

October 30, 2015

DRAFT

Via E-Mail

Jackson County Utility Authority Task Force
C/o Mr. Robert Wilkinson, Attorney
Dogan & Wilkinson, PLLC
734 Delmas Avenue
Pascagoula, MS 39567

Re: Proposal for Professional Services to Evaluate Costs and Operations of Jackson County Utility Authority, Jackson County, MS

Dear Task Force Members:

Covington Civil & Environmental, LLC (Covington) wishes to first thank you for giving us the opportunity to attend your Task Force Meeting on October 27, 2015 to gain a better understanding of the issues associated with the operations and costs of the Jackson County Utility Authority (JCUA). From that meeting, we understand that the JCUA Task Force wishes to engage a professional engineering firm without any ties to the JCUA to:

1. Evaluate the costs and rates of the JCUA in comparison to other utility authorities operating on the Mississippi Gulf Coast, if available;
2. Meet with individual JCUA Task Force members to discuss and gain an understanding of specific issues the Task Force members have with JCUA;
3. Review and evaluate operational and cost data obtained from JCUA either from direct contact with JCUA or from other sources to determine:
 - a. Capital, Administrative, Operation and Maintenance Costs allocated to wholesale and retail portions of JCUA's business;
 - b. Other costs utilized to determine rates for JCUA's wholesale and retail business;
 - c. Existing debt service and Allocation of Bond Funds; and
 - d. Operational and Maintenance Plan for JCUA's operations
4. Review Master Plan of Development for the JCUA, if available;
5. Identify potential future environmental compliance issues and associated costs;
6. Prepare a DRAFT report of findings along with recommendations to the JCUA Task Force;
7. Incorporate comments of the JCUA Task Force into a final report.

In addition to the tasks outlined above, Covington personnel will be available to attend JCUA Task Force and other meetings as requested to give updates on findings and issues that have and may become available.

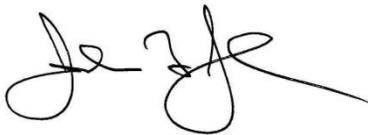
At this time, it is difficult to establish a budget for the proposed services, but Covington will provide the required services on a “time and materials” basis in accordance with the attached Rate Sheet and General Conditions. Below are suggested budgets for the work to be completed, but as the project proceeds, these budgets may need to be adjusted.

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|---|----------------------------|
| 1. Discovery, information gathering and evaluations | \$25,000 - \$40,000 |
| 2. Development of Draft Report for JCUA Task Force Review | \$5,000 |
| 3. Incorporate JCUA comments into final report | \$5,000 |

Covington will provide a bi-weekly report of the work that has been performed and the cost of those services so that the Task Force members will be kept informed, can anticipate costs and can direct the work. We will, however, need to establish who will be engaging Covington and who Covington will be reporting to.

If you accept this proposal, please return a signed copy to us at your convenience, or fax the signature page to (228) 396-0487. We appreciate being given the opportunity to provide you with these services.

Sincerely,
Covington Civil and Environmental, LLC.



John F. Szabo, P.E.
Principal Engineer

ENCLOSURES

Accepted by:

(Sign and Date)



Rate Sheet v09/01/2015

<u>Item</u>	<u>Basis</u>	<u>Std. Rate</u>
Principal	per hr.	\$157.00
Principal Engineer	per hr.	\$157.00
Chief Scientific Officer	per hr.	\$175.00
Senior Scientist	per hr.	\$165.00
Certified Industrial Hygienist	per hr.	\$130.00
Sr. Consultant	per hr.	\$100.00
Sr. Geologist	per hr.	\$125.00
Sr. Biologist	per hr.	\$125.00
Registered Engineer	per hr.	\$115.00
GIS Operator	per hr.	\$85.00
Sr. Estimator	per hr.	\$80.00
AutoCAD Operator	per hr.	\$80.00
Technician	per hr.	\$65.00
Supervisor	per hr.	\$40.00
Laborer	per hr.	\$35.00
Clerical	per hr.	\$45.00
Third-Party Services/Sub-Contractors		Cost + 20%
Laboratory Charges		Cost + 25%
Other Expenses (hotel, food, etc.)		Cost + 15%
Vehicles:		
Personal	per mile	\$0.75
Pick-Up Truck	per day	\$75.00
Four-Wheeler	per day	\$50.00
Shipping		Cost + 20%
Copying:		
Black & White		
8.5x11		\$0.20
11x17		\$0.30
24x36	per s/f	\$0.40
Color		
8.5x11		\$1.00
11x17		\$1.50
24x36	per s/f	\$0.60
Faxes:		
Local	per sheet	\$1.00
Long-Distance	per sheet	\$1.50