

Exhibit A
Scope of Services
Novelty Hill Strategic Asset Management Plan
City of Redmond

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SCOPE OF SERVICES

Background

The City of Redmond (City) is seeking to establish an asset management approach that will facilitate improved service, reliability, and cross-function cost planning for Novelty Hill Water and Wastewater Utility. The City is developing a Strategic Asset Management Plan (SAMP) for the Novelty Hill service area. The Novelty Hill Water and Wastewater SAMP development will focus on strategic operations and maintenance (O&M) improvements and tactical planning of rehabilitation and replacement (R&R) projects for tanks, pump stations, lift stations, and water and wastewater conveyance infrastructure in the service area.

Building off the foundation laid by the Novelty Hill Water and Wastewater SAMP, in the future the City would like to complete a SAMP for the entire system. This project will provide the guiding framework for subsequent asset management efforts.

Scope of Services

Task 1 – Project Management

Objective

Coordinate task activities among the various HDR Engineering, Inc (HDR) and City staff involved in preparing the Novelty Hill SAMP. Manage the scope, schedule, and budget for the Novelty Hill SAMP.

HDR Services

1. Conduct a project kick-off meeting with HDR's and City project team.
 - i. Review project expectations and define project success factors.
2. Routine communications among the project team.
3. Hold regular meetings and/or conference calls with the City/HDR joint project team.
4. Monitor internal costs, work products, quality control process, and schedule performance over the project duration.
5. Prepare monthly invoices. Prepare brief written progress reports each month to accompany the invoice.

City Responsibilities

1. Engage knowledgeable staff representing the wastewater and drinking water system operations and engineering to provide responses to items addressed in project coordination meetings.
2. Review monthly progress reports and respond to issues identified, if applicable.
3. Process monthly invoices; and communicate questions or issues to HDR Project Manager.

Assumptions

1. The kickoff meeting will be up to 2 hours, and subsequent monthly PM meetings will be about 30 minutes.

2. All meetings will be conducted remotely using Microsoft Teams.
3. Additional time outside the meetings is budgeted for preparation, notes, and follow-up.
4. Meetings will typically involve two HDR staff (i.e., project manager and technical lead).
5. Project duration is approximately 10 months.

Deliverables

1. Kickoff meeting summary, PDF via email.
2. Monthly invoice and progress report, PDF via email.

Task 2 – Data Collection

Objective

Identify and acquire information from City databases and files needed for HDR to carry out its assigned tasks. Provide a basis for asset management planning. This will include asset management policies and asset specific information.

HDR Services

1. Prepare a prioritized data request for submittal to the City listing information needed.
2. Review incoming data provided by the City. Maintain and update the data request. Review progress of data transfer with City Project Manager.
3. Record information to reflect current City policies, processes, and asset condition.
4. Inventory existing assets:
 - i. Compile available asset data
 - ii. Document existing level of service (LOS) and key performance indicators (KPIs) by asset class
 - iii. Document existing O&M strategies and Standard Operating Procedures (SOPs)

City Responsibilities

1. Provide data needed per the data requested.
2. Work with HDR Project Team to resolve questions or missing information.

Assumptions

1. For planning purposes, HDR can reasonably rely on the system data provided.
2. HDR will build upon existing City asset registry and hierarchy.
3. All meetings, if needed to coordinate data collection, will be conducted remotely using Microsoft Teams, up to 1hr in length.
4. Meetings will typically involve up to 3 HDR staff.

Deliverables

1. Data Request, Excel table via email (summary of data to be referenced in SAMP and final data request table included as appendix to SAMP)

Task 3 – Asset Management Review

Objective

Assess the current state of Novelty Hill's water and wastewater asset management implementation, including programs, strategies, processes, and technology enablers. Identify gaps in the City's asset management implementation versus best management practices and associated opportunities to identify gaps.

HDR Services

1. Conduct a review of all asset management and related documentation received through coordination with the City.
2. Conduct interviews/meetings with stakeholders identified by the City for Novelty Hill water and wastewater asset classes. Interviews/Meetings will cover review of the following areas to determine a high-level current state of asset management, processes, and systems:
 - Asset management policy, strategy, and objectives
 - Asset management decision-making (capital and O&M)
 - Including lifecycle, resourcing, and shutdowns and outage strategy
 - Lifecycle delivery and management
 - Asset information (strategy, standards, systems, information management)
 - Organization and people
 - Risk and change management review
 - Including LOS and KPIs
3. Analyze gaps,
 - i. Identify improvement opportunities as referenced by itemized asset management areas in item 2 above (initial pass after Task 2)
 - ii. Following completion of stakeholder interview/meetings in this task, complete review of the current set of maintenance strategies and associated maintenance resourcing and identify potential changes; (confirming gaps after draft SAMP development in Task 5)

Note: After improvement opportunities are compared against the asset management framework (Task 5) for alignment, select improvement opportunities will be prioritized for sequencing and further initiative development (Task 6).

4. Review the gap analysis findings and opportunities for improvement with the City in a final meeting to gather feedback and build consensus.

City Responsibilities

1. Provide data needed per the data request associated with Task 2.
2. Review the gap analysis findings and provide feedback on improvement opportunities.

Assumptions

1. City data will generally be provided in electronic format suitable for use in HDR analyses.

2. Assumed approximately 20% of interview/meetings will be conducted in-person with City O&M crews, the remaining interviews/meetings will be conducted remotely using Microsoft Teams.
3. Interview/meeting schedule will be established and include up to five, up to 2 hr sessions between HDR and City identified staff and crews.
4. Meetings will typically involve up to 3 HDR staff.

Deliverables

1. Asset Management Review and Improvement Opportunities list; summary and list will be incorporated into Asset Management Implementation Plan (Task 6).

Task 4 – Site Facility Visits

Objective

Complete an in-person systems level condition assessment of identified Novelty Hill assets (pump stations, lift stations, reservoirs).

HDR Services

1. Perform field reconnaissance (1-2 hrs per facility) in the company of City operations and engineering staff to determine current systems level condition of specified Novelty Hill assets.
 - i. Validate asset hierarchy and asset registry for service area.

City Responsibilities

1. City staff will lead a field reconnaissance of Novelty Hill facilities with HDR's condition assessment team.
2. Provide any supplemental data to determine the condition of assets as requested by HDR.

Assumptions

1. Field reconnaissance to include up to 2 hrs per facility, all completed in 2 days in-person.
2. Anticipate field reconnaissance to the Novelty Hill water booster pump station, two water tanks, and the seven wastewater lift stations.
3. HDR condition assessment team to include Structural, O&M, Electrical/Controls, and technical lead/project manager.

Deliverables

1. Information and photos collected will be used to inform current state of infrastructure section in draft/final SAMP (Task 5).

Task 5 – SAMP Development

Objective

Establish asset management framework including standardized risk assessment, capital, and maintenance planning strategies. Document the agreed upon asset management strategy in comprehensive planning document.

HDR Services

1. Develop components of strategic assessment plan, including:
 - A. Project life spans for existing assets based on asset class characteristics.
 - 1) Derive remaining useful life and assumptions based on maintenance staff input; key to later scoring likelihood of failure (LOF),
 - 2) And utilize HDR useful-life data library for various asset classes, as well as recently published AWWA Useful Life Schedule.
 - B. Develop risk assessment framework incorporating LOF and consequence of failure (COF). Conduct working session to review and refine risk assessment framework with the City to agree on risk factors and weighting.
 - C. Develop estimating assumptions and high-level, 5- to 20- year planning horizon of replacement and maintenance costs.
 - 1) Prepare project capital cost estimates for improvements, based upon a standard cost methodology developed in coordination with the City. HDR will use recent City bid tabulations, and current and projected Northwest regional construction cost trends to develop suitable planning-level costs.
 - 2) Conduct a workshop with the City to discuss and refine identified capital and O&M needs and prioritized scheduling for projects.
 - 3) Prepare Novelty Hill Capital Needs Technical Memo (anticipated 1-5 pages), summarizing identified capital needs; intended to be used for City conducted CIP planning process.
2. Develop statement of strategic intent that identifies the constraints, goals and vision for asset management against which improvement initiatives will be determined and prioritized for implementation.
3. Develop Novelty Hill strategic asset management plan summarizing all asset management components evaluated including,
 - a. Executive Summary
 - b. Purpose
 - c. Overview of Infrastructure
 - d. Asset Management Intent and Policy
 - e. Asset Management Coordination and Project Execution
 - f. State of Infrastructure
 - g. Monitoring and Improvements
 - h. Budgetary Considerations

City Responsibilities

1. Provide recent City bid tabulations.
2. Provide input on existing and anticipated Novelty Hill CIP projects and associated projects affecting city streets in Novelty Hill service area.
3. Participation in working sessions/review meeting.

Assumptions

1. Unit costs will be based on recent City bid tabulations and Northwest regional unit cost information, as practicable.
2. Capital project costs will be a Class 5 estimate as defined by American Association of Cost Estimators (AACE) International (based upon Class 5, 0- to 2- percent project definition, +100% to -50% Range of Accuracy.)
3. O&M costs will be conceptual, long-range planning estimates.
4. Project costs are based on the best judgment of experienced HDR professionals generally familiar with the industry. However, due to the uncertainty of labor/materials prices and market/bidding conditions, the project costs are not guaranteed to be the same as actual construction cost.
5. Up to 2 working sessions conducted remotely, 1 hr in length, are anticipated during draft SAMP development; attended by two HDR staff.
6. One draft SAMP review meeting, conducted in-person, attended by two HDR staff.

Deliverables

1. Novelty Hill Capital Needs Technical Memo (PDF via email); to be incorporated into budgetary considerations section in draft SAMP (Task 5)
2. Draft and Final Novelty Hill SAMP (word and PDF via email).

Task 6 – Implementation Planning

Objective

HDR will develop proposed recommendations for the City to implement asset management for Novelty Hill Water and Wastewater, including improvements both at the agency and division/asset class level.

HDR Services

1. Prepare in the form of an asset management roadmap, Novelty Hill's Water and Wastewater asset management vision and defined initiatives that can be implemented over a specific period (roadmap) to achieve that vision.
 - i. develop asset management recommendations and proposed initiatives (in the form of projects; using improvement opportunities identified under Task 3)
 - ii. prioritize asset management initiatives and develop a 5-year asset management roadmap
 - iii. develop initiative summary sheets (1-2 pages) for the top three to five initiatives, detailing the scope, current/future state, proposed benefits, budget, and high-level action steps to implement the initiative.

2. Compile recommendations, roadmap, and initiative summary sheets into a final asset management implementation plan. The implementation plan summarizes the approach and selected focus area(s), including the following:
 - i. Asset Management Review (Task 3)
 - ii. Asset Management Initiative Selection and Prioritization
 - iii. Asset Management Roadmap
 - iv. Next Steps
3. Conduct an initial and final meeting/workshop with the City to confirm the shared asset management vision, asset management initiatives, and improvement roadmap.

City Responsibilities

1. Participation in workshops.

Assumptions

1. Assumed initial asset management roadmap workshop will be conducted in-person.
2. The final review meeting will be conducted remotely using Microsoft Teams.
3. Workshops will typically involve up to 3 HDR staff.

Deliverables

1. Novelty Hill Asset Management Roadmap (figure, PDF via email)
2. Novelty Hill Asset Management Implementation Plan (PDF via email)

Task 7 – Optional Supplemental Services

Objective

To provide a contingency task that the City may request additional unforeseen support services including but not limited to completion of Novelty Hill SAMP, asset management implementation, and/or planning for scaling SAMP process systemwide.

HDR Services

1. Provide services contingent on City request to support and up to a to be determined not to exceed amount.

City Responsibilities

1. Authorize supplemental services budget when deemed appropriate to address out-of-scope items.

Assumptions

1. Funds for this task would have to be allocated only after authorization by the City and processing of an amendment.

Deliverables

No deliverables are specified for this task.

Schedule

The tentative project schedule and anticipated dates are outlined in the table below.

Milestone	Anticipated Date
Task 1 – Project Management	Aug 2023 – May 2024
Kickoff Meeting	2 weeks after NTP
PM Check-in Meetings	2 weeks after Kickoff Meeting; monthly recurring
Task 2 – Data Collection	Aug 2023 – Sept 2023
Submit Data Request	1 week after Kickoff Meeting
Task 3 – Asset Management Review	Sept 2023 – Nov 2023
Interviews	4 weeks after Kickoff Meeting
Gap analysis Review Meeting	2 weeks after SAMP Development Workshop – 1 (Task 5)
Task 4 – Site Facility Visits	Oct 2023 (2 days)
Task 5 – SAMP Development	Oct 2023 – Mar 2024
SAMP Development Workshop – 1	2 weeks after Site Facility Visits
Capital Needs Technical Memo	3 weeks after SAMP Development Workshop – 1
SAMP Development Workshop - 2	4 weeks after SAMP Development Workshop – 1
Submit Draft SAMP	3 weeks after SAMP Development Workshop - 2
Draft SAMP Review Meeting	4 weeks after Submit Draft SAMP
Submit Final SAMP	4 weeks after Draft SAMP Review Meeting
Task 6 – Implementation Planning	Apr 2024 – May 2024
Asset Management Roadmap Workshop	3 weeks after Submit Final SAMP
Implementation Plan Review Meeting	4 weeks after Asset Management Roadmap Workshop
Task 7 – Optional Supplemental Services	Sept 2023 – May 2024

Fee

HDR will submit monthly invoices, on a time and materials basis, with a total project cost related to the above scope of services not to exceed \$180,000. A breakdown of fee by task is provided below.

Task	Fee
Task 1 – Project Management	\$16,400
Task 2 – Data Collection	\$16,900
Task 3 – Asset Management Review	\$37,900
Task 4 – Site Facility Visits	\$34,800
Task 5 – SAMP Development	\$55,500
Task 6 – Implementation Planning	\$18,500
Task 7 – Optional Supplemental Services	N/A
TOTAL	\$180,000