

City of Philadelphia



(Bill No. 080498-A)

AN ORDINANCE

Authorizing the Water Commissioner and the Procurement Commissioner, on behalf of the City of Philadelphia, to enter into a Service Contract with the Philadelphia Municipal Authority, pursuant to which the City will assume certain obligations under an agreement that the Authority will enter into with Philadelphia Biosolids Services, LLC to design, finance, build, own and maintain facilities and equipment, and provide operating services, for the management of the City's wastewater treatment solids; all under certain terms and conditions.

WHEREAS, the Philadelphia Municipal Authority (the "Authority") is authorized to design, build, finance, own, operate, maintain, and lease (either in the capacity of lessor or lessee) facilities and equipment, and provide related services, for the management of the City's wastewater treatment solids (collectively "Biosolids Services") on behalf of the Water Department or other designated City department; and

WHEREAS, the Water Department and the Procurement Department have requested that the Authority undertake a project (the "Project") to provide Biosolids Services for the City; and

WHEREAS, the Authority has selected Philadelphia Biosolids Services, LLC, through a competitive process, to provide Biosolids Services in accordance with a Request for Proposals issued on May 28, 2004; and

WHEREAS, the City, acting through the Water Department, has committed to the collective bargaining representative of Water Department employees that the City shall not layoff, demote or otherwise impose any adverse employment consequences on such employees now assigned to the Biosolids Recycling Center as a result of the Project, absent just cause; and

WHEREAS, the Project will require the Authority to enter into an agreement with Philadelphia Biosolids Services, LLC for Biosolids Services, and will require the City and the Authority to enter into a Service Contract pursuant to which the City will assume certain obligations under the Authority's agreement with Philadelphia Biosolids Services, LLC; now therefore,

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. The Water Commissioner and the Procurement Commissioner, on behalf of the City of Philadelphia, are hereby authorized to enter into a Service Contract

City of Philadelphia

BILL NO. 080498-A continued

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with the Philadelphia Municipal Authority (“Authority”), pursuant to which the City will assume certain of the Authority’s obligations under an agreement the Authority will enter into with Philadelphia Biosolids Services, LLC to design, finance, build, own, operate and maintain facilities and equipment, and to provide operating services, for the management of the City’s wastewater treatment solids (“Biosolids Services”).

SECTION 2. The Service Contract authorized in Section 1 of this Ordinance shall be substantially in the form set forth in Exhibit “A” hereto, with such changes as (a) the City Solicitor deems necessary or desirable to protect the interest of the City, and which changes, in the legal judgment of the City Solicitor, do not materially alter the relationship of the parties to the Service Contract, directly or indirectly increase the City’s financial obligations under the Service Contract, materially diminish the obligations of the Authority to the City under the Service Contract, or otherwise adversely affect the rights of the City or of any official of the City under the Service Contract, and (b) are necessary to conform the Service Contract to Sections 4 through 6 of this Ordinance.

SECTION 3. The authorization in Section 1 of this Ordinance is conditioned on the agreement between the Authority and Philadelphia Biosolids Services, LLC being substantially in the form set forth in Exhibit “B” hereto, with such changes as are consistent with any changes made to the Service Contract as authorized by Sections 1 and 2 of this Ordinance.

SECTION 4. The City is not authorized to compensate the Philadelphia Municipal Authority (PMA) for Biosolids Services that are substantially similar to how the City operated the existing facility in Fiscal Year 2008, beyond a five year period from the commencement of the Service Contract. If at any time during the term of the Service Contract, a decision is made by PMA or the City to not complete the construction required in the Service Contract or to abandon use of the proposed heat-drying facility, the Service Contract shall be terminated no later than one year following the date of such decision. The Service Contract in Exhibit “A” shall be conformed to the conditions of this Section.

SECTION 5. The City, acting through the Water Department, has committed to the collective bargaining representative of Water Department employees that (i) the City shall not layoff, demote or otherwise impose any adverse employment consequences on employees now assigned to the Biosolids Recycling Center (BRC) as a result of the project authorized by this Ordinance, absent just cause; (ii) upon completion of the project, City employees assigned to the BRC will be provided an opportunity to apply for a job at the new facility; and (iii) if employed at the new facility, such employee may return to an equivalent position with the same job title and seniority within the Water Department up to one year later for any reason whatsoever. The Service Contract in Exhibit “A” shall be conformed to reference the City’s representation that it has made such commitment.

City of Philadelphia

BILL NO. 080498-A continued

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SECTION 6. The City, the Authority, and Philadelphia Biosolids Services, LLC have agreed that the design, financing, construction, maintenance and operations by Philadelphia Biosolids Services, LLC shall be subject to the Economic Opportunity Plan attached hereto as Exhibit "C." The Service Contract in Exhibit "A" shall be conformed to include such Economic Opportunity Plan as an Exhibit.

SECTION 7. The Chief Clerk of City Council shall keep all Exhibits to this Ordinance on file and make them available to the public for inspection and copying during regular office hours.

[Note: Exhibits to this Bill are on file in the Office of the Chief Clerk.]

City of Philadelphia

BILL NO. 080498-A continued

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EXHIBIT “C” **ECONOMIC OPPORTUNITY PLAN**

BACKGROUND

The City of Philadelphia (the “City”), a municipal corporation is a City of the first class and a body corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania.

The Philadelphia Municipal Authority, (the “Authority”) incorporated pursuant to the Municipal Authorities Act of 1945, as amended, is under the attached Bills empowered, in addition to such other powers heretofore granted by Ordinance, to design, build, finance, own, operate, maintain, and lease (either in the capacity of lessor or lessee) facilities and equipment, and provide related services for the management of the City’s wastewater treatment solids.

The Commissioner of Public Property under the attached Bills is hereby authorized to enter into a lease agreement (“Master Lease”) with the Authority for further sublease to Philadelphia Biosolids Services, LLC (“PBS”) of a certain portion of a parcel of ground located at 7800 Penrose Ferry Road, Philadelphia, Pennsylvania.

The Authority under the attached bills is authorized to design, build, finance, own, operate, maintain, and lease (either in the capacity of lessor or lessee) facilities and equipment, and provide related services for the management of the City’s wastewater treatment solids (collectively “Biosolids Services”) on behalf of the Water Department or other designated City department.

The Authority has selected PBS through a competitive process to provide Biosolids Services in accordance with a request for proposal issued on May 28, 2004. The project will require the Authority to enter into an agreement with PBS for Biosolids Services, and will require the City and the Authority to enter into a Service Contract pursuant to which the City will assume certain obligations under the Authorities agreement with PBS.

The City, the Authority, and PBS agree that the design, financing, construction, maintenance and operations by PBS are subject to the Economic Opportunity Plan, Chapter 17-1600 of The Philadelphia Code which requires under this project, PBS to enumerate its “best and good faith efforts”¹ to provide meaningful and representative opportunities for Minority (MBE), Women (WBE) and Disabled (DSBE) owned business enterprises (collectively referred to hereafter as M/W/DSBEs) and identify successful outreach activities for employing an appropriately diverse workforce in connection with this project.

¹ As defined in Executive Order 02-05.

City of Philadelphia

BILL NO. 080498-A continued

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I. PROJECT AND PLAN INTRODUCTION

- A. The Authority acting through its subcontractor, PBS, has proposed a Service Agreement with the City for the comprehensive management of the City's biosolids, including the design, financing, construction, maintenance and operation of facilities at the City's Biosolids Recycling Center (BRC). PBS proposes to manage the current BRC operations for a three to five year interim construction period while a new heat-drying facility is constructed. Following the interim construction period, PBS will operate the new heat-drying facility at the BRC site for 20 years. PBS will lease the BRC site and existing improvements from the City and will own the new heat-drying facility and related improvements. The design, financing, construction, maintenance and operations by PBS are collectively referred to as "Biosolids Services" or the "Project".
- B. PBS is a joint venture of three companies: Synagro-WWT, Inc., McKissack & McKissack and Len Parker and Associates. The Economic Opportunity Plan (the "Plan") reflects the interest of these companies in the participation of locally owned businesses and workers reflecting the diversity of Philadelphia. PBS responded to a Request for Proposals that identified participation goals for Biosolids Services. PBS's proposal exceeded those goals and that is reflected in this Plan.
- C. Participants shall include engineers, architects and other professional services providers and their respective consultants, the general contractor or construction manager retained by PBS to construct the new facilities and subcontractors, and all vendors of supplies, services, equipment and materials for the Biosolids Services (collectively, the "Participants" and each a "Participant"). All Participants shall be obligated to fully comply with the requirements of the Plan.
- D. PBS is committed to provide meaningful and representative opportunities for minority-owned, women-owned and disabled-owned business enterprises (referred to hereafter individually, as "MBEs", "WBEs", "DSBEs", respectively and collectively, as "M/W/DSBEs"), socially and economically disadvantaged owned business enterprises (referred to hereafter as "DBEs") and individuals that are Philadelphia residents (referred to hereafter as "local residents"), in all phases of the Biosolids Services. PBS will require that all Participants commit to the foregoing commitment. Neither PBS nor any Participant shall (and furthermore shall ensure that their associates, partners or representatives shall not) discriminate on the basis of race, color, religion, sex, national origin, sexual orientation, gender identity, ancestry, age, or handicap in the award and performance of contracts pertaining to the Biosolids Services or with respect to any and all related employment practices.

City of Philadelphia

BILL NO. 080498-A continued

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- E. All Participants in the Biosolids Services shall observe and be subject to the enforcement of all relevant City of Philadelphia, Commonwealth of Pennsylvania and federal laws, ordinances, orders, rules and/or regulations regarding M/W/DSBEs and locally-based business enterprises. Furthermore, affirmative action will be taken, consistent with sound procurement policies and applicable laws, to ensure that M/W/DSBEs are afforded a meaningful and representative opportunity to participate in contracts relating to the Biosolids Services.
- F. For the purposes of this Plan, the term “minority person” shall refer to the following: African American or Black (persons having origins in any of the Black racial groups of Africa); Hispanic American (persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin regardless of race); Asian American (persons having origins from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Juvalu, Nauru, Federated States of Micronesia, Hong Kong, India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka;; and Native Americans (which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians).
- G. Agencies and representatives of the City of Philadelphia and/or Commonwealth of Pennsylvania may be consulted regarding the appropriate inclusion of M/W/DSBEs and DBEs in this Biosolids Services as outlined in this Plan and with regard to its implementation.

II. PROCEDURES FOR DETERMINATION

- A. **Scope/Duration.** - This Plan shall apply to contracts awarded and procurements sourced by PBS and all Participants throughout the provision of Biosolids Services. Applicable provisions of the Plan will be implemented by PBS in all phases of Biosolids Services.
- B. **Statement of Objectives.** - The objectives set forth in the Plan shall be incorporated in all requests for proposals, bid packages and solicitations for the Biosolids Services and communicated to all Participants.

City of Philadelphia

BILL NO. 080498-A continued

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C. Good Faith Efforts. - Participants shall use Best and Good Faith Efforts (as defined hereunder) to provide appropriate participation and utilization opportunities for M/W/DSBEs, minority workers, female workers and local resident workers. All Biosolids Services contractors and vendors will be required to do likewise, consistent with best and sound procurement practices, and with applicable law. *Best and Good Faith Efforts* are those efforts, the scope, intensity and appropriateness of which are designed and performed to achieve the objectives of this Plan including ranges and goals expressed herein. Best and Good Faith Efforts will be deemed adhered to when a Participant meets the criteria set forth in this Plan and demonstrates and documents its efforts throughout the duration of the Biosolids Services. Each Participant must submit a Subcontracting/Vendor Plan showing how *Best and Good Faith Efforts* were made to achieve said ranges, even if the ranges were not met. This plan must include, but not be limited to, the following:

1. Written request for assistance to the PBS three (3) business days prior to the bid due date.
2. Solicitation through job fairs, newspapers, periodicals, advertisements and other organizations or media that focus on construction and are owned by M/W/DSBE and/or that focus on M/W/DSBEs
3. Telephone logs.
4. Evidence of solicitation to qualified M/W/DSBEs and DBEs certified by the Philadelphia Minority Business Enterprise Council ("MBEC") or any successor agency, or members of the Pennsylvania Unified Certification Program ("PaUCP").
5. Bid results and reasons as to why no awards were made to M/W/DSBEs.
6. Use of City/MBEC-certified business firms via the MBEC directory.
7. Correspondence between the contracting firm and any M/W/DSBE firms.
8. Attendance logs and/or records of any scheduled pre-bid or pre-proposal meeting.
9. Specific, general and technical assistance offered and provided to M/W/DSBEs related to their portion of the Biosolids Services.
10. Proof there was notification of and access to bid documents at the contracting firm's office or other office locations for open and timely review.

City of Philadelphia

BILL NO. 080498-A continued

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- D. Monitoring of *Best and Good Faith Efforts* – The monitoring and reporting of *Best and Good Faith Efforts* of the Participants shall be established by PBS in consultation with appropriate city, state and federal agencies and/or private professional entities, and shall include (in addition to any further measures that may be required) the following:
1. Participants shall submit copies of signed contracts and purchase orders with M/W/DSBE contractors and subcontractors.
 2. Participants shall be ready to provide evidence of timely payments to M/W/DSBE subcontractors, sub-consultants and supply vendors for participation verification. This documentation should be provided monthly or included with every request for payment.
 3. At the conclusion of the Biosolids Services, Participants shall provide evidence of the actual dollar amounts paid to M/W/DSBE contractors or subcontractors.
 4. All Participants that are on-site contractors involved in the construction of the new facilities shall be prepared to submit "certified" payrolls listing the following items for all on-site employees:
 - a. Full name
 - b. Social security number
 - c. Full address
 - d. Trade classification (e.g., laborer, carpenter, apprentice, electrician, plumber, and foreman)
 - e. Gender
 - f. Race
 - g. Hours worked
 - h. All withholding (e.g., laborer, local, state, FICA, etc.)
 - i. Name of the contractor and name of the prime for subcontractors
 - j. Name of Project
 5. Certified payroll reports shall be signed by an authorized officer of the applicable Participant.
 6. Participants shall comply with all applicable requirements of any federal, state or local law ordinance or regulation relating to contract and payroll compliance.

City of Philadelphia

BILL NO. 080498-A continued

Certified Copy

- E. Documentation of *Best and Good Faith Efforts* and Compliance. Two components have been established to facilitate the inclusion of M/W/DSBEs as contractors and vendors, and minority /female/local residents as workforce participants:
1. *M/W/DSBE Contracting and Vending Participation Levels* - the basis for each determination will be the percentage of the total dollar amount of Participant's bid/contract or the total dollar amount of the bid/contract for the identified Biosolids Services task.
 2. *Minority/Female/Local Resident Employment Participation Levels* - the basis for each determination will be the projected total on-site field employee hours divided by the number of minority, female and local resident employee hours anticipated to be performed on the contractor's payroll, and each of the contractor's on-site subcontractors payrolls.
- F. Oversight Committee. PBS, in consultation with the appropriate agencies and entities, will establish and identify the members of a "Project Oversight Committee." The Project Oversight Committee shall include representatives of PBS, the Water Department, the Procurement Department and the general contractor and shall meet during all phases of the Biosolids Services. PBS and the Project Oversight Committee will engage in monitoring, reporting and problem solving activities including regular meetings to address all matters relevant to further development of this Plan, carrying out its implementation and the successful completion of the Biosolids Services.

III. CERTIFIED M/W/DSBEs

- A. Only businesses that are owned and controlled, in both form and substance as M/W/DSBEs shall be counted towards participation under this Plan. To ensure this standard, all businesses, including joint ventures, must be certified by MBEC, or any successor agency or the PaUCP. Both agencies are authorized to certify such enterprises.

City of Philadelphia

BILL NO. 080498-A continued

Certified Copy

- B. M/W/DSBEs certification shall not be the sole determination of a bidder's or contractors financial or technical ability to perform specified work. PBS reserves the right to evaluate the contractor's or subcontractor's ability to satisfy financial, technical, or other criteria separate and apart from said certifications before bid opening. Pre-qualification conditions and requirements shall be conveyed in a fair, open and non-discriminatory manner to all.
- C. PBS recognizes that M/W/DSBE certifications may expire or the firm may experience decertification by an authorized governmental entity. Certifications that expire during a M/W/DSBE's participation on a particular phase of the Biosolids Services may be counted toward overall goals for participation ranges. However, said firm **MUST** become recertified prior to consideration for future range/goal credit in this Plan. If a firm has been decertified, said firm will not be eligible to participate.

IV. NON-COMPLIANCE

- A. In cases where PBS has cause to believe that a Participant, acting in good faith, has failed to comply with the provisions of this Plan, the PBS in consultation with the Project Oversight Committee and/or appropriate agencies and professional entities, will attempt to resolve the noncompliance through conciliation and mediation.
- B. In conciliation, a Participant must satisfy PBS and the Project Oversight Committee that said Participant has made *Best and Good Faith Efforts* to achieve the agreed upon participation ranges and/or goals. Demonstration of *Best and Good Faith Efforts* on the part of a Participant includes:
 - 1. Entering into a contractual relationship with the designated M/W/DSBE firm in a timely, responsive and responsible manner, and fulfilling all contractual requirements, including payments, in said manner.
 - 2. Notifying all parties - including the PBS, the M/W/DSBE, the Project Oversight Committee and all relevant Participants of any problems in a timely manner.
 - 3. Requesting assistance from PBS and/or the Project Oversight Committee in resolving any problems with any M/W/DSBE.
 - 4. Making every reasonable effort to appropriately facilitate successful performance of contractual duties by a M/W/DSBE through timely, clear and direct communications and reasonable business assistance.

City of Philadelphia

BILL NO. 080498-A continued

Certified Copy

- C. In cases where PBS, in consultation with the Project Oversight Committee, has cause to believe that any Participant has failed to comply with the provisions of this Plan, PBS will conduct an investigation.
- D. After affording the Participant notice and an opportunity to be heard, PBS in consultation with the Project Oversight Committee will take corrective, remedial and/or punitive action. Such actions may include, but are not limited to:
 - 1. Declaring the Participant as non-responsible and/or non-responsive, with a determination being made that the Participant is ineligible to receive the award of a contract, ineligible to continue a contract and/or ineligible for any other future contracts affiliated with Biosolids Services;
 - 2. Suspending the violating Participant from doing business with PBS;
 - 3. Withholding payments to the violating Participant; and/or
 - 4. Pursuing and securing any relief which PBS, in consultation with the Project Oversight Committee, may deem to be necessary, proper, and in the best interest of PBS and the Biosolids Services and consistent with applicable policy and law.

V. GUIDELINES FOR JOINT VENTURING

Joint Venture relationships with certified M/W/DSBEs must meet the following criteria in order to receive credit towards the participation goals:

- A. The M/W/DSBE partner(s) must be certified by MBEC, PaUCP or an agency authorized by law to certify such enterprises prior to proposal/bid submission.
- B. The M/W/DSBE partner(s) must be substantially involved in significant phases of the contract including, but not limited to, the performance (with its own work force) of a portion of the on-site work, and of administrative responsibilities, such as bidding, planning, staffing and daily management.
- C. The business arrangements must be customary (i.e., each partner shares in the risk and profits of the joint venture commensurate with their respective ownership interest).
- D. If a certified partner is a M/W/DSBE, the participation will be credited only to the extent of the partner's ownership interest in the joint venture. M/W/DSBE participation ranges or goals will apply to the joint venture.

City of Philadelphia

BILL NO. 080498-A continued

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VI. PARTICIPATION RANGES AND GOALS

A. Goals and participation ranges have been identified for five separate areas related to the delivery of Biosolids Services under the proposed PBS Service Agreement:

1. Equity. Ownership of the prime contractor for Biosolids Services, PBS
2. Interim Operations. Biosolids Services provided during the 3-5 year construction period
3. Design. The required professional services of architect and engineering firms.
4. Construction. The construction of the new facilities at the BRC site.
5. Long Term Operations. Biosolids services provided following the completion of the new facilities for a 20 year period.

Table 1

M/W/DSBE PARTICIPATION PLAN

PROJECT PHASES	PROJECT COSTS TOTAL	ELIGIBLE COSTS TOTAL	DBE DOLLARS	PERIOD	% PART.	RFP GOALS	TOTAL M/W/DSBE DOLLARS
EQUITY	100%	100%	N/A	24 YEARS	30%	15%	N/A
INTERIM OPS	\$16,681,000	\$5,498,607	\$2,749,304	4 YEARS	50%	28-50%	\$10,997,216
DESIGN	\$2,782,386	\$2,782,386	\$1,014,000	LUMP SUM	40%	32-45%	\$1,014,000
CONSTRUCTION	\$39,143,711	\$21,568,068	\$8,450,000	LUMP SUM	39%	33-55%	\$8,450,000
LONG TERMS OPS	\$15,418,000	\$6,715,000	\$1,880,000	20 YEARS	28%	28-50%	\$37,600,000
PROJECT TOTAL							\$58,061,216

Eligible costs are those that were identified by MBEC as the costs for Biosolids Services that could be subcontracted to M/W/DSBEs. These are costs that were not essential to the direct service responsibilities of PBS and its design/build firm or proprietary manufactured equipment.

City of Philadelphia

BILL NO. 080498-A continued

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- B. Equity Participation.** Equity participation means participation which constitutes beneficial ownership by MBEs and WBEs in PBS. Subsequent to being selected for negotiations, the operating agreement for Philadelphia Biosolids Services LLC was filed documenting M/W/DSBE equity participation of 30% as follows:

Firm	Participation
McKissack & McKissack (WBE) 721 Chestnut Street Philadelphia, PA 19106	20% Equity
Len Parker & Associates (MBE) 40 W. Evergreen Avenue Philadelphia, PA 19118	10% Equity

- C. Interim Operations.** PBS will utilize the services of Len Parker & Associates (LPA) to manage M/W/DSBEs during the Interim Operations. LPA will provide all outsourced dispatch and transportation services required by Company. LPA will solicit transport services to achieve 50% participation from Philadelphia Certified M/W/DSBE firms. PBS shall include a provision in the contract with the LPA to use Best and Good Faith Efforts to provide opportunities for MBEs and WBEs through joint venture and subcontract opportunities and shall include this Plan in the contract with the LPA. PBS will also make Best and Good Faith Efforts to employ local residents in its Interim Operations for BRC-based operations consistent with a workforce utilization goal of 50%.

**Table 2
Interim Operations**

M/W/DSBE Components	Percentage Participation	\$ Participation
MBE	32%	\$7.0M
WBE	15%	\$3.3M
DSBE	3%	\$0.7M
Total:		
		50%
		\$11.0M
Local Employment		
- City-based Employment	50%	
- Other	50%	
Total:		
		100%

City of Philadelphia

BILL NO. 080498-A continued

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- D. **Design.** McKissack & McKissack will be providing Design oversight for the Company (as the owner’s representative). Company’s primary design subcontractor, CH2MHill, will be responsible for meeting Project Design M/W/DSBEs goal of 44%. PBS shall include a provision in the contract with CH2MHill to use Best and Good Faith Efforts to provide opportunities for MBEs and WBEs through joint venture and subcontract opportunities and shall include this Plan in the contract. The engineering work scope anticipated is currently estimated at 40% of the total Design value of the Project. Table 3 provides a breakout of the anticipated value of Design services provided by M/W/DSBEs.

**Table 3
Design Services**

Scope	Estimated Percentage	Estimated Range
1. Permitting	2% - 3%	\$45k - \$75k
2. Survey	1% - 2%	\$25k - \$50k
3. Design Services & Services During Construction	29% - 34%	\$725k - \$840k
- Civil		
- Structural		
- Architectural		
- Building Services		
- Electrical		
4. PBS Design Override	8%	\$219k
Total:	40% - 48%	\$1.014M - \$1.184M
M/W/DSBE Components		
- MBE	26% - 31%	\$.659M - \$.765M
- WBE	12% - 14%	\$.304M - \$.345M
- DSBE	2% - 3%	\$.051M - \$.074M
Total:	40% - 48%	\$1.014M - \$1.184M
Local Employment		
- City-based Employment	50%	
- Other	50%	
Total:	100%	

City of Philadelphia

BILL NO. 080498-A continued

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E. **Construction.** Unlike traditional design-bid construction projects, this project is utilizing a Design/Build/Own/Operate (DBOO) procurement approach; therefore, not all necessary design, engineering and permits to determine the final scope of construction work are available at the time of contract execution. Specific M/W/DSBE construction participation will be submitted to the City after PBS receives final permit issuance and when final construction scope has been determined. During the construction phase of the BRC project, PBS through its Design/Build subcontractor, CH2M Hill will continue to work closely with the MBEC to identify certified M/W/DSBEs for participation in construction work. CH2MHill will be responsible for meeting the construction M/W/DSBEs goal of 35%. PBS shall include a provision in the contract with CH2MHill to use Best and Good Faith Efforts to provide opportunities for MBEs and WBEs through joint venture and subcontract opportunities and shall include this Plan in the contract. CH2M Hill is coordinating with Len Parker Associates in the development of mechanical, plumbing and HVAC work scopes for the new facilities. Table 4 presents the Company’s estimated scope of Construction work for all M/W/DSBE firms. PBS will make Best and Good Faith Efforts to require its contractor to utilize Philadelphia-based subcontractors that employ local residents in its construction workforce consistent with a workforce utilization goal of 50%.

Table 4
Estimated Scope of Construction Work

Scope	Estimated Percentage	Estimated Range
Mechanical/HVAC/Plumbing		\$3.9M - \$4.5M
Demolition		\$500k - \$600k
Concrete/Civil		\$950k - \$1.2M
Civil/UG Utilities		\$700k - \$800k
Building Structural		\$2.4M - \$3M
PBS - Construction Oversight		\$1.5M
Total:	33% - 39%	\$8.45M - \$10.1M
M/W/DSBE Components		
- MBE	20% - 23%	\$5.12M - \$5.96M
- WBE	11% - 13%	\$2.82M - \$3.37M
- DSBE	2% - 3%	\$.51M - \$.78M

City of Philadelphia

BILL NO. 080498-A continued

Certified Copy

	Total:	33% - 39%	\$8.45M - \$10.1M
Local Employment			
- City-based Employment		50%	
- Other		50%	
Total:		100%	

F. **Long-Term Operations.** The Company’s long-term operations subcontractor, Synagro-WWT, Inc., will meet with MBEC prior to start-up of the Class A Facility to review and submit its M/W/DSBE plan for the 20-year Biosolids Services. Synagro will utilize the services of Len Parker & Associates (LPA) to manage M/W/DSBE firms during the Long-Term Operations. LPA will provide transportation, maintenance and supply services required by the Company. PBS shall include a provision in the contract with the LPA to use Best and Good Faith Efforts to provide opportunities for MBEs and WBEs through joint venture and subcontract opportunities and shall include this Plan in the contract with the LPA. PBS will make Best and Good Faith Efforts to require its contractor to utilize Philadelphia-based subcontractors that employ local residents in its BRC-based long-term operations workforce consistent with a workforce utilization goal of 50%.

**Table 5
Long-Term Operations**

M/W/DSBE Components	Percentage Participation	\$ Participation
MBE	15%	\$20.2M
WBE	10%	\$13.4M
DSBE	3%	\$4.0M
Total:		28%
		\$37.6M
Local Employment		
- City-based Employment		50%
- Other		50%
Total:		100%

G. **Permanent Employment Opportunities:**

City of Philadelphia

BILL NO. 080498-A continued

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1. PBS has made a commitment to the City to provide employment opportunities to the existing workforce of City employees in PBS operations.
2. PBS shall make Best and Good Faith Efforts to assure the creation of new jobs as part of this Plan with a strong emphasis on staffing diversity in positions. Of the 30 new full-time jobs expected to be created in connection with the operation of the new facility PBS shall make Best and Good Faith Efforts to meet the following minimum goals for the employment of minority persons, 30% for minority persons, 15% for females and encouraged percentage for disabled.
3. PBS will use its Best and Good Faith Efforts to reach out to sources of employment like the Philadelphia Workforce Development Corporation, the Urban League of Philadelphia and the Jewish Employment and Vocational Services that can refer minority, female and disabled workers. The definition of "minority" set forth in Part I shall apply to the PBS's employment efforts.
4. PBS in partnership with local organizations will develop appropriate workforce development programs to provide training to employees.
5. PBS will make Best and Good Faith Efforts to utilize Philadelphia-based subcontractors that employ local residents in its Long-Term Operations consistent with a workforce utilization goal of 50%.

H. **City Employee Training Program.** PWD conducts numerous routine training programs to ensure that its employees remain current with advancements within the industry, as well as provide individual employees the training necessary to advance throughout their own career. In order to provide PWD employees comparable opportunities regarding the thermal drying facility, PBS shall provide training on a routine basis as part of its long-term Biosolids Services.

PBS shall conduct these training activities each September and April (or alternative dates as mutually determined by PWD and PBS) and shall cover the following areas:

1. Tour of operating PBS thermal drying facility to describe operational procedures and safety regulations with regard to operating the facility.
2. Access to Standard Operating Procedures documentation for study and review purposes. All access shall maintain PBS confidentiality standards for such documentation.

City of Philadelphia

BILL NO. 080498-A continued

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3. Conduct class(es) with in-person instructors that cover:
 - a. biosolids industry technological advances and trends
 - b. thermal drying technological advances and trends
 - c. pellet marketing technological advances and trends
4. Provide a report to PWD of the training covered at each session and a list of PWD employees who participated.

City of Philadelphia

BILL NO. 080498-A continued

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City of Philadelphia

BILL NO. 080498-A continued

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 19, 2008. The Bill was Signed by the Mayor on July 2, 2008.



Patricia Rafferty
Chief Clerk of the City Council