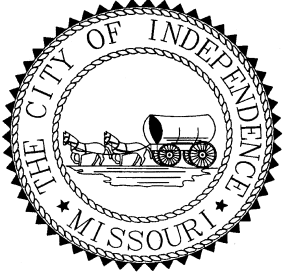


REQUEST FOR PROPOSAL



CITY OF INDEPENDENCE, MISSOURI
PURCHASING DIVISION
111 E. MAPLE, PO BOX 1019
INDEPENDENCE, MO 64051-0519
(816) 325-7087

IPL ENERGY MASTER PLAN

Date: June 29, 2017

RFP: P-1-2017

Response Deadline: August 4, 2017, at 2:00 p.m., Local Time

Please submit any questions regarding this proposal online to www.publicpurchase.com.

The only authorized source for proposal forms, addenda, and information regarding this RFP is www.publicpurchase.com. Using RFP forms, addenda, and RFP information not obtained from www.publicpurchase.com creates the risk of not receiving necessary information about the RFP that may eliminate your proposal from consideration.

Proposals must be submitted online via www.publicpurchase.com by the date and time indicated. Paper, fax, or email responses will NOT be accepted and will not be returned to sender.

(ATTENTION RFP RESPONDENT – COMPLETE AND RETURN WITH PROPOSAL)

Respondent's Name: _____ Phone No.: _____
(Please print or type company name)

E-Mail Address: _____ FAX No.: _____

Address _____ City _____ State _____ Zip _____

By: _____ Title: _____
(Name of Authorized Agent)

Signature: _____ Date: _____

- Respondent **makes firm offer** and is not revocable within one-hundred-twenty (120) days after response deadline.
- Respondent **does not make an offer** in response to this invitation. Why did you not make an offer? _____

NOTE: ALL PROPOSALS ARE SUBJECT TO THE TERMS AND CONDITIONS HEREIN.

Follow us on Twitter @IndepPurchasing and Facebook at IndepPurchasing.

**REQUEST FOR PROPOSAL SUMMARY SHEET
IPL ENERGY MASTER PLAN
RFP P-1-2017**

The City of Independence (City) invites interested firms to submit a signed and sealed proposal for services, as described herein.

Proposals must be received online via www.publicpurchase.com no later than the date and time stated on the front page of this Request for Proposal (RFP).

Structure of the RFP

For the convenience of the Consultant, this RFP is structured as follows:

Section 1 - Introduction and Summary
Section 2 - Background
Section 3 - Scope of Work (Deliverables 1-5)
Section 4 - Required Reporting
Section 5 - Questions
Section 6 - Proposal Submission Requirements
Section 7 - Evaluation Criteria
Section 8 - Evaluation Process
Section 9 - Compensation
Section 10 - Right of Protest
Section 11 - Proposed Schedule
Attachment 1 – Affidavit
Attachment 2 – Deliverable Pricing
Attachment 3 – Agreement for Consultant Services

Missouri Sunshine Law

The Offeror acknowledges and agrees that the City is bound by the Missouri Open Records Law (Sunshine Law) and cannot protect information for the sole reason that it is marked “confidential” or “proprietary”. All information submitted in response to this RFP shall be available for public review in accordance with all federal, state and local laws after: 1) posting of the Notice of Intent to Award; 2) a contract has been executed; or 3) all proposals have been rejected. Requests must be submitted in writing to the Purchasing Manager, City of Independence.

IPL ENERGY MASTER PLAN

RFP P-1-2017

1. **INTRODUCTION AND SUMMARY**

The City of Independence, Missouri, (City), through Independence Power and Light (IPL), is issuing this Request for Proposal as an invitation to interested companies to submit qualifications and cost proposals to provide an IPL Energy Master Plan that will: 1) Evaluate the condition of existing generating units, including expected or anticipated costs to maintain reliable operations into the future; 2) Provide recommended modifications, upgrades, and staffing levels for continued economic and reliable operation; 3) Evaluate viable alternative generating technologies to replace IPL's existing generating units; 4) Evaluate Demand Side and Energy Efficiency programs to reduce needed generating capacity and energy resources; 5) Compare the economics of continued use of the existing generating units to viable alternatives; 6) Recommend the preferred energy portfolio to supply City's electric customers over the next 20-years; 7) Provide a 20-year economic evaluation of alternative Generation Portfolios [Resource Plans]; and 8) Provide optional evaluations and recommendations (listed below) as selected by IPL.

2. **BACKGROUND**

The City of Independence, Missouri ("City"), Power & Light Department ("IPL"), is issuing this Request for Proposal ("RFP") as an invitation to interested companies to submit proposals for providing the technical and economic evaluations of alternative Energy Portfolios to supply an affordable, reliable, and environmentally friendly supply of capacity and energy for the next 20 years.

The City is the fifth largest city in the state of Missouri with a population of approximately 121,000. The City owns and operates its electric system with IPL responsible for the operation and maintenance of the system. IPL was established in 1901 and serves over 57,000 electric customers located within the corporate limits of the City. In calendar year 2016, IPL had energy requirements of 1,073,930 MWh. The all-time system peak of 315 MW occurred in August 2003. IPL currently has 382 MW of Accredited Capacity.

IPL is a Transmission Owner (TO) member of the Southwest Power Pool ("SPP"). IPL utilizes Network Integrated Transmission Service (NITS) and allows SPP to control IPL's transmission system. IPL has 161 kV interconnections with Kansas City Power & Light Company (KCPL), Associated Electric Cooperative Inc. and KCPL's Greater Missouri Operations Company (GMO; a.k.a., Aquila Networks – Missouri Public Service). The IPL transmission system consists of one 161kV switching station, three 161/69 kV substations, 25 miles of 161 kV lines and 51 miles of 69 kV lines.

IPL operates a 13.8-kV distribution system. The distribution system consists of eleven 69/13.8 kV substations and 795 miles of 13.8-kV overhead and underground lines.

IPL has nine generating units located at various locations on IPL's system. In addition, the City owns a 12.3% share of the Dogwood Energy Facility and has several long-term PPA's (See Table 1, below).

Table1					
IPL Units / Accredited Capacity					
Unit	Capability (MW)	PPA Expires	Type	Fuel	1st Operating Date
Blue Valley 1	22		Steam	Gas	1958
Blue Valley 2	22		Steam	Gas	1958
Blue Valley 3	54		Steam	Gas	1965
J-1	13		CT	Oil	1968
J-2	12		CT	Oil	1968
I-3	17		CT	Oil	1972
I-4	16		CT	Oil	1972
H-5	17		CT	Gas/Oil	1972
H-6	18		CT	Gas/Oil	1974
On-Site Total	192				
Dogwood (CC)	76		CC	Gas	2001
Total Owned	268				
<u>Long-Term Contracts</u>					
Nebraska City 2	57	2049	Steam	Coal	2009
Iatan 2	52	2050	Steam	Coal	2010
Solar (MCPwr)	3-(0.3 Accredited)	2042	PV	Solar	2017
Marshall Wind	20 (2 Accredited)	2036	Wind	Wind	2015
Smoky Hills (15 MW)	15-(3 Accredited)	2029	Wind	Wind	2008
Total PPAs	114				
Total Capacity	382				

Table 2 below shows the sources of energy for calendar year 2015.

Table 2		
Sources of Energy For System Load - 2016		
	Net	
	Generation	
Resource	(MWh)	Percentage
Blue Valley	20,612	1.73%
Sub H	5,870	0.49%
Sub I	593	0.05%
Sub J	261	0.02%
Missouri City (Retired, January 2016)	-	0.00%
Dogwood	203,328	17.11%
Other Off-System Purchases	951,902	80.12%
Total Sources of Energy		
	1,182,566	100.00%
Off-System Sales	(108,636)	
Total system Energy Requirements	1,073,930	
Other IPL Generation		
Iatan-2		269,238
Nebraska City-2		427,481
Smoky Hills II Wind Farm		54,263
Marshall Wind Farm: COD 5-1-16		60,761
Total		811,743

Table 3 below shows historic peak and energy usage including normalized energy usage.

Table 3					
Annual System Statistics					
		Summer	Winter	Actual	Normalized
Calendar	Number	Peak	Peak	Annual Energy	Annual Energy
Year	of	Demand	Demand	Requirements	Requirements
	Customers	(MW)	(MW)	(MWh)	(MWh)
1997	52,059	266	142	948,843	959,040
1998	52,463	284	150	1,023,164	998,298
1999	52,809	292	150	1,000,379	1,016,400
2000	53,463	295	162	1,075,514	1,041,872
2001	53,822	289	151	1,068,520	1,060,372
2002	54,166	294	155	1,107,963	1,068,929
2003	54,628	315	163	1,103,321	1,105,260
2004	55,686	290	173	1,097,040	1,141,233
2005	56,161	296	183	1,154,561	1,155,917
2006	56,443	314	178	1,149,693	1,159,856
2007	56,634	308	178	1,189,804	1,171,279
2008	56,796	298	180	1,137,018	1,165,442
2009	56,653	291	194	1,079,754	1,121,130
2010	56,543	301	191	1,157,770	1,125,072
2011	56,356	310	168	1,132,775	1,099,788
2012	56,275	305	167	1,114,326	1,099,083
2013	56,337	272	189	1,066,994	1,088,000
2014	56,616	276	179	1,054,002	1,086,259
2015	56,817	277	162	1,029,252	1,029,554
2016	57,013	289	177	1,073,930	1,062,441

Table 4 below shows IPL's Load Forecast through 2026.

Table 4			
Load Forecast			
Calendar	Summer Peak	Winter Peak	Annual Energy
Year	Demand	Demand	Requirements
	(MW)	(MW)	(MWh)
2016	289	182	1,083,700
2017	298	183	1,084,300
2018	300	184	1,089,800
2019	302	185	1,095,300
2020	303	186	1,100,900
2021	305	186	1,106,400
2022	306	187	1,112,000
2023	308	188	1,117,500
2024	310	188	1,123,100
2025	311	189	1,128,700
2026	313	190	1,134,300

3. SCOPE OF WORK

The Independence Power & Light (IPL) 2017 IPL Energy Master Plan consists of the following Scope of Services.

IPL Data Collection

IPL will provide the selected consultant with available data and documents as required, e.g.:

1. IPL electric load forecast for the plan period (20-years)
2. IPL fuel procurement costs
3. IPL Generating resource performance parameters, the most recent generating unit inspection results, and other condition assessments if any
4. Historic unit generation under the SPP Integrated Market (IM)
5. Copies of IPL's electrical interconnection and transmission agreements
6. Copies of current applicable environmental permits (including but not limited to, air, water, waste-water, and site runoff) for each in-system IPL-owned generating unit
7. Results of the most recent Master Plan Study
8. Details of IPL's SPP Transmission costs
9. Historic emissions profiles of each unit supplying energy for IPL
10. Past Transmission Analysis

Nondisclosure Agreement (NDA)

Selected Consultant will be required to sign an NDA to receive some of the above data.

Background

IPL's current generating fleet and Power Purchase Agreements contribute to our Accredited Capacity requirements, but no longer directly serve our load. Our generating units are dispatched by the Southwest Power Pool (SPP) Integrated Market based on regional needs and energy prices. On-system generation is periodically required to provide reliable energy to our customers when transmission constraints indicate the need.

While our current "on-system" Generating Portfolio provides needed Accredited Capacity, we are not generating meaningful Integrated Market returns beyond our operating costs. We are also not recovering a meaningful portion of the cost to maintain these "on-system" units. The Energy Master Plan will evaluate alternative Generating Portfolios (Resource Plans) that will increase integrated market revenues. Preferred Resource Plans will be compared to the long-term economics of continued operation of IPL's existing "on-system" generating units.

Primary Goal

The primary goal of the IPL Energy Master Plan is to provide an economic evaluation and recommendations for IPL's Generating Portfolio over the next 20-years. This will include an evaluation of the condition of IPL's existing units (Table 1); their remaining life; and recommendations regarding cost effective staffing levels, operating parameters, and other recommendations for continued reliable and economic operation. The option of maintaining IPL's existing Generating Portfolio will be compared to alternatives for new sources of capacity and energy as well as the implementation of programs for demand side management and increased energy efficiency. Consultant will also provide a schedule of recommended unit

retirements and replacements. Overall recommendations will be based on a 20-year economic analysis of alternatives as described in more detail below.

Objectives

1. Provide low-cost, safe, environmentally friendly, and reliable electric energy service to ratepayers
2. Maximize economic opportunities for IPL through the SPP Integrated Market. This is expected to require generator flexibility for fast start, ramp rates, environmental performance, efficient operation, and low-cost maintainability across a wide range of generator output.

Meetings

Consultant will attend two face-to-face meetings during the initial stages of the project (Project kick-off and Data/Scenario Development). Upon substantial completion of the deliverables, the Consultant will also attend two meetings with the City Council to present the background of the project, the evaluations completed, technologies and programs analyzed, the results/recommendations of the Energy Master Plan, and to respond to questions. Consultant will also attend a meeting with the Public Utility Advisory Board (PUAB) to present the same information. The estimated cost of travel must be included in the pricing.

Deliverable 1: Evaluation of Existing Generating Unit(s) Condition

Existing unit condition assessments will include consideration of unit age; maintenance and operating history; availability of spare parts (including lead times); and the costs and services required for future maintenance, repairs, and staffing to provide reliable operation. This evaluation will provide the base case Generating Portfolio for economic comparison to alternative Resource Plans.

1. Review past unit maintenance records, generating performance/reliability, forced outage analysis, and analysis of past failures to start.
2. Analyze condition of key power plant components including, but not limited to: turbine/generator life, auxiliary equipment, controls, boiler tube life (2017 tube survey provided by IPL), critical combustion turbine components, switch yard equipment, and Generator Step Up transformers (GSUs).
 - i. For boiler tube life evaluations, IPL will provide tube maps showing past readings and will provide the results of recent boiler tube inspections and thickness testing from critical areas of the boiler (Blue Valley units 1-3).
 - ii. IPL will provide results and findings of the latest combustion turbine overhauls. Consultant bids shall assume this will provide the necessary level of information to evaluate remaining life without requiring opening turbine shells for inspection.
3. Recommend the future range of optimized costs for continuing to operate IPL units in a safe and reliable condition, including staffing level recommendations by employee-classification.
 - i. Separate costs shall be shown for continued, reliable operation over the next 3 to 5 years, 10 years, and longer periods—if longer is appropriate.
 - ii. If appropriate, based on the economics of step 3.i., provide a recommended retirement schedule considering the cost of on-going operation and maintenance for each time period.

- iii. Provide a table showing the life-cycle costs for each unit based on varying retirement dates, including any savings associated with reduced maintenance spending as units near their retirement dates.
 - iv. The range of future costs will include considerations associated with varying levels of future Startup Reliability and Equivalent Availability. IPL and Consultant may jointly determine the range of operating reliability that is reasonably achievable.
4. Include an analysis of potential triggers for New Source Review (NSR) driven by any modifications required for on-going, reliable operation.
 - i. Only modifications that avoid NSR will be considered as viable.
 5. Include a description of potential future environmental regulations and how new regulations might impact future unit operations, capital investment requirements, O&M costs, etc.

Deliverable 2: Evaluate Future Generating Portfolios

Alternative future Generating Portfolios to be considered include, maintaining the existing fleet, a partial or piecemeal replacement of units, the timing (a recommended Schedule) for retirements and replacements, and the possible total replacement of existing units. Alternatives also include the option of IPL exiting the generation business and obtaining the necessary Accredited Capacity and Energy from off-system resources (described in more detail in the following paragraph).

For the option of exiting the generation business, consultant will provide a discussion and evaluation of concerns related to: 1) Reliability—discuss reliability issues including the need for additional transmission investment (if any); 2) Environmental pros/cons (if appropriate); 3) The long-term economic viability of relying on purchased capacity and energy vs maintaining on-site generation; and 4) **the option of contracting to become a “Full Requirements” Customer of a larger regional utility (most likely a “Partial Requirements” Customer due to our existing life-of-unit PPA’s)**—This would likely include changing our T.O. membership status in SPP, changes in NERC responsibilities, and other significant changes.

NOTE: The option to operate as a Full Requirements Customer is an alternative requested by City Council. We believe this request is based on concerns regarding the high cost of maintaining our existing generating resources (that seldom run); the high cost of replacing these resources with lower-cost, more efficient generation; and the belief that we could somehow not be responsible for paying for “Generation Capacity” exceeding our peak load (specific concerns deal with the SPP reserve margin requirements).

Therefore: The DELIVERABLE for this option is a narrative discussion covering: 1) The on-going need for reserve “Capacity”—regardless of SPP Membership status; 2) The limited sources capable of providing this service; 3) Issues related to the high-cost of this option including the loss of hedging capabilities, loss of cost control and bargaining power, and the hostage-like nature of being a Full Requirements customer, and 4) A discussion of whether this option is even feasible with our existing long-term (life of unit) contracts at Iatan-2 and Nebraska City-2 plus other long-term energy supply commitments.

If maintaining on-system generation capability is preferred, necessary, and viable, discuss the value/benefits of on-system generating capability and recommend the desired volume or range of on-system generation to be maintained.

Alternative technologies to be considered include, but are not limited to:

- A. Simple cycle combustion turbines (Frame vs Aero);
- B. Combined cycle combustion turbine plants;
- C. Reciprocating internal combustion engine generator sets (RICE);
- D. For RICE, evaluate compression-ignition versus spark-ignition;
- E. Solar and Wind alternatives—and other viable renewables, if any;
- F. Energy storage: Compressed Air Energy Storage, Battery, and other;
- G. Increased ownership share of the Dogwood Energy Facility; and
- H. Other known available Capacity and Energy Alternatives including joint ownership or Power Purchase Agreements (PPAs) tied to units outside the IPL system.

Tasks for Deliverable-2 include:

1. Provide up to date performance expectations for available generating technologies. This will include, but is not limited to, efficiency profiles (heat rates), emissions profiles (in pounds per MMBtu and other appropriate measures), annual routine capital replacements, longer-term capital investments, fixed and variable maintenance costs, anticipated maintenance outage schedules and anticipated cost by type of maintenance outage, and required staffing levels (labor costs).
2. Provide opinions of probable permitting costs, permitting schedules, capital construction costs, and construction schedules, for alternative on-site generation.
3. Include the expected cost of interconnecting new generating units to the SPP transmission system.
4. For new on-site technologies, include anticipated staffing requirements by craft (labor classification). Include a discussion of required staff training and costs for operation and maintenance of the new generating units.
5. This evaluation shall consider the impact of the future SPP generation mix moving to more renewables and will include consideration of the reliability and economic benefits (payback) for “fast start” generation (ramp capability, etc.) and energy storage for short term balancing and reliability.
6. Provide a schedule for existing unit retirements and new generating additions.
 - a. Recommended preferred technologies (or purchases) for new generation;
 - b. Recommend unit size (megawatts) of each new generating resource; and
 - c. Recommend the level of on-site generating capacity (if any) for maintaining long-term economic and reliable service to IPL customers.
7. Consultant shall provide a comprehensive economic evaluation of retiring the Blue Valley steam units including the personal services and other costs (savings) associated with retirement of BV. This economic evaluation also includes the cost of replacing the capacity with alternative sources of generation (This could include any potentially available Joint-Ownership ventures or Power Purchase Agreements).
 - a. Consultant will provide a recommendation—including the reasons supporting the recommendation—regarding the preferred sequence for replacements, e.g., Blue Valley first, CT’s in future years. NOTE: Manpower reductions are likely to occur through attrition; therefore, a piecemeal retirement schedule for the 3 Blue Valley

- units may be preferred. This approach may lead to higher costs in the short term; therefore, provide the pros, cons, and economic penalty (if any) for this approach Vs a faster reduction in labor force.
- b. Specifically, include the option of replacing a portion of the retired Blue Valley Accredited Capacity with Reciprocating engines (or other preferred technology) and the remainder with Power Purchase Agreements (PPA's) including Dogwood PPA's or increased Dogwood ownership. Replacement options will be compared to maintaining the existing Blue Valley steam units.
8. Consultant shall provide a comprehensive economic evaluation of retiring all or selected Combustion Turbines (CTs), the cost associated with retirement, and the cost of replacing with new generating resources (see Table 1). Replacement options will be compared to maintaining the existing CTs.
 - a. This evaluation will also include an examination of IPL's Black Start unit and recommendations (including the economic and reliability impacts) to continue with the current unit or to replace the unit with new Black Start capability.
 9. Include a discussion of the economic viability of adding a small wind farm in Eastern Independence, including the timeline and steps required to evaluate and quantify the potential for this option. Information, such as average wind speeds is limited so this discussion will likely be a general narrative. It will be important to include a discussion of the concerns related to high levels of renewable energy for IPL's low load customer base.
 10. There is a belief among influential constituents that IPL should exit the business of self-generation and rely on outside sources of capacity and energy. It will be critical to present the pros, cons, and risks associated with the rational for either maintaining or not maintaining on-system generation.
 - a. Low cost capacity is available from the Dogwood Energy Facility. This option will need to be explored as one alternative for off-site resources and compared to other off-site and on-site options. It is likely this will be a low cost option, but presents certain risks and long-term exposure to increased future costs.
 - b. In the evaluation to exist self-generation, include the potential cost of additional transmission tie lines for increased reliability.
 - c. A recommended level (or range) of on-site generation shall be provided. This discussion will address transmission reliability concerns, economic viability, and other related concerns.
 11. For the Full (or Partial) Requirements option, provide the narrative described above.
 12. Provide a recommendation for the preferred generation resource mix by fuel type and the proper mix of base load, intermediate, peaking, and renewable resources (**NOTE 1:** Formally adopted City Council Policy is to meet or beat Missouri's Renewable Portfolio Standards. **NOTE 2:** Provide comments regarding the significance or lack of significance associated with the balance of base load, intermediate, and peaking resources under the SPP Integrated Market. It is possible that fast start capability is now as critical or more critical than this issue).
 - a. Consultant shall include a specific review of IPL's portfolio of renewable generation. This review will include: 1) Evaluating the pros, cons, and economic impacts of

- increasing IPL's already high percentage of renewables; 2) Compare the cost of IPL's existing renewable resources to market priced energy including the impact on IPL expense and rates; and 3) Discuss the issue of Accredited Capacity and its impacts on the value or lack of value provided by additional renewable resources.
13. Consultant shall provide a specific narrative addressing the status, feasibility, and economics of available (and viable) energy storage technologies. There is significant interest in this technology creating the need to fully explain the capabilities and economics of these alternatives. Consultant shall also provide a narrative specifically detailing the potential for "local" Compressed Air Energy Storage and the economic and technical viability of this technology.
 14. IPL (City) Bonding capacity will be a consideration impacting overall recommendations

Pre-Screen Viable Options

Consultant may provide a 'high-level' pre-screen using a narrative summary to eliminate some of the optional technologies without further screening of those options. For example, economic combined cycle units may be larger than IPL's foreseeable need or startup times may be too long to maximize SPP market revenues.

Consultant will provide a narrative description of cost expectations, operating expectations, environmental performance, and the pros and cons of each technology considered to replace IPL's on-site existing units. The consultant will include a narrative summary of the pre-screening analysis to rank technologies based on their economic impacts, environmental aspects, and other pros and cons. If appropriate, include a Table ranking the projected economic and environmental viability of each alternative from best to worst.

For each technology considered in the Pre-screening, provide table(s) comparing technologies. The table(s) will include, but is (are) not limited to, the following items:

- Estimated fixed carrying cost (Financing cost of permitting, procurement, construction, etc.);
- The risks associated with the permitting, construction, and commissioning of various technologies;
- Annual fixed O&M costs, and other fixed costs such as annual capital replacements;
- A detailed list of the items and costs contributing to the all-in cost of energy; separated into Fixed and Variable categories;
- The operating characteristics (efficiency, reliability, ramp capability, startup time, spinning reverse value, manpower requirements, projected capacity factors, etc.); and
- The environmental profile (emission rates, cost of emissions control, and cost of emissions per MWh, permitting costs, and any operating limitations/impacts).

The alternatives will be compared to each other using a range of anticipated capacity factors for each alternative technology.

After pre-screening resource alternatives, IPL and Consultant will select up to three (3) alternative Resource Plans for Detailed Economic Evaluation and comparison to the option of maintaining IPL's existing Generation Portfolio.

Deliverable 3: Evaluate Demand Side Management (DSM) and Energy Efficiency (EE) Programs

Consultant will evaluate IPL's customer base, review existing IPL customer programs, and provide recommendations for programs that could help reduce peak system loads and increase customer end-use energy efficacy. Alternatives—including existing IPL programs—will be pre-screened to select preferred programs with the potential for effective and economic implementation.

Objectives for the pre-screening evaluations include: increased environmental benefits; maintaining low retail rates; and improved IPL financial performance. **EMPHASIS WILL BE PLACED ON PROGRAMS BENEFITING LOW-INCOME HOUSEHOLDS.** We strive to avoid programs that subsidize higher-income households while potentially increasing retail rates for non-participants.

Deliverable 4: Detailed Economic Evaluation of Screened Alternatives

For Supply Plans selected for detailed evaluation, Consultant will provide a 20-year economic evaluation of the selected options including comparisons to the option for continued operation of existing units based on recommended retirement schedules. Items required in this Deliverable are described below.

Simulation Model

A production simulation model will be used to evaluate alternative power supply plans. The model will include: 1) The potential impact of changes within the SPP Integrated Market (e.g., changes in the portfolio of the regional power supply—including various levels of renewable generation); 2) Changes in future system loads—including a range of future customer self-generation and energy efficiency; 3) The resulting changes in Locational Marginal Prices (LMPs) at the INDN Node (IPL load/generation node), Dogwood, and locations of off-site generation included in each alternative generation portfolio; and 4) Other variables with potentially significant impacts on market LMP energy prices. The model and LMP price forecasts will include "Future Scenarios" (see Future Scenarios, below).

The results from this model will include annual costs and revenues for all alternative Supply Portfolios including the total annual cost of capacity, energy (including emissions and other costs), and transmission service. Annual power supply costs and revenues for each plan will be compared using a present value of annual costs analysis and on a total current year dollar basis.

Environmental Analysis

Consultant will provide projections of annual emissions of key pollutants including Annual and Ozone-Season NOx for each Supply Plan selected for detailed evaluation. This will include the projected annual cost of key emissions, the anticipated availability of emissions allowances, and the anticipated impacts on permitting issues and concerns that might be encountered due to an overall increase in electric generation resulting from replacing existing units with more efficient resources.

Economic Analysis

This task shall include:

1. A sensitivity/risk analysis of each Supply Plan. This will evaluate the impacts of “Future Scenarios” (see below). Future Scenarios will capture changes to key variables such as fuel price forecasts, escalation/interest rates, changing market prices for energy, generating unit capital cost assumptions, environmental compliance/emission costs, and other economic drivers that could have potentially significant impacts on the results.
2. The economic evaluation will provide the data necessary for IPL to develop proforma financial projections for each power supply alternative evaluated. This data will provide, but is not limited to:
 - a. Anticipated changes in IPL annual capital expenditures, O&M expenses, labor, and other spending;
 - b. A range of changes in “Operating” revenues based on changing unit dispatch and market pricing (including expected revenues from ancillary services such as spinning reserve, ramp energy, etc.); and
 - c. A range of potential changes in Total Annual “Revenue Requirements.”

Future Scenarios

Alternative hourly LMP energy price forecasts (8760 hourly prices) will be utilized. IPL and Consultant will jointly select the future scenarios to be included in the evaluation. These scenarios may include:

1. High/low/expected natural gas prices and other fuel options;
2. High/low/base environmental (regulatory) case with various levels of GHG restrictions;
3. The potential impact of Missouri-specific CO2 targets;
4. Projected changes in the regional generation mix (by fuel type) including high/low renewable penetration levels;
5. A range of IPL and SPP future load forecasts;
6. Other critical variables impacting energy requirements and costs; and
7. LMP-specific price forecasts (including ancillary services such as fast start, spinning reserves, and ramp energy) based on each selected scenario.

Consultant will indicate the source providing the required LMP energy price forecasts. This will include background on the vendor and software being utilized to produce the price forecasts; the experience and qualifications of those developing the forecasts; and examples of past projects utilizing LMP forecasts provided by this vendor and/or software.

Consultant’s Economic Evaluation shall include a Risk Profile (probability analysis). The probability analysis will utilize Monte Carlo techniques or other suggested tools to develop an “expected case” based on the probabilities associated with each future scenario.

Consultant shall include a narrative describing the logic behind each forecast scenario (such as the drivers for high/low gas prices, high/low environmental regulation, etc.). NOTE: IPL will be provided the resulting 20-year hourly price forecasts in excel format spreadsheets for their future use.

The overall economic summary will include the range of expected results and the “expected value (expected case)” for each alternative Resource Portfolio.

Environmental Assessment

Provide a recommendation regarding the need for a detailed Environmental Assessment Study and the expected cost of this Study if one would be required for the recommended modifications to existing units or the recommended new generating additions. Provide an expected cost if this detailed study is required.

Include a description and the cost of other likely environmental studies associated with alternative generation portfolios evaluated (e.g., wetlands delineation, endangered species, etc.).

Optional Deliverable 4A: Load Forecast

IPL will provide its load forecasting information and historic load data as needed. Consultant will review IPL methodology, recommend improved methods, and if appropriate, provide alternative approaches to load forecasting. Consultant will provide an overall recommended future base-case load forecast including forecasts for the range of weather (low, normal, and high HDD/CDD). Consultant will also provide forecasts based on a range of reasonable expectations for increased customer-based generation.

Optional Deliverable 4B: Transmission Study

Under this optional deliverable, consultant will provide a transmission study evaluating the need for additional import capability in the scenario where reduced or no on-site generation exists. IPL has a proposed interconnection to provide this import capability. Consultant will evaluate alternatives and recommend the most cost effective solution (if additional import capability is recommended) to satisfy IPL reliability targets.

For clarity on bidding. IPL will provide recent transmission planning studies and Operating Guides. Consultant can use these to evaluate the potential need for additional interconnections. A high-level cost estimate for potential projects will suffice for this Deliverable.

Deliverable 5: Firm Fuel

Review SPP Tariff, FERC orders, and other directives to evaluate the future requirement for “firm fuel” (i.e., the need for backup fuels stored on site) or the binding requirement for Firm Transportation and/or Firm Storage for natural gas supply for all “Accredited Capacity” units.

1. Include the appropriate firm fuel expectation in detailed economic evaluations. Where appropriate, compare the cost of dual-fueled technologies with back up oil storage to the option of single-fuel alternatives with Firm Transportation and/or Firm Storage of natural gas. Use a range of Capacity Factors to show the range of potential economic results.
2. Include a high level cost estimate for providing on-site storage of back-up fuel for IPL’s existing generating units. Cost considerations for IPL existing units will include: new controls, instruments, piping, pumps, valves, ignitors, burner management systems, refurbished soot blower systems (steam units), and operations and maintenance requirements for maintaining sub-zero operations.

- a. NOTE: IT IS LIKELY THIS OPTION IS UNECONOMIC, REQUIRING RETIREMENT AND REPLACEMENT OF IPL'S EXISTING UNITS. IF SO, A HIGH-LEVEL COST ESTIMATE AND NARRATIVE RECOMMENDATION WILL SATISFY THIS DELIVERABLE.
3. For new generating resources, provide an indication regarding the ability to install single-fuel generators now and modify those units to burn dual fuels if required in the future. Provide the expected cost of converting to dual-fuel, including the cost of modifications, oil storage, and future operating costs.

4. REQUIRED REPORTING

The final report(s) will summarize the results of each Scope of Work item (Deliverable) included in the executed Consulting Agreement. Combinations of narratives, table summaries, and data files will be required. The report will include, but is not limited to:

- Provide an Executive Summary.
- Provide individual Section-Reports as appropriate to summarize the background, assumptions, analysis, and other details for each Scope of Work item included in the executed Consulting Agreement.
- Provide excel and other files as appropriate to demonstrate the scenarios utilized and other key evaluations and analysis results.
- Provide a summary of the Pre-screening evaluation.
- Provide a summary of the final Conclusions and Recommendations for each deliverable.
- Provide a comparison of the pros, cons, costs and performance of each Resource Plan evaluated after pre-screen efforts (including the option of maintaining IPL's existing Generating Portfolio);
- Provide a comparison of environmental costs, operating impacts, and environmental performance impacts under various emerging regulations (Future Scenarios);
- Economic results of the Power Supply Simulation Model (including the probabilistic Expected Value and range of potential results for: Operating revenues, overall costs, and Annual Revenue Requirements; and
- Provide a final Energy Master Plan Recommendation including justifications and documentation supporting the recommended option(s).
- For the recommended generating portfolio, provide a schedule of payments from start of project through COD and subsequent withholding periods.

Consultant will provide 15 hard copies of the final report (bound, 3-ring binders, or similar) with tabs separating report sections as appropriate. Consultant will also provide electronic copies in both PDF and Word Doc formats. Data files will also be provided in excel file format.

5. QUESTIONS

Questions shall be submitted to www.publicpurchase.com. Answers will be shared (via Public Purchase) with all prospective bidders that have downloaded the bid document through Public Purchase.

6. PROPOSAL SUBMISSION REQUIREMENTS

Proposals must be received no later than the date and time on the front page of this RFP, through www.publicpurchase.com. Paper, fax, or email responses will NOT be accepted. The respondent shall submit the following information/documents as part of the proposal:

- A. Cover sheet, completed and signed;
- B. Affidavit, completed and signed (Attachment 1);
- C. Deliverable Pricing Sheet (Attachment 2);
- D. Agreement for Consultant Services (Attachment 3), completed and signed, including a list of exceptions to be negotiated;
- E. Information requested on each of the Evaluation Criteria
- F. Provide an expected project timeline (schedule) for completing all evaluations and the final report.

Note: Proposals will not be accepted after the deadline for submission, regardless of the reason. Any exceptions to the Scope of Services and/or Agreement contained herein must be submitted as part of the proposal. Firms selected for award will be required to provide proof of insurance, business license, etc. as stipulated herein

7. EVALUATION CRITERIA

Responsive proposals will be evaluated in accordance with the following criteria, which are not necessarily listed in priority order.

- A. Fee Structure and Cost of Deliverables (Up to 20 points).
 - a. The fee structure for each deliverable identified in the request will be on a time and expense basis with a maximum not-to-exceed amount. Costs will be a major consideration in the evaluation process. Proposals will be evaluated based on the total Not-to-Exceed cost of the work. Each individual Deliverable will be priced separately and included in Attachment 2 — Deliverable Pricing.
 - b. Include the job classification (and associated billing rate) for each of the firm's individuals who are expected to participate in the deliverables requested.
 - c. For each deliverable, the Consultant shall include travel, materials and any other costs associated with completion of the deliverable.
 - d. Consultant will provide costs associated with on-site meetings to include the following:
 - i. The estimated travel and labor costs and all other non-labor expenses for the required face-to-face meetings including project kick-off, data/scenario development, two presentations to City Council and one presentation to the Public Utility Advisory Board (PUAB). Indicate the individual(s) that will give such presentations.
 - e. Meeting pricing will be provided in Attachment 2 — Deliverable Pricing.
 - f. Cost points will be calculated based on the Not-To-Exceed Cost of Required Deliverables unless the City elects to include one or both optional deliverables.
- B. Experience with, and quality of: 1) Past Integrated Resource Plans (IRPs); 2) Past production/load simulation modeling efforts; 3) Past Economic evaluations of similar scope; 4) Experience evaluating a wide range of generating technologies and DSM/EE programs; and 5) Success defending recommendations when challenged (Up to 30 points).
 - a. Consultant shall submit information on the general background of your firm (number of employees, years in business, type of consulting work performed, financial standing, etc.).

- b. Consultant will provide a summary of previous experience and samples of past IRP evaluations including prior experience utilizing Production and Load Simulation Modeling for economic evaluations.
 - c. Supply summaries of past Integrated Resource Plans you have developed or helped to develop. Summaries will include, the scope of the Plans; the technologies assessed; scenarios evaluated; recommendations implemented, and other key aspects of evaluations and recommendations.
 - d. Provide a summary of presentations you've made to defend past recommendations when opposition arose.
- C. Experience in permitting, implementing, and installing generating equipment (Up to 10 points).
- a. Summarize your experience permitting and installing various generating technologies.
 - b. Provide examples of forecasting unit operating costs and provide comparisons of estimated cost to actual, if available. Provide the source of your estimates (e.g., EPRI, Direct construction management experience, operating experience, or other). Include all fuel types, and all technologies evaluated including vendor-specific equipment analyzed.
 - c. Environmental Assessment Experience. Provide a summary of past environmental evaluations including formal Environmental Assessment Studies you may have performed or managed. Summarize the environmental regulations you have included in past IRP evaluations or similar analyses. Provide background regarding the future environmental scenarios you have included in past IRP or other evaluations.
- D. Experience evaluating the remaining life of existing steam units and combustion turbines. Provide examples of past generating unit condition assessments, including experience with recommendations for required modifications, staffing levels, and future operating costs to maintain reliable operation for aging generating assets (Up to 15 points).
- E. Experience, background, and qualifications for developing hourly energy-market price forecasts including experience with the SPP Integrated Market; experience forecasting location-specific LMP prices; and experience forecasting location-specific prices and prices for ancillary services. If using an outside vendor (subcontractor) for market price forecasts, identify the vendor and include the required information for this outside vendor (Up to 10 points).
- a. Energy Price Forecast Experience. Provide the source of the market price forecasts and the data included in the forecasts, e.g., the software utilized; the variables included in the forecast such as transmission limits, Node-specific loads, the generating resources included, unit-specific generator operating costs (and the source of this cost information); and other critical items included or evaluated in the forecast development.
 - b. Provide a summary of Future Scenarios modeled in the forecast. Include a discussion of how SPP's Integrated Market will be the focus of this forecast.
 - c. Provide a description of how the forecast evaluates and identifies the hourly market price for specific Load Nodes (LMP pricing) and the hourly price for ancillary services.
 - d. Market Price Forecasts. Provide the background, qualifications, experience, and other data to support the validity of using the source providing these forecasts.

- F. Experience and qualifications of key personnel assigned to this project (Up to 10 points).
 - a. Provide the background and qualifications of personnel that will be utilized for these services; the number of personnel to be assigned to this study and their resumes; and their past experience with similar projects.
- G. Substantial Compliance (Up to 5 points).
 - a. Any exceptions to the City's Scope of Services or standard contract (Attachment 3) will be taken into consideration in the evaluation process and can have a negative impact on the scoring of the proposal.

Total weighting: 100 points.

Note: The Consultant is cautioned that it is the Consultant's sole responsibility to submit information related to the evaluation categories. The City is under no obligation to solicit such information, if it is not included in the Consultant's original proposal. Failure to provide such information may have an adverse impact on the evaluation of the Consultant's proposal.

8. EVALUATION PROCESS

The City will consider a proposal nonresponsive when critical information is lacking, or the submission represents a major deviation from the requirements of this RFP. Minor omissions or informalities may be waived at the sole option and discretion of the City. The City also reserves the right to reject any and all proposals, make no award or multiple awards as a result of this solicitation. Responsive proposals will be evaluated in the following manner:

- A. An Evaluation Committee of City staff members will review and rank all proposals according to the criteria established herein. The Committee may contact Consultants if any clarification is needed on the proposal. The City reserves the right to select a "short list" after the initial ranking of proposals. If the short list option is exercised, the short listed firms will be posted on Public Purchase.
- B. Respondents whose proposals are ranked the highest by the Evaluation Committee may be asked to participate in an interview process to ensure a mutual understanding of both the City's requirements and the Consultant's proposal. Interviews may be conducted either in person (at IPL facilities) or by telephone. However, the Committee may decide that interviews are not necessary and make recommendations for award based on the information provided in the proposal.
- C. The firm that offers the City with the most qualified, experienced, reliable, and cost effective services based on the established evaluation criteria, will be recommended to the City Council for approval.

Note: Upon issuance of the Notice of Intent to Award or rejection of all proposals, all information submitted in response to this solicitation will be available for public inspection in compliance with federal, state, and local laws.

9. COMPENSATION

The successful bidder (Contractor) will be paid for services per the fees and rates specified on the Deliverable Pricing page (Attachment 2). Travel expenses not covered in each required deliverable, if applicable, must be coordinated with the Project Manager. The Project Manager must approve all invoices. The City's payment terms are NET 30.

10. RIGHT OF PROTEST

A Notice of Intent to Award will be posted at www.publicpurchase.com. Any protest must be filed within five (5) business days of the date of posting of the Notice. Neither the City nor www.publicpurchase.com shall be responsible for directly notifying respondent of the Notice of Intent to Award. Protests must be received in the office of the Purchasing Manager and must contain the company name, address, phone number and signature of the authorized representative; solicitation number; a detailed statement describing the grounds for the protest; and supporting evidence or documents to substantiate the claim. The Director of Finance will review the information provided and issue a written decision within five (5) business days of receipt of the protest. This decision shall be final.

11. PROPOSED SCHEDULE

RFP issue date	June 29, 2017
Deadline for questions	August 7, 2017 @ 2:00 PM
RFP close date	August 11, 2017 @ 2:00 PM
RFP Evaluation	August 22 – September 22, 2017
Recommendation to City Council	October 16, 2017
Notice of Award	October 18, 2017

AFFIDAVIT

STATE OF _____)
)
COUNTY OF _____) SS.

_____ of the City of _____
_____, County of _____, State of _____,

being duly sworn on her or his oath, deposes and says:

- 1. That I am the _____ (Title of Affiant) of
_____ (Name of Respondent) and
have been authorized by said Respondent to make this affidavit on the Respondent's behalf;
2. No Councilmember, nor the City Manager, the Director of Finance or the City Purchasing Manager is financially interested in what the Respondent is offering to sell to the City pursuant to this invitation, nor is the Respondent a City employee or board member whose proposal creates a conflict of interest. A conflict of interest would arise if a City employee or board member is in a position to affect either the decision to solicit proposals or the selection of the successful respondent;
3. Respondent has not participated in collusion or committed any act in restraint of trade, directly or indirectly, which bears upon anyone's response or lack of response to this Invitation; and
4. The authorized signer of this document certifies that the organization and each of its principals are not suspended or debarred by the City of Independence, State of Missouri or Federal government.

_____ (Name of Respondent)
By: _____ (Signature of Affiant)
_____ (Title of Affiant)

Subscribed and sworn to before me this _____ day of _____, 20__.

(SEAL)

NOTARY PUBLIC in and for the County of _____
State of _____

My commission expires:

**Deliverable Pricing
IPL Energy Master Plan**

The Consultant agrees to perform the deliverables, as described herein, with the personnel identified, at the Total Not-To-Exceed Cost listed below. The Total Not-To-Exceed Cost must include personnel, materials, equipment, travel and all other costs associated with completing each deliverable. An itemized invoice must be submitted which details the total number of hours for each discipline and all other expenses. The City's payment terms are Net 30 days from receipt of an accurate invoice. Travel expenses not covered in the required deliverables will be reimbursed for reasonable costs, as agreed upon between Consultant and the City. The City's Project Manager must approve all invoices prior to payment.

1. REQUIRED DELIVERABLES:

DELIVERABLE-1: Evaluation of Existing Units:
Total Not-To-Exceed Cost (including travel) \$ _____

DELIVERABLE-2: Evaluate Alternate Generating Additions:
Total Not-To-Exceed Cost (including travel) \$ _____

DELIVERABLE-3: DSM/EE Programs
Total Not-To-Exceed Cost (including travel) \$ _____

DELIVERABLE-4: Economic Evaluation
Total Not-To-Exceed Cost (including travel) \$ _____

DELIVERABLE-5: Firm Fuel:
Total Not-To-Exceed Cost (including travel) \$ _____

DELIVERABLE-6: Mandatory Meetings
Total Not-To-Exceed Cost (including travel) \$ _____

- A. Project Kick-off Meeting
- B. Data/Scenario Development Meeting
- C. PUAB Presentation
- D. City Council Presentation #1
- E. City Council Presentation #2

TOTAL NOT-TO-EXCEED COST OF ALL REQUIRED DELIVERABLES \$ _____

2. OPTIONAL DELIVERABLES:

DELIVERABLE-4A: Load Forecast Recommendation
Total Not-To-Exceed Cost (including travel) \$ _____

DELIVERABLE-4B: Transmission Study
Total Not-To-Exceed Cost (including travel) \$ _____

**Deliverable Pricing
IPL Energy Master Plan**

Hourly Rates of Project Team:

<u>Name</u>	<u>Position</u>	<u>Hourly Rate</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**AGREEMENT
FOR
CONSULTANT SERVICES**

THIS AGREEMENT, made by and between the City of Independence, Missouri (hereinafter called CITY) and, _____, a Corporation (hereinafter called CONSULTANT).

WITNESSETH:

WHEREAS, CITY requires consulting services for the IPL Energy Master Plan and,

WHEREAS, CONSULTANT is prepared to provide said professional services and shall give consultation and advice to CITY during the performance of said services;

NOW THEREFORE, CITY and CONSULTANT in consideration of the mutual covenants contained in this Agreement, agree as follows:

ARTICLE 1 – EFFECTIVE DATE

The effective date of this AGREEMENT shall be _____.

ARTICLE 2 – SERVICES TO BE PERFORMED BY CONSULTANT

CONSULTANT shall perform the services set forth in deliverables in the IPL Energy Master Plan RFP, hereby incorporated into the agreement.

ARTICLE 3 – PERIOD OF SERVICE

The Scope of Service shall be completed by _____.

ARTICLE 4 – COMPENSATION

For services performed, the CITY shall pay the CONSULTANT, an amount not to exceed _____.

Monthly invoices shall be submitted by the CONSULTANT to the CITY for payment of services performed and expenses incurred during the preceding month. Invoices shall indicate the hours expended for each person on the Scope of Services, the total labor billing, and a summary of other expenses and charges with supporting documentation.

Payment will be made by the City within thirty (30) days of receipt of the monthly invoice.

The CITY is exempt from State of Missouri sales and use taxes on purchases made directly for the CITY. CONSULTANT shall not include any sales or use taxes on transactions between the CONSULTANT and CITY.

ARTICLE 5 – PERMITS AND LICENSES

The CONSULTANT shall procure all necessary local construction permits and licenses and a City of Independence occupation license, unless exempt under state law.

CONSULTANT will abide by all applicable laws, regulations, and ordinances of all federal, state, and local governments in which work under this contract is performed, and will require the same of all sub-consultants.

The CONSULTANT must furnish and maintain certification of authority to conduct business in the State of Missouri.

ARTICLE 6 – OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY

Except as otherwise provided herein, documents, drawings, and specifications prepared by CONSULTANT as part of the Services shall become the property of CITY, provided, however, that CONSULTANT shall have the unrestricted right to their use. Notwithstanding the foregoing, CITY accepts that any re-use of the documents or intellectual property shall be at CITY's sole risk and liability.

ARTICLE 7 – CHANGES, DELETIONS, OR ADDITIONS TO AGREEMENT

Either party may request changes within the general scope of this AGREEMENT. If a requested change causes an increase or decrease in the cost or time required to perform this AGREEMENT, CITY and CONSULTANT will agree to an equitable adjustment of the AGREEMENT price, period of service, or both, and will reflect such adjustment in a change order or formal modification.

ARTICLE 8 – STANDARD OF CARE

CONSULTANT shall exercise the same degree of care, skill, and diligence in the performance of the Services as is ordinarily possessed and exercised by a peer professional under similar circumstances.

ARTICLE 9– LIABILITY AND INDEMNIFICATION

Having considered the potential liabilities that may exist during the performance of this AGREEMENT and the CONSULTANT'S fee, and in consideration of the mutual covenants contained in the AGREEMENT, CITY and CONSULTANT agree to allocate and limit such liabilities in accordance with this Article.

CONSULTANT agrees, to the fullest extent permitted by law, to indemnify and hold harmless the City, its officers, directors and employees, against all damages liabilities or costs, including reasonable attorneys' fees and defense 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. CONSULTANT shall indemnify CITY against legal liability for damages arising out of claims by CONSULTANT'S employees.

ARTICLE 10 – INSURANCE

The CONSULTANT shall procure and maintain insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the materials, equipment or supplies provided to the CITY. The insurer(s) must be licensed for business in the State of Missouri and maintain an A.M.Best rating of no less than A: VII; or an insurer approved by the CITY. Each policy requires a minimum cancellation notification of at least thirty (30) days' advance written notice to the CITY.

(1) General Liability Insurance, with bodily injury and property damage limits of \$1,000,000 for each occurrence with a \$2,000,000 general aggregate and \$2,000,000 products and completed operations aggregate.

(2) Professional Liability or Errors and Omissions Insurance, with a limit of \$1,000,000 annual aggregate.

(3) Automobile Liability Insurance, with bodily injury limits of \$1,000,000 for each person and \$1,000,000 for each accident, and with property damage limits of \$1,000,000 for each accident.

The above limits are the minimum acceptable and do not infer or place a limit on the liability of the CONSULTANT. The CITY is to be named as an additional insured as the CITY's interest may appear for the General Liability and the Automobile Liability Insurance. The CONSULTANT'S insurance shall be primary and any insurance or self-insurance maintained by the CITY shall be excess for the CITY and not contribute with the coverage maintained by the CONSULTANT.

The CITY shall not obtain worker's compensation insurance on behalf of the CONSULTANT or the employees of the CONSULTANT. The CONSULTANT shall comply with the worker's compensation law concerning its business and its employees.

ARTICLE 11 – SHIPPING, TITLE AND RISK OF LOSS

All sales and deliveries are F.O.B. CITY.

ARTICLE 12 – DELAY IN PERFORMANCE

Neither CITY nor CONSULTANT shall be considered in default of this AGREEMENT for delays in performance caused by circumstances beyond the reasonable control of the nonperforming 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 restrains; 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 CITY or CONSULTANT 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.

ARTICLE 13 – TERMINATION

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

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 nonperforming 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. In the event that funding for the contract is discontinued, CITY shall have the right to terminate this contract immediately upon written notice to CONSULTANT.

ARTICLE 14– WAIVER

A waiver by either CITY or CONSULTANT 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.

ARTICLE 15 – 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.

ARTICLE 16 – SUCCESSORS AND ASSIGNS

CITY and CONSULTANT each binds itself and its directors, officers, partners, successors, executors, administrators, assigns, and legal representatives to the other party to the 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.

ARTICLE 17 – ASSIGNMENT

Neither CITY nor CONSULTANT 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.

ARTICLE 18– THIRD PARTY RIGHTS

Nothing in this AGREEMENT shall be construed to give any rights or benefits to anyone other than CITY and CONSULTANT.

ARTICLE 19– INDEPENDENT CONSULTANTS

Each party shall perform its activities and duties hereunder only as an independent Consultant. The parties and their personnel shall not be considered to be employees or agents of the other party. Nothing in this AGREEMENT shall be interpreted as granting either party the right or authority to make commitments of any kind for the other. This AGREEMENT shall not constitute, create, or in any way be interpreted as a joint venture, partnership or formal business organization of any kind.

ARTICLE 20– AUDIT

CONSULTANT agrees that the CITY, or a duly authorized representative, shall, until the expiration of three (3) years after final payment under this AGREEMENT have access to and the right to examine and copy any pertinent books, documents, papers and records of the CONSULTANT involving transactions related to this AGREEMENT.

ARTICLE 21 – EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this agreement/contract or purchase order, the CONSULTANT agrees as follows: The CONSULTANT will not discriminate against any employee or applicant for employment because of race, age, color, religion, sex, national origin or any other legally protected category. The CONSULTANT will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, age, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. The CONSULTANT agrees to post in conspicuous places, available to employees

and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

The CONSULTANT will, in all solicitations or advertisements for employees placed by or on behalf of the CONSULTANT, state that all qualified applicants will receive consideration for employment without regard to race, age, color, religion, sex, or national origin.

The CONSULTANT will send to each labor union or representative of workers with which he or she has a collective bargaining agreement or other contract or understanding a notice to be provided by the Contract Compliance Officer advising the said labor union or workers' representatives of the CONSULTANT'S commitment under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The CONSULTANT will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

The CONSULTANT will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his or her books, records, and accounts by the Department and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the CONSULTANT'S noncompliance with the non-discrimination clauses of this agreement/contract or purchase order with any of the said rules, regulations, or orders, this agreement/contract or purchase order may be canceled, terminated, or suspended in whole or in part, and the organization may be declared ineligible for any further government agreement/contracts or purchase order or federally assisted agreements/contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, or by rules, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The CONSULTANT will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each sub-consultant or vendor. The CONSULTANT will take such action with respect to any sub-consultant or purchase order as the Department may direct as a means of enforcing such provisions, including sanctions of noncompliance; provided, however, that in the event an CONSULTANT becomes involved in, or is threatened with litigation with a subconsultant or vendor as a result of such direction by the Department, the CONSULTANT may request the United States to enter into such litigation to protect the interest of the United States.

ARTICLE 22 – GOVERNING LAW

This AGREEMENT shall be governed by the laws of the State of Missouri. The CITY and the CONSULTANT agree that the performance of this Agreement will be deemed to have occurred in the State of Missouri and that CONSULTANT'S performance under this Agreement will be deemed the transaction of business in Missouri. Jurisdiction and venue for any claim or cause of action arising under this Agreement shall be exclusively in the Sixteenth Judicial Circuit of Missouri and the CONSULTANT submits to personal jurisdiction of and waives any personal jurisdiction or inconvenient forum objection to, that court.

ARTICLE 23 – COMMUNICATIONS

Any communication required by this AGREEMENT shall be made in writing to the authorized representative at the address specified below:

CONSULTANT: _____

CITY: Procurement Manager, 111 E. Maple, Independence, MO 64050

Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of CONSULTANT and CITY.

ARTICLE 24 – SEPARATE AGREEMENTS

CITY and CONSULTANT each reserve the right to, from time to time, enter into other agreements or contracts for specific projects. If such agreements or contracts are separately approved in writing by the parties, the terms and conditions of those agreements or contracts shall prevail for the specific projects set forth therein.

ARTICLE 25 – ENTIRE AGREEMENT

This Agreement represents the entire agreement between the CITY and CONSULTANT. All previous or contemporaneous agreements, representations, promises and conditions relating the CONSULTANT’S services described herein are superseded.

ARTICLE 26 – SURVIVAL OF TERMS

The following provisions shall survive the expiration or termination of this AGREEMENT for any reason: if any payment obligations exist, Article 4 – Compensation; Article 5 – Permits and Licenses; Article 9 – Liability and Indemnification; Article 14 – Waiver; Article 15 – Severability; Article 17 – Assignment; Article 19 – Independent Consultants; Article 22 – Governing Law; Article 25 – Entire Agreement; and this Article 26 – Survival of Terms.

IN WITNESS WHEREOF, CITY and CONSULTANT, by and through their authorized officers, have made and executed this AGREEMENT.

CITY

CONSULTANT

By _____

By _____

Title _____

Date _____

Date _____

Approved as to form:

_____ City Counselor