAN**



The successful transition of a utility operation means making sure that the systems and reporting arrangements are in place to eliminate any potential risks to employees, the general public, the environment, and the City’s assets. Due to the tight time restrictions in transitioning the project, USWUG’s Transition Plan will begin immediately upon selection, and every effort will be made to attempt to ensure every aspect of operations is in place. USWUG has in-place procedures to expedite the process when minimal transition time is available. All disciplines within the Organization have been made aware of the potential bid award of the City project and have taken steps to ensure, that upon being determined the successful respondent, USWUG is positioned to immediately begin the process of onboarding/recruiting employees and transitioning operations. Based on an analysis of the transition requirements for other projects of similar size and scope, we believe an optimal process will require up to three (3) months of activities, many of which will begin immediately (prior to the contract start date).

With an anticipated start date of March 1, 2022, we propose that the transition process begin as soon as possible following confirmation of USWUG as the Contractor for the City Facilities. USWUG will work cooperatively with the City to establish a transition management team consisting of representatives from both USWUG and the City.

USWUG will commit some of its top professionals to the transition team. USWUG has named Aaron Voss as the overall Transition Manager for this project. Mr. Voss is dedicating his efforts to the Project during transition so that a thorough understanding can be developed in order to assure a sound foundation to

developing appropriate staff members and the service delivery systems to guarantee exemplary service delivery. Mr. Voss will also serve as the USWUG proposed Principal-in-Charge remaining over the project beyond the transition period and assuring continuity between the transition, contract administration, and the ongoing operation and maintenance service delivery. Mr. Voss is the Vice President of Operations for the Mid-Central U.S. for USWUG.

USWUG will assign Mr. Jeffrey DuPont as the Co-Transition Manager/Authorized Representative. Mr. DuPont brings over forty (40) years of operations and maintenance experience. We are thoroughly aware of the inherent challenges when negotiating contracts and making executive decisions in the best interest of our Clients. Mr. Jeffrey DuPont will work side-by-side with the City to ensure its goals of a seamless negotiation and transition are accomplished.

USWUG has named Chris Gutschow as the Client Relations leader for the Transition Team. Mr. Gutschow will be responsible to lead, develop and maintain communication in order to facilitate future needs. He is a licensed operator with over twenty-four (24) years of experience in the water and wastewater industry.

USWUG will assign Cathy Gardner as the Accounting Manager. Ms. Gardner has a background in accounting, including accounts payable, accounts receivable, payroll, and budgets. Ms. Gardner will handle budget administration, vendor set-up, vendor accounts payable, and accounts receivable. In addition, she assists with HR duties including recruiting, overseeing the new hire process, and working as a liaison between regional employees and the corporate office

Having four (4) of the Company Shareholders personally managing the transition details demonstrates the importance that USWUG is placing on the City of Boone Project. The City can expect no less than a stellar effort from the USWUG Transition Team Members.

USWUG is confident that no other Company will commit this level of corporate support to the Management Team of the Project. With this commitment, the City can be assured that it will receive nothing less than the full support and resources of USW Utility Group. The proposed transition team brings personal experience successfully providing seamless transitions from Cities to USWUG.

**An example of a successful transition is outlined below:**

Fort Dodge, Iowa selected USWUG over many other operating firms for the operation and maintenance of its water and wastewater utilities. In a letter from the City of Fort Dodge's City Manager to the President of USWUG, the City Manager stated the following:

"Through a quality-based selection process, USWUG was selected from several area and international contract operation firms (Veolia North America, Inframark (Severn Trent), PeopleService, and Alliance Water Resources) and was awarded the contract to operate and maintain the City of Fort Dodge's Wastewater Treatment Plant and Lift Stations. Based on several positive service delivery aspects including; a proven track record of cost savings and process optimization, providing the City of Fort Dodge direct cost savings through innovative strategies and continually demonstrating a high level of customer service and industry expertise, the operation and maintenance agreement was amended to include the City's Water Treatment Plant in July of 2016. We continue to be very impressed with the level of service that USWUG has given the City".

Veolia Water had operated the WWTP and lift stations for twenty-six (26) years prior to USWUG taking over operations.

During the transition, USWUG performed due diligence and careful planning, involving multiple disciplines of USWUG's organization, resulting in a seamless transition of services from Veolia Water. As a result of careful planning and having successfully transitioned numerous O&M contracts over from municipal and contract operations to USWUG, we were able to meet the City's objectives, which included:

- Zero compliance issues
- No interruptions in service delivery, and
- Meet all reporting requirements for internal and external entities

USWUG considers post commencement date activities such as; Inventory, Capital Planning, Initial Condition Assessments/Inspections, CMMS, Site Specific Safety Manuals, Standard Operating Procedures, Emergency Response and Risk Management Plans, Development and Implementation as components of the Transition. Thus, there shall be pre- and post-Commencement Date Transition Activities. We believe this offers adequate time to implement the seamless transition process and eliminate potential risks.

It is anticipated that at different times during the transition process it may be necessary to draw upon City staff for information relating to technology and network management, and administration. The City can best determine which staff should be assigned to this team.

With a three (3) month transition phase, we are confident that the employee recruitment and transfer can be facilitated in a manner that will be transparent to the City and its residents. **USWUG has participated in a number of successful transfers of operations from Municipal Operations to Contract Operations.** While each transition poses specific situations and requires unique approaches, USWUG assures a smooth shift in operations by assigning management, technical and human resources personnel to each transition to ensure each goes smoothly.

## OPERATIONS PLAN



To successfully fulfill scope of services and technical requirements proposed by USWUG, an operations company must offer a wide array of experience. USWUG understands the City's concern for proper management and maintenance of its utility infrastructure and its need for an operator capable of delivering stable management and sustainable, long-term performance. As the contract operator of a variety of municipal water and wastewater facilities and systems, USWUG's depth of experience provides a wide knowledge of different wastewater processes and technologies, and a base of in-house experts and experienced operators and managers to draw upon to improve and optimize individual facilities.

In its approach to operations, USWUG's overall management philosophy can best be summarized by the concept of *stewardship*. We know that for the City, like most municipalities, the water and wastewater infrastructure is one of single largest public-sector investments of community. We understand that the facilities we operate are integral to public health and safety and remain the overall responsibility of local

elected officials. We are aware of the impact that the operation of these facilities can have on social, natural, and economic environments. We work hard to become responsible corporate citizens in those communities in which we operate.

Our mission in operating any municipal utility system is to safely meet or exceed all water and wastewater requirements while delivering outstanding service through the provision of operational resources, technical support and management service necessary to achieve the client's overall goals. Professional Contract Operations is in essence, the practice of doing more for less.

USWUG agrees that it will adhere to the Scope of Services provided in the Draft Agreement which can be found in Appendix B, for the Operations and Maintenance of the Water and Wastewater Treatment Facilities for the City as presented in this proposal and agreed to by the City and USWUG. Our Operations Plan provides an explanation of our understanding of the project, and includes observations made during our site visit.

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## PROPOSED PLANS FOR THE WATER AND WASTEWATER TREATMENT FACILITIES OPERATION AND MAINTENANCE

Our approach to the technical issues involved in the operation and maintenance of the water and wastewater treatment facilities (WTP, WWTP, Lift Stations, and Storage) (Facilities) was developed by highly skilled experts in design, operation, and maintenance who have successfully operated a variety of public sector utility systems. It is obvious that implementation of the following technical plans encompasses USWUG's approach to management, operation, and maintenance of the City's Water and Wastewater Treatment Facilities. USWUG shall operate and maintain the water and wastewater treatment facilities so that potable water and discharged effluent will meet the IDNR and Federal rules, given current design capacities and capabilities, while maintaining a focus on asset performance and cost control. As previously mentioned, the City's water and wastewater treatment facilities are very similar in design and process components to other facilities USWUG has operated. In order to demonstrate that USWUG understands the operation and maintenance needs of the water and wastewater treatment facilities, USWUG shall list major process areas of facilities collectively and the operating and maintenance approach to each.



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### FACILITY METER READING

USWUG shall read all facility meters at frequencies required by regulatory agencies and shall report those meter readings to City Representatives on a monthly basis. Compliance reporting meters shall be calibrated at least annually or as required by the regulatory agency.

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### STANDARD OPERATING PROCEDURES (SOPs)

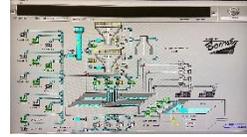
In order to assure consistency throughout our O&M of Facilities, USWUG will develop and implement standard operating procedures (SOPs). SOPs shall be developed and implemented at the City Facilities during the transition. USWUG shall review existing SOPs and prepare updated and new SOPs as needed, in written and electronic form for the facilities, including each unit process. SOPs shall be

developed within ninety (90) days of the Agreement Commencement Date. USWUG shall provide training and insure proper implementation of all SOPs.

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### SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA)

USWUG understands the importance of maintaining the SCADA system used to operate and monitor the treatment plant. USWUG routinely maintains, repairs, overhauls, calibrates and tests a wide variety of industrial instrumentation and SCADA used to record, indicate, control and regulate level, flow, pressure, temperature, position and water hydraulics and analysis. USWUG field staff routinely troubleshoot telemetry and process controller hardware, maintaining a functional knowledge of the operation of the telemetry system software and hardware. In addition, USWUG will make periodic preventative maintenance inspections of all metering control instruments, diagnosing existing or potential trouble, including performing cleaning, calibration and making adjustment as conditions indicate.



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### PROCESS CONTROL SYSTEMS

USWUG shall utilize a process control system that maintains complete and accurate process data, including the ability to provide historical data and trends and the updating of records and reports. USWUG shall develop process control strategies to identify and implement best practices for the operation of the facilities. The process control approach shall be incorporated into a process control program that includes process control guidelines, standard operating procedures, and a Sampling and Laboratory Quality Assurance/Quality Control Plan and process evaluation and optimization review procedures. USWUG shall develop individual process control guidelines for each facility. At a minimum, the process control guidelines shall contain the following:

- Facility schematic and identification of unit processes,
- Process objectives, control strategies, and operational guidelines,
- Unit process guidelines for process tests performance indicators,
- Process control troubleshooting, and
- Checklists

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### LABORATORY AND ANALYTICAL SERVICES

USWUG shall provide for all sampling, testing, reporting, and analytical procedures in accordance with applicable State of Iowa local operating Permit requirements. In addition, USWUG shall perform all sampling and testing related to compliance and process control. All analysis required to be performed to demonstrate compliance with Applicable Law shall be conducted by a laboratory certified by the appropriate Regulating Entity or local regulatory agency. USWUG shall arrange for certified technicians to perform calibration of the analytical instruments.

USWUG's operating philosophy recognizes the important relationship between treatment effectiveness and the plant laboratory. Without a functioning laboratory, plant operators would have no solid basis on which to make decisions when it became necessary to make process changes. Process

control testing is extremely important to plant operators, particularly during the early days of operation, and the number of recommended analyses is extensive.

The plant staff will collect and analyze the samples along with coordinating the analysis of samples at the contract laboratories. The types of samples collected will be wide ranging and will include the plant process control samples, biosolids, and the National Pollution Discharge Elimination System (NPDES) permit requirements.



The sampling and collecting of samples shall be based on the following standards to ensure the collection of representative samples and the integrity of samples:

- Automatic composite samplers shall be calibrated at least once per month for individual sample volume.
- All samples will be properly preserved and analyzed within the required holding times in accordance with the latest approved Laboratory edition of Standard Methods.
- The refrigeration temperature for all automatic samplers and sample storage units shall be checked each sample day to ensure proper sample storage temperature (4°C +/-1°C).
- SOPs shall be developed and implemented for all sampling procedures, including sample preservation, sample container cleaning, replacement of automatic sampler tubing and automatic sampler operation.
- Utilize chain of custody protocols.
- To the extent additional testing, sampling, and analytical procedures are required by Regulating Entities including, but not limited to, Regulating Entities request for information, NPDES permit revision or other enforceable instrument, USWUG shall be responsible for sampling activities. USWUG shall perform all other testing related to process control and Contract Services requirements.
- USWUG shall manage and coordinate the Plant laboratories and the collection, sampling and analysis of samples in compliance with Applicable Law, to optimize the treatment process, and provide for all analytical requirements associated with the City Utility System.

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## BUILDINGS AND GROUNDS

USWUG shall maintain high levels of housekeeping and grounds maintenance (lawn mowing and snow removal). USWUG shall strive to maintain a pleasant appearance and maximize housekeeping to minimize vector attraction.

USWUG shall be responsible for building and grounds maintenance (lawn mowing and snow removal) for the facilities (WTP, Lift Stations, and Storage) inside the fence line on all utility facilities using the City's equipment. USWUG will continue to utilize a subcontractor under the M&R Limit fund for the lawn mowing at the WWTP. USWUG shall at all times maintain the buildings in a clean, orderly, and sanitary condition.

USWUG shall not permit undue accumulation of garbage, trash, rubbish, and or refuse at the Facilities. USWUG shall store refuse in proper containers and regularly have it removed for proper disposal.

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## WATER TREATMENT PLANT

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### GROUND WATER WELLS

Raw water is obtained directly from fourteen (14) ground water wells.

Key Operating Indicators: The City water treatment process begins with the source water. It is critical to identify the key operating indicators of the source water. USWUG will customize an operating and monitoring strategy to track condition changes in the source water and make appropriate operational adjustment to the process with the objective of keeping the finished water quality stable. The Ground Water Wells key operating indicators include:



- Raw flow rate
- Alkalinity
- pH
- Nutrients
- Odor
- Turbidity
- Color
- Organic load
- Oxygen level
- Weather conditions
- Temperature
- Watershed conditions
- Recordkeeping

Operational Strategy: The objective of establishing an effective process control plan is to monitor raw water quality. Using the available historical records, engineering guidelines and our own knowledge and experience, a process control strategy will be customized that will establish a process control plan as well as notification and action plan triggers. In the operation of the City Water Treatment Plant, USWUG recognizes the potential of changes in raw water quality. This can impact many of the other key process indicators, and if not detected early, can impact the finished water quality and significantly increase operational expense. By creating, or updating the current monitoring and process control plan, along with the proper technology and chemical application rates, USWUG operators will be provided the tools to anticipate potential condition changes and make process adjustments with the objective of eliminating finished water quality impact.

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### UPFLOW SOLIDS CONTACT CLARIFIERS

USWUG understands that water from the reservoir is conveyed to the treatment facility and into two (2) Upflow Solids Contact Clarifiers located at the Water Plant. Each clarifier is used for initial mixing, coagulation, flocculation, and sedimentation take place in advance of the gravity filters.



USWUG will perform process testing and treatment verification associated with the Solids Contact Clarifier to determine if efficiencies can be achieved through chemical addition in advance of the filters.

Key Operating Indicators: The objective is to complete the coagulation reaction followed by settling of organic solids in the basin. There are several key operating indicators that the operator must check regularly to insure proper settling. These include:

- Chemical feed rates
- Raw flow rate to each unit
- Jar testing results
- Detention time
- Short-circuit prevention
- Discharge quality

Operational Strategy: The operators will use the key operating indicators to ensure that any chemicals fed are completely mixed without over mixing. This is done using a combination of visual observation and testing.

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## FILTRATION

Filtration is the final and most important step in the solids removal process. The City WTP is equipped with four (4) single media gravity filters. Low uniformity coefficient filter media extends the life of filters before the media must be changed out. Low uniformity coefficient typically produces consistent improvements in turbidity removal, due in part to more efficient solids loading. In addition, the media produces smaller changes in effluent turbidity during periods of peak influent turbidity.



Key Operating Indicators: Operators must monitor the filter performance to assure water quality does not deteriorate. One of the most important indicators of filter performance is effluent turbidity. It is best to monitor turbidity on a continuous basis; there should be pre-determined set points and alarms if these set points are exceeded. Key indicators include:

- Turbidity
- Color
- Media Depth
- Media Loss
- Unit Filter Run Volumes

Operational Strategy: Careful control of upstream treatment processes will control costs and extend unit filter run volumes (UFRV). Turbidity will be monitored closely to determine the optimum UFRV to maximize water quality while minimizing costs. The media will be examined at least annually.

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## HIGH SERVICE PUMPS AND DISINFECTION

Final disinfection occurs on the suction side of the High Service Pumps. Free chlorine is used for disinfection throughout the distribution system.

Key Operating Indicators: The City water treatment high service pumping station is a critical component of the overall distribution process. Capacity and condition of each pump must be regularly monitored to insure reliability and efficiency.

- Flow rate
- Runtime
- Full load amps
- Suction/Discharge PSI
- Temperature

Operational Strategy: As is the case with all equipment, regular preventative and predictive maintenance will assure that the maximum useful life will be attained for these pumps. These pumps should be alternated to assure even wear, seals will be checked regularly for proper lubrication, amperage readings will be taken and trended to see if the motors are doing more work (bearing are failing), the motor control centers will be checked at least annually for hotspots utilizing thermographic imaging, and all loose connections will be tightened.

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## STORAGE

USWUG shall monitor continuously the operating level of each storage tank (elevated and underground) and record on operation log forms to confirm the Water System operation and identify unusual water level activity. USWUG shall periodically evaluate the storage level charts and SCADA data to determine the changes to operating set points and to obtain daily water turnover (Water Age).



USWUG shall oversee and coordinate a predictive, preventive, and corrective maintenance plan for all the City storage tanks. All costs associated with the plan, remain the responsibility of the City. Such preventive maintenance services at a minimum shall consist of regularly scheduled inspections and adjustment of electrical and mechanical equipment associated with each of the City's water storage tanks. When possible, equipment deficiencies detected during inspections shall be corrected prior to leaving the job sites.

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## WASTEWATER TREATMENT PLANT AND LIFT STATIONS

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### NOISE AND ODOR CONTROL

The public's view of the effectiveness of the wastewater treatment facility operations is frequently based upon the operator's success in controlling nuisance impacts on surrounding neighborhoods, particularly odors. These concerns are often linked to broader issues such as impacts on property values, quality of life, and political considerations. As the operator of facilities throughout the country, some of which are located adjacent to or very near residential communities, we are well versed in dealing with these issues. In undertaking any operation, USWUG works to develop an operations plan that eliminates or minimizes impacts on the surrounding community to the extent permitted by available equipment and technology, and to develop a relationship with the surrounding community that demonstrates we take complaints seriously and move quickly to address them. In addition, we

make recommendations to the client for capital improvements if we believe these can contribute in a significant manner to controlling nuisance impacts.

USWUG shall minimize the generation of noise and odors in accordance with applicable law, within the limits of the existing treatment processes. USWUG shall operate and maintain the utility facilities to minimize odor generation and control odors that do occur. USWUG shall operate and maintain each odor control system so that it performs to its designed capacity and capability. USWUG shall proactively control hydrogen sulfide to prevent its generation not only to reduce odors but to reduce corrosion and extend the useful life of the utility facilities.

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## PRELIMINARY TREATMENT

USWUG actually considers the collection system as part of the preliminary treatment process. Proper operation and maintenance of the lift stations provide the operator valuable information in regard to the treatment process. Lift Station checks reveal:

- Inadequate pumping creating odors and septic conditions
- Fats, oil, and grease (FOG) problems
- Industrial Slugs
- Potential Inflow/Infiltration (I/I) problem areas

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## LIFT STATIONS

USWUG shall operate, maintain, and repair wastewater lift stations, and their respective appurtenances to ensure free-flowing conditions and eliminate overflows. USWUG understands the City currently has six (6) Lift Stations.



USWUG has a proven track record of assisting its clients with Lift Station repair, design, and rehabilitation. USWUG will work with the City to ensure, should improvements to the lift stations be needed, that its capital planning is updated with the current needs of the Lift Stations.

Activities shall include, but are not limited to the following:

- Monitoring of lift or pumping stations for emergency conditions
- Respond to all alarms that occur at wastewater pumping facilities and respond to all work orders and the service requests
- Maintenance operation and repair of the SCADA system
- Regularly scheduled preventive maintenance inspections and adjustments
- Monitor the wastewater pumping facilities which have the technology for such monitoring for all applicable parameters, including, but not limited to:
  - Pump run times;
  - Water level alarms in wet well;
  - Loss of electrical power;
  - Thermal overload;
  - Pump seal failure; and potable water system pressure.

- USWUG shall provide predictive and preventive maintenance service with respect to wastewater pumping facilities including, but not limited to:
  - regularly scheduled inspections at least weekly check results of wet well levels and accumulation and removal of floatables, bubbler systems, pump, compressor, screening equipment, equipment, chart paper and or tasks.;
  - adjustment of electrical and mechanical equipment;
  - check control panels for proper operation upon site visit;
  - if not currently automated, weekly rotate designated lead pump for Lift Stations with two or more pumps. Verify that the lead pump is on at the completion of the lead/lag pump rotation;
  - check pump run times upon site visit;
  - Inspect SCADA units for proper operation;
  - maintain the station's alarm lights and replace bulbs as necessary;
  - check wet well levels for proper distance of pumping as necessary;
  - clean out pumps as necessary;
  - at least annually wash down Lift Station wet well floors, walls and remove grit, grease and or accumulated materials;
  - test Lift Station generators monthly and record operating parameters (oil pressure, temperature, stop hours);
  - exercise all station valves at least once a year; and
  - clean check valves as necessary.

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## BAR SCREENS

**Mechanically Cleaned Screens:** The wastewater treatment's screening facility is equipped with a self-cleaning mechanical screen. The mechanical Screen was designed to discharge material into a dewatering compactor that subsequently discharges into a dumpster for removal and disposal at the landfill.

**Key Operating Indicators:** The key functions of preliminary treatment facilities are to remove those wastewater constituents such as sticks, rags, and other debris that could create downstream maintenance or operation concerns and to reduce odors. Key operating indicators are:

- Raw sewage flow rate
- Hauled waste volumes
- Head loss across screens
- Volume of screenings removed per month
- Vector attraction

**Operational Strategy:** The facilities will be operated in a manner that will reduce or eliminate occurrences of facility bypasses. This will be achieved through effective operation of downstream processes and lift station control. Screenings and grit are often problematic on downstream process units, typically causing increased wear and tear on sludge collectors and sludge pumping equipment, as well as increasing incidence of sludge pipeline blockages.



The Operating Strategy for preliminary treatment will be to maximize the removal of screenings to protect the downstream equipment and minimize impact of undesirable wastewater constituents on performance of balance of facilities. This will be done by ensuring that the optimum number of process units are in operation at all times. An aggressive predictive and preventive maintenance program will minimize the number of units that are unavailable for service.

## SECONDARY TREATMENT – VERTICAL LOOP REACTORS (VLR)

The VLR and secondary clarifier together represent the secondary treatment element of the process. These two components, along with all ancillary equipment such as return sludge (RAS) pumping, and waste sludge pumping, are all considered as a complete system for the purpose of defining operations for the system.

Screened wastewater (very important) enters the aeration basins where it is aerated at about 0.25 to 0.35 m/s (0.8 to 1.2 ft/sec) to maintain aerobic conditions and to keep the solids in suspension. For extended aeration systems, the RAS cycle ratio is from 75 to 150% of flow (Q), and the mixed liquor suspended solids (MLSS) concentration ranges from 1,500 to 5,000 mg/l (0.01 to 0.04 lbs/gal). The oxygen transfer efficiency ranges from 2.5 to 3.5 lb/Hp-hour.



The effectiveness and optimum operation of Aeration is determined by the operator. He/she must clearly have an understanding of the system's loading rate including influent loading, RAS, and Biosolid's side streams. The operator must also monitor adequate mixing, transferred dissolved oxygen, and velocity of the stream. Most operators are aware of this but miss necessary adequate analytical information measuring the effects of side streams such as RAS, digestion decant from digesters, and sludge dewatering. Generally, flow surges and slug loads from the collection system are handled effectively by extended aeration treatment. The Objectives of biological treatment of domestic wastewater are:

- Transform (oxidize) dissolved and particulate biodegradable constituents into acceptable end products,
- Capture and incorporate suspended and non-settleable colloidal solids into a biological floc or biofilm, and
- Transform or remove nutrients, such as nitrogen and phosphorus.

Key Operating Indicators: The key operating indicators for treatment process are:

- Food/Microorganism Ratio (F/M),
- Dissolved Oxygen (DO) produced by aeration,
- Sludge Yield,
- Sludge Volume Index (SVI),
- Sludge Density Index (SDI)
- Settleability (sett 60),
- Oxygen Uptake Rate (OUR),

- Oxygen Reduction Potential (ORP),
- Microscopic Examination (Microorganism Predominance),
- Mixing,
- pH,
- Nitrates (NO<sub>3</sub>-N),
- Mean Cell Residence Time (MCRT),
- Mixed Liquor Suspended Solids (MLSS), and
- Mixed Liquor Volatile Suspended Solids (MLVSS)

Operational Strategy: The wastewater treatment facility utilizes conventional secondary biological processes. The aeration basin is comprised of aerators used primarily for mixing and supply of oxygen. There are several key operational tools that USWUG will utilize to maximize the performance of the extended aeration treatment process, while controlling costs. USWUG will monitor F/M Ratio to assure there is sufficient biomass to oxidize influent load. F/M Ratio is adjusted by increasing or decreasing solids inventory (MLVSS). MLVSS is adjusted by increasing or decreasing waste activated sludge (WAS). WAS is needed in order to maintain the proper F/M Ratio, as for a facility of this design, for every pound of BOD that is oxidized by microorganisms produce about 0.5 pounds of new microorganisms (0.5 Sludge Yield). Another key operational tool is controlling the DO. The DO should be maintained between 2.0 mg/L and 3.0 mg/L, in aeration basins.



Solids Retention Time (SRT) is used in aeration design where the volume is sized based on the required SRT to meet effluent quality requirements. The SRT is selected as a function of nitrification requirements and the minimum mixed liquor temperature. Designed SRT value varies from four (4) to forty-eight (48) or more days. Typical SRT's required for nitrification, generally range from twelve (12) to twenty-four (24) days and adjusted as needed.

Also, in extended aeration, BOD loading rates vary from less than 10-lb/1,000 cubic feet to 50-lb/1,000 cubic feet. Most aeration basins are commonly designed with a loading rate of 15-lb/1,000 cubic feet. It is up to the operator to determine the most effective loading rate. Hydraulic Retention Time (HRT), while rarely used as basis for oxidation within the aeration basins, is from six (6) to thirty (30) hours. During plant start-up and optimization, this criterion should be developed and utilized as a tool for troubleshooting. The Operator must establish each of the above criteria to determine the most optimum treatment scheme and process set points. These optimal set points should then be incorporated into the Standard Operating Procedures (SOPs) and Process Control Monitoring Plan (PCMP).

## SECONDARY TREATMENT - CLARIFIER

The wastewater treatment facility is equipped with two (2) circular clarifiers. Secondary clarifiers depend on gravity to settle out (MLSS) to form a sludge blanket. Secondary clarifiers remove settleable solids as well as floatable solids, such as grease. Resultant clear water then travels under the baffle, through the v-notch weir, over the launders, then on to the effluent filters



(where applicable). Settled solids contain microorganisms that traveled from the aeration basins. These microorganisms must be returned to the aeration basins to oxidize more waste (Return Activated Sludge (RAS) or wasted to the aerobic digester to maintain proper F/M Ratio.

Key Operating Indicators: The key operating indicators for secondary clarifiers are:

- Ratio of Return Activated Sludge (RAS) versus Influent Flow,
- RAS Rate,
- RAS Concentration,
- Sludge Blanket Depth,
- Surface Loading Rate,
- Waste Activated Sludge (WAS) Rate,
- WAS Concentration,
- Weir Overflow Rate, and
- Solids Retention Time

Operational Strategy: Secondary clarifiers will be operated in a manner that will maximize suspended solids removal, RAS/WAS Concentration, while minimizing secondary effluent total suspended solids (TSS) concentration. USWUG fully understands the function and control strategies associated with wastewater treatment facilities.

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## DISINFECTION PROCESS

It is our understanding that the City is installing Ultraviolet Radiation (UV) to comply with the States disinfection requirements. Not only does UV disinfection destroy normal bacteria and pathogens discharged in wastewater effluents, it also effectively destroys chlorine resistant protozoa like Cryptosporidium and Giardia. While unregulated in wastewater, these harmful protozoa, if left untreated can find their way into drinking water intakes located downstream of the wastewater treatment plant outfall. To optimise disinfection, it is advisable to reduce suspended solids levels and turbidity to most practicably achievable levels for the system. When determining disinfection needs for wastewater treatment plant effluent, it is the pathogens present in effluent that need to be inactivated. Care should be taken in using bacterial indicators such as *E. coli* or thermo tolerant coliforms to control disinfection processes as these indicator organisms are known to be more susceptible to some disinfection processes than are pathogens.

Key Operating Indicators: The key operating indicators for disinfection processes are:

- E. Coli Count,
- TSS Loading,
- UV Intensity,
- Number of Units in service, and
- Contact Time.

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## AEROBIC DIGESTION



The City's wastewater treatment facility is equipped with four (4) aerobic digesters. Aerobic Digesters are used for stabilization of solids and biosolids. Aerobic Digestion involves decomposition of organic matter and inorganic matter in the presence of molecular oxygen. Advantages of aerobic digestion when compared to anaerobic digestion are the volatile solids reduction is about equal to that in anaerobic digestion, the supernatant tends to be lower in 5-Day BOD, produces a relatively odorless end product, ease of operation, and safety.

Key Operating Indicators: The key operating indicators for aerobic digesters are:

- Solids Retention Time,
- Hydraulic Retention Time,
- Organic Loading,
- Dissolved Oxygen,
- Alkalinity, and
- Temperature

Operational Strategy: The aerobic digesters will be operated in a manner that will maximize stabilization of waste activated sludge. USWUG shall carefully monitor and control dissolved oxygen as excess dissolved oxygen is a waste of power and provides no additional treatment benefit.

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## BELT FILTER PRESS

The City wastewater treatment facility is equipped with a belt filter press. The sludge is pumped from the sludge holding tanks to the belt filter press where it is dosed with polymer to aid in flocculation. The sludge and polymer mixture is applied evenly over the top belt, gravity zone of the belt filter press where the water is allowed to drain via gravity through the belt. After which, the sludge travels through the pressure zone where it is further dewatered. The dewatered sludge (typically 12- 15% concentration) then falls from the belt onto a conveyor belt where it is transported into a trailer. The dewatered sludge is then transported to the ultimate disposal site.



Key Operating Indicators: The key operating indicators for the belt filter press are:

- Solids Loading Rate,
- Cake Concentration,
- Polymer Dosage, and
- Solids Capture.

Operational Strategy: The belt filter presses will be operated in a manner that will maximize solids loading of digested sludge, and minimize polymer dosage, while maximizing cake solids concentration and solids capture rates.

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## SLUDGE MANAGEMENT

USWUG shall process, handle and dispose of all sludge in accordance with Applicable Law. USWUG shall maintain the City's sludge processing equipment such that all sludge can be promptly processed and disposed, including sludge generated during peak flow periods. USWUG shall maintain sludge inventories in process tankage and operate sludge equipment commensurate with prudent industry standards and manufacturer's recommendations. USWUG shall operate and maintain equipment in a manner that minimizes odors and vector attraction.

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## PROCESSING AND DISPOSAL OF BIOSOLIDS FROM THE WWTP

USWUG shall provide for solids handling, including sludge management and disposal, administration of permits, testing and overall management. Management includes conditioning, thickening/dewatering, stabilization, including all monitoring requirements. USWUG understands that all biosolids management shall be performed in conformance with applicable regulations, ordinances, and permits. Using the City's equipment, USWUG will haul the biosolids to the offsite storage facility. All analytical results will be provided to the City of Boone.



## REPORTING

The City's utilities are comprised of equipment that must be maintained to ensure public health and safety as well as to extend the useful life of each asset.

USWUG utilizes a variety of methods to keep facility owners informed of operations. With the frequency and format of reports to be established by the City and USWUG will follow both a formal and informal reporting system designed to provide the City's designated representatives with an in-depth understanding of the day-to-day operations undertaken by USWUG. The Project Manager, or a designated alternate, will be available 24 hours per day to answer questions or address any concerns.

Among the reports that will be filed will be the following:

**Financial Report:** For budgeting purposes, an annual report will be provided covering project financials.

**Monthly Operations Report:** This report, to be provided in either printed and electronic formats, will include all information on staffing changes, health and safety issues, chemical and electrical consumption broken out by facility location, maintenance tasks completed, equipment out of service, sludge production, and any other pertinent regulatory or operations related data.

USWUG shall prepare and provide timely submittals of all operating reports required by regulatory agencies and the project specific reports required by the City. USWUG shall submit to the City, a report by system or owner, as applicable, for the previous month consisting of the following applicable items:

- Description of any emergencies and incidents occurring during the month including, but not limited to:
  - Operational anomalies or other emergencies which had a material adverse impact on customer service or the industry;

- Environmental incidents;
- System failures;
- Utility Facilities stress situations; and
- Work order log detailing when work orders were received and completed, location of event, and work performed, unless submitted by the IT/SCADA Coordinator.
- Description of regulatory matters including, but not limited to:
  - Regulatory notices and responses thereto, as required by RFP;
  - Requirement for any public notices;
  - Inspections or visits to Utility Facilities by regulatory agencies; and
  - Implementation of new regulatory requirements.
- Progress report including, but not limited to:
  - Material operational changes;
  - Maintenance activities; and
  - Renewal, Replacement, and Repair activities.
  - For any equipment replaced, USWUG shall provide the following: manufacturer, model, description, serial number, location installed, and date the item was placed into service.
  - All the above information shall be reported monthly by system or owner, as applicable.

**Annual Reporting:** USWUG understands maintenance, asset management and capital improvements are interdependent and function with the same common goals. Preventive, predictive and corrective maintenance are the ongoing strategies with the objective of maximizing the City's return on investment and prolonging the serviceable life of the equipment. Repair history is used in part to create an Asset Management plan which in turn is used to evaluate current and future needs by prioritizing repair and replacement projects. The City's Capital Improvement Plan is based on long term investments to accommodate future growth, optimization and compliance changes.

USWUG will prepare, submit, and justify a detailed annual report on recommended capital expenditures to restore, replace or upgrade equipment or facilities for efficiency, safety, function, and/or compliance with current and/or anticipated regulatory requirements and submit the report to the City designee.

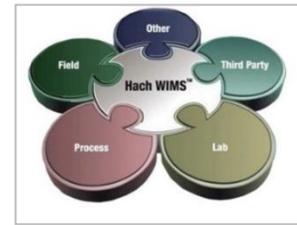
**Special/Emergency Reports:** Events not part of the expected normal operations such as process upsets, discharge violations, damage to equipment or facilities, emergency situations will be reported to the City within 24 hours of occurrence and the reports will document the event, provide information about the cause, and USWUG's plan to prevent reoccurrence. Further information developed after the initial special report has been filed will be made part of the monthly operations report.

## INFORMATION SYSTEMS

USWUG utilizes several business systems in the service delivery of its full-service public-private contracts for operation, maintenance and management.

## PROCESS CONTROL SYSTEM

USWUG shall utilize **Hach's Water Information Management System (WIMS)** as its **process control system** that maintains complete and accurate process data, including the ability to provide historical data and trends and the updating of records and reports. USWUG shall develop process control strategies to identify and implement best practices for the operation of the facilities. The process control approach shall be incorporated into a process control program that includes process control guidelines, standard operating procedures, and a Sampling and Laboratory Quality Assurance/Quality Control Plan and process evaluation and optimization review procedures. USWUG shall develop individual process control guidelines for each facility. At a minimum, the process control guidelines shall contain the following:



- Facility schematic and identification of unit processes,
- Process objectives, control strategies, and operational guidelines,
- Unit process guidelines for process tests performance indicators,
- Process control troubleshooting, and
- Checklists

USWUG shall develop and implement a laboratory QA/QC program to ensure the accuracy of all laboratory results obtained in the on-site laboratories and all that are utilized for sample analysis. USWUG shall prepare a Laboratory QA/QC Plan that sets forth the laboratory QA/QC program including sample collection, handling and analytical procedures. USWUG Laboratory QA/QC Plan shall meet the requirements of 40 CFR as applicable. Upon request, the plan is available to the City for review and comment and the plan shall be updated annually.

The laboratory QA/QC program shall include, but not be limited to, the following in addition to the requirements of the sampling and analytical services described above:

- Map showing the sampling locations for routine sampling,
- Description of the type of sample, frequency of collection and analysis to be performed.
- SOPs for sample collection, sample handling, laboratory analysis, and sample storage procedures including sample preservation, sample container cleaning, calibration and operation of field instruments.
- Copies of chain of custody forms, laboratory bench sheets, and other documents used to record sample and analytical information. Also method of copying, maintaining and verifying sampling data from off-site laboratories in the in-house laboratories.
- Recordkeeping and regulatory reporting procedures.
- Description of software programs to store sample data.
- Annual laboratory audits to be conducted by USWUG or an independent audit agency at USWUG discretion.
- Methods for auditing quality control and quality assurance of off-site laboratories, including review of analytical data to ensure proper detection levels were achieved, review of analytical results

within reasonable normal and typical ranges, and on-site review and audit of facilities and work procedures of off-site laboratories.

- At least annually calibrate in accordance with manufacturer's standards and Applicable Law all analytical instrumentation. Such services shall be provided to ensure that all data required by Applicable Law or for operational reporting is accurate and representative.
- Precision and accuracy testing with every batch of analyses conducted each day in accordance with the QA/QC program and "Standard Methods for the Examination of Water and Wastewater", latest approved edition.
- Required use of bound numbered bench sheets for recording laboratory information.
- Usage of good laboratory practice in testing, record-keeping, validating, reporting and selection of chemicals and glassware.

The annual plan shall identify any updates to the previous year's plan, including proposed changes to SOPs and other documents and activities.

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### COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM (CMMS)

The heart of our quality management plan is the USWUG developed **Computerized Maintenance Management System (CMMS)**. This key management tool assists the Project Manager in ensuring that all infrastructure assets are safeguarded and maintained as well as a tool to guarantee USWUG is meeting all contractual obligations. The CMMS is vital to managing the infrastructure assets through their entire useful life. The system allows the manager to maintain budget requirements by performing more preventative than corrective maintenance.

USWUG is highly focused on the stable long-term operation of the Utility Facilities. We achieve this stability through effective management of the Utility Facilities assets. The systems we propose to use are the same successful systems that are currently in use at utilities operated by USWUG. Our established CMMS system that we propose to use will include the following key features:

- Internal Work Order System – Preventive and corrective work orders generated to document each task with an assigned priority, cost and other pertinent data,
- Project Planning and Scheduling – All capital projects, replacement equipment and existing equipment will have a maintenance schedule assigned,
- Maintenance Measures – Maintain a current information base of all preventative and predictive measurements,
- Equipment History – The current repair and service history needed to make repairs verses replacement decisions,
- Present condition of the system and its appurtenances,
- Scheduling routine, urgent and emergency repair,
- Preventative maintenance schedules to maintain peak operational efficiency, and
- Evaluating maintenance strategies, current and future maintenance activities.

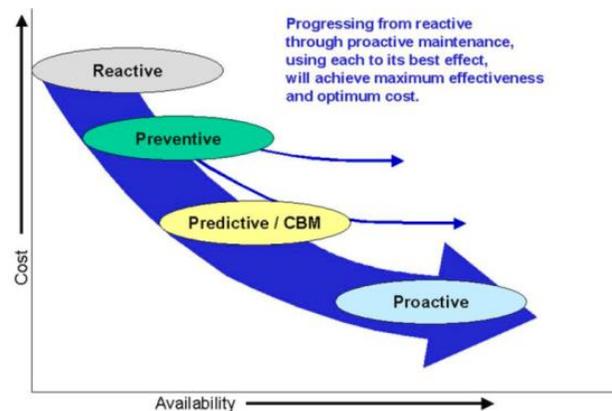
Our performance matrix for the CMMS is the ratio of preventative to corrective maintenance work orders. During the transition and the first six to twelve months of the operation there typically is a high ratio of corrective to preventative maintenance, on the order of 75% corrective to 25% preventative. As USWUG fully

installs our operational & maintenance plans and Standard Operating Procedures (SOP's) the ratio will reverse to a level of 80% preventive and 20% corrective maintenance. The ratio will vary depending on the age of the system. The ultimate goal of the CMMS program is the protection of the assets and infrastructure while ensuring the dependability of the Facilities.

USWUG's Standard Protocol for the Development of Preventative Maintenance, as adopted from Prudent Industry Practices, defines the references and criteria utilized for developing the Program. All predictive and preventative task instructions and maintenance frequencies are taken from the following prioritized sources:

1. Manufacturer's Technical and O&M Publications
2. Design/Consulting Engineer O&M Manuals and Submittals
3. Best Operating Practices/Prudent Utility Practice and SOP's (AWWA, etc.)
4. Standard Methods for laboratory procedures

The equipment (assets) and tasks are populated into the CMMS database and Procedures are created to automatically produce work orders at pre-determined scheduling intervals. Minimum frequencies are populated in compliance with the requirements as set forth by the Agreement or Utility Operation and Maintenance. It should be noted, that the Agreement will be utilized by reference only for minimum requirements, but USWUG will perform tasks at increased frequency based on the requirements set forth in the above listed documents or as City needs dictate. The work orders are detailed with both scheduling information as well as task instruction detail guiding the operator/maintenance technician through each preventative maintenance task and/or procedure. Once completed, each work order is entered into the computerized system for maintenance tracking and record keeping. Monthly, we shall report all completed and open work orders. We also routinely monitor any delinquent or past due work orders as Key Performance Indicators (KPIs) for each project. All reporting requirements of the Agreement shall be met.



The work orders are detailed with both scheduling information as well as task instruction detail guiding the operator/maintenance technician through each preventative maintenance task and/or procedure. Once completed, each work order is entered into the computerized system for maintenance tracking and record keeping. Monthly, we shall report all completed and open work orders. We also routinely monitor any delinquent or past due work orders as Key Performance Indicators (KPIs) for each project. All reporting requirements of the Agreement shall be met.

We know that formal reporting on all aspects of the operation is a key oversight feature for our Clients. In any contractual relationship with USWUG, we believe the open and cooperative exchange of information regarding the operation of the facility will prevent misunderstanding or confusion in achieving the City's goals and objectives. Our reporting, and the information openly available to the City through our Preventative Maintenance on-line program and/or monthly reporting, will allow monitoring of USWUG's activities as well as an assessment of the performance and integrity of the facilities covered by the Agreement for Utility Operation and Maintenance. Reporting will provide information on compliance, operations and maintenance.

All of the essential assets of the City's water and wastewater systems will be populated into the computerized maintenance management system. The inspection data will also be used to determine the maintenance schedule of each of these assets.

USW Utility Group proposes the use of **Hach JobCal** as their computerized maintenance management system (CMMS), also known as Enterprise Asset Management (EAM) software. We have utilized this program at a number of facilities and are familiar with its operation. This system tracks the facilities' scheduled predictive and preventative maintenance as well as corrective maintenance and completed work. This objectively demonstrates throughout the term of the contract that the condition of the system's assets (Utility Facilities) continues at a level at least equal to that on the contract start date.



USW Utility Group uses its CMMS program for recording, maintenance, structuring, and standardizing of the thousands of individually numbered physical assets—mechanical, electrical or civil—naturally tying the asset management and maintenance management functions together. The program's flexibility allows staff to track equipment histories, schedule preventative maintenance tasks, allocate resources and generate work orders. By combining advanced analytics and multi-site capability, the program delivers a complete performance and management infrastructure essential for guaranteeing the longest service life possible for equipment.

USWUG has found our predictive and preventative maintenance scheduling program to be user-friendly and easily modified to meet the specific needs of the O&M staff. For example, preventative maintenance work orders generated by operations staff can be entered into the CMMS and e-mailed to the appropriate maintenance technicians. Automation and efficiency is an important facet to the way USWUG operates these systems. USWUG has implemented technology that allows the O&M staff to electronically receive prioritized work orders in the field via electronic distribution of the data and would propose to implement the same for the City. This allows USWUG's maintenance staff to maximize "hands-on" time, increasing employee productivity and better utilizing the available work force, minimizes disruptions in service and increases systems reliability and customer satisfaction. This method of distributing work orders also decreases response time to both routine and emergency calls.

In order to assure that facilities we operate will be returned in an as good or better than condition at end of the contract period, USWUG trains facility staff in our maintenance approach and in the use of the CMMS program.

USWUG's preventative maintenance systems track both scheduled and completed maintenance and can have a full range of files attached, including documents, spreadsheets, graphic images, or audio or video clips. This flexibility is extremely useful when generating work orders that require specific information, direction or task instruction. The program incorporates our predictive, preventive, and corrective approach to maintenance with an easy to use graphical interface that allows intuitive operation and minimizes required training time. An essential feature of the program is the integration of a number of modules that allow for a full range of computerized maintenance activities, including inventory, work orders, inspection maintenance, asset management, project scheduling, and warranties and guarantees, as well as allowing integration with our financial management applications.

USWUG takes a proactive approach to preventative maintenance of the Utility Assets. As USWUG provides specific maintenance criteria for each Utility Asset in strict accordance with Manufacturer's Technical O&M standards, specific task instruction and frequency (scheduling) requirements cannot be fully defined until



USWUG technical staff can field gather specific asset data from each Utility Facility and implement an (Annual) Preventative Maintenance Program in accordance with the USWUG adopted Protocol for the Preventative Maintenance of Utility Facilities in accordance with Prudent Industry Practices. Once field data is gathered from each Utility Facility, step-by-step maintenance tasks are provided for each utility asset and assigned to a preventative maintenance schedule.

The City's water and wastewater system is comprised of equipment that must be maintained to ensure public health and safety as well as to extend the useful life of each asset. An effective preventative maintenance program is a well-balanced combination of industry proven techniques undertaken by skilled people on a scheduled basis. At USWUG, maintenance is scheduled and tracked in accordance with Manufacturer's O&M technical recommendations' utilizing the Computerized Maintenance Management Programs and specialized diagnostic equipment and the work is carried out by USWUG skilled workforce. This approach allows USWUG to continuously monitor the condition of the facilities we operate. A fundamental knowledge of monitoring equipment and tools are at the heart of our sound and solid preventative maintenance program.

USWUG uses a combination of maintenance strategies with a focus on the predictive and preventive maintenance programs. Predictive maintenance is applied to major equipment whose failure would upset treatment processes, affect reliability and require costly repairs. A preventive maintenance approach is used for all equipment where preventive tasks will extend mean time before failure. Corrective or repair maintenance is applied to non-critical, off-the-shelf type equipment. The proper blending of these various maintenance programs yields the most efficient use of resources, improves equipment/process reliability and ensures the greatest life-cycle capital cost return possible for our Clients. Life cycle capital cost management is a fundamental principle of USWUG's maintenance program for its clients, and as a result of this approach we commonly operate major pieces of equipment which have continued to function well beyond their normal and expected useful life cycle.

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### MICROSOFT OFFICE 365

USWUG utilizes Microsoft Office 365 for multiple purposes such as Microsoft Project, for project tracking software to produce Gantt and Tracking Gantt Charts to schedule complicated projects such as Transition and Construction Project Schedules; Microsoft Excel, hold and manipulate operational data and to submit electronic regulatory reports such as; discharge monitoring reports, and monthly operation reports.

### EMERGENCY RESPONSE PLAN

As a nationally recognized Water and Wastewater Utility Contractor, additional resources and skilled workforce are readily available locally and in surrounding areas; these resources can be utilized at a moment's notice for any large-scale event or to supplement local staffing levels, should the need arise. This will minimize delays during critical times when resources are needed most. In a large-scale event in Iowa, when local staff are personally affected by mass incidents, USWUG is positioned to mobilize outside resources to quickly and effectively provide relief and make sure any utility service interruptions are mitigated. USWUG has a fleet of over five (500) hundred utility vehicles, including fully equipped

maintenance vehicles, heavy duty crane type vehicles, a full complement of excavation and trenching machines, closed circuit televising equipment, sludge hauling equipment, tractor trailers, a fleet of jet rod vactor-trucks, and other industry specific equipment such as Ground Penetrating Radar (GPR), line locating equipment and additional testing equipment specific to water and wastewater utility systems that allow us to quickly provide relief during any emergency situation. In addition to fleet vehicles, USWUG maintains a fleet of portable generators, by-pass pumps, portable office/housing space, portable fuel transport, etc.

USWUG will develop, maintain, and implement, if necessary, an Emergency Response Plan for the Facilities that will be in compliance with all applicable regulations.

USWUG is very aware of the importance of immediately responding to after hour and emergency calls either from the facility dialers or customer complaints. There will be on-call staff and contractors that will respond within two (2) hours of being notified or otherwise learning of such condition on a 24-hour, 7 day a week basis. USWUG will develop and provide the City with an Emergency Response Plan, and a Communications Plan which includes contact information for local and regional staff.

In the event of an emergency affecting water and/or wastewater quality standards, USWUG has on staff professionals certified through the Federal Emergency Management Institute, a division of FEMA with training specific to Incident Command and Emergency Response for large scale incidents affecting utilities and public works. Our Incident Response Manager for large scale events has received the following accreditations:

- FEMA ICS-100, Incident Command System for Public Works, FEMA ICS-200 ICS for Single Resources and Initial Action Incidents, FEMA ICS-700 National Incident Management System (NIMS), FEMA ICS-800B National Response Framework, Hazmat Awareness, Healthcare Provider, National Cognitive and Skills Evaluation, BLS CPR&AED

Back-up generators are a critical component of your facilities' emergency preparedness plan and require a comprehensive maintenance schedule. Weekly exercising of these assets is one of many tasks to be performed. Other key components to be performed on an annual basis are load testing, fuel testing, oil sampling and testing and fuel polishing, if needed. Over time, lightly loaded generators develop a condition called "wet-stacking." This condition is a carbon buildup in the combustion chambers and exhaust system. In addition, unburned fuel can accumulate in the exhaust system which can foul the fuel injectors, engine valves and turbochargers. An annual load test will assist in preventing wet-stacking and determining a generators capability to produce maximum amperage and horsepower. A generator typically runs at a level less than the unit's rated output capacity. The annual load test provides an artificial load which brings the engine to an acceptable operating temperature ensuring functionality when you need it most.

USWUG will develop an Emergency Response Plan specific to this project within 90-days of the commencement of the contract. This plan will include several staging areas based on the location of assets and support and timing of the event. We understand that in an emergency event the local citizens, USWUG employees and sub-contractors are concerned about their families first. USWUG supports this concern by deploying from other regions that are out of harm's way. In all of these locations we would utilize USWUG staff and our partnerships with industry related contractors.



USWUG actively supports a safe and healthful workplace for all employees through the safety programs implemented at all levels of the organization. Our employees perform a wide range of job tasks that require specialized health and safety training, procedures, and equipment. We are committed to ensuring that all employees are provided with the resources to work safely and achieve the highest levels of proficiency.

USWUG has on-staff employees certified by OSHA as safety trainers on a number of topics and has been called on by our Clients to provide hand-on training, a benefit to both USWUG and its Clients. USWUG is committed to providing the education, training and cross-training we believe necessary to achieve the highest level of economy and efficiency under the safest operating conditions. A significant investment is made in employee training at all levels to assure understanding and compliance to health and safety procedures and regulatory requirements. USWUG is proud of its safety record and we know that training is an essential tool in ensuring safety at all facilities.

In Boone, USWUG will utilize its own health and safety staff to monitor, maintain, and schedule all employee training and related record keeping, and maintain those procedures that are currently in effect. The Occupational Safety & Health Act (OSHA) identifies required training and establishes the criteria for providing training in the workplace. Other federal agencies such as the Environmental Protection Agency and Department of Transportation prescribe safety training based on a specific occupation or assignment. It is the employer's responsibility to provide training to its employees to the extent identified in the regulations.

All sites hold regular safety meetings for all staff and management and employees work jointly to promote safety on the workplace. USWUG reviews the health and safety program annually to ensure that it conforms to all local, state and federal safety regulations. The health and safety program is designed to be responsive and proactive in promoting worker safety and loss control.

Another example of where USWUG's commitment to safety and our partnering with clients has proven beneficial is at the Chickasha, OK project where USWUG routinely performs safety training exercises with the City and identifies needs to better prepare for and mitigate any potential hazards/concerns. This



cooperative effort has resulted in an impressive safety record at the project. During this training, a need was identified by the Client and, knowing that we rely on the City's Public Safety Department to assist in the ultimate safety of our workforce, USWUG purchased a confined space entry tripod for the City of Chickasha's Fire Department. The following is a quote from Fire Chief Brian Zalewski:

"I wanted to take a minute to thank you for the donation of the rescue tripod. We have made do with whatever rudimentary system that we could make up to get the job done. While we got away with this in the past, it was inevitable that something bad would happen to either the rescuers or victims that was not necessary. The rescue tripod that you graciously donated to the Chickasha Fire Department can incorporate our rope and pulley system to bring victims and patients out of a confined space surrounding. Unlike standard tripods, this tripod stands nine feet tall which eliminates rescuers having to pull a victim out by hand who may be in a rescue basket. Again, we cannot thank you enough for donating the tripod and we hope to do additional training with USW in the near future."

## ENVIRONMENTAL COMPLIANCE

USWUG will develop sampling standard operating procedures to provide sampling, analysis, and reporting in accordance with all appropriate local, state, and federal permits and regulations.

Since many critical process decisions are based on analytical data and most lab errors are the result of non-representative sampling procedures, sample collection equipment and techniques will be established and implemented. To further ensure data quality, each sample location will be identified and labeled in ensure consistency.

In some cases, proper sample preservation is required to comply with standardized methods. This too will be evaluated and required improvements implemented.

Chain of Custody forms will be used for all compliance sampling events. All abnormal events will be reported to the Project Manager immediately and properly documented.

Since influent characteristics and temperature change during the course of the day, a consistent schedule must be developed and followed.

- Ensure all analysis procedures meet industry standard methods
- Review and if needed modify existing analytical protocols.

**USWUG accepts responsibility for any fines and penalties imposed on any facility which we operate due to negligence or improper operation of facilities for which we are responsible.**

USWUG shall act as a liaison between the City and Regulatory Agencies, including IDNR and EPA in matters relating to compliance with water quality and other activities, as required.



The USWUG environmental compliance credo is absolute compliance with all Federal, State and local laws and regulations and you will find that the company has an excellent track record to back up its performance. The City should be assured by this exemplary record that it has partnered with a contract operator that has both a highly proven track record for compliance and one of the most experienced staffs in the business when it comes to environmental compliance sampling.

Because of our extensive work, we have developed a set of Standard Operating Procedures (SOPs) for all of our wastewater operations that generally exceed the requirements of the State and Federal permitting agencies. Adherence to these procedures is internally monitored and enforced, so that a high standard of quality is maintained in all of our operations activities.

USWUG will develop a Compliance Plan specific to the City operation that will be designed to achieve the following results:

- Provide safe, adequate and reliable service to all customers in its service territory;
- Solve any existing compliance problems, if any;
- Prevent any future violations of all applicable water and wastewater treatment facility regulations; and;
- Meet domestic, commercial and industrial customer demand.

USWUG shall prepare and submit all water and wastewater monitoring reports; IDNR re-sampling and corrective actions, and paperwork. Also, once we are aware of any limitation of the treatment process or equipment failure, USWUG shall immediately assess the probable cause and develop a corrective action plan to minimize the potential for re-occurrence, and of course, all correspondence to regulatory agencies regarding the City Utilities shall be coordinated with the City.



# Appendix A - Resumes

APPENDIX A - RESUMES



**Aaron Voss**

Vice President of Operations

Mr. Voss is responsible for the Mid/Central Region, with experience in all aspects of the Water and Wastewater Industry.

**Professional Certifications**

- Class A Wastewater: Minnesota
- Class III Wastewater: Nebraska
- Grade IV Wastewater: Iowa
- Grade II Water: Iowa
- Backflow Certification: Iowa
- Class B Wastewater: Oklahoma
- FEMA ICS-100 For Public Works
- FEMA ICS-200 ICS for Single Resources and Initial Action Incidents
- FEMA ICS-700 National Incident Management System
- FEMA ICS-800B National Response Framework

**Experience**

Mr. Voss has eighteen years of experience in the water and wastewater industry including, project management, facility due diligence/transition and startup, facility automation, operator training, budget development, client development, process optimization, regulatory communication, process evaluations and compliance troubleshooting, computer systems management and CMMS systems integration. He is a multi-discipline employee, working in the Engineering and Operational fields, providing consulting, budget, transition, and operational support to include AMS technology and implementation within the industry.

Mr. Voss has experience in hands-on, day-to-day plant operation of Industrial & Activated sludge Wastewater Treatment plants, Surface Water, and Alluvial Well Water Treatment plants in the region including projects in Iowa, Illinois, Oklahoma and Texas. He has implemented the transition plan for U.S. Water when long-term operations contracts are in the beginning stages.

**Qualifications**

Mr. Voss is the Vice President of Operations for USW Utility Group – Mid/Central Region. He oversees all USW Utility Group operations, maintenance, compliance, regulatory management, budgeting capital planning, client development, acquisitions, and transitions outside the state of Florida. Mr. Voss is responsible for over \$14.2MM annual revenues, 80 employees, and currently oversees 74 systems throughout four states.

Mr. Voss is responsible for project compliance reliability, administrative development, capital budgets, and development of capital plans. He works very closely with the Regional and Local Managers to establish accurate budget forecasting models, to perform cost accounting procedures, and to work to establish a zero-based budget preparation and process optimization to support budget compliance.



## Jeff DuPont

Vice President of Business Development

Mr. DuPont is a seasoned utility professional with over forty years of progressive experience spanning the water and wastewater industry across several states.

### Professional Certifications

- Class A Wastewater: Florida
- Class C Water – Florida
- Class I Wastewater: Georgia
- Class III Water: Georgia
- Class B Wastewater: Texas
- Class B Groundwater: Texas
- Class IV Environmental: ABC

### Experience

Mr. DuPont is recognized as a leading industry expert and has been called upon by numerous clients across the country to assist in utility review. His tenure working in water and wastewater plants all over the country has provided him with a vast knowledge base that benefits our clients, providing insight and resolutions for complex operational, economic, and maintenance challenges, resulting in innovative approaches, cost savings and financial models that provide for the long-term financial stability of the projects in which we operate.

Mr. DuPont is an expert business strategist with a sound understanding of organizational development and sales. He is a skilled communicator with many years providing companies with successful solutions to building organizational success and managing high-profile client relationships. Mr. DuPont is a persuasive negotiator who uses integrity and professionalism in presenting joint venture, assessing acquisition opportunities, and identifying new markets.

### Qualifications

Mr. DuPont is an expert strategist who uses research of competitors, market conditions, customer needs, and organizational core competencies to claim company success. He is a confident salesman who combines enthusiasm, product knowledge, and customer assessment to pitch products in a way that increases brand awareness and encourages product loyalty. Mr. DuPont has an accomplished understanding of financing activities, including budgeting, investing, and cost-cutting through careful analysis.

Mr. DuPont has strong organizational and time management skills and pays careful attention to detail to guarantee that business ventures are successful, and development is absolute. He is a skilled communicator and negotiator who understand persuasive delivery and can confidently present sales pitches and reports to board members.



## Chris Gutschow

Director of Business Development

Mr. Gutschow has twenty three years of experience in the water and wastewater industry.

### Professional Certifications

Class II Wastewater: Nebraska

Grade I Water: Nebraska

BS, Natural Science & Biology minor, Midland University

### Experience

Mr. Gutschow started as a water/wastewater operator where he was responsible for multiple facilities and ensured they functioned at their optimum capabilities in compliance with state and federal regulations. Through his knowledge of the industry and positive leadership, moved into a Business Development role.

While handling Business Development, he has primarily been responsible to lead, develop and maintain communication with new and current clients in order to facilitate future needs. He has an understanding of contract operations functionality, strategy and its market. Builds relationships and develops credibility with customers and understand the customer's business, its goals and objectives; identify areas where USW Utility Group will help the customer meet those goals.

### Qualifications

Mr. Gutschow is the Director of Business Development for USW Utility Group – Mid/Central Regions and works directly with the Vice President of Business Development to assist in the growth and success of USWUG. He has twenty three years in the water and wastewater industry and the ability to work as a team member along with being goal oriented and able to manage multiple deadlines. He has a vast understanding of government encounters and the challenges they face.

Mr. Gutschow has lead and coordinated various branding and marketing projects and is also involved with the company safety program.



## Cathy Gardner

Accounting Manager

Ms. Gardner has over 12 years of accounting experience

### Experience

Ms. Gardner has over twelve years of accounting experience and works directly with clients to provide financial reports, expense caps, and other contractually obligated information. She also assists with Business Development including trade show and research.

### Professional Certifications

B.A., Accounting, Buena Vista University, IA

### Qualifications

Ms. Gardner has a background in accounting, including accounts payable, accounts receivable, payroll, and budgets. In addition, she assists with Human Resource (HR) duties including recruiting, overseeing the new hire process, and working as a liaison between regional employees and the corporate office

# Appendix B – Draft Agreement

APPENDIX B - DRAFT AGREEMENT



OPERATIONS & MAINTENANCE OF THE  
WATER AND WASTEWATER TREATMENT  
FACILITIES AGREEMENT

March 1, 2022

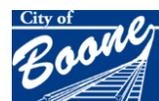
CITY OF BOONE, IOWA

(City)

And

USW UTILITY GROUP

(USWUG)



**OPERATION SERVICES AGREEMENT**

BETWEEN

CITY OF BOONE, IOWA

*RE: City*

And

**USW Utility Group**

THIS Operation and Maintenance Agreement (the "Agreement") is to commence on the **1st day of March 2022** (Commencement Date), or other mutually acceptable date, between **USW Utility Group** ("USWUG"), whose address is 1406 Central Avenue, Fort Dodge, IA 50501, furthermore referred to as USWUG, and **City of Boone**, a municipality located in Boone County, Iowa, and acting by and through its duly authorized Mayor-Council (**the "City"**) whose address is 923 8<sup>th</sup> Street, Boone, IA 50036.

**RECITALS:**

WHEREAS, The City is the Owner and has the right and obligation to operate and maintain an water treatment plant, wastewater treatment plant, lift stations, and storage system (collectively, the "System and/or Facilities") in Boone County, Iowa, which serves customers of the City, and the City desires to obtain services for the competent operation, maintenance, and management of the System. City is the Owner of water and wastewater treatment facilities, as described in Exhibit A to this Agreement (the "Description of Facilities"); and

WHEREAS, City desires to engage USWUG to operate and maintain the Facilities on behalf of City and USWUG desires to accept such engagement, all upon the terms and conditions hereafter set forth; and

WHEREAS, USWUG is experienced and capable of providing operation, maintenance and management services for the Facilities; and

WHEREAS, City is authorized by law to enter into this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, and other valuable considerations, the sufficiency of which is hereby acknowledged by both parties regarding the details herein, the parties do hereby promise, covenant and agree as follows:

**ARTICLE I – DEFINITIONS:**

Wherever used in this Agreement the following terms shall have the meanings indicated which are applicable to both the singular and plural thereof:



November 2021



- 1.1 "**Agreement and/or Contract**" means the written instrument which is evidence of the agreement between City and USWUG covering the services to be performed, including the Agreement and any exhibits that are attached to the Agreement or made a part thereof; and any other documents which are incorporated in or referenced in the Agreement and made a part thereof.
- 1.2 "**Applicable Law**" shall mean (i) all of the permits required for the performance by the parties under this Agreement, (ii) all State or federal constitutional restrictions, (iii) all State laws, rules, regulations or directives, (iv) all City ordinances, laws or directives, (v) all federal or State judicial judgments, orders or decrees, (vi) all federal, State or City administrative orders or directives, which are in effect during the Term of this Agreement, or subsequently enacted, adopted, promulgated, issued or enforced during the Term of this Agreement, or subsequently enacted, adopted, promulgated, issued or enforced, and (vii) all federal, State or City consent decrees, stipulations or settlement agreements, in any manner relating to the operation, management, maintenance, repair, upgrade, enhancement, retirement or expansion of the Facilities.
- 1.3 "**Contract Price**" means the compensation outlined in Article V, of this Agreement.
- 1.4 "**USWUG**" or "**Operator**" means USW Utility Group and/or U.S. Water Services Corporation.
- 1.5 "**Cost**" means all direct costs and indirect costs determined on an accrual basis in accordance with generally accepted accounting principles.
- 1.6 "**Day**" shall constitute a calendar day of 24 hours measured from midnight to the next midnight.
- 1.7 "**Emergencies**" are condition or circumstances that threaten the immediate shutdown of or the substantial reduction in the operational capacity of the Facilities, or the life, health or property of the USWUG or City or their employees or agents. Emergencies include situations which, absent USWUG's action, there is a risk of: (i) the Facilities' noncompliance with Applicable Law; (ii) failure of the Facilities to operate; (iii) circumstances affecting the safety of persons or property; (iv) adverse impact of snow and other extreme weather conditions and other natural or man-made disasters; and (v) the occurrence of an event of Force Majeure.
- 1.8 "**Facilities**" mean the City water and wastewater system, including but not limited to, all equipment, structures, instrumentation, pumps, lift stations, vehicles, parts, processes, buildings, fixtures, electrical panels, conduit, tanks, treatment facilities, storage, HVAC, meters, computers, communications systems, valves, easements, and generators.
- 1.9 "**Holiday**" means the holidays observed by USWUG (New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day).
- 1.10 "**Maintenance**" means those routine and/or repetitive activities required or recommended by the equipment or facility manufacturer or otherwise required under standard industry practices to maintain the Facilities in good to excellent condition, ordinary wear and tear excepted, and to maximize the service life of the Facilities.
- 1.11 "**City**" means City (City of Boone, Iowa) Agency, City, representative, as applicable.

- 1.12 **"Permits"** shall refer to all permits and licenses issued to City and required for the discharge of water and wastewater from the Facilities.
- 1.13 **"Project"** means all the work performed pursuant to the Agreement at the Facilities.
- 1.14 **"Prudent Industry Practice"** means those methods, techniques, standards and practices which, at the time they are to be employed and in light of the circumstances known or reasonably believed to exist at such time, are generally recognized and accepted as good design, construction, operation, maintenance, repair, replacement and management practices in the municipal water and wastewater industry as observed in the Midwest region of the United States.
- 1.15 **"Repairs"** means those non-routine/non-repetitive activities required for operational continuity, safety and performance generally due to failure or to avert a failure of the equipment, Facilities or some component thereof.
- 1.16 **"Reports"** means all reports including annual reports, monthly operating reports, mutually agreeable reports, and any other reports as required by the permit or manufacturers.
- 1.17 **"Services"** means the Scope of Services outlined in Article II of the Agreement.
- 1.18 **"Unforeseen Circumstance(s)"** shall mean any event or condition which has an effect on the rights or obligations of the parties under this Agreement, or upon the Project, which is beyond the reasonable control of the party relying thereon and constitutes a justification for a delay in or non-performance of action required by this Agreement, including but not limited to; (i) an act of God, lightning, tornado, fire, explosion, flood, acts of terrorism; (ii) preliminary or final order of any local, state or federal court, administrative agency or governmental body of competent jurisdiction; (iii) any change in any Applicable Laws as defined herein; (iv) labor disputes, strikes, work slowdowns or work stoppages, but excluding labor disputes, strikes, work slowdowns or work stoppages by employees of USWUG; (v) loss of or inability to obtain service from a utility necessary to furnish power for the operation, maintenance, management and repair of the Project; and (vi) failure of Facility's design, technology; excluding:
- (i) General economic conditions, interest or inflation rate fluctuations, commodity prices or changes in process, or currency or exchange rate fluctuations;
  - (ii) Changes in the financial condition of the City, USWUG, or any of their affiliates or Sub-Contractors of USWUG;
  - (iii) Union work rules which increase the USWUG's operating cost for the Facilities;
  - (iv) Any impact of prevailing wage laws on USWUG's costs, provided however that such requirements or demands may constitute a change of law entitling USWUG to additional compensation;
  - (v) The consequence of USWUG's error, including any errors of USWUG affiliates or Subcontractor; and/or
  - (vi) Litigation against the City and/or USWUG

- 1.19 "**Work Authorization**" means a document which is signed by USWUG and City and authorizes an addition, deletion or revision in the Services, or an adjustment in the contract price or the contract time, issued on or after the Commencement Date of the Agreement.

#### ARTICLE II – SCOPE OF SERVICES:

- 2.1 Commencing on March 1, 2022, or such other date mutually acceptable in writing to USWUG and City (the "Effective Date or Commencement Date"), USWUG will provide all routine operation and maintenance of City's Facilities in accordance with all applicable laws, regulations, ordinances, and City Tariff and Policies on a seven (7) day per week basis within the design capacity of the Facilities as described in Exhibit A to the Agreement. The routine operation, maintenance, and management services to be provided by the USWUG are further described in this section of the Agreement. The Services include: (a) treatment of raw delivered to the water treatment plant; (b) treatment of wastewater influent delivered to the Facilities; (c) Maintenance of the Facilities (including building and grounds up-keep and maintenance); (d) laboratory testing and analysis as required by the Permits and Applicable Laws; and (e) preparation and prompt delivery of all applicable and required filings, including discharge monitoring reports, monthly operating reports, annual sludge report, sludge management plan, to City and to regulatory agencies as prescribed by Applicable Law; (d) management and support of the Systems; computer based management, process control and maintenance management systems; quality assurance systems; laboratory analysis; security of sites.
- 2.2 USWUG shall be responsible for managing the Systems in accordance with Prudent Industry Practice, which includes, but is not limited to, the management, operations, maintenance and repair of the water treatment plant, wastewater treatment plant, pumping of raw and finished water, water supply wells, and pump stations. USWUG shall manage the Systems with the objectives of (1) producing the highest water quality at the most reasonable price, while improving and extending the useful life of the Systems, and (2) treating wastewater to at least a level that is consistent with the City's water quality permit, and other regulatory requirements, while minimizing odors emitted from the Wastewater System.
- 2.3 USWUG shall assist City in representing City and USWUG's interests with respect to matters involving regulatory agencies and the City's existing and future contractual obligations.
- 2.4 USWUG shall serve as an independent Contractor of the City.
- 2.5 USWUG shall be responsible for expenses incurred in the routine operation of the Facilities, including personnel services, and hand tools. The Services provided under this Agreement are of a professional nature and shall be performed in accordance with the degree of skill and care ordinarily exercised by members of USWUG's profession in the geographic region of Facilities.
- 2.6 USWUG will develop and implement Standard Operating Procedures (SOPs) for the operation and maintenance of the water and wastewater treatment facilities. SOPs shall be developed within ninety (90) days of the Commencement Date of this Agreement, updated annually, and available to the City for review.

- 2.7 USWUG shall conduct services with safety of staff and public as a primary focus. USWUG shall provide all required Maintenance to preserve the existing life of all assigned equipment and vehicles of the Facilities. Maintenance shall be performed in accordance with manufacturer's specifications and approved operating and maintenance manual/procedures developed for equipment and processes of the Facilities. USWUG shall maintain manufacturers' warranties on new equipment installed at the Facilities and, to the extent permitted by the terms of the warranties, enforce existing equipment and structure warrants and guarantees. USWUG shall, within the funding capacity of the Agreement, clean and lubricate equipment as necessary, perform predictive maintenance as appropriate, ensure orderly equipment inspections and needed adjustments, perform plumbing and electrical maintenance of the Facilities, wastewater treatment plant outside mowing contractor, maintain vehicles and light duty service trucks necessary for daily operations, and maintain all the Facilities' instrumentation provided to the USWUG. USWUG shall schedule and track all preventative maintenance in accordance with Prudent Industry Practice. USWUG will perform the maintenance and repair of all equipment, physical facilities, and vehicles assigned for USWUG's use up to an agreed upon fixed dollar value in the amount of Two Hundred Twenty Thousand Dollars (\$220,000.00) the ("Maintenance and Repair Limit"). USWUG shall utilize the annual Maintenance and Repair (M&R) Limit fund for such maintenance and repairs. USWUG shall supply the City a monthly account of the Maintenance and Repair Limit fund balance. Except for Emergencies, USWUG shall not exceed the Maintenance and Repair Limit, without prior written authorization from the City. USWUG shall utilize life cycle cost analyses to determine repair versus replacement of equipment. Repairs and replacements less than two thousand five hundred dollars (\$2,500.00) shall be considered routine and shall not require prior written authorization. Repairs and replacements equal to or greater than two thousand five hundred dollars (\$2,500.00) shall be considered Capital Improvements and shall be paid for by the City, excluding USWUG normal on-site labor.
- 2.8 USWUG will provide properly qualified, certified employees for the staffing of the Facilities in accordance with Applicable Laws and the Permits. USWUG commits to employ such managers, operators, and other professionals and staff as are necessary and appropriate to carry out its responsibilities under the Agreement. USWUG shall provide additional staffing levels as required by the Permits or Applicable Laws. Backup services will be provided by USWUG corporate personnel. In addition, USWUG shall monitor the Facilities 24 hours per day, 7 days per week. USWUG shall provide a sufficient number of certified qualified personnel, including management, administrative, operational, customer service, technical, laboratory and clerical, who meet relevant legal requirements and certifications regarding operation and maintenance and are capable and demonstrate experience necessary to operate and maintain the Facilities.
- 2.9 USWUG shall provide sampling and analyses for the Facilities as required by the Permits and Applicable Laws. All sampling and laboratory analyses shall be performed by laboratories certified by the State of Iowa. USWUG shall maintain the on-site process control laboratory. Laboratory procedures shall conform to the most recent edition of Standard Methods for the Examination of Wastewater or shall be in accordance with testing requirements of the Permits and/or Applicable laws, as appropriate.

- 2.10 USWUG shall provide an appropriate staffing level to provide operation, maintenance and management coverage of the Facilities, up to seven (7) full time equivalent (FTE) employees. USWUG shall be on call 24 hours per day, 7 days per week for emergency situations. USWUG shall provide employees to perform all services required by this Agreement and in such situation, USWUG shall be deemed to be an independent contractor for purposes of applicable wage, fringe benefit, and worker compensation laws.
- 2.11 USWUG shall communicate with the designated City liaison as described in Article 3.9 of this Agreement, regarding decisions and other matters related to the operation of the Facilities. In addition, USWUG shall advise the City and serve as City's liaison to regulatory agencies and industrial users in matters related to the operation, maintenance and management of the Facilities. However, USWUG will not act as, or provide, legal counsel in this capacity. Additionally, this Agreement does not preclude the City from communicating with regulatory agencies and industrial users about the Facilities.
- 2.12 USWUG shall comply with all regulatory requirements Permits requirements, and Applicable Law pertaining to the day-to-day operation of the Facilities.
- 2.13 USWUG shall operate, maintain, and repair the City's water treatment plant, wastewater treatment plant, lift stations, and storage in accordance with generally accepted industry standards, Prudent Industry Practices, environmental regulations, Applicable Law, and City's standards in such a manner as to efficiently deliver water to the City's customers that meet water quality standards, efficiently collect wastewater from the City's customers and deliver it to the treatment Facilities, efficiently treat such wastewater and deliver to the discharge Facilities, and provide the City customers with a standard of service delivery which strives to achieve service delivery excellence.
- 2.14 USWUG will prepare reports for the City, state and federal regulatory agencies and will maintain records that are required or deemed useful by USWUG and City to monitor and control the operation of the Facilities. USWUG shall maintain computerized and other necessary reports of operations, maintenance, repair, and improvement activities at the Facilities and shall prepare and submit to the City a monthly report, delivered to the City no later than the last day of the following month, including a narrative and itemized summary of operations, maintenance, repair and replacement activities and data required for monthly reporting to local, state, and federal agencies. The monthly report shall also include the following items: (i) insurance claims that are filed or pending; and (ii) copies of all reports and correspondence made by USWUG to local, state, and federal regulatory agencies on behalf of the City.
- 2.15 USWUG shall collect the data for monitoring required by the Permits and operating reports required by Applicable Law or by this Agreement and shall deliver the required monitoring and operating reports to the City and to the appropriate regulatory agencies with jurisdiction, unless directed otherwise by the City. If required pursuant to Applicable Law, USWUG shall attest as to the accuracy and completeness of the data collected for each report. City, however, shall at all times be responsible for maintaining all required permits for the ownership and operation of the Facilities.

- 2.16 All Facility records, data, software and information including but not limited to operation reports, laboratory data and budgetary and financial information shall remain the property of the City and cannot be destroyed by USWUG without written consent of City. All site-specific operating procedure guidelines, preventive maintenance and safety programs, and plant evaluation reports shall upon termination of this Agreement, remain the property of the City and cannot be destroyed by USWUG without written consent of City. USWUG assumes that the existing computerized maintenance, process control, and laboratory management systems shall remain intact and be available for USWUG.
- 2.17 USWUG shall provide additional technical services when requested by the City. USWUG shall be compensated for such additional technical services in the manner provided by Article 5.2 of this Agreement. A detailed scope of work and cost estimate shall be provided to the City and a written Work Authorization to proceed shall be required before work is initiated.
- 2.18 USWUG shall provide emergency response when required. Emergencies include situations which, absent USWUG's action, there is a risk of: (i) the Facilities' noncompliance with Applicable Law; (ii) failure of the Facilities to operate; (iii) circumstances affecting the safety of persons or property; (iv) adverse impact of snow and other extreme weather conditions and other natural or man-made disasters; and (v) the occurrence of an event of Force Majeure. In an Emergency USWUG may act without written or verbal authority at USWUG's discretion to prevent threatened damage, injury or loss. USWUG shall be compensated for such additional operational, maintenance, engineering and technical services in the manner provided by Article 5.2 of this Agreement.
- USWUG shall act in an emergency as promptly as possible.
- 2.19 USWUG will respond to after hours (prior to 7:30AM or after 4:30PM) emergency service calls within two (2) hours of being received.
- 2.20 USWUG shall be responsible for maintaining all manufacturers' warranties on new equipment purchased by the City for the Facilities and assist in enforcing existing equipment warranties and guarantees.
- 2.21 USWUG shall comply with all City requirements for affirmative action and the Americans with Disabilities Act of 1990.
- 2.22 USWUG will track all maintenance efforts performed on behalf of the City. USWUG shall provide City with full documentation that maintenance is being performed on all Facilities in accordance with manufacturer's recommendations at intervals and in sufficient detail as may be determined by the City. Such a maintenance program shall include documentation of maintenance. USWUG shall have a fully functional CMMS within ninety (90) days of the Commencement Date of this Agreement, provided that the current City asset list, maintenance tasks, and maintenance history (Maintenance Data) is provided at the time of the Commencement Date. If Maintenance Data is not provided at the Commencement Date, USWUG shall have a fully functional CMMS within ninety (90) days of the receipt of the Maintenance Data in an industry accepted electronic format.

- 2.23 Additional operation and maintenance services not considered routine, or which are required as a result of flood, fire, Act of God, or other Force Majeure, civil disturbance, terrorism or other reasons beyond USWUG's control, are not covered within the scope of this Agreement. If requested, USWUG will assist the City in obtaining or providing the operation and maintenance so required and USWUG will be paid for such assistance in accordance with Article 5.2 of this Agreement. USWUG shall make reasonable efforts to secure the Facilities at appropriate times, within the limits of the security devices provided by the City, to protect against vandalism and intrusion. To the extent possible, USWUG shall keep buildings and gates locked and will have on-site staff coordinate with public safety officials on behalf of City with respect to security for buildings and property, in so doing making reasonable efforts to prevent break-ins and vandalism. USWUG shall rely on City's security and public safety staff for ultimate control and responsibility for the security of property and equipment.
- 2.24 USWUG will supervise all regulatory compliance pertaining to the day-to-day operation and maintenance of the Facilities subject to the limitations of this Agreement.
- 2.25 USWUG shall operate Facilities in compliance with state and federal regulatory requirements. USWUG shall be liable for the payment of fines and/or civil penalties levied against the USWUG and/or the City by any regulatory agency having jurisdiction, as a result of failure to comply with the terms and conditions of any duly authorized Permits, court order, administrative order, Applicable Law, statute, ordinance, etc. for reasons resulting from USWUG's negligence during the Term of this Agreement. USWUG will pay all fines imposed for process upsets and violation of discharge limits unless the process upsets or violations are attributable to:
- 2.25.1 Flows and/or pollutants which are not within the Design Capabilities of the Facilities, including, but not limited to soluble oil, heavy metals, excessive suspended solids, excessive organic loading, excessive ammonia nitrogen, excessive fats, toxic substances, oils, and greases;
- 2.25.2 The malfunction or failure of equipment which is not solely due to the negligent act, errors or omissions of USWUG;
- 2.25.3 Construction activities which are undertaken to improve the Facilities, but which are beyond the operating, and/or maintenance, and/or management scope of services of USWUG as delineated in Article 2;
- a. Discharges from existing or new industrial facilities in violation of any federal, state, or local pretreatment standards or permits applicable to those discharges;
- b. In no event shall USWUG be responsible for the payment of state or federal fines imposed or damages, attorney fees, and court costs awarded as a result of actions, inactions, process upsets or violations which occurred prior or existing on January 1, 2022, the Commencement Date of this Agreement between both parties. And which are not due to the sole negligence of the USWUG.
- 2.26 USWUG shall monitor, sample, analyze and report as required by the Iowa Department of Natural Resources (IDNR) with respect to the Permits and Facilities. Testing will include those tests necessary

- to maintain the daily operation of the water and wastewater treatment Facilities. Testing performed by outside laboratory shall be coordinated and paid for by USWUG.
- 2.27 USWUG shall furnish and pay for all chemicals (chlorine, lime, fluoride, polyphosphate, CO<sub>2</sub>, polymer) required for the operation of the water treatment and wastewater treatment facilities. The expenses for such chemicals paid to third parties shall be included in the annual fee subject to the specific limit approved by the City (the "Chemical Limit"). The Chemical Limit for the first Agreement Year is Two Hundred Twenty Thousand Dollars (\$220,000.00).
- 2.28 USWUG shall maintain cleanliness of process equipment and buildings, and general appearance of all buildings.
- 2.29 USWUG shall regularly mow the grass at reasonable intervals at the water treatment plant, lift stations, and storage using equipment provided by the City.
- 2.30 USWUG shall be responsible sludge ("biosolids") management. Management includes conditioning, thickening/dewatering, stabilization, including all monitoring requirements, transportation, and disposing of all sludge at the wastewater treatment plant utilizing City owned equipment. All cost associated with solids disposal will be subject to the specific limit approved by the City (the "Solids Disposal Limit") in the amount of Sixty Thousand Dollars (\$60,000.00).
- 2.31 USWUG shall act in a professional manner in dealing with community groups concerned with any facet of the operations, maintenance, and management; including tours and other public relations programs.
- 2.32 USWUG shall provide the City a listing of any Capital Improvements (\$2,500.00) or greater, excluding USWUG normal on-site labor, the USWUG believes will be required for any of the Facilities covered under the Agreement. USWUG shall not be relieved of its responsibilities to perform up to the capabilities of the existing Facilities if the recommendations are not implemented.
- 2.33 USWUG shall provide training for personnel in areas of operation, maintenance, safety, supervisory skills, laboratory, customer service, energy management, etc.
- 2.34 USWUG shall develop and implement a proper safety program within ninety (90) days of Agreement Commencement Date (March 1, 2022) and all portions of that program shall be adhered to. Such safety program shall comply with Applicable Laws and USWUG agrees that it will adhere to all portions of that safety program.
- 2.35 USWUG shall operate the Facilities within the limits and capabilities of the Facilities' equipment to effectively control odor and noise and insure that there is no avoidable disruption of adjacent neighborhoods.
- 2.36 If requested, USWUG shall maintain 24 hours a day, 7 days a week, and 365 days per year, a telephone or dispatch service with qualified personnel to respond to the System's customer problems and equipment malfunctions. USWUG shall maintain a log memorializing all calls and USWUG's responses thereto.

- 2.37 USWUG operating and maintenance employees shall be readily identifiable to the City's customers by distinctive clothing. Service vehicles shall have the USWUG logo prominently displayed.
- 2.38 USWUG shall coordinate with the City's Manager, staff, and professional services consultants, such as attorneys, and engineers as necessary to maintain efficient operation of the System.
- 2.39 USWUG's Project Manager or designated representative will attend regularly scheduled meetings, at the request of the City which have an agenda item relating to the System's operations. The USWUG representative will have direct knowledge of the System's ongoing operations or agenda items as appropriate.
- 2.40 Upon adequate notice from the City, USWUG shall provide speakers qualified to make presentations to citizen and customer groups, civic associations, and schools within the City service area. Subjects shall include, but are not limited to, utility regulations, water and wastewater facilities operations, and customer service matters.
- 2.41 USWUG shall render reasonable assistance in the promotion of good relations with the City's customers and act in a manner befitting a professional USWUG of the City.
- 2.42 USWUG shall provide the appropriate level of staff as required by IDNR.
- 2.43 USWUG shall not be responsible for damages caused by any defects or flaws inherent in the Systems or Facilities that exist prior to the Commencement Date.
- 2.44 USWUG shall perform all services necessary with the proper and satisfactory operation and maintenance of the Systems in accordance with all Applicable Laws, rules and regulations and permits.
- 2.45 USWUG shall keep City apprised of changes and proposed changes in State and federal laws, rules, and regulations, and inform City of needed changes at the Systems or operations to insure compliance.

### **ARTICLE III – RESPONSIBILITIES OF OWNER (City)**

- 3.1 As part of the Agreement, City agrees to assume the following responsibilities:
- 3.2 City shall maintain in full force and effect, in accordance with their respective terms, all guarantees, warranties, easements, permits, licenses, and other similar approvals and consents received or granted to City as Owner of all Facilities and component parts thereof;
- 3.3 City shall be responsible for all capital replacement expenditures which are defined as nonrecurring expenditures greater than \$2,500.00, that the City determines necessary and required, provided that USWUG will first be consulted for justification and need;
- 3.4 City shall be responsible for filing, obtaining, and maintaining current permits for discharge wastewater and Industrial User Permits provided, however, USWUG shall assist City with preparing this filing and shall provide ongoing assistance regarding the maintenance of these permits;
- 3.5 City shall at all times provide access to the Facilities for USWUG, its agents and employees;

- 3.6 City shall provide USWUG the use of all existing equipment owned by City, at no fee, necessary for the operation and maintenance of the Facilities and warrants that such operating equipment is in good condition;
- 3.7 City shall be responsible for all damages to the Facilities, components thereof, USWUG equipment on site, and all resulting liability to any and all third parties, when such damage and/or liability are caused by flood, fire, acts of God or other force majeure, civil disturbances, extreme cold temperatures, excessive subsoil moisture, or misuse of property to the extent City was negligent regarding the misuse of such property;
- 3.8 City shall be responsible for all fines imposed for process upsets and violations of permits attributable to the operation and maintenance of the Facilities to the extent set forth in Section 2.26;
- 3.9 City shall designate an individual to act as liaison with USWUG in connection with the performance of services by USWUG under this Agreement;
- 3.10 City shall be responsible for all property, excise and other taxes assessed on the Facilities;
- 3.11 City shall bear all costs incurred as a result of regulatory requirements not in effect on the Commencement Date of this Agreement;
- 3.12 City shall be responsible for all pre-existing conditions prior to USWUG's management and operation of the facilities, including any liability as a result of out-of-service equipment, combined sewers, inflow and infiltration or deferred maintenance;
- 3.13 City shall maintain in full force and effect all existing policies of property and general liability insurance pertaining to the Facilities.
- 3.14 City shall be responsible for payments for utilities (water, sewer, electricity, telephone, internet, and natural gas), maintenance (subject to M&R Limit), chemicals (subject to Chemical Limit) biosolids (subject to Solids Disposal Limit).

#### ARTICLE IV – INSURANCE

- 4.1 USWUG will provide and maintain at all times during the term of this Agreement the following minimum insurance coverage:
- 4.1.1 Workers compensation Insurance in compliance with the statutes of the State of Iowa, which has jurisdiction of USWUG employees engaged in the performance of services hereunder, to the required statutory amount;
  - 4.1.2 Comprehensive General Liability Insurance with a minimum combined single limit of two million dollars (\$2,000,000.00), including the broad form property damage endorsement;
  - 4.1.3 Automobile Liability Insurance (owned, non-owned, or hired units) minimum combined single coverage limit of one million dollars (\$1,000,000.00).

- 4.1.4 Errors and omissions coverage under USWUG's corporate professional liability insurance, with a minimum coverage of one year's fee, and up to USWUG's professional liability insurance limit of two million dollars (\$2,000,000.00).
  - 4.1.5 USWUG Pollution Liability insurance coverage; per claim and aggregate, minimum coverage of five million dollars (\$5,000,000).
  - 4.1.6 Crime insurance coverage; per claim and aggregate, minimum coverage of one million dollars (\$1,000,000).
  - 4.1.7 Employer's Liability insurance coverage; per claim and aggregate, minimum coverage of one million dollars (\$1,000,000).
- 4.2 USWUG will furnish the City with Certificates of Insurance as evidenced that policies providing the required coverage's and limits are in full force and effect upon signing of this Agreement. In addition, USWUG shall name the City as additionally insured for bodily injury and/or property damage in an amount of not less than two million dollars (\$2,000,000). Such policies shall provide that no less than thirty (30) days advance notice of cancellation, termination, or alteration shall be sent directly to USWUG and the City.

#### ARTICLE V - COMPENSATION

- 5.1 Contract Base Fee shall be **\$141,661.75** per month for the first year for the monthly operations of the Facilities, in accordance with item 5.2 below.
- 5.2 Monthly base operations will be billed in a lump sum at the end of each month for the services of that month. Ancillary charges or additional services will be billed as a cost plus as they occur. This Agreement assumes prompt payment of all invoices. Any invoices remaining unpaid 30 days after issued, will be assessed interest at an interest rate of 1.5% per month, (18% annual).
- 5.3 Should it become necessary to perform services or provide material outside those listed in Article II above, USWUG will provide City a proposal, which must be accepted, signed by City and returned to USWUG before USWUG will undertake any such work.
- 5.4 Contract fee will adjust yearly on March 1<sup>st</sup> of each Agreement year based on: (1) at adjusted rates based on annual reconciled cost (M&R Limit, Chemical Limit, Solids Handling Limit), plus shall be increased or decreased based on the consumer price index for "all urban consumers for water, sewer, and garbage services" (nearest SMSA) as of the month that is two (2) months prior to the anniversary of the Commencement Date, (2) all new scope items, plus overhead and margin. Overhead shall be set at eight percent (8%) and margin shall be set at seven percent (7%). Each year when the budget is set, the USWUG shall be entitled to the actual cost plus overhead (8%) and profit (7%) (cost/0.85). USWUG shall be entitled to ten (10) percent of savings. Savings shall exclude Maintenance and Repair Limit find expenditures.

#### ARTICLE VI – TERM OF AGREEMENT

The stated Term of this contract is for five (5) calendar years months from the Commencement Date of this Agreement and will automatically renew for an additional five (5) calendar years unless otherwise notified by City prior to one hundred eighty (180) days prior to Agreement Expiration Date (February 28, 2027). USWUG reserves the right to cancel this agreement without ninety (90) days written notice if City’s account becomes thirty (30) days past due.

**ARTICLE VII – TERMINATION**

7.1 This Agreement may be terminated upon ninety (90) days written notice given by the City to USWUG for default by USWUG. Should USWUG fail to appropriately cure or produce a good faith effort to cure the default within the ninety (90) day notice period the Agreement shall terminate.

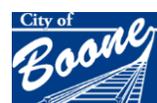
<b>City</b>	<b>USWUG</b>
City of Boone 923 8 <sup>th</sup> Street Boone, IA 50036	USW Utility Group 1406 Central Avenue Fort Dodge, IA 50501

7.2 This Agreement may be terminated upon ninety (90) days written notice given by USWUG to the City for default by the City. Should the City fail to appropriately cure or produce a good faith effort to cure the default within the ninety (90) day notice period the Agreement shall terminate. Any notices of cancellation shall be presented by certified mail to:

<b>City</b>	<b>USWUG</b>
City of Boone 923 8 <sup>th</sup> Street Boone, IA 50036	USW Utility Group 1406 Central Avenue Fort Dodge, IA 50501

**ARTICLE VIII – CHANGES:**

8.1 USWUG or the City may request, respectively, changes in the services authorized under this Agreement which are within Article II of this Agreement, including without limitation, additional operational and maintenance services not considered "routine" (for example: maintenance and management, construction and installation of capital projects and repairs caused by events outside USWUG's control if these cannot be accommodated within normal expense budgets), changes required by new or revised laws, rules, regulations or code requirements, or new or amended orders of any public authority or court, the happening of Force Majeure including without limitation, flood, fire, act of God, civil disobedience, terrorist acts, or other causes beyond USWUG's reasonable control or which result from USWUG encountering conditions or circumstances during performance of its services under this Agreement which are materially different from those described or represented by the City regarding the operational or maintenance characteristics or circumstances of the Facility. These changes may be made only by written Work Authorizations, executed by the City and USWUG, unless accomplished under emergency conditions with verbal authorization.



- 8.2 In the event changes in the work result in increased work, the City will pay USWUG for hours worked, equipment used, and materials expended in accordance with Articles 5.2.
- 8.3 In an Emergency; any increase in the monthly fee or extension of time claimed by USWUG on account of acts taken in connection with such Emergency shall be paid to USWUG in accordance with Article 5. 2.

#### ARTICLE IX – INDEMNIFICATION:

- 9.1 USWUG agrees to indemnify and hold the City harmless from any liability, claim, demand or cause of action resulting from bodily injury to or illness or death of any person or destruction or damage to any property to the extent caused by the negligence of USWUG or its employees in the performance of the services of this Agreement. This provision shall survive the Agreement.
- 9.2 City agrees to indemnify and hold USWUG harmless from any liability claim, demands or cause of action resulting from bodily injury to or illness or death of, any person or destruction of or damage to any property to the extent caused by the negligence of the City or its employees in the performance of the services of this Agreement. This provision shall survive the Agreement.
- 9.3 In the event that both USWUG and the City are found by a finder of fact to be negligent, and the negligence of both is the proximate cause of the claim, damage, cost or expense, then in such event, each part shall be responsible for the portion of the liability equal to its comparative share of the total negligence.
- 9.4 With respect to any loss, damage, injury, handling, storage, release, discharge, escape, or other disposition of hazardous substances, wastes, pollutants, or contaminants, USWUG’s obligations to City for indemnity and/or contribution shall not apply if such removal, handling, storage, release, discharge, escape, or other disposition is not required by any local, state, or federal law, rule or regulation or where the loss, damage, injury or claim is not the result of USWUG’s negligence.

#### ARTICLE X – MISCELLANEOUS:

- 10.1 Any temporary or portable equipment which is provided by USWUG during the term of this Agreement and which is not deemed part of the Facility or has not been paid in full by the City shall remain the property of USWUG upon termination of this Agreement. USWUG shall not make any Capital replacements of the Facility or any component thereof without the prior written approval of the City.
- 10.2 This Agreement represents the entire Agreement of the parties and may only be modified or amended in writing, signed by both Parties.
- 10.3 Written notices required to be given under this Agreement shall be deemed given when mailed by first class mail, to USW Utility Group, Attention: Jeffrey DuPont, Vice President and to the City, Attention: City Administrator at the addresses set forth for each in the opening paragraph of this Agreement.

- 10.4 No waiver, discharge, or renunciation of any claim or right of USWUG arising out of breach of this Agreement by the City shall be effective unless signed in writing by USWUG and supported by separate consideration.
- 10.5 This Agreement shall be deemed to have been made in the State of Iowa and shall be governed by and construed in accordance with the laws of the State of Iowa.
- 10.6 The relationship of USWUG to the City is that of independent contractor for all purposes under this Agreement, including for the purposes of applicable wage, tax, fringe benefit and worker compensation laws. This Agreement is not intended to create, and shall not be construed as creating, between USWUG and City, the relationship of principal and agent, joint ventures, co-partners or other similar relationship, the existence of which is hereby expressly denied.
- 10.7 The failure on the part of either party to enforce its rights as to any provision of this Agreement shall not be construed as a waiver of its rights to enforce such provisions in the future.
- 10.8 This Agreement shall be binding upon the successors and assigns of each of the parties, but neither party shall assign this Agreement without prior written consent of the other party, which consent shall not be unreasonably withheld. City may assign this Agreement to a new owner of the Facilities if City sells the Facilities, provided, however, that such assignee expressly and in writing assumes all obligations of City under this Agreement.
- 10.9 Should any part of this Agreement for any reason be declared invalid or void, such declaration will not affect the remaining parts of the Agreement, which will remain in full force and effect as if the Agreement had been executed with the invalid portion eliminated.

#### ARTICLE XI – ATTORNEY’S FEES:

- 11.1 The prevailing party in such action shall be entitled to award and reasonable attorney’s fees related to litigation. This includes, but is not limited to expenses incurred in any attempt to collect on this contract, interest accumulated, as well as court filing fees or similar costs.

#### ARTICLE XII – JURISDICTION:

- 12.1 Payment for services rendered under this agreement is due in Pasco, County, FL, and the failure to timely and fully make any such payment constitutes a breach of this agreement. With such breach deemed by the parties hereto to have occurred in Boone County, IA the resolution of any claim or dispute arising from or relating to this agreement must be determined in Boone County, IA. Sole and exclusive venue for any legal action arising from or relating to this agreement shall be in Boone County, IA, to the exclusion of any other venue and courts.

This agreement, consisting of 19 pages, represents the entire understanding between the City and USWUG in respect to the Project and may only be modified in writing and signed by both parties.

IN WITNESS THEREOF, USWUG, by its duly authorized Officer, and the City, by its duly authorized Administrator, has executed this Agreement as to the date and year first above written.

**City (The "City")**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed or Typed Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

Attest \_\_\_\_\_

By: \_\_\_\_\_

**USW Utility Group (The "Contractor")**

\_\_\_\_\_  
(Signature)

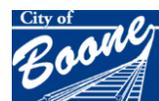
\_\_\_\_\_  
(Printed or Typed Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

Attest \_\_\_\_\_

By: \_\_\_\_\_



DRAFT

## OPERATION, MAINTENANCE, AND MANAGEMENT AGREEMENT

### EXHIBIT A

#### Description of Facilities

For purposes of this Agreement, the following Facilities are included:

##### Water Treatment Plant

State of Iowa - IDNR - PWSID #08-19-0-33

A 6.9 MGD Lime Softening Water Treatment Plant constructed in 1998-2000. This facility is classified as a Grade IV Treatment Plant and consists of the following units:

- Aeration
- Two Upflow solids contact clarifiers
- Recarbonation tank
- Four gravity single media filters
- Chlorine contact basin
- Fluoridation
- Two Million Gallon (MG) ground storage reservoir
- High service pump station with three pumps with a capacity of a pumping rate of 1750 gpm each.
- Diesel generator for emergency use
- 14 shallow Wells located along the east bank of the Des Moines River (Well #12 (1929), Well #13 (1929), Well #16 (1931), Well #19 (1940), Well #20 (1940), Well #21 (1966), Well #22 (1971), Well #23 (1979), Well #24 (1991), Well #25 (1998), Well #26 (1999), Well #27 (1999), Well #28 (1999), Well #29 (2003))

*The Boone Water Works also provides water to Xenia Rural Water and Logansport Water District .*

##### Wastewater Treatment Plant

State of Iowa - IDNR - #08-19-0-01

A Vertical Loop Reactor (VLR) activated sludge wastewater treatment plant construction in 1994-1996. This facility is classified as a Grade IV Treatment Plant and consists of the following units:

- Traveling bar fine - screening
- 12" and 36" parshall flumes with sonic head flow sensor

- Two 20,000 gallon capacity aerated grit chambers
- Four VLR activated sludge aeration basins
- Two 110 ft. final clarifiers
- Post aeration basin
- Four aerobic digesters
- One 2 meter belt filter press
- Diesel generator for emergency use

The treatment plant is designed to treat:

- \* An average dry weather (ADW) flow of 2.1000 Million Gallons Per Day (MGD).
- \* An average wet weather (AWW) flow of 7.0000 Million Gallons Per Day (MGD).
- \* A maximum wet weather (MWW) flow of 15.1000 Million Gallons Per Day (MGD).
- \* A design 5-day biochemical oxygen demand (BOD5) load of 4000 lbs/day.

### Lift Stations

There are currently six (6) Lift Stations (LS).

- W. Park Avenue LS located at 1313 West Park Avenue
- Airport Road LS located at 902 Corporal Snedden Drive
- (Race Track) 220<sup>th</sup> Street LS located at 1494 220<sup>th</sup> Street
- South Linn LS located at 1817 South Linn Street
- 14<sup>th</sup> and Division Street LS located at 1402 Division Street
- Fareway Warehouse LS located at Quartz Avenue

### Storage

There are currently three (3) elevated storage tanks:

- Greene Street (350,000 gallons)
- Industrial Road (500,000 gallons)
- Clinton Street (750,000 gallons)



1406 Central Ave.  
Fort Dodge, IA 50501  
888-348-0110

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