



June 2, 2020

Mr. Bill Bruce, AICP
Town Manager
Town of Oak Ridge
P.O. Box 374
8315 Linville Road
Oak Ridge, NC 273190

Subject: Municipal Water System Operation, Maintenance, Billing, and Customer Service – Response to RFP dated 5/8/20

Dear Mr. Bruce:

It is with great pleasure that Envirolink, Inc. presents this proposal for municipal water system operation, maintenance, billing, and customer service as requested by the town of Oak Ridge.

Since 1997, Envirolink has specialized in the full-service operations, maintenance and management of water, wastewater, and public works services for municipalities, counties, districts and authorities across North Carolina. We currently operate in over 50 different counties across North Carolina and are involved in more water and wastewater Public-Private Partnerships than any other firm in the state.

When you partner with Envirolink, you gain access to a vast network of professionals and resources to support your utility. The enclosed proposal lays out those resources and how they will help Oak Ridge start and run a successful water utility.

We look forward to your feedback on our proposal and working together.

Sincerely,

Michael J. Myers

Mike Myers
Envirolink, Inc.
4700 Homewood Ct, Suite 108
Raleigh, NC 27609
(919) 606-8380
mmyers@envirolinkinc.com

Proposal to Operate, Manage and Maintain a Water Utility System for the Town of Oak Ridge



Presented by:



ENVIROLINK

June 2, 2020

USE AND DISCLOSURE OF DATA – This Proposal includes data that shall not be disclosed outside the government and shall not be duplicated, used, or disclosed – in whole or in part – for any purpose other than to evaluate this Proposal. However, if a Contract is awarded to this Offeror as a result of – or in connection with – the submission of these data, the government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting Contract. This restriction does not limit the government's right to use information contained in these data if they are obtained from another source without restriction or as required by law.

2. **Company Background and Experience**

a. General – company background

- i. Point of contact: Carr McLamb – Chief Operating Officer and General Counsel
- ii. Office and service Location: Piedmont Regional Office located at 773 Sanford Ave. Mocksville, NC 27028. Envirolink will evaluate opening an office at the Oak Ridge Town Hall at the request of the town.
- iii. Year founded: 1997
- iv. Company ownership and management structure: Envirolink is a closely held North Carolina corporation with its corporate headquarters located at 4700 Homewood Ct, Suite 108, Raleigh, NC. Envirolink is led by president, Mike Myers, with support from Chief Operating Officer and General Counsel, Carr McLamb; Controller, Ann Marie Renze; and Director of Operations, David Strum. Envirolink is strategically divided in geography regions overseen by area managers who are managed by Mr. Strum.
- v. State licensure information: State licensures are held individually by employees of Envirolink. Some of those licenses include:

- Grade I through Grade IV Biological Wastewater Operators
- Grade I through Grade IV Collections System Operators
- Grade A, B and C Distribution Operators
- Grade A, B, and C Surface Water Treatment Operators
- Grade A, B and C Well Certified Operators
- Cross Connection Certified Operators
- Spray Irrigation Certified Operators
- Land Application Certified Operators
- Subsurface Certified Operators
- Backflow Prevention Operators

Additional relevant memberships include:

- Member of Rural Water Association
- Member of American Water Works Association
- Member of American Society of Military Engineers
- Member of North Carolina Water Operators Association
- Member of North Carolina Wastewater Operators Association
- Member of American Public Works Association
- Member of American Society of Civil Engineer
- Member of National Association of Water Companies
- EPA Water Sense Partner

- vi. The selected company may be requested to provide proof of financial stability including audited financial statements.

Financial information may be provided upon request.

b. History of similar work: Provide information regarding the company's experience with at least 5 similar projects.

1. Vance County

- i. Program/system description: Vance County Water System. Responsible for the overall operation, maintenance and management of the district's water distribution system. Additionally, Envirolink is responsible for reading water meters, monitoring electronic controls via SCADA system, customer billing and customer service. Vance county is a purchase water system. Customers are billed based on a flat fee of \$30/month (i.e., no usage).
- ii. Location: Vance County, NC
- iii. Dates of Service: 2013 to present
- iv. Size of system: 1638 water customers.
- v. References with contact information: Mr. Tommy Hester, Commissioner – Vance County, NC 252-738-9771
- vi. Cost per connection: Not applicable - purchase water system
- vii. Billings per year(avg): \$1,171,603/year
- viii. Repair and upgrade cost per year (avg): \$ 49,000 per year

2. Robersonville, NC

- i. Program/system description: Town of Robersonville, NC – water system. Responsible for the overall operation, maintenance and management of the town's water distribution system
- ii. Location: Robersonville, NC
- iii. Dates of Service: 2016 – present
- iv. Size of system: 12 wells, serves a population of 1445 people and 998 municipal water connections.
- v. References with contact information: Mrs. Elizabeth "Libby" Jenkins, Town Manager – 252-508-0311
- vi. Cost per connection: \$ 2,205 (annual entry point cost)
- vii. Billings per year(avg): Not Available
- viii. Repair and upgrade cost per year (avg): \$950 per year by Envirolink. Town performs other major

repairs.

3. Wade, NC

- i. Program/system description: Town of Wade, NC – water system. Responsible for the overall operation, maintenance, and management of the town’s water distribution system.
- ii. Location: Town of Wade NC
- iii. Dates of Service: 2017 to present
- iv. Size of system: 7 wells, serves a population of 835 people and 334 municipal water connections.
- v. References with contact information: Mrs. Cindy Burchett, Town Clerk –Wade, NC – 910-485-3502.
- vi. Cost per connection: \$ 3,838 (annual entry point cost)
- vii. Billings per year(avg): \$ 26,866/yr (Cost/year-Town invoices)
- viii. Repair and upgrade cost per year (avg): \$ 6,150 per year for minor repairs. Town performs major repairs.

4. Laurinburg, NC

- i. Program/system description: Town of Laurinburg, NC – water system. Responsible for the overall operation and management of five (5) entry points located within the town of Laurinburg. The water distribution system is owned by Scotland County and maintained by the town of Laurinburg, NC.
- ii. Location: Laurinburg, NC
- iii. Dates of Service: 2019 – present
- iv. Size of system: 5 wells with 5 master water meters
- v. References with contact information: Charles D. Nichols III, City Manager – Laurinburg, NC – 910-276-8324
- vi. Cost per connection: \$ 12,000 (annual entry point cost)
- vii. Billings per year(avg): \$ 68,625/year - (Cost/year-Town/County invoices)
- viii. Repair and upgrade cost per year (avg): Unknown-Laurinburg and Scotland County perform repairs.

5. McCain Prison

- i. Program/system description: North Carolina Dept. of Public Safety -McCain Hospital/Prison - water system. Responsible for the overall operation and management of institutional water system serving the Hoke County Correctional Institution. State of NC owned facility serving the NC Dept of Public Safety.
- ii. Location: Raeford, NC
- iii. Dates of Service: 2019 – Present
- iv. Size of system: 6 wells - former offender capacity of 502
- v. References with contact information: Scott Smart, PE, NCDPS Central Engineering 919-324-1254
- vi. Cost per connection: \$9,500/year (annual entry point cost)
- vii. Billings per year(avg): Not applicable
- viii. Repair and upgrade cost per year (avg): \$ 3,782 per year for minor repairs. State performs major repairs.

6. Pender County Schools, Pender County, NC

- i. Program/system description: Pender County schools – water system. Responsible for the overall operation, maintenance and management of the school’s water distribution system. System owned by Pender County Board of Education.
 - ii. Location: Burgaw, NC
 - iii. Dates of Service: 2016 – present
 - iv. Size of system: 4 water systems
 - v. References with contact information: Mr. Darren Lafon, Maintenance Director – 910-259-2187
 - vi. Cost per connection: \$ 8,916 (annual entry point cost)
 - vii. Billings per year(avg): Not applicable
 - viii. Repair and upgrade cost per year (avg): \$ 498 per year for minor repairs. School system performs major repairs.
- c. History of litigation and/or notices of violation - Provide details of all current litigation and notices of violation within the past 5 years.

Envirolink has no pending litigation or notices of violation. Envirolink has not received a notice of violation within the past 5 years.

- d. Additional information - Provide any additional information that is relevant to this proposal.

Envirolink's Value Added services

It is our philosophy that by working closely with our clients and looking out for their assets as if we owned them, we add value to the Town of Oak Ridge and further Envirolink's goals. We believe that keeping an open and clear line of communication is important to the success of a Public-Private Partnership and we look forward to working with the Town staff. Our approach is to partner with you, as your utility management company, bringing our expertise and resources as a benefit to your utility system. We strive to understand your unique challenges and work with you and your team to find the best approach to managing your utility. Thus, making Envirolink "Your Partner in Utility Management."

To that end, we have deliberately sought out and hired experienced professionals including registered professional engineers, former NCDEQ regulators, a certified public accountant, a developer, an attorney, compliance managers, and a former town manager to complement our water and wastewater operators. This allows Envirolink to provide broad oversight to all of our projects. These professionals, all of whom have years of experience in the industry (operations, regulatory, private sector, and consulting), maintain their professional status and keep current with industry Best Practices through focused training and participation in professional societies. Broadly speaking their areas of expertise fall under these categories:

- Regulatory
- Public-Private Partnerships
- Quality and safety
- Construction and capital projects
- Financial
- Operations

We continuously evaluate plant operations within the context of the local community and maintain detailed communications with our men and women "on the ground" looking for ways to do things better. Since we focus on partnering with our clients, we treat their assets and operations as if they were our own and look toward long-term success.

Envirolink works tirelessly to improve its operations, systems, equipment, and services. Our clients benefit from this effort, in ways such as our work management system provided at no cost to our clients, access to billing and payment solutions such as e-bills, e-payment, on-line payment, etc. that typically are not available to rural utilities, and access to utility equipment such as vacuum trucks, bypass pumps, leak detection equipment, smoke testing equipment, open channel flow meters, hydrant flow testing that typically are out of reach for rural communities.

If selected to operate, maintain and manage Oak Ridge's water utility department, Envirolink offers significant advantages, including:

- **Guaranteed Regulatory Compliance** – Our record of accomplishment is top notch and we enjoy a positive working relationship with the NCDEQ regional office that will be inspecting the water utility system. We

guarantee that your system will comply with all applicable regulations. With an unmatched regulatory compliance history, Envirolink will pay 100% of the civil penalty if the facilities are penalized due to our operations. This guarantee takes the worry of compliance off your hands and puts it with dedicated and experienced utility management professionals.

- **Municipal Finance Experience** – Our experience working closely with North Carolina based municipalities allows us to have a unique understanding of how important budget and cost savings are for the town. Our experience will ensure that we will provide the lowest possible cost to the town and look for additional ways for the town to save money.
- **Communication** – We believe communication is the key to a successful relationship. Envirolink maintains communication through a variety of channels to convey what is happening with your water utility system. This includes direct communication to customers about system outages and repairs, monthly reporting at town council meetings, in person and electronic communication with town staff, and the publishing of annual consumer confidence report about the water system.
- **North Carolina Regional Area Office** – Our Piedmont regional office is located in the town of Mocksville in Davie County just under a 60-minute drive from the Town of Oak Ridge. This allows all of our company resources (management, equipment, personnel, etc.) to be close at hand if an issue arises that requires outside expertise. The majority of our management and employees are natives of North Carolina and it is important to us to “buy local” whenever possible through our existing contracts to ensure that we support our communities.
- **Local Staff Resources** - The Area Manager will normally be available to receive calls or in person communications concerning service during normal business hours. The Envirolink Operator in Responsible Charge (“ORC”) or the “on-call” person will investigate reported problems and determine the necessary action to be taken. The ORC will reside within a reasonable commuting distance of the Town of Oak Ridge.
- **Equipment Resources** - Envirolink will maintain adequate supplies and equipment onsite for normal operation and maintenance of the water utility system. When situations arise that require equipment or facilities beyond those readily available, Envirolink will deploy construction and operations equipment from the regional office and other projects as needed.
- **Technical Expertise** – The Envirolink team has decades of experience operating water utilities and are intimately familiar with well and distribution systems like what is envisioned in Oak Ridge. Envirolink leverages this company wide experience for the benefit of its clients to maintain best practices and trouble shoot problems. You are not merely hiring a water operator, you are hiring the Envirolink family with over 100 water and wastewater professionals.
- **Flexibility** – In addition to the services we have discussed, Envirolink has the resources and experience to tackle any task Oak Ridge may have, including wastewater and public works. We do not believe in a one size fits all approach. We listen to our clients and customers, then develop a tailored solution to meet the specific needs of each community we serve.
- **Additional Company Staff Resources** - Envirolink management and support staff will be called upon as needed in the event of problems or situations. This available staff includes senior management, engineering and water

staff, office support, and field personnel from other operations project and regions.

3. Program Team Background and Experience

- a. Provide the names for each proposed team member along with their role in performing the contract.

Mike Myers – President. Mr. Myers leads Envirolink by setting company goals and developing strategies to achieve them. He is a hands-on leader and will engage with town elected officials and management to help Oak Ridge develop and achieve goals.

Carr McLamb – Chief Operating Office and General Counsel. Mr. McLamb will provide legal and operations oversight of the contract and serve as the primary point of contact for administration of the contract.

Lee Bowman - Director of Project and Corporate Development. Mr. Bowman will provide management of capital planning and utility construction projects, as well as coordination with developers to support the installation of new well systems.

Charles A. Donnell, PE – Capital Projects Manager. Mr. Donnell will provide technical expertise, evaluating and troubleshooting to the water utility system.

Ann Marie Renze – Controller. Ms. Renze will oversee project billings to Oak Ridge and provide accounting guidance for the utility enterprise fund.

John Mullis – Business and Relationship Manager. Mr. Mullis will be the primary point of contact to the manager and council.

Deborah Massey – Customer Service and Billing Manager. Ms. Massey will manage utility billings to and collections from town customers. She will also oversee customer service, including the receipt of all customer calls and the dispatch of maintenance teams to troubleshoot and respond to service calls.

David Strum – Director of Operations. Mr. Strum manages statewide operations and will be responsible for coordinating additional resources and supporting the area manager as needed.

Chris Bitterman –Piedmont Regional Area Manager. Mr. Bitterman will manage operators and maintenance personnel assigned to Oak Ridge.

Madelyn Mills – Piedmont Region Compliance Manager. Ms. Mills will be responsible for all compliance reporting to the Department of Environmental Quality, responding to notices of violation and other communications from DEQ, and the preparation of annual consumer confidence reports.

Jay Van Hoose – Senior Water Operator. Mr. Van Hoose will provide utility management and troubleshooting support as needed.

Robert “Chip” White – Water Operator. Mr. White will serve as the operator in responsible charge for the well and distribution systems.

- b. Provide a resume for each team member.

Mike Myers – President

Mr. Myers has served numerous roles within the utility management, corporate development, design, construction, and operations arena for nearly 25 years. Over the years, much of his experience has been gained as an engineer and director for NYSE private utilities and environmental regulatory agencies. One of the more challenging experiences in Mr. Myers' career was leader for the acquisition and start-up of utility operations, maintenance, and management for the largest water and wastewater Public-Private Partnership awarded by the Department of Defense. In his current role as President, he brings an in-depth knowledge of effective utility management, and has parleyed this experience to building a business model that has resulted in average annual revenue and earnings growth of over 25%. Mr. Myers holds a B.S. and M.S. in Food, Agriculture and Biological Engineering from the Ohio State University. Additionally, Mr. Myers has an extensive list of continuing education courses including: Water Quality Modeling/ Manhattan College, Water Quality Standards Institute/ US EPA, NPDES Permit Writers Course/ US EPA, NAWC Rate School/ NAWC, Michigan State University, Water Utility Management/University of Florida, Municipal Utility Finance/University of North Carolina, Irrigation System Design/North Carolina State University, and North Carolina Pretreatment Program/ North Carolina Division of Water Quality. Mr. Myers is based at the Envirolink corporate office in Raleigh, NC.

Carr McLamb – Chief Operating Officer & General Counsel

Mr. McLamb is a North Carolina native and has been licensed to practice law in North Carolina since 2007. He has extensive legal and regulatory experience in both the private and public sectors. He began his career in private practice focusing on business and construction litigation, land use, and planned community representation. Mr. McLamb next served the state of North Carolina as assistant general counsel and deputy director of legislative affairs at the North Carolina Department of Environment and Natural Resources (now known as the Department of Environmental Quality). At DENR, Mr. McLamb worked with members of the North Carolina General Assembly on wide-ranging environmental and regulatory matters and advised the Secretary of Environment and Governor on environmental policy, legal and regulatory issues. Following his time at DENR, Mr. McLamb joined the governmental affairs practice of an international law firm, representing a broad array of environmental, energy, financial, and insurance clients. He was again tapped to serve North Carolina as deputy secretary and general counsel at the Department of Transportation. As general counsel, he managed all aspects of the legal department of a state agency with a budget of over \$4 billion and was a key advisor to the Secretary of Transportation and Governor on public-private partnerships, contracts and litigation. Mr. McLamb joined Envirolink in 2017 as corporate counsel and business development manager. In 2019, he was named chief operating officer and general counsel. In this dual role, he manages all aspects of Envirolink's legal, government affairs, operations and client relationship initiatives. Mr. McLamb is based at the Envirolink corporate office in Raleigh, NC.

Lee Bowman – Director of Project and Corporate Development

Mr. Bowman has more than 20 years of experience in project management, corporate development, design, construction and operations management. Much of his experience has been gained as senior manager for the Triangle Division of Newland Real Estate Group, a national real estate development and advisory firm specializing

in large-scale, mixed-use master planned communities. Mr. Bowman oversaw all aspects of residential and commercial development at Briar Chapel and Wendell Falls focusing on planning, engineering, construction, entitlements, regulatory compliance and community relations. Prior to his role at Newland, Mr. Bowman was director of operations at Pinehurst Resort, where he managed national golf championships, including the 1999 and 2005 U.S. Open Championships. Mr. Bowman is based at the Envirolink corporate office in Raleigh, NC.

Charles A. Donnell, PE – Capital Projects Manager

Mr. Donnell brings over 30 years of engineering in water & wastewater experience to Envirolink. In his role as Capital Projects Manager, Mr. Donnell works with Envirolink clients to function as an owner advocate and ensure that an owner's representative is helping to oversee capital projects within the community. Mr. Donnell has two sons and two daughters and has enjoyed coaching woman's volleyball for over 20 years. Mr. Donnell holds a BS degree from the US Military Academy, West Point, NY and a MS degree from Colorado State University. Mr. Donnell is based at the Envirolink corporate office in Raleigh, NC.

Ann Marie Renze – Controller

Mrs. Renze has 30 years of experience as an accounting professional. Eleven of the years in public accounting and 19 years as a Controller and/or CFO in various industries including distribution, hospitality and service. She has held her Certified Public Accounting license from Pennsylvania for 23 years and North Carolina for 2 years. She completed the National Association of Regulatory Commissioners Rate School in 2019. Mrs. Renze holds a BS in Accounting from Penn State University. She is based in the Envirolink corporate office in Raleigh, NC.

John Mullis – Corporate Development

Mr. Mullis brings a wealth of experience to Envirolink in both the private and public sectors. Prior to joining Envirolink, John was a business owner for 25 years, while also serving in the public sector as a Town Manager and as a Public Works director in Norwood, NC. John is an Eagle Scout and served as a Servant Leader in his community having been Chairman of the Stanly County Chamber of Commerce, President of the Norwood Lions Club, Vice Chairman of the Albemarle Downtown Development Board, and Stanly Economic Development board member. John holds North Carolina certifications in wastewater, distribution, and collections. Mr. Mullis has direct experience in managing a municipal water system and is familiar with enterprise accounting, regulations, and policy structure needed to operate a municipal water system. Mr. Mullis is based at the Envirolink corporate office in Raleigh, NC.

Deborah Massey – Customer Service and Billing Manager

Ms. Massey has worked in billing and customer service for regulated water and wastewater utilities for over 28 years. Since 2010, she has managed Envirolink's customer service and billing departments. This includes the coordination of meter reading, issuance of monthly utility bills and the receipt of utility bill payments. Additionally, she manages Envirolink's customer service team who fields and responds to all customer calls, communicate system repairs to customers, and coordinate maintenance repairs and upgrades. Ms. Massey is based out of Envirolink's Triangle Region office in Bailey, NC.

David Strum – Director of Operations

Mr. Strum has served in the water and wastewater industry for the past 30 years in various capacities within water distribution, sewer collection, construction management and project management of water and wastewater systems around the world. Mr. Strum started his career as a Utilities Systems Apprentice in the United States Air Force. During his service he maintained mission critical systems supporting military operations in various theaters to include Japan, Korea and Iraq. Mr. Strum retired from the Air Force after serving 22 years and achieved the rank of Master Sergeant. Prior to joining Envirolink, Mr. Strum was employed with a publicly traded water utility company and played an instrumental role in the operational startup for one of the largest utility privatization contracts awarded by the Department of Defense. Mr. Strum is an active member of many National and North Carolina professional organizations. David holds the following North Carolina Water and Wastewater Certifications: A-Distribution, Cross-Connection, C Well, Wastewater Grade I and Collections Grade II. Mr. Strum is based at the Envirolink Corporate office in Raleigh, NC but travels across the state working with area managers in support of their region and employees.

Chris Bitterman – Piedmont Region Area Manager

Mr. Bitterman has extensive experience in drinking water treatment, water distribution, wastewater treatment, and wastewater collections. This includes municipal surface water treatment and distribution, private utility well treatment and distribution. Mr. Bitterman holds a variety of NC operator licenses including A- Surface, B- well, A-Distribution, Collections-1, Physical/Chemical-1, and Subsurface. Chris currently provides oversight and compliance for 20 community well water systems, 7 non-community well systems, 2 surface water purchase systems, and 3 surface water treatment systems. Mr. Bitterman is based at the Envirolink Piedmont Regional Area office in Mocksville, NC.

Madelyn Mills - Piedmont Region Compliance Manager

Ms. Mills manages compliance matters for all Piedmont Region clients, including monthly compliance reporting, preparing annual consumer confidence reports and coordinating responses to communications from state regulatory agencies. She holds an Associate of Arts from Asheville-Buncombe Technical Community College. Ms. Mills is based at the Envirolink Piedmont Regional Area office in Mocksville, NC.

Jay Van Hoose – Senior Water Operator

Mr. Van Hoose has over 30 years' experience operating water utility systems in North Carolina. He began his career in water treatment with the town of Louisburg as a water treatment plant operator in 1984. During his time at Louisburg, Jay worked hard to understand all areas of the water plant including the sludge handling and laboratory work. In 1986, Jay was promoted to Water Treatment Plant Superintendent. He was responsible for the operations staff of 2, for chemical inventory, and for the overall treatment process and budget. In 1985 Jay was promoted to Water and Sewer Director for the Town, with responsibility over the water and wastewater plants as well as the Public Works Department. A position he held until 1988. In 1988, Jay began work for the City of Rocky Mount as the Water Treatment Plants Supervisor. Rocky Mount was beginning a 100% renovation of the Sunset Ave. Water Treatment Plant. This was a four-year process with many challenges. One being performing all of this work and keeping the plant operational at all times. Jay planned and directed the construction staff in the renovation of all fifteen filters, installation of a new chemical feed system, electrical

system, office renovations and laboratory. After accomplishing the successful project for the City, Jay was offered and accepted the position of Water Treatment Plants Superintendent with the City of Rocky Mount, where he served until coming on board with Envirolink in 2011. He holds a-surface, c-well and a-distribution licenses. Mr. Van Hoose is based out of the Envirolink Triangle Region office in Bailey, NC but is primarily onsite at the water utilities he manages.

Robert “Chip” White – Water and Distribution Operator

Mr. White has been with Envirolink since 2015 and holds numerous water and wastewater utility certifications, including c-well, c-surface, c-distribution, grade II wastewater and grade II collections. Prior to his time at Envirolink, Mr. White worked in construction and safety compliance. He is based out of the Envirolink Piedmont Region office in Mocksville, NC but is primarily onsite at the water utilities he manages.

4. Program Understanding and Approach

a. Provide a comprehensive narrative demonstrating the company’s understanding and approach to implementing, operating, maintaining, expanding, and billing for the system.

Transitional Period

The transitional period shall include those tasks necessary to transition to startup sustainable operation, maintenance, and management of the water utility. The following outlines the services included in the transitional period

- Review existing customer and accounting record data for systems to be acquired;
- Perform a physical audit of assets and customers to validate existing customer files and record drawings for systems to be acquired;

Planning and Programming

In order to function as a full partner with Oak Ridge, Envirolink must be fully engaged in planning and programming activities prior to the startup of the water utility system. The purpose of Planning and Programming is to provide Oak Ridge with the types of resources and services typical of a utility department. The following list generally describes some of these activities.

Administrative & Management Support Services for the Water System

The following outlines the services included with administration and management of the Water System:

- Participate in strategic planning and long-term initiative meetings; and
- Program management for Master Planning activities related to the utility systems; and
- Program management for utility policy maintenance, development and upgrade; and
- Program management for water rate review and recommendations. Final approval of rate recommendations shall be the responsibility of the elected officials;
- Prepare annual Capital and Operating and Maintenance Budgets;
- Monitor and report on future regulatory initiatives and changes that could potentially impact the utility system;

- Maintain utility construction standards. Assumes utility already has a set of construction standards;
- Utility record and GIS Maintenance. This assumes an asset inventory and database exist and will be provided to Envirolink;

Utility Engineering and Construction Support

- Program Management for Utility Construction Standards. This includes maintenance, management and enforcement of standards once developed but does not include the initial development of utility standards. Envirolink is able to propose separately on development of utility standards if desired by Oak Ridge;
- Program Management for Utility Record and GIS Maintenance. This includes maintenance, management utility record and GIS information once developed but does not include the initial development of geospatial database or initial field surveys required to develop a GIS system. Envirolink is able to propose separately on development of these programs if desired by Oak Ridge.

Operation & Maintenance Services for the Water Supply Wells

Envirolink shall provide operation, maintenance, and management of the water supply wells and water treatment plant as follows:

- Provide Primary Operator in Responsible Charge (Class C); and
- Provide Back-up Operator in Responsible Charge (Class C or greater); and
- 24-hour, seven days a week on call emergency response; and
- Perform preventive maintenance on equipment as per manufacturer recommendations and/or Envirolink's standard procedures; and
- Preparation, coordination, and submittal of monthly chlorine and water usage reports; and
- Perform required field monitoring of water quality and report results as required to NC DEQ; and
- Attendance at regulatory agency inspections and meetings; and
- Coordination with North Carolina regulatory agencies regarding the operation of the water system; and
- Purchase, track compliance monitoring, and collect in order to deliver to a certified laboratory (exhibit F) those parameters required according to the North Carolina Department of Environmental Quality (*This is included as part of Envirolink's monthly service fees*); and
- Monitor and record key operational and process control parameters; and
- Monitor inventory levels of chemicals, parts and supplies and replenish (*Cost is reimbursable to Envirolink*); and
- Maintain an operator log that records all operational adjustments and maintenance activities; and
- Notify owner of any permit violations or specific equipment issues or capital requirements immediately upon discovery. Envirolink will indicate the reason for the violation or problems and provide an opinion of options and a recommendation based on its experience in managing utilities; and
- Inspect the water treatment system components and processes; and
- Lubricate equipment as needed; and
- Provide a Cross Connection Control ORC (not required if less than 5 devices) (*This is not included as part of Envirolink's monthly service fees*);
 - Issue annual notice regarding testing of backflow prevention devices (Note customers are responsible for testing and repair of device);

Adjustment to the Water System. No adjustment will be made to the process control of the water system by personnel other than Envirolink employees or its contractors.

Operation and Management of the Water Distribution System

Envirolink proposes to operate, maintain and manage the water distribution system for Oak Ridge. The following outlines the services included with operation and management of the Water Distribution System:

- Primary Operator in Responsible Charge;
- While not required, Envirolink will designate a Back-up Operator in Responsible Charge;
- 24 hour, seven day a week on call emergency response;
- Attendance at Regulatory Agency Inspections and meetings;
- Coordination with North Carolina Regulatory Agency's regarding the operation of the water system;
- Upon testing of chlorine levels, collect bacteriological samples from the distribution system per the sample site plan and deliver to a certified laboratory for analysis;
- Comply with the requirements of the lead and copper program, including distribution of lead and copper educational material and coordination of lead and copper sampling, as required by North Carolina Public Water Supply Section;
- Collect and deliver to the laboratory samples according the sample site plan for disinfection by-product monitoring as required by the North Carolina Public Water Supply Section;
- Purchase the analytical testing over the term of the contract for those parameters listed on the sample schedule included in the system permits. For additional testing above this amount, Envirolink would receive an equitable adjustment to the contract;
- Track compliance monitoring and collect and deliver to a certified laboratory those parameters required according to the North Carolina Public Water Supply Section;
- Monitor and Record Key Operational and Process Control Parameters;
- Meter reading (monthly);
- Monitor inventory levels of chemicals, parts and supplies and coordinate replenishment;
- Maintain an Operator Log recording all operational adjustments and maintenance activities (note the log book remains property of the operator but copies of non-proprietary information will be provided upon request);
- Notify Oak Ridge of any permit violations or specific equipment issues or capital requirements immediately upon discovery. Envirolink will indicate the reason for the violation or problems and provide an opinion of options and recommendation based on its experience in managing utilities;
- Lubricate equipment as needed;
- Respond to customer inquiries concerning the water distribution system;

Adjustment to the Water System. No adjustment will be made to the process control of the water system by personnel other than Envirolink employees or its contractors, unless approved by Envirolink.

Customer Service, Billing and Collections

Envirolink proposes to provide Customer Service, Billing and Collections for Oak Ridge. The following outlines the services included with these services:

- Customer Account Management
- Respond to customer inquiries
- Service order processing and tracking
- Service order records management
- Customer account bill production and mailing
- Collection of all funds through direct mail, or automatic bank draft
- Bank account, in Oak Ridge's name, for receipt of utility account payments, to be deposited as required by law for municipalities.

- Consumer Confidence Report Production
- Consumer Confidence Report distribution through direct mailing or other NC PWS approved method

Other Maintenance, Repairs, and Replacements

Routine maintenance and service responses are included in the service fee; however, repair or replacement costs are not included in the monthly service fee. Oak Ridge shall be responsible for any cost of repairs or replacements needed for proper operation of the water system except that Operator shall be responsible for any repairs or replacements that result from negligence of operator, its contractors, agents, and employees.

Envirolink will obtain prior approval from Oak Ridge unless delay in making such repairs or replacement will cause an emergency such as creating unsafe conditions for the end users of the utility, Envirolink’s employees or other persons or create environmental hazards.

Supplies and other Subcontracted Service Not Included

The following costs are not included and if desired by Oak Ridge shall be reimbursed to Envirolink on a cost plus 18% basis (Note Oak Ridge may desire to pay for these items directly):

- Purchased Power (e.g. Electricity, fuel for generators);
- Off-site disposal of other waste that result from the operation of the water system;
- Chemicals;
- Temporary supply of water in event of an outage.

Additional Services

- Utility Management Services including (see Schedule 2 for Pricing):
 - Capital Improvement Plan support;
 - Standards maintenance;
 - Connection Permit Issuance;
- New connections – Envirolink proposes that it will work with Oak Ridge to establish a standard tap fee that Oak Ridge can use as the basis for establishing its tap fee.

b. Provide anticipated response times to emergencies.

Envirolink is committed to providing the highest levels of service possible. An important aspect of this commitment is demonstrated through its Service Response Plan. Each emergency that Envirolink responds to is unique and requires trained professionals to evaluate and assess the best course of action for resolution of the problem. The following sections highlight certain provisions of the Service request/Emergency Response procedures that Envirolink will follow at the Town of Oak Ridge.

Response Times

There can be a wide variety of situations, each requiring appropriate and necessary responses. Envirolink will have the resources through its existing company resources or through obtainable locally through pre-qualified contractors, to ensure that emergency conditions are responded to according to the required standards. The following summarizes the

response times Envirolink's expects to provide.

- It is the goal of Envirolink to respond to all reported alarm or emergency conditions during normal business hours within one (1) hour and two (2) hours during non-business hours within the town limits.
- In emergencies during duty hours, the Envirolink First Responder will respond (onsite) as quickly as possible, but within sixty (60) minutes. The First Responder will arrive on site with equipment/supplies to assess the condition
- In emergencies during non-business hours, the Envirolink First Responder will respond (onsite) within two (2) hours. The First Responder will arrive on site with equipment/supplies to assess the condition.
- **Priority 1 (Emergency – Not Life or Death)** requests arise due to significant damage to a facility or compromise security or safety or negatively affect productivity, Envirolink will respond to the request immediately in accordance with the time frames listed above and close the work order within two (2) days.
- **Priority 2 (Health and Welfare)** requests arise due to situations left uncorrected that will measurably reduce productivity, cause discomfort or inconvenience, waste resources, or create the need for additional repairs. Envirolink will respond within the next business day and close the request within three (3) days.
- **Priority 3 (Productivity Inhibitor)** requests arise due to situations left uncorrected that will cause measurable discomfort or inconvenience to the customer or waste resources or create the need for additional repairs. Envirolink will respond to these requests within five working days and close the request within seven (7) days.
- **Priority 4 (Non-Essential)** requests arise due to situations that are esthetically unpleasant or inconvenient. ENVIROLINK will respond to these requests within five working days and close this request within twenty (20) days.

c. Provide information on accessibility and how calls are handled after hours.

Envirolink currently provides customer service 24/7 and on weekends and holidays. When a call is received by Envirolink customer service, a work order is created and dispatched to the resident manager as well as the regional area manager. Actual response times are based on a variety of factors as indicated above in response to question 3b.

d. Provide information on billing, collections, and treatment of delinquent accounts.

Envirolink will follow the adopted policy and ordinances establishing billing and collections system procedures. Envirolink has included in this proposal cost to manage the billings and collection for up to 200 bills per month on behalf of Town of Oak Ridge. In the event, town grows to require billing and collections greater 200 per month, Envirolink and the Town of Oak Ridge shall negotiate a mutually acceptable equitable adjustment to the annual and monthly service fee.

e. List and explain the company's expectations of the Town for the duration of this contract

The Town of Oak Ridge will supply the following:

- A Town employee to act as a contracting officer representative responsible for coordinating operational matters and quality assurance for the services provided;
- A Town employee to act as a contracting officer responsible for rendering decisions that affect pricing or contract terms. No oral or written statements of any unauthorized person(s) shall modify or otherwise affect the terms, conditions, Scope of Work, or drawings of the contract or contract. All modifications to the contract must be in writing by the contracting officer;
- All utilities including water, sewer, electricity, internet and telecommunications services at no charge to Envirolink;

- Emergency power generation;
- Rehabilitative and correction of substandard conditions are the responsibility of the Town;
- Parts associated with replacement, repair, remedial, upgrades and new installation performed by Envirolink, at the request of the Town, will be invoiced monthly.
- Town will maintain all permits and licenses by NCDEQ for water treatment facilities;
- Town will maintain and repair any Town owned equipment such as, but not limited to analytical, mechanical, or electronic equipment that is used in the operation of the systems;
- Town will pay for all application and annual inspection fees for the facilities;
- The Town shall grant access and use of Town equipment as may be necessary for the operation and maintenance of the Town Facilities;
- Facilities modifications or safety measures required for compliance with OSHA regulations or findings; and facilities ground maintenance;
- Maintain all easements, licenses, and equipment warranties for the mutual benefit of both the Town and Envirolink;
- Mow and otherwise maintain all well sites, easements and other utility property;
- Town agrees to maintain a spare parts inventory and pay for all upgrades and modifications required by State or Federal regulatory agencies;
- Any changes to the scope will be performed at a mutually agreeable price.

f. Describe the specific challenges the Program Team and Company see in completing the scope of work and how they plan to address those challenges.

As with the startup of any new system, there will be many unknown events that are likely to occur. Envirolink has an experienced team with broad experience that will enable us to identify those issues and resolve in an expeditious manner.

5. Cost Information

a. Provide a narrative on your general approach to determining cost for service.

Envirolink's approach to determining cost for service is to calculate a flat base monthly fee for the operation, maintenance and management of the utility system components – i.e., water supply operations and laboratory analysis. Distribution and billing and customer service are billed a flat per customer basis with a tiered declining cost per customer as connections are added to the system. This flat fee approach gives clients consistency each month for budgeting purposes. Services beyond regular operations and management are highly variable and, for that reason, are billed on a cost-plus basis (e.g. line break repairs and temporary water supply). To calculate base monthly fee, Envirolink considers a number of factors, including the certification required to operate the system (c-well or c-distribution), the visitation and sampling requirements in the permit, the projected cost of goods needed to operate the system, overhead and a profit margin.

Envirolink proposes a per entry point fee structure for operations, maintenance, management, and laboratory services and a per customer fee for distribution, customer service, billing, and collections. The per customer fee will decrease as customers are added to the system.

b. For comparison purposes, provide a cost and cost breakdown for all services for the following. Present the

information on an anticipated cost per connection on an annual basis and be inclusive of all scope items presented above. List all assumptions made and do not include capital costs or emergency repair costs.

Operations, Maintenance, & Management - Entry Point and Distribution (Fixed Fee)

| Number of Entry Points | | | |
|-------------------------------|-------------|-------------|-------------|
| Number of Connections | 1 | 2 | 4 |
| 0 - 30 | \$ 1,250.00 | \$ 2,500.00 | \$ 5,000.00 |
| 31 - 50 | \$ 1,250.00 | \$ 2,500.00 | \$ 5,000.00 |
| 51 - 80 | \$ 1,250.00 | \$ 2,500.00 | \$ 5,000.00 |

Customer Service, Billing, Collections (Variable Fee - Per Customer)

| Number of Entry Points | | | |
|-------------------------------|----------|----------|----------|
| Number of Connections | 1 | 2 | 4 |
| 0 - 30 | \$ 4.25 | \$ 4.25 | \$ 4.25 |
| 31 - 50 | \$ 4.25 | \$ 4.25 | \$ 4.25 |
| 51 - 80 | \$ 4.25 | \$ 4.25 | \$ 4.25 |

Assumptions:

- C-well water and distribution system classification;
- Well visitation and frequency of visits are based on NCDEQ requirements. Additional visitations would be invoiced according to Envirolink’s Preferred Client pricing schedule;
- Additional services would be invoiced according to Envirolink’s Preferred Client pricing schedule;
- Utility Management Fee not included. To be negotiated at time of contract award depending on level of service

ENVIROLINK PREFERRED CLIENT RATE SCHEDULE FOR ADDITIONAL SERVICES

Effective August 31, 2019

| Description | Standard Rate | Preferred Rate | Per |
|---|---------------|----------------|------|
| Mobilization | | | |
| 0-30 Miles | \$125.00 | \$106.25 | Hour |
| 31-60 Miles | \$150.00 | \$127.50 | Hour |
| 61-90 Miles | \$200.00 | \$170.00 | Hour |
| 91-120 Miles | \$500.00 | \$425.00 | Hour |
| Labor | | | |
| Director of Utility | \$300.00 | \$255.00 | Hour |
| Supervisor | \$257.00 | \$218.50 | Hour |
| Senior Project Manager | \$180.00 | \$153.00 | Hour |
| Construction Inspector | \$90.00 | \$90.00 | Hour |
| Project Manager | \$85.00 | \$72.25 | Hour |
| Executive Assistant | \$55.00 | \$50.00 | Hour |
| Office/Billing Manager | \$50.00 | \$42.50 | Hour |
| Office Assistant | \$35.00 | \$29.75 | Hour |
| Inspector | \$65.00 | \$65.00 | Hour |
| Service Person II - Foreman | \$50.00 | \$50.00 | Hour |
| Service Person I - Skilled | \$45.00 | \$45.00 | Hour |
| Laborer | \$38.00 | \$32.50 | Hour |
| Grade A - Water | \$70.00 | \$60.00 | Hour |
| Grade B - Water | \$60.00 | \$50.00 | Hour |
| Grade C - Water | \$52.00 | \$52.00 | Hour |
| Cross Connection | \$52.00 | \$50.00 | Hour |
| Senior Lab Tech | \$52.00 | \$50.00 | Hour |
| Laboratory Technician - Water | \$45.00 | \$38.00 | Hour |
| Analyst | \$37.00 | \$37.00 | Hour |
| Driver | \$35.00 | \$35.00 | Hour |
| Grade IV - Wastewater | \$75.00 | \$63.75 | Hour |
| Grade III - Wastewater | \$60.00 | \$51.00 | Hour |
| Grade II - Wastewater | \$52.00 | \$45.00 | Hour |
| Grade I - Wastewater | \$47.00 | \$40.00 | Hour |
| Spray Irrigation Operator | \$53.00 | \$45.00 | Hour |
| Physical/Chemical Operator II | \$55.00 | \$50.00 | Hour |
| Physical/Chemical Operator I | \$50.00 | \$43.00 | Hour |
| Subsurface Operator | \$55.00 | \$50.00 | Hour |
| Land Application Operator | \$55.00 | \$50.00 | Hour |
| Administration: Utility Billing & Customer Service - General | \$4.25 | \$4.25 | Each |
| Administration: Utility Billing & Customer Service - Briar Chapel | \$4.25 | \$4.25 | Each |
| Administration: Utility Billing & Customer Service - VCWD | \$6.30 | \$6.30 | Each |

ENVIROLINK PREFERRED CLIENT RATE SCHEDULE FOR ADDITIONAL SERVICES

Effective August 31, 2019

| Description | Standard Rate | Preferred Rate | Per |
|--------------------------------|---------------|----------------|-----|
| Equipment | | | |
| 140 kw Generator | \$440.00 | \$374.00 | day |
| Loader | \$400.00 | \$340.00 | day |
| Mini Excavator | \$360.00 | \$306.00 | day |
| Air Compressor | \$360.00 | \$306.00 | day |
| Rubber Tire Backhoe | \$320.00 | \$272.00 | day |
| Crane Truck (3 ton) | \$270.00 | \$229.50 | day |
| Maintenance Truck | \$240.00 | \$204.00 | day |
| Chipper | \$200.00 | \$170.00 | day |
| Support Hose and PPE | \$135.00 | \$114.75 | day |
| Operator Truck | \$120.00 | \$102.00 | day |
| 6" Godwin bypass pump | \$120.00 | \$102.00 | day |
| Leaf Truck | \$120.00 | \$102.00 | day |
| 4" Trash Pump | \$185.00 | \$157.25 | day |
| 2" Trash Pump | \$80.00 | \$68.00 | day |
| 3" Trash Pump | \$80.00 | \$68.00 | day |
| Leak Detection | \$75.00 | \$63.75 | day |
| CFE PPE & Equipment | \$75.00 | \$63.75 | day |
| 6 kw Generator | \$45.00 | \$38.25 | day |
| Smoke Testing Equipment | \$35.00 | \$29.75 | day |
| GPS Unit | \$35.00 | \$29.75 | day |
| Flow Monitoring – Sewer | \$25.00 | \$21.25 | day |
| 6'x20' Suction hose | \$25.00 | \$21.25 | day |
| 6" x50' Discharge hose | \$25.00 | \$21.25 | day |
| Combination Truck | \$2,000.00 | \$1,700.00 | day |
| Vacuum Truck | \$1,000.00 | \$850.00 | day |
| Mainline Camera | \$880.00 | \$748.00 | day |
| Jetter | \$1,200.00 | \$1,020.00 | day |
| Push Camera | \$600.00 | \$510.00 | day |
| Truck: Operator or Maintenance | \$120.00 | \$102.00 | day |

ENVIROLINK PREFERRED CLIENT RATE SCHEDULE FOR ADDITIONAL SERVICES

Effective August 31, 2019

| Description | Standard Rate | Preferred Rate | Per |
|--|---------------|----------------|-------|
| Service | | | |
| Confined Space Entry | \$75.00 | \$63.75 | entry |
| Mainline Cleaning, 8"- 12" | \$2.00 | \$2.00 | Feet |
| Mainline Cleaning, 15"- 18" | \$2.50 | \$2.50 | Feet |
| Mainline Cleaning, 21"- 27" | \$2.90 | \$2.90 | Feet |
| Mainline Cleaning, 30" | \$4.00 | \$4.00 | Feet |
| Mainline Cleaning, 36"- 96" | \$5.90 | \$5.90 | Feet |
| Manhole Inspection | \$65.00 | \$65.00 | Each |
| Hydrant Flow Testing | \$350.00 | \$350.00 | Each |
| Mainline CCTV (Unit), Readily Accessible | \$1.10 | \$1.00 | Feet |
| Mainline CCTV (Not Readily Accessible) | \$4.25 | \$4.25 | Feet |
| 3/4" x 5/8" Meter | \$55.00 | \$55.00 | Each |
| Customer Service + Issue Bill | \$4.25 | \$4.25 | Each |
| Customer Service + Issue Bill (VCWD) | \$5.80 | \$5.80 | Each |
| Customer Service + Issue Bill (BC) | \$4.25 | \$4.25 | Each |
| Subcontractor | | | |
| Supplies | | | |
| Parts | | | |