

**REGULAR COMMISSION MEETING AGENDA
TUESDAY, JANUARY 11, 2011
6:30 P.M.**

- A. CALL TO ORDER** – Mayor Alec Hendryx
- B. INVOCATION** – Pastor Richard Peckman, St. Paul’s Lutheran Church
- C. PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG**
- D. REVIEW OF AGENDA**
- E. CONSENT AGENDA ITEMS**
 - 1. Regular City Commission Meeting Minutes – Tuesday, December 28, 2010
 - 2. 2010 Appropriation Ordinance No. AO-10-39 – \$1,350,482.29
- REGULAR AGENDA ITEMS**
- F. PUBLIC HEARING(s), SPECIAL PRESENTATION(s), & PROCLAMATION(s).**
- G. COMMENTS FROM THE PUBLIC**
- H. OLD BUSINESS**
- I. NEW BUSINESS**
 - 1. Resolution No. R-11-01 – A Resolution to support the Senior Services of Southeast Kansas grant application to the Kansas Department of Transportation.
 - 2. Resolution No. R-11-02 – A Resolution to reaffirm a multi-year audit engagement letter with Jarred, Gilmore & Phillips for the FY 2010 audit.
 - 3. Resolution No. R-11-03 – A Resolution to authorize final change orders to S.T. Cotter Turbine Services for repairs to the No. 7 turbine and generator.
 - 4. Resolution No. R-11-04 – A Resolution to issue a purchase order to Siemens Energy for the SCADA master upgrade for the Electric Utility Department.
 - 5. Resolution No. R-11-05 – A Resolution to execute an Engineering Services Agreement with Allgeier, Martin & Associates for the SCADA master upgrade for the Electric Utility Department.
 - 6. Resolution No. R-11-06 – A Resolution to execute an Engineering Services Agreement with Bucher, Willis & Ratliff for the FAA slurry seal, joint and crack repairs at Coffeyville Municipal Airport.
 - 7. Resolution No. R-11-07 – A Resolution to implement a January 1, 2011 to December 31, 2011 Memorandum of Agreement with the International Union of Operating Engineers, Local 123.

**REGULAR COMMISSION MEETING AGENDA
TUESDAY, JANUARY 11, 2011**

2

8. Comments from Commissioners and Staff

J. EXECUTIVE SESSION(s)

1. Non-elected personnel

K. GENERAL STAFF, COMMITTEE & BOARD REPORTS AND MINUTES

1. Sales tax report

L. ADJOURN

**REGULAR COMMISSION MEETING MINUTES
TUESDAY, DECEMBER 28, 2010
6:30 P.M.**

The Board of Commissioners met in Regular Session at 6:30 p.m. with Mayor Alec Hendryx presiding.

Present:

MAYOR ALEC HENDRYX
COMMISSIONER DAVID GEORGE
COMMISSIONER PAM JONES
COMMISSIONER JIM C. TAYLOR, SR.

Absent:

COMMISSIONER RICHARD GONZALES

City Staff in attendance were:

CITY CLERK CINDY PRICE
CITY ATTORNEY PAUL KRITZ
FINANCE DIRECTOR STEPHANIE RICHARDSON
IT MANAGER CHRIS FELIX
CITY TREASURER ANGIE NADEN

- A. CALL TO ORDER** – Mayor Alec Hendryx
- B. INVOCATION** – Rev. Mark Wilson, First Church of God
- C. PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG**
- D. REVIEW OF AGENDA**
- E. CONSENT AGENDA ITEMS**
 - 1. Regular City Commission Meeting Minutes – Monday, December 20, 2010
 - 2. 2010 Appropriation Ordinance No. AO-10-38 – \$3,680.159.40

MOTION: Move to approve the consent agenda as presented.

ACTION: THE MOTION WAS MADE BY COMMISSIONER GEORGE AND
SECONDED BY COMMISSIONER JONES. ROLL CALL VOTE –
ALL AYE EXCEPT COMMISSIONER GONZALES WHO WAS
ABSENT.

REGULAR AGENDA ITEMS

- F. PUBLIC HEARING(s), SPECIAL PRESENTATION(s), & PROCLAMATION(s).**
 - 1. Public Hearing to amend the FY 2010 Budget
 - Finance Director Stephanie Richardson addressed the Commission stating there are two funds, General and Bond & Interest Fund, which need to be amended for FY 2010 Budget; the same requirements must be followed to amend the budget as to set it. Since the adoption of the 2010 Budget, a one-half cent sales tax was passed for residential street repair. Those sales tax dollars are mandated by state statute to be receipted into the General Fund and then transferred to the Capital Improvement Fund for street repairs. In November 2008, the City issued temporary Notes pursuant to K.S. A. 100-123 in an amount necessary to temporarily finance the costs of the Public Improvements and related

financing costs for the Walmart Development Agreement. The agreement states Walmart will initially pay for the improvements associated with installation of the water, sewer and electric utilities along with CR 5300 improvements and at the end of the project, the City will reimburse Walmart for 95% of those total costs. The projects are complete and the City must allow for budget authority to make the payment to Walmart.

- Mayor Hendryx opened the Public Hearing. There were no public comments. Commissioner Taylor suggested we set up a specific fund for the sales tax for residential street repairs. Richardson reported this would be done and from June through December \$467,686 had been collected from the street sales tax.

2. Resolution No. R-10-167 – A Resolution to certify the 2010 budget amendment for the general and bond and interest funds of the City of Coffeyville for total expenditures of \$16,901,662.

MOTION: Move to approve Resolution No. R-10-167 for adoption.

ACTION: THE MOTION WAS MADE BY MAYOR HENDRYX AND SECONDED BY COMMISSIONER TAYLOR. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER GONZALES WHO WAS ABSENT.

G. COMMENTS FROM THE PUBLIC

- Janie Houston, representing Downtown Coffeyville, provided an update on DCI activities.

H. OLD BUSINESS

I. NEW BUSINESS

1. Resolution No. R-10-168 – A Resolution to execute a change order for renovation to 608 N. Maple.

- City Treasurer Angie Naden addressed the Commission stating this is the final change order for the NSP Project at 608 N. Maple bringing the total cost of the renovation project to \$49,921.28. The change order is for replacement of a water line and a range hood and totals \$624.37. This is a 100% grant funded project.

MOTION: Move to approve Resolution No. R-10-168 for adoption.

ACTION: THE MOTION WAS MADE BY COMMISSIONER GEORGE AND SECONDED BY COMMISSIONER JONES. ROLL CALL VOTE – ALL AYE EXCEPT FOR COMMISSIONER GONZALES WHO WAS ABSENT.

2. Comments from Commissioners and Staff

- City Clerk Cindy Price reported the Public Service Department is assisting with installation of the shade shelters at LeClere Park; final inspections have been done on all properties in Brown's Riverside Addition; the final walk through on the Mansion Estates 2 Phase 2 project will be this week and weather permitting, there will be asphalt laid this week to complete the Westbrook Street project.
- Commissioner Jones commented about a residue left on dishes after running them through the dishwasher.

- Commissioner Taylor is concerned about the first reading on the ordinance to vacate the alley as requested by Hillview Association being read but the second reading being postponed. He asked his Commissioners to require it to be placed on the agenda for a vote. The three Commissioners declined to support his request. Attorney Kritz noted Senior Services had worked out an agreement with Alderman Acres for parking and the second reading was postponed at the request of the petitioner. He stated he and City Manager Jeff Morris met with representatives from Alderman Acres, Senior Services and Hillview Association and options were discussed related to the City-owned parking lot north of Alderman's business. The options included conveying the lots to Hillview or to Alderman or in some combination or to maintain status quo where the City is the owner. Taylor again requested the ordinance be voted on or it come back to the City as a new project.

J. EXECUTIVE SESSION(s)

K. GENERAL STAFF, COMMITTEE & BOARD REPORTS AND MINUTES

1. Police Department report
2. Coffeyville Public Library minutes

K. ADJOURN

MOTION: Move to adjourn.

ACTION: THE MOTION WAS MADE BY MAYOR HENDRYX AND
SECONDED BY COMMISSIONER TAYLOR. ROLL CALL VOTE –
ALL AYE EXCEPT FOR COMMISSIONER GONZALES WHO WAS
ABSENT.

Time the meeting was adjourned: 7:13 p.m.

Date the minutes were approved: _____

Cindy Price, City Clerk

January 11, 2011
Agenda Item: I-1

TO: Mayor and Commissioners

FROM: Cindy Price, City Clerk

SUBJECT: Resolution of Support for Senior Services of Southeast Kansas

RECOMMENDATION: Approve issuing Resolution of Support

DISCUSSION:

Senior Services of Southeast Kansas provides public transportation to the elderly, disabled and general public of rural Southeast Kansas. Their primary funding source is the Federal Transit Administration and Kansas Department of Transportation (KDOT). To obtain the KDOT funding, a grant application is submitted on an annual basis. Again this year KDOT is requiring evidence of support from the counties served by Senior Services be included with the grant application.

RESOLUTION NO. R-11-01

**A RESOLUTION OF SUPPORT FOR THE SENIOR SERVICES OF SOUTHEAST KANSAS INC.
GRANT APPLICATION TO THE KANSAS DEPARTMENT OF TRANSPORTATION.**

WHEREAS, Senior Services of Southeast Kansas, Inc., began operation in 1981 as a General Public Transportation System and currently serves nine counties in southeast Kansas including Montgomery County; and

WHEREAS, Senior Services of Southeast Kansas, Inc., offers a demand response transportation service to the elderly, disabled and the general public in five counties including Montgomery; and

WHEREAS, the primary funding source for Senior Services Transportation is from the Federal Transit Administration and the Kansas Department of Transportation; and

WHEREAS, Senior Services of Southeast Kansas applies annually to the Kansas Department of Transportation for Section 16/18 capital and/or operating funds;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the City of Coffeyville that the Mayor be authorized to sign a letter of support for the Senior Services of Southeast Kansas grant application for services to meet special transportation needs in our area.

Adopted this 11th day of January 2011.

Alec Hendryx, Mayor

ATTEST:

Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Paul Kritz, City Attorney

RESOLUTION NO. R-11-02

A RESOLUTION TO AUTHORIZE THE REAFFIRMATION OF A MULTI-YEAR (FY09/FY10/FY11) AUDIT ENGAGEMENT LETTER WITH JARRED, GILMORE & PHILLIPS, PA IN THE SUM OF \$12,350 FOR THE FY 2010 AUDIT AND \$1,900 FOR THE SINGLE AUDIT SUBJECT TO ANNUAL CONFIRMATION BY THE CITY OF COFFEYVILLE BOARD OF COMMISSIONERS.

BE IT RESOLVED, by the Board of Commissioners of the City of Coffeyville, Kansas as follows:

SECTION 1. That Jarred, Gilmore & Phillips, PA were and are hereby awarded a multi-year audit engagement for FY 2009, FY 2010 and FY 2011 in the sum of \$12,200, \$12,350, and \$12,500 respectively per annual audit subject to annual confirmation by the City of Coffeyville Board of Commissioners.

SECTION 2. The City may be subject to a Single Audit if Federal expenditures exceed \$500,000 in any one year. If so, additional audit procedures will be required by the Single Audit Act. The estimated fee for those services is \$1,900.

SECTION 3. That the Mayor and the City Clerk be and are hereby authorized to reconfirm the engagement letter dated December 29, 2010, with Jarred, Gilmore & Phillips, PA in the sum of \$12,350 for the FY 2010 audit and \$1,900 for the Single Audit.

SECTION 4. That the 2010 audit will complete year 2 of the 3-year agreement contained in the engagement letter dated December 29, 2010 with Jarred, Gilmore & Phillips, PA.

ADOPTED THIS 11TH DAY OF JANUARY 2011.

Alec Hendryx, Mayor

Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Paul Kritz, City Attorney

JANUARY 11, 2011

ITEM #I-2

TO: MAYOR AND CITY COMMISSION

FROM: FINANCE DEPARTMENT

SUBJECT: APPROVAL OF DECEMBER 29, 2010 AUDIT
ENGAGEMENT LETTER FOR FY 2010 AUDIT
SERVICES

RECOMMENDATION: APPROVE RESOLUTION NO. R-11-02 REAFFIRMING
THE MULTI-YEAR ENGAGEMENT LETTER WITH
JARRED, GILMORE & PHILLIPS, PA FOR THE FY 2009,
FY 2010 AND FY 2011 AUDITS IN THE AMOUNT OF
\$12,350 FOR THE FY 2010 ANNUAL AUDIT AND \$1,900
FOR THE SINGLE AUDIT.

DISCUSSION:

In April 2010, staff received bids for annual audit services. Proposals were taken for one-year contracts and for three-year contracts. The directive from prior City Commissions has been to go through the full bid process once every 3 years unless staff feels that the renewal quote is out of line with the market. Under this format the next full bid process would occur in 2012 for the FY 2012 audit.

The low bidder, Jarred, Gilmore & Phillips, PA, was awarded the audit bid for a three year period for a total of \$37,050 (\$12,200 for FY 2009, \$12,350 for FY 2010 and \$12,500 for FY 2011). This firm has performed the City's audit since 1988. Therefore, they are very familiar with how the City operates and does not require a lot of City staff time to complete the audit. The firm conducts their work in a professional manner and provides assistance to the City throughout the year when various accounting issues arise.

The resolution adopted by the City Commission on April 13, 2010 stated that the audit agreement was subject to annual confirmation by the City of Coffeyville Board of Commissioners. By approving this resolution the Commission will confirm the continuance of the contract with Jarred, Gilmore & Phillips, PA for the 2010 audit.

Staff would be glad to address any questions you have regarding this matter.

Stephanie A. Richardson
Finance Director



December, 29 2010

City of Coffeyville
P.O. Box 1629
Coffeyville, Kansas 67337-0949

We are pleased to confirm our understanding of the services we are to provide for the City of Coffeyville, Kansas, for the year ended December 31, 2010. We will audit the financial statements of the City of Coffeyville, Kansas, as of December 31, 2010, and for the year then ended. It is agreed that the basis of presentation of the financial statements will be in compliance with the cash basis and budget laws of the State of Kansas. It is further agreed that the municipality shall pass, by resolution, a waiver of the requirements of the law relating to the preparation of financial statements and financial reports that conform to generally accepted accounting principles as provided by K.S.A. 75-1120a (c).

Audit Objective

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with the accounting practices as prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas in relation to the basic financial statements taken as a whole. Our audit will be conducted in accordance with generally accepted auditing standards established by the Auditing Standards Board (United States) and the guidance in the Kansas Municipal Audit Guide and will include tests of the accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion on the financial statements is other than unqualified on the statutory basis of accounting, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You are also responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee our assistance with the preparation of your financial statements and related notes and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the City of Coffeyville, Kansas in conformity with the accounting practices as prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas in relation to the basic financial statements taken as a whole.

Jarred, Gilmore & Phillips, PA
CERTIFIED PUBLIC ACCOUNTANTS

412 W. MAIN, P.O. BOX 97
NEODESHA, KANSAS 66757
(620) 325-3430
City of Coffeyville 01-11-11 Commission Agenda

1815 S. SANTA FE, P.O. BOX 779
CHANUTE, KANSAS 66720
(620) 431-6342
www.jgppa.com

16 W. JACKSON
IOLA, KANSAS 66749
(620) 365-3125

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the City complies with applicable laws and regulations.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the City or to acts by management or employees acting on behalf of the City.

Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the City and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Coffeyville, Kansas's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Audit Administration, Fees, and Other

We understand that your employees will assist our staff by locating vouchers, contracts, minutes, and other documentation necessary to complete our audit and help us with the timely preparation of analyses and schedules.

Neil L. Phillips, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

It is our understanding that your intent in engaging us is that the financial statements we render to you under this agreement will be made available to the State of Kansas Division of Accounts and Reports. Moreover, as of the time of this engagement, we have not been notified, in writing or otherwise, that the professional accounting services rendered under this agreement will be made available to any other person, firm, or corporation for any purpose not specified hereinabove. Consequently, no other person, firm, or corporation is entitled to rely upon these professional services for any purpose without our express, written agreement. This engagement letter embodies the entire agreement and understanding between the parties hereto and there are no promises, warranties, covenants or conditions made by any of the parties except as herein expressly contained. The terms and conditions of this engagement shall be governed and construed in writing signed by all the parties. It is agreed that venue and jurisdiction involving any matters arising out of this engagement letter is in the State of Kansas.

Disputes arising under this agreement (including the scope, nature, and quality of services to be performed by us, our fees, and other terms of the engagement) shall be submitted to mediation. A competent and impartial third party, acceptable to both parties, shall be appointed to mediate, and each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceeding shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. If the dispute requires litigation, the court shall be authorized to impose all defense costs against any non-prevailing party found not to have participated in the mediation process in good faith.

Our fees for these services will be based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs such as report production, typing, postage etc. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses, and are payable on presentation. We will perform the audit services for an amount not to exceed \$12,350.00, which includes travel and out-of-pocket costs. The City may be subject to a Single Audit in 2010 if Federal expenditures exceed \$500,000. If so, additional audit procedures will be required by the Single Audit Act. Our estimated fee for these additional services will be \$1,900.00, and a new engagement letter must be obtained.

These fees are based upon anticipated cooperation from your personnel, and the assumption that unexpected circumstances will not be encountered during the audit. The following are examples of circumstances which could result in an increase in fees:

- a significant change in the amount or type of accounting records maintained,
- change in personnel with a corresponding change in level and quality of work performed,
- additional significant state and/or federal grants not identified previously,
- issuance of long-term debt not identified previously for the purposes of new financing or refunding of previously issued long-term debt, or
- new GASB pronouncements that require additional compliance work.
- a greater than expected risk of material misstatement due to fraud.

We would like to point out that we expect the proposal fee to be a maximum charge. As can be seen above, the additional charges would only be necessary due to unusual circumstances not foreseen when the audit proposal was prepared. If significant additional time is necessary, we would discuss it with you and arrive at a new fee estimate.

Non-Audit Services and Fees

In addition to the services provided under the scope of the audit as previously defined, upon the City's request, we will be able to provide certain non-audit services as long as those services do not impair our independence to perform the audit. These non-audit services will include preparation of working trial balances based upon management's chart of accounts and balances and the drafting of the financial statements and footnotes based upon the working trial balances and other information from management so long as the services do not impair our independence as financial statement auditors. These non-audit services will be provided as time is available at our standard hourly rates per level of staff for the time involved plus out-of-pocket expenses.

If such non-audit services, other than in drafting the annual financial statements, are requested and result in an estimated need for more than 40 hours of our services, we will perform the requested work only upon receiving your approval to proceed, will ensure that the non-audit services are performed by individuals other than audit team members, and will bill these services on a weekly basis as the cost is incurred. In order for our firm to perform the non-audit services and not violate the independence professional standards, we must document the following:

- The rationale that the non-audit service does not involve us performing management functions or making management decisions;
- The rationale that the non-audit service does not result in our audit team auditing their own work in areas that are significant or material to the financial statement audit;
- That the non-audit service does not result in a reduction of audit scope or extent beyond a level appropriate had the service been done by a third party;
- That an understanding has been established with the City as to the objectives, scope of work, and non-audit service product or deliverables;
- That an understanding has been established with the City that management is responsible for the non-audit service outcomes;
- That we have ensured that City management is in a position in fact and appearance to make an informed judgment on the results of the non-audit service;
- That we have ensured that City management has designated a management-level individual to be responsible and accountable for overseeing the non-audit service;
- That we have ensured that the City will monitor or has monitored performance of the non-audit service to ensure it meets their objectives;
- That we have ensured the City will make or has made all decisions that involve management functions and accepts full responsibility for the decisions; and
- That we have ensured the City will evaluate or has evaluated the adequacy of the services and any resulting findings.

Unless otherwise specified in a separate agreement, Stephanie, Richardson, CPA, Finance Director, will be the management representative responsible for meeting the above noted management responsibilities related to non-audit services. We have evaluated the qualifications of Stephanie Richardson to oversee anticipated non-audit services and agree that she meets the qualifications necessary to fulfill the above requirements. By signing this engagement letter, you acknowledge your understanding of the above noted management responsibilities related to non-audit services and further acknowledge your agreement to comply with such required tasks.

At the time of execution of this engagement letter, it is anticipated that the following non-audit services will be provided for which we will request documentation of management's compliance with the above noted responsibilities.

Anticipated Non-Audit Services	Tasks To Be Required of Management
We will prepare working trial balances based on management's chart of accounts.	We will provide management with a copy of our working trial balance and ask for written acknowledgement that the amounts agree with the balances in the City's chart of accounts.
We will prepare a draft of the financial statements and footnotes based on the adjusted working trial balances and other information from management.	We will provide a copy of the draft of the financial statements and footnotes to management and ask for written acknowledgement of the following: • That the amounts reported agree with adjusted working trial balances. • Acceptance of any proposed and posted adjusting entries. • Concurrence with the determination of funds. • Concurrence with the classification of revenues and expenses. • Acceptance of any immaterial audit differences not posted.

Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

We appreciate the opportunity to be of service to the City of Coffeyville, Kansas, and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of the **City of Coffeyville, Kansas**.

Signature _____

Title _____

DATE: 1/11/11
ITEM #: I-3

TO: MAYOR AND CITY COMMISSION

FROM: MICHAEL SHOOK, SUPERINTENDENT OF ELECTRIC OPERATIONS

SUBJECT: No. 7 STEAM TURBINE AND GENERATOR INSPECTION
REPAIR CHANGE ORDERS

DISCUSSION:

On July 27, 2010, the Commission approved an agreement and purchase order to S.T. Cotter Turbine Services in the amount of \$273,589.11 for the Inspection of the No. 7 Turbine and Generator.

During the inspection, repairs were deemed necessary on the Steam Turbine. These repairs resulted in the Turbine Rotor having to ship off-site for repairs and balancing, including repairs that were required to the stationary diaphragms.

In addition, repairs were needed on the Generator Hydrogen Seals, which included a complete re-build of the seals.

The change orders included with this staff report are for time and materials to facilitate these emergent repairs, totaling \$123,648.41.

The repairs were authorized by staff to minimize the down time of the unit and restore the GRDA capacity payments in the amount of \$4,693.89 per day as soon as possible.

Therefore, we recommend approval of the change orders to S.T. Cotter Turbine Services, Inc., in the amount of \$123,648.41 for the necessary repairs on the No. 7 Turbine and Generator.

Attachments:

S.T. Cotter Turbine Services, Inc Change Order Requests 1 – 9

RESOLUTION NO. R-11-03

A RESOLUTION TO AUTHORIZE FINAL CHANGE ORDERS TO S.T. COTTER TURBINE SERVICES, INC FOR REPAIRS ON THE NO. 7 TURBINE AND GENERATOR, FOR THE CITY OF COFFEYVILLE ELECTRIC UTILITY.

BE IT RESOLVED by the Board of Commissioners of the City of Coffeyville, Kansas that the Mayor and City Clerk be and are hereby authorized to approve final change orders in the amount of \$123,648.41 to S.T. Cotter Turbine Services Inc. for the repairs on the No. 7 Turbine and Generator, for the City of Coffeyville Electric Utility.

ADOPTED THIS 11th DAY OF JANUARY 2011.

Alec Hendryx, Mayor

ATTEST:

Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Paul Kritz, City Attorney

S T COTTER TURBINE SERVICES INC

2167 196th Street East
Clearwater, MN 55320

Invoice

Date	Invoice #
12/15/2010	2010650

Bill To
COFFEYVILLE POWER STATION 605 SANTA FE PO BOX 1629 COFFEYVILLE, KS 67337

P.O. No.	Terms	Project
	Net 30	COR 1

Description	Qty	Rate	Amount
COFFEYVILLE POWER STATION - TURBINE GENERATOR 7 INSPECTION			
COR 1 - CURTIS RING BOLT REMOVAL			
KEY MILLWRIGHT GENERAL FOREMAN DAY SHIFT STANDARD TIME	1	72.57	72.57
KEY MILLWRIGHT GENERAL FOREMAN DAY SHIFT OVER TIME	1	96.52	96.52
KEY MILLWRIGHT DAY SHIFT STANDARD TIME	3	66.86	200.58
KEY MILLWRIGHT DAY SHIFT OVER TIME	4	88.21	352.84
LOCAL MILLWRIGHT DAY SHIFT STANDARD TIME	3	42.79	128.37
LOCAL MILLWRIGHT DAY SHIFT OVER TIME	4	55.33	221.32
ON SITE JOB COSTS	16	2.50	40.00
		Total	\$1,112.20
		Payments/Credits	\$0.00
		Balance Due	\$1,112.20

S T COTTER TURBINE SERVICES INC

2167 196th Street East
Clearwater, MN 55320

Invoice

Date	Invoice #
12/15/2010	2010651

Bill To
COFFEYVILLE POWER STATION 605 SANTA FE PO BOX 1629 COFFEYVILLE, KS 67337

P.O. No.	Terms	Project
	Net 30	COR 2

Description	Qty	Rate	Amount
COFFEYVILLE POWER STATION - TURBINE GENERATOR 7 INSPECTION			
COR 2 - SHIPMENT PREP FOR REPAIRS			
KEY MILLWRIGHT NIGHT SHIFT OVER TIME	2	89.25	178.50
LOCAL MILLWRIGHT NIGHT SHIFT OVER TIME	6	56.27	337.62
TECH FIELD SUPER DAY SHIFT OVER TIME	3	134.22	402.66
KEY MILLWRIGHT GENERAL FOREMAN DAY SHIFT OVER TIME	3	96.52	289.56
KEY MILLWRIGHT DAY SHIFT OVER TIME	8	88.21	705.68
LOCAL MILLWRIGHT DAY SHIFT OVER TIME	4	55.33	221.32
KEY MILLWRIGHT GENERAL FOREMAN NIGHT SHIFT OVER TIME	2	97.56	195.12
ON SITE JOB COSTS	28	2.50	70.00
PER DIEM	1	129.64	129.64
		Total	\$2,530.10
		Payments/Credits	\$0.00
		Balance Due	\$2,530.10

S T COTTER TURBINE SERVICES INC

2167 196th Street East
Clearwater, MN 55320

Invoice

Date	Invoice #
12/15/2010	2010652

Bill To
COFFEYVILLE POWER STATION 605 SANTA FE PO BOX 1629 COFFEYVILLE, KS 67337

P.O. No.	Terms	Project
	Net 30	COR 3

Description	Qty	Rate	Amount
COFFEYVILLE POWER STATION - TURBINE GENERATOR 7 INSPECTION			
COR 3 - REMOVAL OF DISKS OFF CONTROL VALVE STEMS			
KEY MILLWRIGHT GENERAL FOREMAN DAY SHIFT STANDARD TIME	4	72.57	290.28
KEY MILLWRIGHT GENERAL FOREMAN DAY SHIFT OVER TIME	1	96.52	96.52
KEY MILLWRIGHT DAY SHIFT STANDARD TIME	21	66.86	1,404.06
KEY MILLWRIGHT DAY SHIFT OVER TIME	4	88.21	352.84
LOCAL MILLWRIGHT DAY SHIFT STANDARD TIME	10.5	42.79	449.30
LOCAL MILLWRIGHT DAY SHIFT OVER TIME	2	55.33	110.66
ON SITE JOB COSTS	42.5	2.50	106.25
		Total	\$2,809.91
		Payments/Credits	\$0.00
		Balance Due	\$2,809.91

S T COTTER TURBINE SERVICES INC

2167 196th Street East
Clearwater, MN 55320

Invoice

Date	Invoice #
12/15/2010	2010653

Bill To
COFFEYVILLE POWER STATION 605 SANTA FE PO BOX 1629 COFFEYVILLE, KS 67337

P.O. No.	Terms	Project
	Net 30	COR 4

Description	Qty	Rate	Amount
COFFEYVILLE POWER STATION - TURBINE GENERATOR 7 INSPECTION COR 4 - EXCEED MAN HOUR BLOCK FOR LAPPING ON MAIN STOP VALVE KEY MILLWRIGHT GENERAL FOREMAN DAY SHIFT STANDARD TIME KEY MILLWRIGHT DAY SHIFT STANDARD TIME KEY MILLWRIGHT DAY SHIFT OVER TIME PER DIEM ON SITE JOB COSTS	 2 8 2 2 12	 72.57 66.86 88.21 129.64 2.50	 145.14 534.88 176.42 259.28 30.00
		Total	\$1,145.72
		Payments/Credits	\$0.00
		Balance Due	\$1,145.72

S T COTTER TURBINE SERVICES INC

2167 196th Street East
Clearwater, MN 55320

Invoice

Date	Invoice #
12/15/2010	2010654REV1

Bill To
COFFEYVILLE POWER STATION 605 SANTA FE PO BOX 1629 COFFEYVILLE, KS 67337

P.O. No.	Terms	Project
	Net 30	COR 5

Description	Qty	Rate	Amount
COFFEYVILLE POWER STATION - TURBINE GENERATOR 7 INSPECTION			
COR 5 CONTRACT EXTENSION DUE TO REPAIRS			
TECH FIELD SUPER DAY SHIFT STANDARD TIME	40	98.49	3,939.60
TECH FIELD SUPER DAY SHIFT OVER TIME	11.5	134.22	1,543.53
KEY MILLWRIGHT GENERAL FOREMAN DAY SHIFT STANDARD TIME	34	72.57	2,467.38
KEY MILLWRIGHT GENERAL FOREMAN DAY SHIFT OVER TIME	11	96.52	1,061.72
KEY MILLWRIGHT DAY SHIFT STANDARD TIME (50% OF TIME)	85.5	66.86	5,716.53
KEY MILLWRIGHT DAY SHIFT OVER TIME (50 OF TIME)	22	88.21	1,940.62
LOCAL MILLWRIGHT DAY SHIFT STANDARD TIME (50% OF TIME)	74.75	42.79	3,198.55
LOCAL MILLWRIGHT DAY SHIFT OVER TIME (50 % OF TIME)	19	55.33	1,051.27
PER DIEM SUPT	12	141.14	1,693.68
PER DIEM KEYS	30	129.64	3,889.20
ON SITE JOB COSTS	297.75	2.50	744.38
DEDUCTION FOR EL CID TEST NOT PERFORMED	1	-6,600.00	-6,600.00
DEDUCTIONS FOR OIL PUMP TESTING	1	-1,369.28	-1,369.28
		Total	\$19,277.18
		Payments/Credits	\$0.00
		Balance Due	\$19,277.18

S T COTTER TURBINE SERVICES INC

2167 196th Street East
Clearwater, MN 55320

Invoice

Date	Invoice #
12/15/2010	2010655

Bill To
COFFEYVILLE POWER STATION 605 SANTA FE PO BOX 1629 COFFEYVILLE, KS 67337

P.O. No.	Terms	Project
	Net 30	COR 6

Description	Qty	Rate	Amount
COFFEYVILLE POWER STATION - TURBINE GENERATOR 7 INSPECTION COR 6 - REPAIRS OPTION #2 INSHOP REPAIRS OIL DEFLECTORS ON SITE SUPPORT TO COMPLETE NOZZLE AND MINOR REPAIRS (4 DAYS) 13TH AND 14TH STAGE DIAPHRAGMS CURTIS REPAIRS			
	1	38,486.00	38,486.00
	4	3,300.00	13,200.00
	1	9,428.57	9,428.57
	1	17,600.00	17,600.00
	1	12,540.00	12,540.00
Pay online at https://ipn.intuit.com/m795khs			
		Total	\$91,254.57
		Payments/Credits	\$0.00
		Balance Due	\$91,254.57

S T COTTER TURBINE SERVICES INC

2167 196th Street East
Clearwater, MN 55320

Invoice

Date	Invoice #
12/23/2010	2010674

Bill To
COFFEYVILLE POWER STATION 605 SANTA FE PO BOX 1629 COFFEYVILLE, KS 67337

P.O. No.	Terms	Project
	Net 30	COR 1

Description	Qty	Rate	Amount
COFFEYVILLE POWER STATION - TURBINE GENERATOR 7 INSPECTION			
COR 1 - CURTIS RING BOLT REMOVAL			
LOCAL MILLWRIGHT DAY SHIFT STANDARD TIME	4	42.79	171.16
LOCAL MILLWRIGHT DAY SHIFT OVER TIME	2	55.33	110.66
KEY MILLWRIGHT GENERAL FOREMAN DAY SHIFT STANDARD TIME	1	72.57	72.57
KEY MILLWRIGHT DAY SHIFT STANDARD TIME	4	66.86	267.44
KEY MILLWRIGHT DAY SHIFT OVER TIME	2	88.21	176.42
PER DIEM	1	129.64	129.64
ON SITE JOB COSTS	13	2.50	32.50
		Total	\$960.39
		Payments/Credits	\$0.00
		Balance Due	\$960.39

S T COTTER TURBINE SERVICES INC

2167 196th Street East
Clearwater, MN 55320

Invoice

Date	Invoice #
12/24/2010	2010675

Bill To
COFFEYVILLE POWER STATION 605 SANTA FE PO BOX 1629 COFFEYVILLE, KS 67337

P.O. No.	Terms	Project
	Net 30	COR 2

Description	Qty	Rate	Amount
COFFEYVILLE POWER STATION - TURBINE GENERATOR 7 INSPECTION			
COR 2 - SHIPMENT PREP			
LOCAL MILLWRIGHT DAY SHIFT STANDARD TIME	10.5	42.79	449.30
TECH FIELD SUPER DAY SHIFT STANDARD TIME	2	98.49	196.98
KEY MILLWRIGHT GENERAL FOREMAN DAY SHIFT STANDARD TIME	3.5	72.57	254.00
KEY MILLWRIGHT DAY SHIFT STANDARD TIME	7	66.86	468.02
ON SITE JOB COSTS	23	2.50	57.50
Pay online at https://ipn.intuit.com/j4cps6b			
		Total	\$1,425.80
		Payments/Credits	\$0.00
		Balance Due	\$1,425.80

S T COTTER TURBINE SERVICES INC

2167 196th Street East
Clearwater, MN 55320

Invoice

Date	Invoice #
12/24/2010	2010676

Bill To
COFFEYVILLE POWER STATION 605 SANTA FE PO BOX 1629 COFFEYVILLE, KS 67337

P.O. No.	Terms	Project
	Net 30	COR 3

Description	Qty	Rate	Amount
COFFEYVILLE POWER STATION - TURBINE GENERATOR 7			
COR 3 - REMOVAL OF DISKS OFF CONTROL VALVE STEMS			
KEY MILLWRIGHT DAY SHIFT STANDARD TIME	2	66.86	133.72
LOCAL MILLWRIGHT DAY SHIFT STANDARD TIME	2	42.79	85.58
ON SITE JOB COSTS	4	2.50	10.00
Pay online at https://ipn.intuit.com/cwfmfzm			
		Total	\$229.30
		Payments/Credits	\$0.00
		Balance Due	\$229.30

S T COTTER TURBINE SERVICES INC

2167 196th Street East
Clearwater, MN 55320

Invoice

Date	Invoice #
12/24/2010	2010677

Bill To
COFFEYVILLE POWER STATION 605 SANTA FE PO BOX 1629 COFFEYVILLE, KS 67337

P.O. No.	Terms	Project
	Net 30	COR 7

Description	Qty	Rate	Amount
COFFEYVILLE POWER STATION - TURBINE GENERATOR 7 INSPECTION COR 7 - BEARING CHECKS LOCAL MILLWRIGHT DAY SHIFT STANDARD TIME KEY MILLWRIGHT GENERAL FOREMAN DAY SHIFT STANDARD TIME KEY MILLWRIGHT DAY SHIFT STANDARD TIME KEY MILLWRIGHT DAY SHIFT OVER TIME ON SITE JOB COSTS	10 2 1.5 2 15.5	42.79 72.57 66.86 88.21 2.50	427.90 145.14 100.29 176.42 38.75
		Total	\$888.50
		Payments/Credits	\$0.00
		Balance Due	\$888.50

S T COTTER TURBINE SERVICES INC

2167 196th Street East
Clearwater, MN 55320

Invoice

Date	Invoice #
12/24/2010	2010678

Bill To

COFFEYVILLE POWER STATION
605 SANTA FE
PO BOX 1629
COFFEYVILLE, KS 67337

P.O. No.**Terms****Project**

Net 30

COR 8

Description	Qty	Rate	Amount
COFFEYVILLE POWER STATION - TURBINE GENERATOR 7 INSPECTION			
COR 8 - DRILL OUT ELEVATION SCREWS			
LOCAL MILLWRIGHT DAY SHIFT STANDARD TIME	6	42.79	256.74
LOCAL MILLWRIGHT DAY SHIFT OVER TIME	4	55.33	221.32
KEY MILLWRIGHT GENERAL FOREMAN DAY SHIFT STANDARD TIME	1	72.57	72.57
KEY MILLWRIGHT DAY SHIFT STANDARD TIME	7	66.86	468.02
KEY MILLWRIGHT DAY SHIFT OVER TIME	2	88.21	176.42
ON SITE JOB COSTS	20	2.50	50.00
		Total	\$1,245.07
		Payments/Credits	\$0.00
		Balance Due	\$1,245.07

S T COTTER TURBINE SERVICES INC

2167 196th Street East
Clearwater, MN 55320

Invoice

Date	Invoice #
12/24/2010	2010679

Bill To

COFFEYVILLE POWER STATION
605 SANTA FE
PO BOX 1629
COFFEYVILLE, KS 67337

P.O. No.**Terms****Project**

Net 30

COR 9

Description	Qty	Rate	Amount
COFFEYVILLE POWER STATION - TURBINE GENERATOR 7 INSPECTION			
COR 9 - SCRAPE NEW SHAFT PACKING			
LOCAL MILLWRIGHT NIGHT SHIFT STANDARD TIME	8	43.44	347.52
LOCAL MILLWRIGHT DAY SHIFT OVER TIME	3	55.33	165.99
KEY MILLWRIGHT GENERAL FOREMAN DAY SHIFT OVER TIME	1	96.52	96.52
ON SITE JOB COSTS	12	2.50	30.00
PER DIEM	1	129.64	129.64
		Total	\$769.67
		Payments/Credits	\$0.00
		Balance Due	\$769.67

DATE: 01/11/2011
ITEM #: I-4 & I-5

TO: MAYOR AND CITY COMMISSION
FROM: GENE RATZLAFF, DIRECTOR OF ELECTRIC UTILITIES
SUBJECT: SCADA MASTER STATION UPGRADE

DISCUSSION:

The Supervisory Control and Data Acquisition (SCADA) system at the Electric Utility was first installed in 1987, and upgraded in 2001.

This system gives the Operators command and control function of the City of Coffeyville's electric distribution and transmission assets, located in the five substations located throughout the city. This system is crucial to the reliability of our electric system, allowing staff to monitor and have remote access to take corrective actions during events such as High Voltage breaker operations.

The existing SCADA system has become obsolete, and is approaching being unreliable. In 2008, with the upgrade of the Power Plant Substation, funds were included to investigate upgrading the Supervisory Control and Data Acquisition system. Allgeier, Martin and Associates, who performed the Power Plant Substation upgrade, has investigated the City of Coffeyville's current SCADA system, including assisting with maintenance and repair of this SCADA system over the last ten years.

This upgrade would also enhance our ability to meet the North American Electric Reliability Council's (NERC) requirements for Critical Infrastructure Protection (CIP) Standard mandates.

Staff and Allgeier, Martin and Associates both recommend staying with the Tele-Gyr/Siemens Systems, since the hardware and software are proprietary, and changing to a different vendor would only serve to increase cost and would not allow for a seamless transition during an upgrade of the system.

Allgeier, Martin and Associates met with Staff to determine, select and finalize the requirements of our system and then sought pricing from Siemens, including the initial engineering of the project, and they will assist the Electric Utility in the setup, installation, training and conversion to the new system.

Siemens Energy Inc. cost for the equipment upgrade to our SCADA system is \$174,830.00.

Allgeier, Martin and Associates, Inc. cost for engineering and installation assistance services is \$51,700.00.

Therefore, staff recommends the Finance Director be authorized to execute a purchase order to Siemens Energy Inc. in the amount of \$174,830.00 for the SCADA Master Station Upgrade at the City of Coffeyville Electric Utility, including a purchase order to Allgeier, Martin and Associates, Inc. in the amount of \$51,700.00 for the engineering services and installation assistance for the SCADA Master Upgrade.

RESOLUTION NO. R-11-04

A RESOLUTION TO AUTHORIZE THE ISSUANCE OF A PURCHASE ORDER TO SIEMENS ENERGY INC. FOR \$174,830.00 FOR THE SCADA MASTER UPGRADE FOR THE CITY OF COFFEYVILLE ELECTRIC UTILITY.

BE IT RESOLVED by the Board of Commissioners of the City of Coffeyville, Kansas that the Finance Director be and is hereby authorized and directed to issue a purchase order in the amount \$174,830.00 to Siemens Energy Inc. for the SCADA Master Upgrade for the City of Coffeyville Electric Utility.

ADOPTED THIS 11th DAY OF JANUARY 2011.

Alec Hendryx, Mayor

ATTEST:

Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Paul Kritz, City Attorney

ALLGEIER, MARTIN and ASSOCIATES, INC.

2011 CLASSIFICATION FEE SCHEDULE - Electrical Division

Class	Classification	Hourly Rate
ENG IV	ENGINEER IV	\$ 160.00
ENG III	ENGINEER III	\$ 145.00
ENG II	ENGINEER II	\$ 125.00
ENG I	ENGINEER I	\$ 95.00
TEC III	TECHNICIAN III	\$ 110.00
TEC II	TECHNICIAN II	\$ 77.50
TEC I	TECHNICIAN I	\$ 60.00
DRF III	DRAFTER III	\$ 55.00
DRF II	DRAFTER II	\$ 49.50
DRF I	DRAFTER I	\$ 33.50
SCA III	CLERK / ASSISTANT III	\$ 57.00
SCA II	CLERK / ASSISTANT II	\$ 44.00
SCA I	CLERK / ASSISTANT I	\$ 33.50
RW II	RIGHT OF WAY REPRESENTATIVE II	\$ 93.00
RW I	RIGHT OF WAY REPRESENTATIVE I	\$ 60.00
RPR III	PROJECT REPRESENTATIVE III	\$ 95.00
RPR II	PROJECT REPRESENTATIVE II	\$ 67.00
RPR I	PROJECT REPRESENTATIVE I	\$ 60.00
RLS II	REGISTERED LAND SURVEYOR II	\$ 110.00
RLS I	REGISTERED LAND SURVEYOR I	\$ 83.00
SVY PC	SURVEY PARTY CHIEF	\$ 72.50
STK PC	STAKING PARTY CHIEF	\$ 72.50
SVY III	SURVEY CREW MEMBER III	\$ 64.50
SVY II	SURVEY CREW MEMBER II	\$ 52.00
SVY I	SURVEY CREW MEMBER I	\$ 44.00
ITS III	COMPUTING SPECIALIST III	\$ 150.00
ITS II	COMPUTING SPECIALIST II	\$ 67.50
ITS I	COMPUTING SPECIALIST I	\$ 49.00
PRN III	PRINT & PHOTOGRAPHY SPECIALIST III	\$ 57.00
PRN II	PRINT & PHOTOGRAPHY SPECIALIST II	\$ 52.00
PRN I	PRINT & PHOTOGRAPHY SPECIALIST I	\$ 44.00

ALLGEIER, MARTIN and ASSOCIATES, INC.
2011 Standard Ancillary Rates - Electrical Division

Vehicle Mileage	\$0.51 per mile (or current IRS rate)
Travel Expenses	Actual Cost
Lodging	Actual Cost
Meals	Current AM Per Diem or Actual Cost
Special Postage or Shipping	Actual Cost
Printing:	
Large Format Line Print	\$0.1364 per Sq. Ft. (B/W)/\$3.00 per Sq. Ft. (Color)
Large Format Copy	\$0.1364 per Sq. Ft. (B/W)/\$3.00 per Sq. Ft. (Color)
Bond Copy (8.5" x 11", B/W)	\$0.0597 each
Bond Copy (11" x 17", B/W)	\$0.1194 each
Special	Current cost
Special Engineering Software:	
PLS (CAD, Pole, Tower, Etc.)	\$4.00 per hour
Aspen OneLiner	\$10.00 per hour
MilSoft	\$5.00 per hour
Special Survey Materials:	Actual Cost + 10%
Rental Equipment	Actual Cost + 10%
Subcontracted Services	Actual Cost + 10%
All Terrain Vehicle (ATV)	\$40.00/Day
Utility Vehicle (UTV)	\$60.00/Day
Tower Climbing Surcharge: ¹	
Height up to 49 Ft	None
50 - 99 Ft	\$ 60.00
100 - 199 Ft	\$ 110.00
200 - 299 Ft	\$ 170.00
300 - 399 Ft	\$ 240.00
400 - 499 Ft	\$ 350.00
500 - 599 Ft	\$ 500.00
600 - 699 Ft	\$ 750.00
700 - 799 Ft	\$ 1,050.00
800 - 899 Ft	\$ 1,400.00
900 - 1000 Ft	\$ 1,800.00

1 These rates apply to tower and structure climbing for inspection, minor maintenance and other agreed activities. The surcharge will be in addition to regular hourly fees and other ancillary costs.

EQUIPMENT ACCEPTANCE PRICING
for
The City of Coffeyville
SCADA MASTER SYSTEM UPGRADE

Bid Schedule 1: Base System, Including:

1.1:	Services Includes Project Management, Integration Test & Pre-FAT, shipping & receiving, documentation, and Factory Demo Test.	\$24,200
1.2:	Dual servers with RAID 5 storage - Reuse existing modems (CML&P to provide monitors for the local connection) Substitute two 1 TB external hard drives for the two tape drives included in the original proposal at no additional charge. <i>CML&P elects to purchase the bid schedule with the Netgear switches. Pricing per original L.O.D. 11/22/2010.</i>	\$45,200
1.3:	Two Workstation Consoles (CML&P to provide monitors for the workstations)	\$7,570

Bid Schedule 1A: Functional and Special Applications

CML&P elects to not purchase any items from this bid schedule.

Bid Schedule 1B: Master Station System Options

1B-2:	Remote Operator Workstation over VPN <i>CML&P elects to purchase software only. Pricing per Revised L.O.D. 11/22/2010 and Siemens email 12/7/2010 that clarified price reductions.</i>	\$2,820
1B-3:	Remote Operator Workstation over SCADA LAN <i>CML&P elects to purchase software only. Pricing per Revised L.O.D. 11/22/2010 and Siemens email 12/7/2010 that clarified price reductions.</i>	\$710
	Two Additional Workstation Software Licenses <i>CML&P elects to purchase the additional software licenses. Pricing per Revised L.O.D. 11/22/2010.</i>	\$4,120
1B-4:	Network Printer with Ethernet/Fiber Interface <i>CML&P elects to not purchase this bid schedule.</i>	\$0
1B-6:	GPS Time Sync <i>CML&P elects to purchase this bid schedule. Pricing per Original L.O.D. 10/19/2010.</i>	\$4,650
1B-7:	Auto Dial Voice Message Annunciator <i>CML&P elects to not purchase this bid schedule.</i>	\$0
1B-8:	Projector System/Video Monitor Interface <i>CML&P elects to not purchase this bid schedule.</i>	\$0

Bid Schedule 1C: Database & Display Entry Options

Bidder conversion of database and displays included in base system price.

1C-5:	Bidder Conversion of Existing SLDs to Worldview Siemens to Build Overview Display <i>CML&P elects to purchase this bid schedule. Pricing per Original L.O.D. 10/19/2010.</i>	\$4,050
1C-6:	Bidder Development of Data Capture and Reports <i>CML&P elects to purchase this bid schedule. Pricing per Original L.O.D. 10/19/2010.</i>	\$4,050

1C-7:	Bidder Development of Script Templates <i>CML&P elects to purchase this bid schedule. Pricing per Original L.O.D. 10/19/2010. Siemens stated in email 12/7/2010 that this item can be removed after PO is written using a change order for a PO deduction.</i>	\$4,050
Bid Schedule 1D:	Security Hardware & Software to Meet CIPs 002-009 <i>CML&P elects to purchase this bid schedule. Pricing per Original L.O.D. 10/19/2010.</i>	\$7,010
Bid Schedule 2:	Spare Parts <i>CML&P elects to not purchase any spare parts listed in this Bid Schedule.</i>	\$0
Bid Schedule 3:	Accessories <i>CML&P elects to not purchase any spare accessories listed in this Bid Schedule.</i>	\$0
Bid Schedule 5:	Training Courses at Factory 4 Days of training scheduled the week before FAT. Training for up to 8 attendees. Courses listed in revised L.O.D. 11/22/2010. <i>CML&P elects to purchase this bid schedule. Pricing per revised L.O.D. 11/22/2010.</i>	\$9,120
Bid Schedule 6:	Training Courses On Site 4 Days of training and travel costs. Courses listed in revised L.O.D. 11/22/2010. <i>CML&P elects to purchase this bid schedule. Pricing per revised L.O.D. 11/22/2010.</i>	\$11,300
Bid Schedule 7:	Service Support	
7A:	Start-Up Service <i>CML&P elects to purchase this bid schedule. Pricing per original L.O.D. 10/19/2010</i>	\$12,300
7B:	Maintenance Service First year included in Base System. Year Two Year Three Year Four <i>CML&P elects to purchase three additional years of service. Pricing per original L.O.D. 10/19/2010.</i>	 \$10,500 \$11,025 \$12,155
SCADA EQUIPMENT, TRAINING, SERVICE, & LICENSE TOTAL INCLUDING ALL APPROVED OPTIONS		\$174,830

Prepared by:
ALLGEIER, MARTIN and ASSOCIATES, INC.
Joplin, Missouri
Nathan E. Arnold
12/8/2010

**AGREEMENT BETWEEN OWNER AND ENGINEER
FOR
PROFESSIONAL SERVICES
(SCADA Master System Upgrade)**

THIS AGREEMENT, made at Coffeyville, Kansas _____, 2011 between the City of Coffeyville, Kansas a Kansas municipality, (Owner) and Allgeier, Martin and Associates, Inc., a Missouri corporation, (Engineer);

WITNESSETH:

Whereas, the Owner owns and operates an electrical power system and desires the Engineer to perform requested engineering services; and

Whereas, the Engineer represents that he has personnel and equipment to perform and agreed engineering services.

Now, therefore, in consideration of the mutual undertakings herein contained, the Owner and the Engineer agree as follows:

ARTICLE I – SERVICES TO BE PERFORMED

Section 1. SERVICES AND WORK STATEMENTS

The Engineer will provide services, including reports, plans, specifications and other documents, as stated in the attached Work Statement.

Section 2. ADVICE

The Engineer shall advise the Owner by telephone or correspondence at such times and with respect to such engineering problems as the Owner may request, provided advice on such problems can reasonably be given of the basis of the Engineer's knowledge of the Owner's system, studies, maps and other information furnished by the Owner.

Section 3. SITE VISITS

The Engineer shall, at such times as are agreed upon by the Owner and the Engineer, visit the system to inspect construction work and perform such other engineering services in respect of the system as may be requested by the Owner.

Section 4. ADDITIONAL SERVICES

The Engineer shall, upon receipt of reasonable notice from the Owner, promptly furnish such additional engineering services as the Owner may request and the Engineer agrees.

ARTICLE II – COMPENSATION

Section 1. RATES

The Owner shall pay the Engineer based on the Engineer's hourly labor and expense rates at the time the service is performed.

The rate schedule attached to the contract covers the time frame in effect at the time of execution. If the Engineer's services are needed beyond this period, and the rate schedule is then increased, the Owner shall have the option of terminating this agreement at that time.

Section 2. INVOICE SUBMITTAL

The Engineer shall submit an invoice monthly, for months in which work was performed, during the term of the Agreement and a final invoice upon completion of Services.

Section 3. PAYMENT

The invoice will be due upon receipt. The Owner agrees to pay the Engineer within 15 days of the invoice date. The Owner agrees to pay the Engineer a late charge of 1.5 percent per month or the maximum amount allowed by law, if less, on all amounts remaining unpaid, starting on the 30th day following the invoice date. The Owner agrees to assess and pay the late charge without further invoicing from the Engineer.

Section 4. DISPUTES

In the event the Owner questions some element of an invoice, that fact shall be made known to the Engineer immediately. The Engineer will help effect resolution and transmit a revised invoice as necessary. Amounts not questioned by the Owner shall be promptly paid to the Engineer in accordance with the above payment procedures.

Section 5. NONPAYMENT

In the event of nonpayment the Engineer may discontinue further work and the Owner shall be liable for any collection costs, including reasonable attorney's fees.

ARTICLE III – INSURANCE

Section 1. COVERAGE

During the performance of the Services under this Agreement, Engineer shall maintain the following insurance:

- a) Workers' Compensation Insurance in accordance with statutory requirements. Employers' Liability Insurance with a limit of \$100,000 for each occurrence.*
- b) Professional Liability Insurance, with a limit of not less than \$2,000,000 annual aggregate.*
- c) General Liability Insurance, with bodily injury limits of \$1,000,000 for each occurrence and \$2,000,000 aggregate.*
- d) Automobile Liability Insurance, with combined single limits of \$1,000,000 for each accident.*

Section 2. CERTIFICATES OF INSURANCE

The Engineer shall, upon request, furnish the Owner certificates of insurance, which shall include a provision that the issuing insurer shall endeavor to give Owner at least 10 days written notice prior to any cancellation thereof.

Section 3. CONSTRUCTION PHASE

If the Services result in a construction phase of the project, Owner will request all Project Contractors to cause Owner and Engineer to be named as additional insureds on their insurance coverage with respect to the Project, and to indemnify and hold harmless Owner and Engineer for said Project Contractors' negligence or fault, or that of their agents, employees or contractors. Owner shall have no liability to the Engineer for the failure of any project contractors or engineers to provide such coverage (waiver).

ARTICLE IV – MISCELLANEOUS

Section 1. STANDARD OF CARE

Engineer shall exercise the same degree of care, skill and diligence in the performance of the Services as is ordinarily possessed and exercised by a professional engineer under similar circumstances. No other warranty, express or implied, is included in this Agreement or in any drawing, specification, report or opinion produced pursuant to this Agreement.

Section 2. LIMITATIONS OF RESPONSIBILITY

Engineer shall not be responsible for: (1) construction means, methods, techniques, sequences, procedures or safety precautions and programs in connection with the Project; (2) the failure of any contractor, subcontractor, vendor or other Project participant, not under contract to Engineer, to fulfill contractual responsibilities to the Owner or to comply with federal, state, or local laws, regulations and codes; (3) procuring permits, certificates and licenses required for any construction unless such responsibilities are specifically assigned to Engineer in the referenced documents.

Section 3. OPINIONS OF COST AND SCHEDULE

Since Engineer has no control over the cost of labor, materials or equipment furnished by others or over the resources provided by others to meet Project schedules, Engineer's opinion of probable costs and of Project schedules shall be made on the basis of experience and qualifications as a professional engineer. Engineer does not guarantee that proposals, bids or actual Project costs will not vary from Engineer's cost estimates or that actual schedules will not vary from Engineer's projected schedules.

Section 4. NON-DISCLOSURE

Engineer agrees not to divulge to third parties, without written consent from OWNER, any confidential or proprietary information obtained from or through OWNER in connection with the performance of the Agreement.

Section 5. REUSE OF DOCUMENTS

All documents, including but not limited to, drawings, specifications and computer software prepared by Engineer pursuant to this Agreement are instruments of service in respect to the Project. They are not intended or represented to be suitable for reuse by Owner or others on extensions of the Project or on any other project. Any reuse without prior written verification or adaptation by Engineer for the specific purpose intended will be at Owner's sole risk and without liability or legal exposure to Engineer. Owner shall defend, indemnify and hold harmless Engineer against all claims, losses, damages, injuries and expenses, including reasonable attorneys' fees, arising out of or resulting from such reuse. Any verification or adaptation of documents will entitle Engineer to additional compensation at rates to be agreed upon by Owner and Engineer.

Section 6. OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY

Except as otherwise provided herein, engineering documents, drawings and specifications prepared by Engineer as part of the Services shall remain the property of Engineer; provided, however, that Owner shall be provided copies for their records and maintenance of the project facilities. Engineer shall also retain its rights in its standard drawing details, specifications, databases, computer software and other proprietary property. Rights to intellectual property developed, utilized or modified in the performance of the Services shall remain the property of Engineer.

Section 7. DELAY IN PERFORMANCE

Neither Owner nor Engineer shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include, but are not limited to, abnormal weather conditions, floods, earthquakes, fire, epidemics, war, riots and other civil disturbances; strikes, lockouts, work slowdowns and other labor disturbances; sabotage, judicial restraint and inability to procure permits, licenses or authorizations from any local, state or federal agency for any of the supplies, materials, accesses or services required to be provided by either Owner or Engineer under this Agreement.

Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

Section 8. WAIVER

A waiver by either Owner or Engineer of any breach of this Agreement shall be in writing. Such a waiver shall not affect the waiving party's rights with respect to any other or further breach.

Section 9. SEVERABILITY

The invalidity, illegality or unenforceability of any provision of this Agreement or the occurrence of any event rendering any portion or provision of this Agreement void shall in no way affect the validity or enforceability of any other portion or provision of this Agreement. Any void provision shall be deemed severed from this Agreement and the balance of this Agreement shall be construed and enforced as if this Agreement did not contain the particular portion or provision held to be void. The parties further agree to amend this Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this Article shall not prevent this entire Agreement from being void should a provision which is of the essence of this Agreement be determined void.

Section 10. SUCCESSORS AND ASSIGNS

Owner and Engineer each binds itself and its directors, officers, partners, successors, executors, administrators, assigns and legal representatives to the other party to this Agreement and to the directors, officers, partners, successors, executors, administrators, assigns and legal representatives of such other party in respect to all provisions of this Agreement.

Section 11. ASSIGNMENT

Neither Owner nor Engineer shall assign any rights or duties under this Agreement without the prior written consent of the other party. Unless otherwise stated in the written consent to an assignment, no assignment will release or discharge the assignor from any obligation under this Agreement. Nothing contained in this Article shall prevent Engineer from employing independent consultants, associates and subcontractors to assist in the performance of the Services.

Section 12. THIRD PARTY RIGHTS

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than Owner and Engineer.

Section 13. TERMINATION

This Agreement may be terminated by either party, upon written notice, in the event of substantial failure by the other party to perform in accordance with the terms of this Agreement. The non-performing party shall have fifteen calendar days from the date of the termination notice to cure or to submit a plan for cure acceptable to the other party.

Owner may terminate or suspend performance of this Agreement for Owner's convenience upon written notice to Engineer. Engineer shall terminate or suspend performance of the Services on a schedule acceptable to Owner. If termination or suspension is for Owner's convenience, Owner shall pay Engineer for all the Services performed and termination or suspension expenses. Upon restart, an equitable adjustment shall be made to Engineer's compensation.

Section 14. NOTICES

Notices given by either party to the other are deemed served if delivered in person at the office of the representative designated below, or such representative subsequently named in writing to act for the respective party, or mailed to the representative, properly stamped with the required postage and addressed to the office of such representative, as follows:

OWNER:

City of Coffeyville, Kansas
Attn: Mr. Gene Ratzlaff
P.O. Box 1629 (102 W. 7th St.)
Coffeyville, KS 67337
Phone: (620) 252-6100
FAX: (620) 262-6172

ENGINEER:

Allgeier, Martin and Associates, Inc.
Attn: William M. Thompson, P.E.
2820 S. Range Line Road
Joplin, MO 64804
Phone: (417) 624-5703
FAX: (417) 624-7558

Section 15. CONSEQUENTIAL DAMAGES

Neither party shall not be liable to the other for any special, indirect or consequential damages not reasonably contemplated or foreseeable by both parties at the time of contracting for the particular Services at issue.

Section 16. SURVIVAL

Upon completion of all Services, obligations and duties provided for in this Agreement, or if this Agreement is terminated for any reason, those provisions of this Agreement that naturally would be considered to survive this Agreement shall do so, including but not limited to Article 4, Sections 5 and 6.

IN WITNESS WHEREOF, Owner and Engineer have executed this Agreement.

CITY OF COFFEYVILLE, KANSAS

By: _____

ATTEST:

Name: _____

Date: _____

ALLGEIER, MARTIN and ASSOCIATES, INC.

By: _____

ATTEST:

Name: William M. Thompson, P.E./ President

Date: _____

WORK STATEMENT

Attachment to the Agreement Between Owner and Engineer for Professional Services
(SCADA Master System Upgrade)

Executed by the City of Coffeyville, Kansas and Allgeier, Martin and Associates, Inc
dated _____

SCOPE OF WORK

The work will consist of engineering services to evaluate and administer the SCADA Master purchase contract, as well as provide assistance to Coffeyville Municipal Light & Power (CMLP) personnel with the purchase and installation of the system. The level of assistance presumes that CMLP personnel will take the lead in the installation as well as the database, picture, and report development in order to reinforce their training. Allgeier Martin will assist with setting directions and procedures. The proposed engineering services are detailed below:

- Evaluate proposals submitted for the SCADA Master equipment and provide CMLP with recommendations on purchasing options. The Engineer will also negotiate with the manufacturer on a final equipment price and prepare the material contract.
- Provide technical support, answering questions and supplying the manufacturer with additional information during the manufacture of the SCADA Master system. The engineer will also review and approve the approval drawings submitted by the manufacturer. Five (5) man-days of time are included for the technical support and submittal review.
- Witness the Factory Acceptance Test (FAT) with CMLP personnel at the manufacturer's facility in Mt. View, California. Allgeier Martin will either send one person to the FAT or send two persons and invoice only four hours per person per day of the FAT. Five (5) man-days of time and travel expenses for two are included for the FAT.
- Assist CMLP with the installation and start-up of the SCADA Master equipment. This assistance is in addition to the manufacturer's start-up service provided in the equipment proposal, and is included for troubleshooting issues that come up during the installation of the equipment and to provide on-site support when necessary. Five (5) man-days of time and travel expenses are included for the installation assistance.
- Attend the factory training at the manufacturer's facility in Mt. View, California, and the on-site training at the City's facility. Allgeier Martin intends to send one attendee to the training and will invoice only four hours per day of training. Eight (8) man-days of time and travel expenses are included for the training listed below:
 - Factory Training: Building the Power TG Database, Display Editor, and SCADA Administration (4 Days)
 - On-Site Training: SCADA Dispatcher, Script IDE/Script Calc, Archive (HIS) (4 Days)
- Provide on-site assistance as requested while CMLP performs the SCADA points checkout. This includes three (3) days of on-site assistance at the beginning of the SCADA points checkout to help familiarize CMLP personnel with the SCADA checkout procedure.
- Provide construction drawings, assist in the field installation, and commission the plant power metering equipment in the Power Plant Substation. Drawing development, material procurement, commissioning, and RTU point updates are included in this service. Five (5) man-days of time and

travel expenses are included for this item.

We will perform this work at our established hourly rates, charging only for hours worked. The 2011 Labor Classification Fee Schedule is attached. If additional time or services are requested a change order will be provided for the additional cost.

PRICING

Engineer will provide the above services on an hourly basis with a not to exceed price of \$51,700.00, derived as follows:

Proposal Evaluation	\$10,000
Technical Support and Submittal Review (5 Days)	\$5,000
FAT (2 Persons) (5 Days Plus Travel)	\$8,000
Installation Assistance	\$5,000
Factory and On-Site Training	\$10,000
SCADA Points Checkout Assistance	\$4,000
Engineer Field Install/Commission of Metering Equipment	<u>\$5,000</u>
	\$47,000
Engineering Contingency (10%)	<u>\$4,700</u>
	\$51,700

Additional services, to assist with database and picture development, report generation, etc., if requested by the City, will be covered by change order.

CITY OF COFFEYVILLE, KANSAS

By: _____

Name: _____

Date: _____

ALLGEIER, MARTIN and ASSOCIATES, INC.

By: _____

Name: William M. Thompson, P.E./ President

Date: _____

RESOLUTION NO. R-11-05

A RESOLUTION TO AUTHORIZE THE ISSUANCE OF A PURCHASE ORDER TO ALLGEIER, MARTIN AND ASSOCIATES, INC. IN THE AMOUNT NOT TO EXCEED \$51,700.00 FOR ENGINEERING SERVICES FOR THE SCADA MASTER UPGRADE FOR THE CITY OF COFFEYVILLE ELECTRIC UTILITY.

BE IT RESOLVED by the Board of Commissioners of the City of Coffeyville, Kansas that the Finance Director be and is hereby authorized and directed to issue a purchase order in the amount not to exceed \$51,700.00 to Allgeier, Martin and Associates Inc. for Engineering Services for the SCADA Master Upgrade for the City of Coffeyville Electric Utility.

ADOPTED THIS 11th DAY OF JANUARY 2011.

Alec Hendryx, Mayor

ATTEST:

Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Paul Kritz, City Attorney

January 11, 2011
ITEM # I-6

To: Mayor and Commissioners

From: Scott Massman, Superintendent of Engineering

Subject: Contract for Professional Engineering Services with Bucher, Willis and Ratliff for preparing designs, construction documents/technical specifications for FAA Project AIP No. 3-20-0011-17 Slurry Seal and Joint and Crack Repair for Runway 17/35 and Parallel Taxiway to Runway 4/22.

Recommendation: Authorize Contract to Bucher, Willis and Ratliff for Design Phase Services Contingent on the Federal Aviation Administration approval.

Discussion:

The proposed project is in response to an inspection performed by the Kansas Department of Transportation (Aviation Division) this past summer. The report from said inspection indicated that crack sealing and surface treatments for Runway 17/35 and Parallel Taxiway to Runway 4/22 were in order. Our next ACIP project was to be the Snow Removal Storage Building, however because of the need of the runway improvements the FAA ranks this work with a higher rating, as the proposed work is considered a high priority item.

The agreement for services as outlined by Bucher, Willis and Ratliff lists the scopes of service for the design phase for this project. The costs for the Basic Services (Design) are a not to exceed sum of \$21,350.00, and Construction Services (Inspection) a not to exceed fee of \$25,050.00. The fees for engineering are based on a 95-5 matching fund with the FAA.

Bucher, Willis and Ratliff were selected by Resolution (R-08-26) in February of 2008 to provide engineering services for our Airport for the years 2008 through 2013. Their fees were compared to other local engineering rates and were found to be reasonable.

Based on the recommendation of the past selection committees and considering Bucher, Willis and Ratliff's excellent credentials, it is staff's recommendation to award the Engineering Design contract for this project to Bucher, Willis and Ratliff, of Kansas City, Missouri, contingent on the Federal Aviation Administration approval.

RESOLUTION NO. R-11-06

A RESOLUTION TO AUTHORIZE THE EXECUTION OF AN ENGINEERING SERVICES AGREEMENT WITH BUCHER, WILLIS & RATLIFF, (BWR), OF KANSAS CITY, MISSOURI, FOR THE TOTAL SUM OF \$46,400.00 FOR BASIC SERVICES (DESIGN) AND CONSTRUCTION SERVICES (INSPECTION) FOR FAA PROJECT AIP NO. 3-20-0011-17 FOR FEDERAL AVIATION ADMINISTRATION PROJECT AIP NO. 3-20-0011-17, A SLURRY SEAL AND JOINT AND CRACK REPAIRS FOR RUNWAY 17/35 AND PARALLEL TAXIWAY TO RUNWAY 4/22.

BE IT RESOLVED by the Board of Commissioners of the City of Coffeyville, Kansas that the Mayor and City Clerk be and are hereby authorized and directed to execute and authorize the execution of an Engineering Services Contract with Bucher, Willis & Ratliff, OF Kansas City, Missouri, for the total sum of \$46,400.00, for Basic Services (Design) and Construction Services (Inspection) for Federal Aviation Administration Project AIP NO. 3-20-0011-17, contingent upon Federal Aviation Administration approval.

ADOPTED THIS 11TH DAY OF JANUARY 2011.

Alec Hendryx, Mayor

ATTEST:

Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Paul Kritz, City Attorney

**AGREEMENT FOR SERVICES
FOR IMPROVEMENTS TO THE
COFFEYVILLE MUNICIPAL AIRPORT
COFFEYVILLE, KANSAS
A.I.P. PROJECT NO. 3-20-0011-17 (Future)**

THIS AGREEMENT, made and entered into this _____ day of _____, _____, by and between the City of Coffeyville, Kansas, with offices located at 7th and Walnut, Coffeyville, KS 67337, hereinafter referred to as the "Sponsor"; and Bucher, Willis & Ratliff Corporation (BWR), with offices located at 903 East 104th Street, Suite 900, Kansas City, Missouri 64131-3451 hereinafter referred to as the "Consultant".

WITNESSETH:

WHEREAS, the Sponsor is desirous of constructing the following improvements at the Coffeyville Municipal Airport:

1. Clean and Seal Joints and Cracks and Slurry Seal for Runways 17/35 and 4/22 and Parallel Taxiway to Runway 4/22.

WHEREAS, the Sponsor has agreed to employ the Consultant to provide the engineering services required for designs, engineers design report, construction plans, preparing contract documents/technical specifications, preparing tabulation of construction quantities, preparing engineer's opinion of probable construction cost and Project budget, and providing bidding services. The Sponsor also wishes to include in this Agreement the additional services for providing construction administration and observation services for the proposed Project.

NOW, THEREFORE, in consideration of these premises and the mutual covenants herein contained, the parties hereto agree as follows:

**ARTICLE I
SCOPE OF SERVICES**

The Consultant, in consideration of the payment as hereinafter specified on the part of the Sponsor, agrees to perform engineering services enumerated as follows:

The Consultant will produce final engineer's design report, designs, construction plans, contract documents/technical specifications, tabulation of construction quantities, and an opinion of probable construction costs and Project budget for the Project. The Consultant will assist the Sponsor with administrative services and coordination with the Federal Aviation Administration (FAA). The Consultant will assist the Sponsor with advertisement for obtaining construction bids, receipt of bids, and award of the construction contract. The services required for construction administration and observation are also included in this Agreement.

All services will be performed in accordance with good engineering practice and applicable published design criteria of the FAA, primarily FAA Advisory Circular 150/5300-13 *"Airport Design"*, through Change 15 and Advisory Circular 150/5370-10E *"Standards for Specifying Construction of Airports,"* dated 9/30/2009. The Consultant will follow FAA Central Region Guidance including AIP Guide 900, *"Project Design Development Projects"*, and AIP Guide 1000, *"Construction"*. The following is a detailed description of the specific services that are a duty of this Agreement.

A. BASIC SERVICES

1. Preliminary Phase

- a. Prepare Project scope and budget, and coordinate with Sponsor.
- b. Assist in preparing Grant Application and Sponsor Certifications.

2. Design Phase

- a. Attend meetings with the Sponsor and the FAA as required during the course of the Project. The following meetings are anticipated:
 - Engineer's Design Report / Preliminary Plan Review
- b. Prepare Engineer's Design Report: The Design Report will include a narrative regarding the airport improvements and key decisions that have been made by the Sponsor, Consultant and the FAA Airport Division, construction phasing, construction alternatives, engineer's opinion of probable construction cost, Project budget and identification of any deviation from FAA AIP design criteria.
- c. Prepare Construction Plans and Contract Documents/Technical Specifications for the proposed Project at the Coffeyville Municipal Airport.

1) Prepare Construction Plans, to include:

- Title Sheet
- General Airport Layout Plan
- Safety and Phasing Plan
- General Notes and Summary of Quantities
- Pavement Repair Details
- Slurry Seal Plan
- Pavement Marking Plan and Details

- 2) Prepare Contract Documents/Technical Specifications that are in accordance with FAA criteria and satisfy project specific needs. The specifications shall be developed using FAA Advisory Circular 150/5370-10E and "Regional Modifications to Standards".
- 3) Calculate plan quantities and prepare preliminary engineers' opinion of probable construction cost and Project budget.
- 4) Submit Preliminary (90%) Construction Plans, Engineer's Design Report, Contract Documents/Technical Specifications, engineer's opinion of probable construction cost, and Project budget to Sponsor (two [2] copies) and FAA (one [1] copy), for review and approval.
- 5) Finalize Engineer's Design Report, Construction Plans and Contract Documents/Technical Specifications with consideration of preliminary (90%) review comments.
- 6) Submit Final Engineer's Design Report, Construction Plans, Contract Documents/Technical Specifications, final engineer's opinion of probable construction cost and

Project budget to the Sponsor (two [2] copies) and the FAA (one [1] copy) for final approval and authorization to advertise.

3. Bidding Phase

- a. Assist the Sponsor with advertisement for bids. The Engineer shall prepare the advertisement and send the "Notice to Bidders" to prospective contractors. (The Sponsor shall place the advertisement in the appropriate media.)
- b. Print and distribute Construction Plans and Contract Documents/Technical Specifications to plan holding houses and prospective Bidders.
- c. Answer questions and clarify points pertaining to the Construction Plans, Contract Documents and Technical Specifications during the bidding phase.
- d. The Consultant will not attend the bid opening. The Sponsor will provide the Consultant with a copy of the proposal forms and other documentation, prepared by the bidders, for analysis.
- e. Tabulate and analyze bid results, prepare Project budget, and make recommendation of contract award.

B. CONSTRUCTION SERVICES

1. Preliminary

- a. Prepare Contracts for Sponsor and successful bidder execution.
- b. Prepare copies of the Construction Plans and Contract Documents/Technical Specifications for use by the Contractor during construction.
- c. Attend and conduct a pre-construction conference. Minutes of the conference will be prepared and distributed to the attendees.

2. Provide part-time on-site construction administration and observation.

- a. Provide part-time construction observation services, including preparation of daily reports, weekly reports, material test results and other reports as required by the FAA to document the prosecution and progress of the Project. The Consultant shall provide part-time observation of the Project with the following visits:
 - Site Visit to layout joints to seal and/or full-depth repair areas. (Phase I)
 - Site Visit during slurry seal operation. (Phase I)
 - Site Visit during marking application. (Phase I)
 - Site Visit to layout joints to seal and/or full-depth repair areas. (Phase II)
 - Site Visit during slurry seal operation. (Phase II)
 - Site Visit during marking application. (Phase II)
- b. Review shop drawings and material certification submittals from the Contractor.
- c. Provide observation of construction materials.
- d. Prepare Contractor's progress estimates and Sponsor's request for reimbursement of funds.

- e. Prepare change orders and supplements necessary for construction of the Project.
 - f. Attend and conduct a final review of the Project with Sponsor and the FAA.
3. Project Closeout Phase
- a. Prepare and submit to the Sponsor one (1) set of black line prints of the record drawings and one (1) set of electronically produced prints of the record drawings.
 - b. Prepare the documents relating to engineering design and construction services for Project closeout as required by the FAA.

ARTICLE II SPONSOR'S RESPONSIBILITIES

The Sponsor, as a part of this Agreement, shall provide the following:

1. Arrange for access to and make all provisions for the Consultant to enter upon public and private property as required for the Consultant to perform his services.
2. Assist in approvals and permits from all governmental entities having jurisdiction over the Project and such approvals and consents from others as may be necessary for completion of the Project.
3. Designate in writing a person to act as Sponsor representative with respect to the services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret and define Sponsor policies and decisions.
4. Give prompt written notice to the Consultant whenever Sponsor observes or knows of any development that affects the scope or timing of Consultant's services.
5. Pay publishing cost for advertisements of notices, public hearings, request for bids, and other similar items. The Sponsor shall pay for all permits and licenses that may be required by local, state or federal authorities; and shall secure the necessary land, easements and rights-of-way required for the Project.
6. One (1) copy of existing Airport Plans, legal boundary surveys and maps, original reproducible Airport Layout Plans (ALP) drawings and the electronically reproduced ALP drawings for operating on AutoCAD 2010 format, reports or other data the Sponsor may have on file with regard to this Project.
7. Available information relating to environmental conditions at the property, including any permits, clearances, investigations, and remediation required for federal, state, and local agencies identified by environmental consultants for the Sponsor in currently available reports.

ARTICLE III TIME SCHEDULE

The Consultant agrees to proceed with the services immediately upon receipt of written Notice to Proceed (NTP) by the Sponsor and to employ such personnel as required to complete the Scope of Services in accordance with the following time schedule:

PERFORMANCE SCHEDULE

A. BASIC SERVICES

1. Preliminary Phase..... As Required
2. Design Phase
 - a. Meetings As Required
 - c. Plans, Engineer's Design Report, and Specifications
 - (4) Submit Preliminary 30 Calendar Days
After Receipt of NTP
 - (6) Submit Final..... 10 Calendar Days
After Receipt of Comments
From A.2.c.(4)
3. Bidding Phase As Required

B. CONSTRUCTION SERVICES

1. thru 2. As Required
3. Project Closeout Within 90 Calendar Days
Following Final Acceptance.

The contract time as set forth herein does not include review time by the Sponsor or participating agencies.

ARTICLE IV COMPENSATION

The Sponsor agrees to compensate the Consultant for performing engineering services as described herein on the following basis:

COMPENSATION SCHEDULE

A. BASIC SERVICES

- | | | |
|-----------------------------|---------------------|-----------------|
| 1. Preliminary Phase..... | \$ 2,700.00 | Lump Sum |
| 2. Design Phase | \$ 15,500.00 | Lump Sum |
| 3. Bidding Phase | \$ 3,150.00 | Lump Sum |
| Total Basic Services | \$ 21,350.00 | Lump Sum |

B. CONSTRUCTION SERVICES

- | | | |
|--|---------------------|----------------------|
| 1. and 2. Construction Observation | \$ 20,750.00 | Not-to-Exceed |
| 3. Project Closeout..... | \$ 4,300.00 | Lump Sum |
| Total Construction Phase Services | \$ 25,050.00 | Not-to-Exceed |

The Consultant shall not proceed with the services described herein until written authorization in the form of a Notice to Proceed is received from the Sponsor.

For Item A. Basic Services, partial payment shall be made to the Consultant for those portions of the services completed. The Consultant shall submit to the Sponsor a monthly statement showing an estimate of completion, and the portion of compensation requested for each element and phase of the services. The request for partial payments will not be in excess of the value of the services completed at the time the statement is rendered.

For Item C.1. through 2., Construction Services, the Sponsor shall compensate the Consultant on the basis of payroll cost times a factor of 2.6888 plus the fixed payment for services rendered by owners and employees assigned to the Project.

The fixed payment to the Consultant for services as outlined in Item C.1. through 2., Construction Services shall be \$2,350.00 and the total payment to the Consultant shall not exceed \$20,750.00, unless the contractor exceeds the construction contract period of 30 calendar days. If the construction contract period exceeds the said amount, the Consultant may renegotiate the fixed payment and not-to-exceed amount. The renegotiated fixed payment and not-to-exceed amount will be estimated based upon direct salary costs, labor and general overhead, out-of-pocket expenses, and profit similar to those used in this agreement.

The travel on and off the Project site required of the Resident Engineer/Observer will be compensated at the current IRS rate per mile.

For engineering services applicable to Item C.1. through 2., Construction Services, the Consultant will submit monthly statements to the Sponsor for payroll cost, labor and general administrative overhead, and all other expenses incurred on the Project and will include a pro rata share of the fixed payment in proportion of the statement amount to the not-to-exceed amount. For Item C.3, Project Closeout, the lump sum price will be billed when Project Closeout Documentation has been completed.

Cost other than personnel services incurred by the Consultant will be documented in the written statement and will be at the cost to the Consultant from the vendor.

Progress payments shall be made to the Consultant within thirty (30) calendar days of receipt of proper billing statement.

ARTICLE V MANDATORY FEDERAL CONTRACT PROVISIONS

During the performance of this Contract, the Consultant for itself, its assignees and successors in interest agree as follows:

A. Civil Rights Act of 1964, Title VI-Contractor Contractual Requirements (49 CFR Part 21)

During the performance of this Contract, the Consultant for itself, its assignees and successors in interest agree as follows:

1. Compliance with Regulations: The Consultant shall comply with the regulations relative to nondiscrimination in Federally-assisted programs of the Department of Transportation (hereinafter "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time,

(hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this Contract.

2. Nondiscrimination: The Consultant, with regard to the services performed during the Contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Consultant shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the Contract covers a program set forth in Appendix B of the Regulations.
 3. Solicitations for Subcontracts, including Procurement of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by the Consultant for services to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Consultant of the Consultant's obligations under this Contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
 4. Information and Reports. The Consultant shall provide all information and reports required by the Regulation or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the FAA to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a Consultant is in the exclusive possession of another who fails or refuses to furnish this information, the Consultant shall so certify to the Sponsor or the FAA as appropriate, and shall set forth what efforts it has made to obtain the information.
 5. Sanctions for Noncompliance. In the event of the Consultant's noncompliance with the nondiscrimination provisions of this Contract, the Sponsor shall impose such Contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:
 - a. Withholding of payments to the Consultant under the Contract until the Consultant complies; and/or
 - b. Cancellation, termination or suspension of the Contract, in whole or in part;
 6. Incorporation of Provisions. The Consultant shall include the provisions of Paragraphs 1 through 6 in every subcontract, including procurement of materials and leases of equipment unless exempted by the Regulations or directives issued pursuant thereto. The Consultant shall take such action, with respect to any subcontract or procurement, as the Sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a Consultant becomes involved in or is threatened with litigation with a subcontractor or supplier as a result of such direction, the Consultant may request the Sponsor to enter into such litigation to protect the interest of the Sponsor and, in addition, the Consultant may request the United States to enter into such litigation to protect the interest of the United States.
- B. Airport and Airway Improvement Act of 1982, Section 520 – General Civil Rights Provisions (49 USC § 47123)
1. The Consultant assures that it will comply with pertinent Federal statutes, Executive orders, and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color,

national origin, sex, age, or handicap, be excluded from participating in any activity conducted with or benefiting from Federal assistance.

2. In the case of Consultants, this provision binds the Consultants from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

C. Disadvantaged Business Enterprises (49 CFR Part 26)

1. Contract Assurance (§26.13) – The Consultant and their subcontractors shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Consultant shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the Consultant to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate.
2. Prompt Payment (§26.29) – The Consultant agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than thirty (30) days from the receipt of each payment the Consultant receives from the Sponsor. The Consultant agrees further to return retainage payments to each subcontractor within thirty (30) days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Sponsor. This clause applies to both DBE and non-DBE subcontractors.

D. Lobbying and Influencing Federal Employees (49 CFR Part 20)

1. No Federal appropriated funds shall be paid, by or on behalf of the Consultant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant and the amendment or modification of any Federal grant.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal grant, the Consultant shall complete and submit Standard Form-LLL, "Disclosure of Lobby Activities," in accordance with its instructions.

E. Access to Records and Reports (49 CFR §18.36)

1. The Consultant shall maintain an acceptable cost accounting system. The Consultant agrees to provide the Sponsor, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers, and records of the Consultant which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Consultant agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

F. Breach of Contract Terms (49 CFR §18.36)

1. Any violation or breach of terms of this contract on the part of the Consultant or their subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement. The duties and obligations imposed by the Contract Documents and the rights and remedies available there under shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

G. Rights to Inventions (49 CFR §18.36)

1. All rights to inventions and materials generated under this contract are subject to regulations issued by the FAA and the Sponsor of the Federal grant under which this contract is executed.

H. Trade Restriction Clause (49 CFR Part 30)

1. The Consultant or their subcontractors by execution of a contract certifies that it:
 - a. Is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);
 - b. Has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly by one or more citizens or nationals of a foreign country on said list;
 - c. Has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list.
2. Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to a Consultant or subcontractor who is unable to certify to the above. If the Consultant knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the project, the Federal Aviation Administration may direct, through the Sponsor, cancellation of the contract at no cost to the Government.
3. Further, the Consultant agrees that it will incorporate this provision for certification without modification in each contract and in all lower tier subcontracts. The Consultant may rely on the certification of a prospective subcontractor unless it has knowledge that the certification is erroneous.
4. The Consultant shall provide immediate written notice to the Sponsor if the Consultant learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The subcontractor agrees to provide written notice to the Consultant, if at any time it learns that its certification was erroneous by reason of changed circumstances.

5. This certification is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the Consultant or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration may direct, through the Sponsor, cancellation of the contract or subcontract for default at no cost to the Government.
6. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a Consultant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
7. This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

I. Termination of Contract (49 CFR §18.36)

1. The Sponsor may, by written notice, terminate this contract in whole or in part at any time, either for the Sponsor's convenience or because of failure to fulfill the contract obligations. Upon receipt of such notice, services shall be immediately discontinued (unless the notice directs otherwise) and all materials as may have been accumulated in performing this contract, whether completed or in progress, delivered to the Sponsor.
2. If the termination is for the convenience of the Sponsor, an equitable adjustment in the contract price shall be made, but no amount shall be allowed for anticipated profit on unperformed services.
3. If the termination is due to failure to fulfill the Consultant's obligations, the Sponsor may take over the work and prosecute the same to completion by contract or otherwise. In such case, the Contractor shall be liable to the Sponsor for any additional cost occasioned to the Sponsor thereby.
4. If, after notice of termination for failure to fulfill contract obligations, it is determined that the Consultant had not so failed, the termination shall be deemed to have been effected for the convenience of the Sponsor. In such event, adjustment in the contract price shall be made as provided in Paragraph 2 of this clause.
5. The rights and remedies of the Sponsor provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

J. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion (49 CFR Part 29)

1. The Consultant certifies, by submission of this contract, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. It further agrees by submitting this contract that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts, and subcontracts. Where the Consultant or any lower tier participant is unable to certify to this statement, it shall attach an explanation to this Agreement.

ARTICLE VI MISCELLANEOUS PROVISIONS

1. **Change in Scope.** The Scope of Services described herein shall be subject to modification or supplement upon the written Agreement of the contracting parties. Any such modification in the Scope of Services shall be incorporated in this Agreement by Supplemental Agreement executed by both parties.
2. **Ownership of Drawings and Contract Documents.** Original documents, tracings, plans specifications and maps prepared or obtained under the terms of the Contract shall be delivered to and become the property of the Sponsor and basic survey notes and sketches, charts, computations, and other data shall be made available upon request by the Sponsor without restriction or limitation on their use. In the event any of the above documents are re-used by the Sponsor, the nameplates will be removed and the Consultant will be released and held harmless of subsequent liabilities. There shall be no legal limitations upon the Sponsor in the subsequent use of plans or ideas developed in this project and incorporated in the preliminary or final reports or plans for the subsequent preparation of construction plans.
3. **Electronically Produced Documents.** Electronically produced documents will be submitted in data files compatible with AutoCAD Release 2010. The Consultant makes no warranty as to the compatibility of the data files beyond the above specified hardware and release or version of the stated software.

Because data stored on electronic media can deteriorate undetected or be modified without the Consultant's knowledge, the electronic data files submitted to the Sponsor or other Agencies will have an acceptance period of thirty (30) days. If during that period the Sponsor or other Agencies find any errors or omissions in the files, the Consultant will correct the errors or omissions as a part of the basic Agreement. The Consultant will not be responsible for maintaining copies of the submitted electronic data files after the acceptance period.

Any changes requested after the acceptance period will be considered additional services for which the Consultant shall be reimbursed including the cost of materials.

The data on the electronic media shall not be considered the Consultant's instrument of service. Only the submitted hard copy documents will be considered the instrument of service. The Consultant's nameplate shall be removed from all electronic media provided to the Sponsor or other Agencies.

4. **Engineer's Opinion of Probable Project Cost and Construction Cost.** Since the Consultant has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor(s) methods of determining prices, or over competitive bidding or market conditions, his opinions of probable Project Cost and Construction Cost provided for herein are to be made on the basis of his experience and qualifications and represent his best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but the Consultant cannot and does not guarantee that proposals, bids or actual Project or Construction Cost will not vary from opinions of probable cost prepared by him. However, the Consultant represents that he will use reasonable engineering care and judgment commonly exercised by an engineer in the same or similar circumstances in making and transmitting such cost estimates to the Sponsor.

5. Remedies. In the event of a claim, dispute and other matters in question arising out of or relating to this Agreement or the services to be rendered hereunder, the Consultant and the Sponsor agree to attempt to resolve such disputes in the following manner:

First, the parties agree to attempt to resolve such claims, disputes and other matters in question through direct negotiations between the appropriate representatives of each party.

Second, if such negotiations are not fully successful, the parties agree to attempt to resolve any remaining claim, dispute or other matter in question by formal nonbinding mediation conducted in accordance with rules and procedures to be agreed upon by the parties.

Third, if the claim, dispute or other matter in question, or any issues remain unresolved after the above steps, then such unresolved issues may, with the consent of both parties, be settled by binding arbitration in accordance with the rules of the American Arbitration Association current as of the date of this Agreement then pertaining.

6. Insurance. The Consultant shall procure and maintain at its expense during the effective period of this Contract the following insurance from insurance companies authorized to do business in Kansas covering all operations and services under this Contract performed by Consultant.
- a. Workers' Compensation Insurance in accordance with the provisions of the Kansas Workers' Compensation Act.
 - b. Commercial General Liability in amounts not less than \$1 million combined single limit per occurrence and \$1 million aggregate for bodily injury, personal injury and property damage with endorsements to include broad form contractual, and broad form property damage.
 - c. Automobile Liability, Bodily Injury and Property Damage with a limit of \$1 Million for occurrence, combined single limit including owned, hired and non-owned autos.
 - d. Professional Liability Insurance in amounts not less than \$1 million per claim and annual aggregate.

Upon request by the Sponsor, the Consultant shall furnish a certificate or certificates of insurance showing compliance with this paragraph. The certificates shall provide that the insurance shall not be canceled until ten (10) days written notice shall have been given to Sponsor.

7. Liability. The Consultant agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Sponsor, its officers, directors and employees (collectively, Sponsor) against all damages, liabilities or costs, to the extent caused by the Consultant's negligent performance of professional services under this Agreement and that of its subconsultants or anyone for whom the Consultant is legally liable.

The Sponsor agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Consultant, its officers, directors, employees and subconsultants (collectively, Consultant) against all damages, liabilities or costs, to the extent caused by the Client's negligent acts under this Agreement and for that of its consultants or subconsultants or any for whom the Client is legally liable.

8. Law of Kansas To Govern. This Agreement shall be construed according to the laws of the State of Kansas. The Consultant shall comply with all local, state, and federal laws and regulations which govern the performance of this Agreement.
9. Force Majeure. Any delay or failure of Consultant in the performance of its required obligations hereunder shall be excused if and to the extent caused by acts of God, war, riot, strike, fire, storm, flood, windstorm, discovery or uncovering of hazardous or toxic materials or causes beyond the reasonable control of Consultant, provided that prompt written notice of such delay or suspension be given by Consultant to the Sponsor. Upon receipt of said notice, if necessary, the time for performing shall be extended for a period of time reasonably necessary to overcome the effect of such delays and Consultant shall be reimbursed for the cost of such delays.
10. Binding Upon Successors. This Agreement shall be binding upon the undersigned parties, their successors, partners, assigns, and legal representatives.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized officers in three (3) counterparts, both of which shall be deemed an original, on the day and year first above-written.

SPONSOR:

ATTEST:

CITY OF COFFEYVILLE, KANSAS

By: _____

By: _____

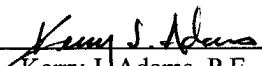
Title: City Clerk

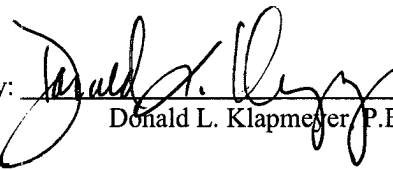
Title: Mayor

CONSULTANT:

BUCHER, WILLIS & RATLIFF CORPORATION

ATTEST:

By: 
Kerry J. Adams, P.E.

By: 
Donald L. Klapmeyer, P.E.

Title: Project Manager

Title: Vice President

DERIVATION OF CONSULTANT PROJECT COSTS - DESIGN SERVICES

**SLURRY SEAL RUNWAYS 4/22 AND 17/35
AND PARALLEL TAXIWAY TO RUNWAY 4/22**

**FAA PROJECT NO. A.I.P. 3-20-0011-17 (Future)
COFFEYVILLE MUNICIPAL AIRPORT
COFFEYVILLE, KANSAS**

December 16, 2010

1. DIRECT SALARY COSTS

<u>TITLE</u>	<u>HOURS</u>	<u>RATE/HOUR</u>	<u>COST (\$)</u>
Principal	1	\$70.00	\$ 70.00
Project Manager	35	\$46.00	\$ 1,610.00
Design Engineer II	31	\$38.00	\$ 1,178.00
Design Engineer I	68	\$35.00	\$ 2,380.00
Technician	42	\$24.00	\$ 1,008.00
Administrative Assistant	26	\$20.00	\$ 520.00

Total Direct Salary Costs= \$ 6,766.00

2. LABOR AND GENERAL ADMINISTRATIVE OVERHEAD

Percentage of Direct Salary Costs @ 168.88% \$ 11,426.42

3. SUBTOTAL OF ITEMS 1 AND 2 \$ 18,192.42

4. PROFIT @ 15% \$ 2,728.86

5. OUT-OF-POCKET EXPENSES

a. Mileage	330	miles @\$0.50/mile =	\$ 165.00
b. Meals	2	days @ \$39.00/day =	\$ 78.00
c. Motel	0	days @ \$70.00/day =	\$ -
d. Materials & Supplies		=	\$ 185.72

Total Expenses = \$ 428.72

6. SUBCONTRACT COST \$ -

7. TOTAL COST (ITEMS 3, 4, 5 AND 6) \$ 21,350.00

**ENGINEERING BASIC SERVICES-COST BREAKDOWN
COFFEYVILLE MUNICIPAL AIRPORT
COFFEYVILLE, KANSAS
FAA PROJECT NO. A.I.P. 3-20-0011-17 (Future)**

**SLURRY SEAL RUNWAYS 4/22 AND 17/35
AND PARALLEL TAXIWAY TO RUNWAY 4/22**

December 16, 2010

K:\2010-0464-Coffeyville-KS_Seal-RW-TW00-PBF\Files\WPC\AGREEMENT\Fee Forms_Seal.xls|Construction Services

Classification:	Principal	Project Manager	Design Engineer II	Design Engineer I	Technician	Admin. Assistant	Other Costs
Hourly Rate:	\$216.45	\$142.24	\$117.50	\$108.22	\$74.21	\$61.84	
<u>A. BASIC SERVICES</u>							
1. Preliminary Phase:							
Total =	\$2,700.00	1 \$216.45	9 \$1,280.14	8 \$940.00	0 \$0.00	4 \$247.37	(2) \$ 16.04
2. Design Phase:							
Total =	\$15,500.00	0 \$0.00	23 \$3,271.46	16 \$1,880.01	60 \$6,493.45	38 \$2,820.01	(1,2) \$ 292.95
3. Bidding Phase:							
Total =	\$3,150.00	0 \$0.00	3 \$426.71	7 \$822.50	8 \$865.79	10 \$618.42	(2) \$ 119.72
SUBTOTAL =	\$21,350.00						
GRAND TOTAL =	\$21,350.00						

- (1) Mileage, Motel and Meals
(2) Equipment, Materials and Supplies
(3) Vendor Services

**DERIVATION OF CONSULTANT PROJECT COSTS
CONSTRUCTION PHASE SERVICES
CONSTRUCTION OBSERVATION, PART-TIME**

**SLURRY SEAL RUNWAYS 4/22 AND 17/35
AND PARALLEL TAXIWAY TO RUNWAY 4/21**

**FAA PROJECT NO. A.I.P. 3-20-0011-17 (Future)
COFFEYVILLE MUNICIPAL AIRPORT
COFFEYVILLE, KANSAS**

December 16, 2010

1. DIRECT SALARY COSTS

<u>TITLE</u>	<u>HOURS</u>	<u>RATE/HOUR</u>	<u>COST (\$)</u>
Principal	0	\$70.00	\$ -
Project Manager	21	\$46.00	\$ 966.00
Engineer II	1	\$38.00	\$ 38.00
Engineer I	138	\$35.00	\$ 4,830.00
Technician	0	\$24.00	\$ -
Administrative Assistant	0	\$20.00	\$ -
Total Direct Salary Costs=			\$ 5,834.00

2. LABOR AND GENERAL ADMINISTRATIVE OVERHEAD

Percentage of Direct Salary Costs @ 168.88% **\$ 9,852.46**

3. SUBTOTAL OF ITEMS 1 AND 2 **\$ 15,686.46**

4. PROFIT @ 15% **\$ 2,352.97**

5. OUT-OF-POCKET EXPENSES

a. Mileage 2,640 miles @\$0.50/mile = \$ 1,320.00
b. Meals 18 days @ \$39.00/day = \$ 702.00
c. Motel 8 days @ \$70.00/day = \$ 560.00
d. Materials & Supplies = \$ 128.57

Total Expenses = **\$ 2,710.57**

6. SUBCONTRACT COST **\$ -**

7. TOTAL COST (ITEMS 3, 4, 5 AND 6) **\$ 20,750.00**

**DERIVATION OF CONSULTANT PROJECT COSTS
CONSTRUCTION PHASE SERVICES
PROJECT CLOSEOUT ADMINISTRATION**

**SLURRY SEAL RUNWAYS 4/22 AND 17/35
AND PARALLEL TAXIWAY TO RUNWAY 4/22**

**FAA PROJECT NO. A.I.P. 3-20-0011-17 (Future)
COFFEYVILLE MUNICIPAL AIRPORT
COFFEYVILLE, KANSAS**

December 16, 2010

1. DIRECT SALARY COSTS

<u>TITLE</u>	<u>HOURS</u>	<u>RATE/HOUR</u>	<u>COST (\$)</u>
Principal	1	\$70.00	\$ 70.00
Project Manager	4	\$46.00	\$ 184.00
Engineer II	8	\$38.00	\$ 304.00
Engineer I	16	\$35.00	\$ 560.00
Technician	8	\$24.00	\$ 192.00
Administrative Assistant	4	\$20.00	\$ 80.00
Total Direct Salary Costs=			\$ 1,390.00

2. LABOR AND GENERAL ADMINISTRATIVE OVERHEAD

Percentage of Direct Salary Costs @ 168.88% \$ 2,347.43

3. SUBTOTAL OF ITEMS 1 AND 2 \$ 3,737.43

4. PROFIT @ 15% \$ 560.61

5. OUT-OF-POCKET EXPENSES

a. Mileage 0 miles @\$0.50/mile = \$ -
b. Meals 0 days @ \$39.00/day = \$ -
c. Motel 0 days @ \$70.00/day = \$ -
d. Materials & Supplies = \$ 1.95

Total Expenses = \$ 1.95

6. SUBCONTRACT COST \$ -

7. TOTAL COST (ITEMS 3, 4, 5 AND 6) \$ 4,300.00

**City of Coffeyville and IUOE Local 123
City's Final Offer**

December 27, 2010

Renew the current Memorandum of Agreement for a one-year term.

All provisions of the current Agreement will remain unchanged, with the following exceptions:

1. The Agreement shall be valid through December 31, 2011.
2. All employees covered under the Agreement shall receive a 2.5% increase in the base wage rates established under Article L-2.
3. The first sentence of Article I, Paragraph A, shall be revised to read:

In the event IUOE Local 123 is not satisfied with the final result of the grievance procedure, IUOE Local 123 may file a notice to arbitrate with the other party within seven (7) calendar days after the final response has been rendered under the grievance procedure.

4. Delete the words "All other regular full-time employees." from Article M-1(j).
5. In Article M-3(c), change the word "after" appearing in the first paragraph of the section to "before".
6. In Article M-3(j), insert the following sentence after the first complete sentence in the paragraph: "This leave shall be available for any employee who wishes to attend to any person listed in the preceding sentence who is hospitalized, but only to the extent the employee is actually attending to such person at the hospital." The remainder of the existing paragraph shall then continue unchanged.
7. In Article D-4(c), the last sentence of the first full paragraph shall be deleted, and replaced with the following: "Actual time worked in excess of the two-hour minimum shall be recorded and paid at overtime rates for actual time worked."
8. In Article D-11, delete the fifth full paragraph and replace with the following: "Per IRS regulations, if no overnight stay is required, this is a taxable benefit. Therefore, reimbursement will be made through payroll."
9. In Article M-9(a), replace the current first full paragraph with the following: "In accordance with the Family and Medical Leave Act of 1993, as amended in 2009, any qualifying employee will be granted up to 12 weeks of unpaid family and medical leave. Such leave is available as the result of the birth, adoption, or placement of a child for foster care, to care for a spouse, child, or parent with a serious health condition, due to

the employee's own serious health condition, or due to a qualifying military exigency. Up to 26 weeks of unpaid leave is available for military caregiver leave on a one-time basis per FMLA regulations. FMLA leave shall be calculated on a rolling 12-month basis. Where possible, employees are required to provide at least 30 days notice before beginning to take leave."

10. Delete current Article C-5(f), and replace with the following:

This subsection (f) shall apply to all promotions within the Electric Generation Plant, and not to promotions in any other area. Any provisions in the preceding subsections that are inconsistent with the provisions of this subsection (f) shall not apply to promotions within the Electric Generation Plant.

Management shall make reasonable, good faith efforts to provide training opportunities to each employee working in the Electric Utility – Generation Division, in positions of Utility and above, such that each employee will be fully trained on his or her current job, and cross-trained to the extent reasonably possible for the next higher job classification. The parties agree that employees and management are jointly responsible for on-the-job training. Employees are responsible for pursuing training opportunities, and management and the shift Operators are responsible for creating opportunities and for distributing training opportunities equitably among members of the workforce.

Management shall provide a listing of outside training sources for the employees' use. The City shall not be required to pay for any outside training an employee chooses to attend, unless the City specifically agrees in advance to pay for a particular training course or event.

There shall be a three step testing procedure for any employee advancing to the Relief Assistant Operator from the Utility position and to the Relief Operator from the Assistant Operator positions. Testing will consist of: (1) a job-specific written test, to be developed by Operators and Management; (2) a hands on job skill test; and (3) a promotional interview. Employees shall be assessed during the interview by a joint team consisting of two management employees assigned by the Department Head and one Operator.

The testing procedure shall be administered on a pass/fail basis, and all employees passing the procedure shall then be eligible to submit bids for promotion to the next higher level when an opening occurs. An employee who fails the testing procedure shall not be eligible to test again for a period of one year. The City may waive the time frame of eligibility before retesting if manpower losses dictate, position remains open or new position becomes available.

Employees who have passed the test as specified above may bid for vacant positions in the next higher classification, and the bidder with the most seniority shall be placed in the vacant position for a training period of sixty days of position specific training. During the training period, the individual(s) providing the on-the-job training shall review the progress of the employee and shall submit a written report of the employee's progress to management. Management shall, within ten days from receipt of the written report, either award the employee permanent status, specify an additional period for training, or move the employee back to the position he/she formerly held. Management shall provide any employee who is moved back to his/her former position with written reasons for his/her failure to gain permanent status. Any employee moved back to a position formerly held pursuant to the provisions of this subsection shall not be eligible to bid for a vacancy in the next higher position until one year has elapsed following the employee's return to his/her former position, and the employee has again successfully completed the testing procedure listed above.

11. In Article Y-1, place the Kubota Boom Mower on the heavy equipment list,
12. The Agreement shall be a stand-alone agreement covering IUOE Local 123 only.

RESOLUTION NO. R-11-07

A RESOLUTION TO IMPLEMENT A JANUARY 1, 2011 THROUGH DECEMBER 31, 2011 MEMORANDUM OF AGREEMENT WITH INTERNATIONAL UNION OF OPERATING ENGINEERS (IUOE), LOCAL 123.

WHEREAS, the International Union of Operating Engineers (IUOE), Local 123, has reached a tentative agreement on a Memorandum of Agreement for the period January 1, 2011 through December 31, 2011; and

WHEREAS, IUOE desires to implement the changes effective January 1, 2011.

NOW THEREFORE BE IT RESOLVED, by the Board of Commissioners of the City of Coffeyville, Kansas that the changes to the January 1, 2011 through December 31, 2011 City of Coffeyville Memorandum of Agreement with IUOE, attached hereto and incorporated by reference, be and are hereby approved and the Mayor authorized to execute the agreement with the IUOE.

ADOPTED THIS 11th DAY OF JANUARY, 2011.

Alec Hendryx, Mayor

ATTEST:

Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Paul Kritz, City Attorney