

Meeting Date: 10/14/2014

Report Type: Consent

Report ID: 2014-00722

Title: Supplemental Agreement: Construction Management Services for 7th Street Sewer Replacement P to K Street Project

Location: District 4

Recommendation: Pass a Motion authorizing the City Manager or his designee to execute Supplemental Agreement No. 1 to City Agreement No. 2014-0906 with Hatch Mott MacDonald, LLC., to perform Phase 2 construction management services, for an amount not-to-exceed \$456,202, bringing the agreement's total not-to-exceed amount to \$536,004.

Contact: Bill Busath, Interim Director, (916) 808-1434; Brett Grant, Supervising Engineer, (916) 808-1413, Department of Utilities

Presenter: None

Department: Department Of Utilities

Division: Cip Engineering

Dept ID: 14001321

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Supplemental Agreement
- 4-Project Location Map
- 5-Area Location Map (Figure 1)
- 6-Exhibit Agreement 2014-0906

City Attorney Review

Approved as to Form
Joe Robinson
10/2/2014 2:51:42 PM

Approvals/Acknowledgements

Department Director or Designee: Bill Busath - 10/1/2014 1:11:07 PM

Description/Analysis

Issue Detail: The Department of Utilities seeks approval of a supplemental agreement with Hatch Mott MacDonald (HMM) for Construction Management services for the 7th Street Sewer Replacement, P to K Street Project (Project).

Policy Considerations: The requested action is in conformance with City Code Chapter 3.64, Article II, which requires City Council approval for supplemental agreements that increase the agreement amount to one hundred thousand dollars or more.

Economic Impacts: None

Environmental Considerations: The Community Development Department (CDD), Environmental Planning Services Division, has reviewed the Project for compliance with the requirements of the California Environmental Quality Act (CEQA), and has determined that the project was evaluated in the Addendum that updated the EIR. The Project would not result in new significant environmental effects or a substantial increase in the severity of previously identified effects considered in the certified EIR. Pursuant to CEQA Guidelines Section 15162, a subsequent EIR was not required and a Resolution re-adopting the Addendum was passed. Approval of the proposed supplemental agreement will not result in any new environmental impacts not previously identified and analyzed in the EIR and Addendum.

The Addendum, the EIR for the City's Combined Sewer System Rehabilitation and Improvement Plan, the Resolution (No. 97-123) certifying the EIR, and the Resolution (No. 2013-0186) adopting the Addendum to the certified EIR are available at the CDD's webpage at:

<http://portal.cityofsacramento.org/Community-Development/Planning/Environmental/Impact-Reports>

Sustainability: This supplemental agreement is consistent with the 2030 General Plan and with the goals and targets of the City's Sustainability Master Plan. Improvements to the combined sewer system support the goal of protecting our water sources and the target of reducing the volume of untreated combined wastewater discharges. In addition, the Project will improve infrastructure reliability, which will reduce energy-intensive maintenance efforts.

Commission/Committee Action: Not applicable

Rationale for Recommendation: HMM was selected through a Request for Qualifications (RFQ) process to provide Construction Management Services (CMS) for the Project, which consists of Phase 1 and Phase 2 services. Six firms submitted Qualification Statements in response to the RFQ: 4Leaf Inc., Anchor Engineering, Consolidated CM, Hatch Mott MacDonald, Salaber Associates, and West Yost Associates. On September 16, 2014 the Director of Utilities executed a contract with HMM for the Phase 1 CMS that included preconstruction services and submittal review. The proposed supplemental agreement is needed to authorize Phase 2 services for construction management services during construction.

Financial Considerations: The supplemental agreement adds \$456,202 to the not-to-exceed amount, raising the total not-to-exceed amount for professional services to \$536,004. There are sufficient funds in X14010063 for this agreement.

Local Business Enterprise (LBE): HMM is an LBE.

Background

The 7th Street Sewer Replacement, P to K Street Project (Project) includes the construction of approximately 2,920 linear feet of 72-inch, 60-inch, and 48-inch diameter pipeline in 7th Street from P to K Street, and in L Street from 7th to 9th Street. This project is a part of the Downtown Sewer Upsizing Program and when completed, will help to reduce flooding of the combined sewer system (CSS) in the Downtown Area of Sacramento.

In 1996 the State Regional Water Quality Control Board (Board) and City Council approved the Combined Sewer System Improvement Plan (CSSIP). The CSSIP was developed to determine the best approach to reduce discharges to the Sacramento River and flooding in the City's CSS. Past projects completed through the program include the upgrade and upsizing of Sumps 1/1A and 2/2A, conversion of Pioneer Reservoir to a primary treatment facility, the replacement and upsizing of numerous pipes within the collection system, and the construction of several in-line and off-line storage facilities, all designed to reduce surcharging and flooding in the system during rain events.

A major component of the CSSIP is the Downtown Sewer Upsizing Program (DSUP). Figure 1 (Area Location Map) shows the DSUP, which constitutes a network of upsized pipelines that connect to an upsized and improved pump station (Sump1/1A). When completed, the DSUP will significantly reduce flooding in the downtown area. The 7th Street project will connect to a recently completed portion of the DSUP at 7th and P Street and will allow planned upstream projects to be designed and constructed in order to complete the program. On July 29, 2014 the City awarded the construction contract to Steve P. Rados.

On June 9, 2014, the Department of Utilities issued a Request for Qualifications (Bid Transaction No.: Q15141311001) for Construction Management Services for the 7th Street Sewer Replacement P to K Streets Project. On June 30, 2014 the Department of Utilities received Statements of Qualifications from six different firms and selected Hatch Mott MacDonald (HMM) as the firm most qualified to perform the CMS for this project, in two Phases. On September 16, 2014 the Director of Utilities executed a contract for Phase 1 (2014-0906) with HMM that included preconstruction services for a not to exceed amount of \$79,802.

The proposed Supplemental Agreement No. 1 for \$456,202 will provide Phase Two construction management services during construction of the Project and increase the contract not to exceed amount to \$536,004.

SUPPLEMENTAL AGREEMENT

Project Title and Job Number: CM Services for 7th Street Sewer Replacement P to K Street/X14010063 Date: _____
Purchase Order #: 00000xxxxx Supplemental Agreement No.: 1

The City of Sacramento ("City") and Hatch Mott MacDonald, LLC. ("Contractor"), as parties to that certain Professional Services Agreement dated September 16, 2014, and designated as Agreement Number 2014-0906, including any and all prior supplemental agreements modifying the agreement (the agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. The scope of Services specified in Section 4 of Exhibit A of the Agreement is amended to add performance of the Phase 2 services as follows:

Contractor shall perform the Phase 2 services (Construction Management Services During Construction and Post Construction Services) as described in Attachment 1 to Exhibit A of the Agreement.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is **increased** by \$456,202.00, and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$79,802.00</u>
Net change by previous supplemental agreements:	<u>\$0.00</u>
Not-to-exceed amount prior to this supplemental agreement:	<u>\$79,802.00</u>
Increase by this supplemental agreement:	<u>\$456,202.00</u>
New not-to-exceed amount including all supplemental agreements:	<u>\$536,004.00</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.
4. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

Approval Recommended By:

Approved As To Form By:

Project Manager

City Attorney

Approved By:

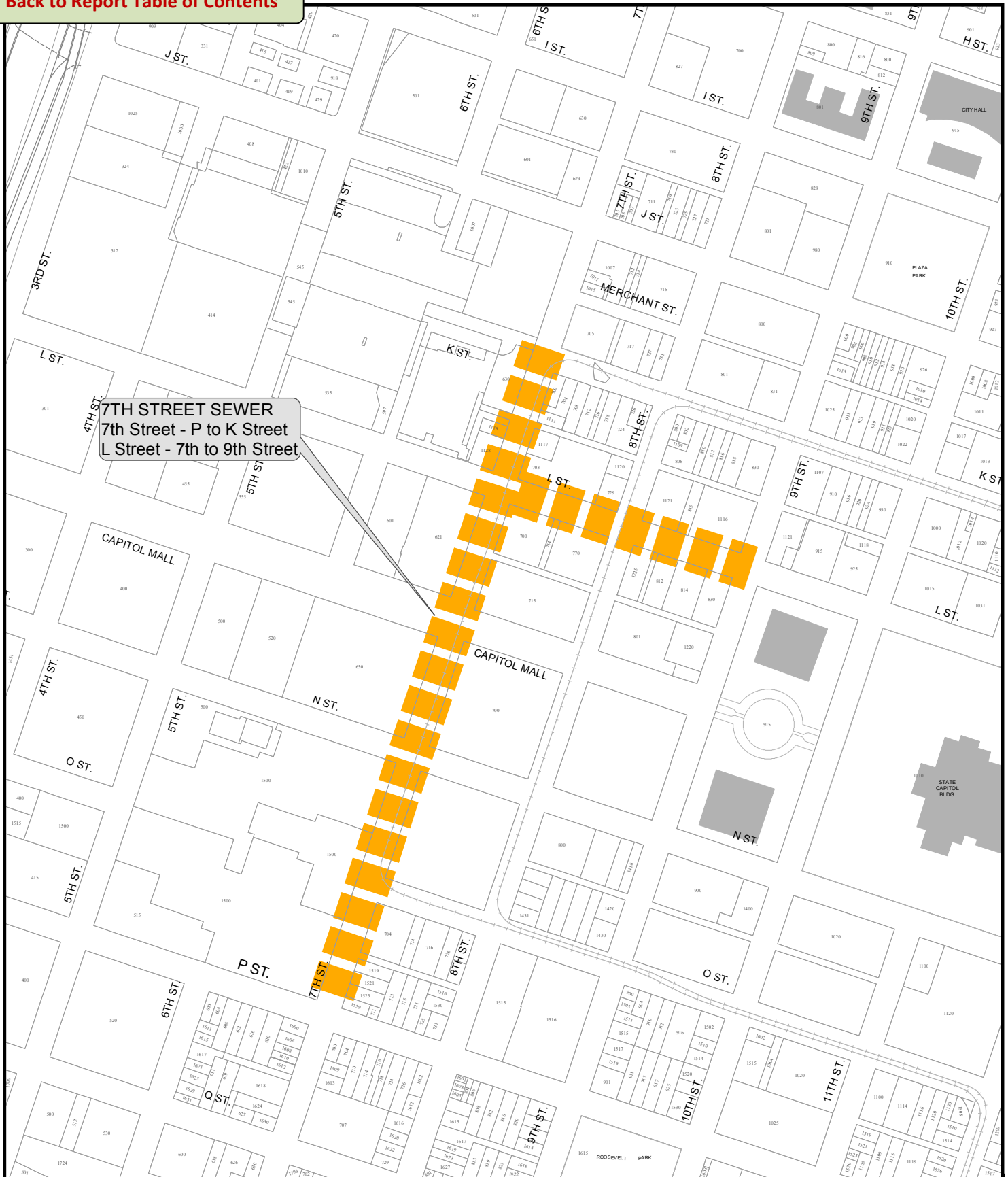
Contractor

Attested To By:

Approved By:

City of Sacramento

City Clerk



PROJECT SCOPE:

7th Street - Construct 2900 LF of pipeline (1640 LF - 72", 800 LF - 60", 460 LF - 54")



CITY OF SACRAMENTO
DEPARTMENT
OF UTILITIES



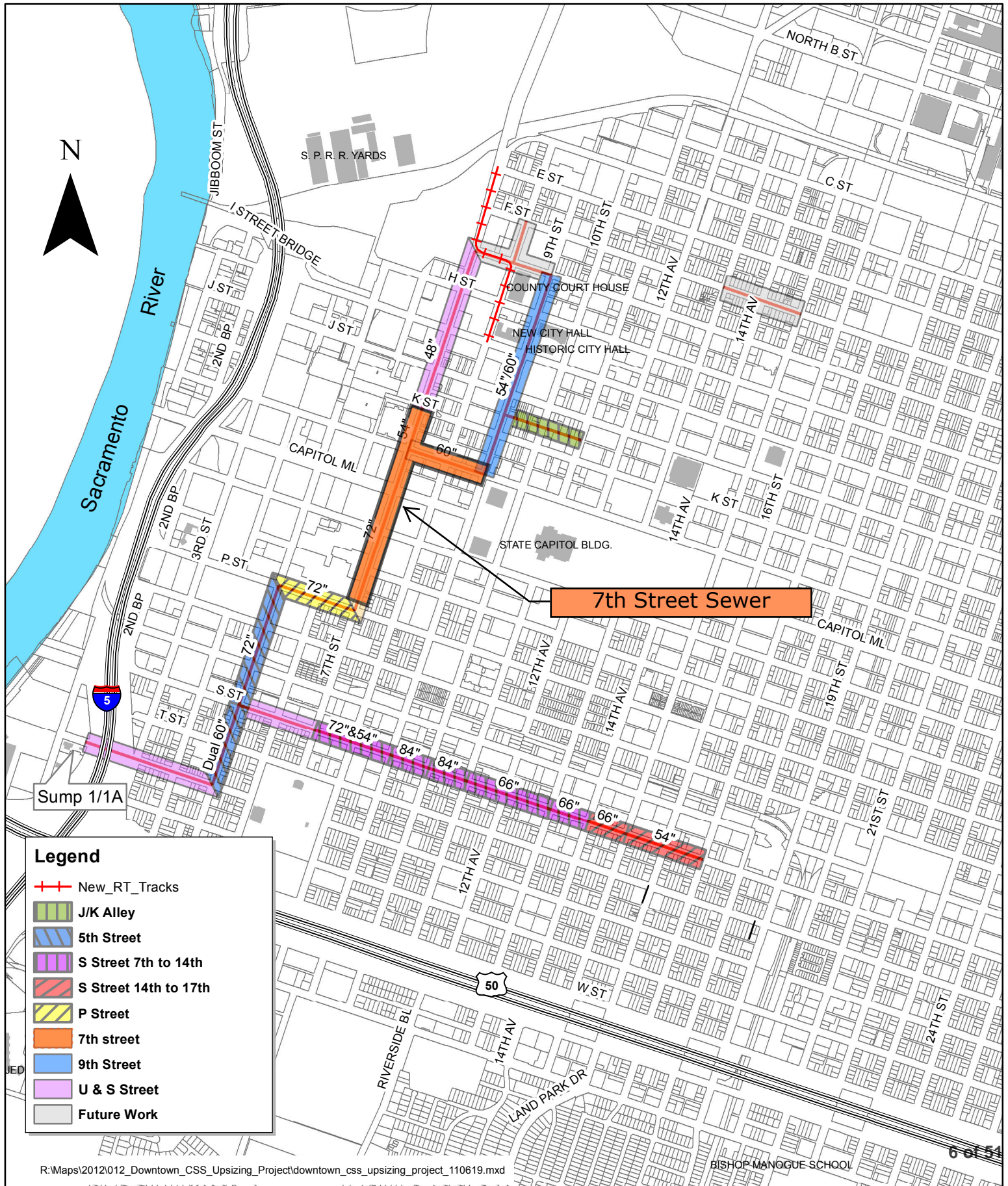
**7th Street Sewer
Project Location Map**

APPROVED BY: B. GRANT
DRAWN BY: D. MATHISON
SEWER BOOK PAGE(S):

NO SCALE
DWG. NO.: 1

FIGURE 1

DOWNTOWN COMBINED SEWERS UPSIZING PROJECT



PROJECT #: X14010063
PROJECT NAME: CM Services for 7th Street Sewer Replacement P to K Street Project
DEPARTMENT: Utilities Department
DIVISION: Engineering and Water Resources

CITY OF SACRAMENTO

**PROFESSIONAL SERVICES AGREEMENT
FOR ARCHITECTS, LANDSCAPE
ARCHITECTS, PROFESSIONAL ENGINEERS,
AND PROFESSIONAL LAND SURVEYORS**

THIS AGREEMENT is made at Sacramento, California, as of 9-16-14, by and between the CITY OF SACRAMENTO, a municipal corporation ("CITY"), and

*Hatch Mott MacDonald, LLC
2495 Natomas Park Drive, Suite 530, Sacramento, CA 95833
Phone: 916-399-0580, Email: Cara.Strom@hatchmott.com*

("CONTRACTOR"), who agree as follows:

- Services.** Subject to the terms and conditions set forth in this Agreement, CONTRACTOR shall provide to CITY the services described in Exhibit A. CONTRACTOR shall provide said services at the time, place, and in the manner specified in Exhibit A. CONTRACTOR shall not be compensated for services outside the scope of Exhibit A unless prior to the commencement of such services: (a) CONTRACTOR notifies CITY and CITY agrees that such services are outside the scope of Exhibit A; (b) CONTRACTOR estimates the additional compensation required for these additional services; and (c) CITY, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor. CITY shall have no obligations whatsoever under this Agreement and/or any Supplemental Agreement, unless and until this Agreement or any Supplemental Agreement is approved by the Sacramento City Manager or the City Manager's authorized designee, or by the Sacramento City Council, as required by the Sacramento City Code.
- Payment.** CITY shall pay CONTRACTOR for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B. The payments specified in Exhibit B shall be the only payments to be made to CONTRACTOR for the services rendered pursuant to this Agreement unless pursuant to Section 1, above, CITY approves additional compensation for additional services. CONTRACTOR shall submit all billings for said services to CITY in the manner specified in Exhibit B, or, if not specified in Exhibit B, according to the usual and customary procedures and practices that CONTRACTOR uses for billing clients similar to CITY.
- Facilities and Equipment.** Except as set forth in Exhibit C, CONTRACTOR shall, at its sole cost and expense, furnish all facilities and equipment that may be required for furnishing services pursuant to this Agreement. CITY shall furnish to CONTRACTOR only the facilities and equipment listed in Exhibit C according to any terms and conditions set forth in Exhibit C.
- General Provisions.** The General Provisions set forth in Exhibit D, that include indemnity and insurance requirements, are part of this Agreement. In the event of any conflict between the General Provisions and any terms or conditions of any document prepared or provided by CONTRACTOR and made a part of

2014-0906
Title: 7th Street Sewer Replacement P to K Street
Other Party: Hatch Mott MacDonald LLC

this Agreement, including without limitation any document relating to the scope of services or payment therefor, the General Provisions shall control over said terms or conditions.

5. **Non-Discrimination in Employee Benefits.** This Agreement is subject to the provisions of Sacramento City Code Chapter 3.54, Non-Discrimination in Employee Benefits by City Contractors. The requirements of Sacramento City Code Chapter 3.54 are summarized in Exhibit E. CONTRACTOR is required to sign the attached Declaration of Compliance (Equal Benefits Ordinance), to assure compliance with these requirements.
6. **Authority.** The person signing this Agreement for CONTRACTOR hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of CONTRACTOR and to bind CONTRACTOR to the performance of its obligations hereunder.
7. **Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated as if set forth fully herein.

Executed as of the day and year first above stated.

CITY OF SACRAMENTO
A Municipal Corporation

By: _____

Print name: WILLIAM O. BUSATH

Title: INTERIM DIRECTOR

For: John F. Shirey, City Manager

APPROVED TO AS FORM:

City Attorney

ATTEST:

ant Dawn Bullwinkel
City Clerk 9-16-14

Attachments

Exhibit A - Scope of Service
Exhibit B - Fee Schedule/Manner of Payment
Exhibit C - Facilities/Equipment Provided
Exhibit D - General Provisions
Exhibit E - Non-Discrimination in Employee Benefits

CONTRACTOR:

HATCH MOTT MACDONALD
NAME OF FIRM

22-3831806
Federal I.D. No.

200523910002
State I.D. No.

139532
City of Sacramento Business Op. Tax Cert. No.

TYPE OF BUSINESS ENTITY (check one):

____ Individual/Sole Proprietor
____ Partnership
____ Corporation (may require 2 signatures)
☒ Limited Liability Company
____ Other (please specify: _____)

Cara Stroy
Signature of Authorized Person

CARA STROY SENIOR VICE PRESIDENT
Print Name and Title

Additional Signature (if required)

Print Name and Title

DECLARATION OF COMPLIANCE
Equal Benefits Ordinance

Name of Contractor: Hatch Mott MacDonald

Address: 2495 Natomas Park Drive, Suite 530, Sacramento, CA 95833

The above named Contractor ("Contractor") hereby declares and agrees as follows:

1. Contractor has read and understands the Requirements of the Non-Discrimination In Employee Benefits Code (the "Requirements") attached hereto as Exhibit E.
2. As a condition of receiving this Agreement, Contractor agrees to fully comply with the Requirements, as well as any additional requirements that may be specified in the City of Sacramento's Non-Discrimination In Employee Benefits Code codified at Chapter 3.54 of the Sacramento City Code (the "Ordinance").
3. Contractor understands, to the extent that such benefits are not preempted or prohibited by federal or state law, employee benefits covered by the Ordinance are any of the following:
 - a. Bereavement Leave
 - b. Disability, life, and other types of insurance
 - c. Family medical leave
 - d. Health benefits
 - e. Membership or membership discounts
 - f. Moving expenses
 - g. Pension and retirement benefits
 - h. Vacation
 - i. Travel benefits
 - j. Any other benefit offered to employees

Contractor agrees that if Contractor offers any of the above-listed employee benefits, Contractor will offer those benefits, without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouses and domestic partners of such employees.

4. Contractor understands that Contractor will not be considered to be discriminating in the provision or application of employee benefits under the following conditions or circumstances:
 - a. If the actual cost of providing a benefit to a domestic partner or spouse exceeds the cost of providing the same benefit to a spouse or domestic partner of an employee, Contractor will not be required to provide the benefit, nor shall it be deemed discriminatory, if Contractor requires the employee to pay the monetary difference in order to provide the benefit to the domestic partner or to the spouse.
 - b. If Contractor is unable to provide a certain benefit, despite taking reasonable measures to do so, if Contractor provides the employee with a cash equivalent Contractor will not be deemed to be discriminating in the application of that benefit.
 - c. If Contractor provides employee benefits neither to employee's spouses nor to employee's domestic partners.

- d. If Contractor provides employee benefits to employees on a basis unrelated to marital or domestic partner status.
 - e. If Contractor submits written evidence of making reasonable efforts to end discrimination in employee benefits by implementing policies that will be enacted before the first effective date after the first open enrollment process following the date this Agreement is executed by the City of Sacramento ("City"). Contractor understands that any delay in the implementation of such policies may not exceed one (1) year from the date this Agreement is executed by the City, and applies only to those employee benefits for which an open enrollment process is applicable.
 - f. Until administrative steps can be taken to incorporate nondiscrimination in employee benefits. The time allotted for these administrative steps will apply only to those employee benefits for which administrative steps are necessary and may not exceed three (3) months from the date this Agreement is executed by the City.
 - g. Until the expiration of a current collective bargaining agreement(s) if employee benefits are governed by such collective bargaining agreement(s).
 - h. Contractor takes all reasonable measures to end discrimination in employee benefits by either requesting that the union(s) involved agree to reopen the agreement(s) in order for Contractor to take whatever steps are necessary to end discrimination in employee benefits or by ending discrimination in employee benefits without reopening the collective bargaining agreement(s).
 - i. In the event Contractor cannot end discrimination in employee benefits despite taking all reasonable measures to do so, Contractor provides a cash equivalent to eligible employees for whom employee benefits are not available. Unless otherwise authorized in writing by the City Manager, Contractor understands this cash equivalent must begin at the time the union(s) refuse to allow the collective bargaining agreement(s) to be reopened or not longer than three (3) months after the date this Agreement is executed by the City.
5. Contractor understands that failure to comply with the provisions of Section 4(a) through 4(i), above, will subject Contractor to possible suspension and/or termination of this Agreement for cause; repayment of any or all of the Agreement amount disbursed by the City; debarment for future agreements until all penalties and restitution have been paid in full and/or for up to two (2) years; and/or the imposition of a penalty, payable to the City, in the sum of \$50.00 for each employee, for each calendar day during which the employee was discriminated against in violation of the provisions of the Ordinance.
6. Contractor understands and agrees to provide notice to each current employee and, within ten (10) days of hire, to each new employee, of their rights under the Ordinance. Contractor further agrees to maintain a copy of each such letter provided, in an appropriate file for inspection by authorized representatives of the City. Contractor also agrees to prominently display a poster informing each employee of these rights.
7. Contractor understands that Contractor has the right to request a waiver of, or exemption from, the provisions of the Ordinance by submitting a written request to the City's Procurement Services Division prior to Agreement award, which request shall identify the provision(s) of the Ordinance authorizing such waiver or exemption and the factual basis for such waiver or exemption. The City shall determine in its sole discretion whether to approve any such request.

8. Contractor agrees to defend, indemnify and hold harmless, the City, its officers and employees, against any claims, actions, damages, costs (including reasonable attorney fees), or other liabilities of any kind arising from any violation of the Requirements or of the Ordinance by Contractor.

The undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that he or she is authorized to bind the Contractor to the provisions of this Declaration.



Signature of Authorized Representative

9.3.14

Date

CARA STROM

Print Name

SENIOR VICE PRESIDENT

Title

EXHIBIT A

PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS

SCOPE OF SERVICES

1. Representatives.

The CITY Representative for this Agreement is:

*Dale Mathison, PE, Project Manager
1395 35th Avenue, Sacramento, CA 95822
Phone: 916-808-1911, Fax: 916-808-1497, Email: dmathison@cityofsacramento.org*

All CONTRACTOR questions pertaining to this Agreement shall be referred to the CITY Representative or the Representative's designee.

The CONTRACTOR Representative for this Agreement is:

*Cara Strom, PE, Senior Vice President
2495 Natomas Park Drive, Suite 530, Sacramento, CA 95833
Phone: 916-399-0580, Email: Cara.Strom@hatchmott.com*

All CITY questions pertaining to this Agreement shall be referred to the CONTRACTOR Representative. All correspondence to CONTRACTOR shall be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the CITY shall be addressed to the CITY Representative.

- 2. Professional Liability Insurance.** Professional Liability (Errors and Omissions) insurance is X is not ____ [check one] required for this Agreement. If required, such coverage must be continued for at least ____ year(s) following the completion of all Services and Additional Services under this Agreement. (See Exhibit D, Section 11, for complete insurance requirements.)

3. Conflict of Interest Requirements.

- A. **Generally.** Under the California Political Reform Act, Government Code §§ 81000 et seq., designated employees of the CITY are required to comply with the CITY's Conflict of Interest Code. The term "designated employees" is a term of art and includes individuals who are working for contractors who are providing services or performing work for the CITY and who are considered to be "consultants" under the Political Reform Act. The term "consultant" generally includes individuals who make, or participate in making, governmental decisions or who serve in a staff capacity. Individuals who perform work that is solely clerical, ministerial, manual or secretarial are not "consultants."

The CITY's Conflict of Interest Code requires designated employees, including individuals who qualify as "consultants", to file the following statements of economic interests:

- (1) An "assuming office" statement of economic interests to be filed within 30 days after execution of the agreement between the City and the contractor;

- (2) Annual statements of economic interests while the agreement remains in effect, to be filed not later than April 30 of each year; and
- (3) A "leaving office" statement of economic interests to be filed within 30 days of completion of the contract.

The above statements of economic interests are public records subject to public disclosure under the California Public Records Act.

The CITY's Conflict of Interest Code also requires individuals who qualify as "consultants" under the Political Reform Act to comply with the conflict of interest provisions of the Political Reform Act, which generally prohibit individuals from making or participating in the making of decisions that will have a material financial effect on their economic interests.

- B. **Conflict of Interest Statements.** The individual(s) who will provide services or perform work pursuant to this Agreement are "consultants" within the meaning of the Political Reform Act and the CITY's Conflict of Interest Code: X yes no [check one]

If "yes" is checked above, CONTRACTOR shall cause the following to occur within 30 days after execution of this Agreement:

- (1) Identify the individuals who will provide services or perform work under this Agreement as "consultants";
- (2) Cause these individuals to file with the CITY Representative the "assuming office" statements of economic interests required by the CITY's Conflict of Interest Code.

Thereafter, throughout the term of the Agreement, CONTRACTOR shall cause these individuals to file with the CITY Representative annual statements of economic interests, and "leaving office" statements of economic interests, as required by the CITY's Conflict of Interest Code. The CITY may withhold all or a portion of any payment due under this Agreement until all required statements are filed.

4. **Scope of Services.** The parties anticipate that the services to be provided by Contractor will be provided in two phases:

Phase 1: Preconstruction Services and Contractor Mobilization Work

Phase 2: Construction Management Services During Construction and Post Construction Services

Both Phases are described in more detail in Attachment 1 to Exhibit A, attached hereto and incorporated herein. This Agreement authorizes the performance of Phase 1 services by the Contractor. Phase 2 services will not be authorized unless and until performance of and payment for the Phase 2 services is duly authorized by one or more supplemental agreements approved in accordance with applicable provisions of the Sacramento City Code.

5. **Time of Performance.** The services described herein shall be provided during the period, or in accordance with the schedule, set forth in the scope of services.

7th Street Sewer Construction Management
PHASE 1 SCOPE OF SERVICES – Tasks 1 & 2
Hatch Mott MacDonald
(Commencing with the Pre-Construction meeting)

Phase 1A – Task 1: Preconstruction Services

Duration: 2 weeks (assumed)

1. Establish a working presence at City of Sacramento. City supplied offices to include furniture, phones service, network access, printing and copying facilities, electronic document management system (DOU shared drive), parking, etc.
2. Discuss with DOU's Media and Communications Specialist, Jessica Hess the City's expectations for keeping the public informed on the status of construction.
3. Discuss with the DOU's Contract Manager the City's expectations for performing labor compliance tasks.
4. Undertake any training required by the City of Sacramento, including for health and safety.
5. Review Contract Documents (plans, specifications, etc.) to gain a thorough understanding of the Work.
6. Review permits, agreements, easements, rights-of-way and environmental documentation so as to understand the restrictions and limitations placed upon the Work.
7. Meet with City Project Manager to discuss any questions or concerns about the Work arising from the document review.
8. Meet with the City's Project Manager to discuss and agree on requirements for progress reporting and general administrative issues.
9. Prepare a Construction Management and/or Inspection Plan for administration of the Work
10. Prepare both electronic and hard copy filing systems
11. Establish the set of drawings to be used as record drawings over the course of the Contract.
12. Become familiar with City of Sacramento protocols and procedures applying to the administration of construction contracts.
13. Prepare templates for standard contract correspondence such as letters, meeting minutes, progress reports, etc.
14. Establish a work plan specific to the materials testing, by subconsultant.
15. Observe, coordinate and monitor utility relocations being performed by private/public utilities in advance of construction understanding that these activities will not relieve Contractor of its contractual schedule or financial obligations and commitments.

Phase 1B – Task 2: Contractor Mobilization

Duration: 2 to 3 weeks (assumed)

1. Attend the preconstruction conference on August 27, 2014 with the Contractor; prepare and issue minutes.
2. Perform the pre-construction survey as required by Section 11 of the Standard Specifications.
3. Hold an initial progress meeting with the Contractor; agree schedule for future meetings; prepare and issue minutes of meeting.

4. Review the contractor's baseline schedule, including the review of proposed schedule of values for reasonableness and ease of monitoring understanding that such review activities will not relieve Contractor of its contractual schedule or financial obligations and commitments.
5. Develop a distribution list for submittals and RFIs to identify parties responsible for review and acceptance
6. Review Contractor's proposed list of submittals for conformance with the requirements of the Contract.
7. Liaise with City to ensure that it provides all lines, grades and measurements necessary for the proper prosecution and control of the Work, within three working days of the Contractor's request.
8. Review, comment and approve as appropriate, Contractor's "Storage of Materials and Equipment Plan" prior to commencing the Work, as required by Section 5.15 of the Standard Specifications.
9. Confirm that Contractor has in place an approved Stormwater Pollution Prevention Plan (SWPPP) prior to commencing the Work, as required by Section 6-2, 2.e of the Standard Specifications.
10. Confirm that Contractor has in place a City-approved traffic control plan and has notified the public accordingly prior to commencing the Work, as required by Section 6-2, 2.f of the Standard Specifications.
11. Perform Resident Engineering duties as required.
12. Perform inspection and monitoring duties as required.

7th Street Sewer Construction Management
PHASE 2 SCOPE OF SERVICES – Tasks 3 & 4
Hatch Mott MacDonald

Task 3 - Construction Management Services During Construction

1. Administer the construction contract; perform the duties of the Engineer as authorized by the City; serve as the point of contact for the Contractor; conduct progress meetings with the Contractor and prepare and issue minutes thereof.
2. Receive and respond to correspondence from Contractor; manage the flow of contractual correspondence; establish and maintain project files for both hard copy and electronic formats of documents.
3. Act as the liaison between the Contractor, the City, utility companies and other stakeholders; facilitate communication between the parties, including holding task specific meetings as required.
4. Respond to public inquiries as directed by the City; receive complaints and discuss them with the City prior to issuing a formal response; establish a protocol for addressing complaints from the public and ensure field staff are aware of the process to be followed.

5. Receive and respond to the Contractor's baseline schedule and monitor progress of the Work against the approved schedule, understanding that such response/monitoring activities will not relieve Contractor of its contractual schedule or financial obligations and commitments; engage with the Contractor when updates are received to discuss the status of the project and take appropriate action under the Contract if the Work falls behind schedule.
6. Visually inspect, observe and monitor the performance of the Work; bring to the Contractor's attention unsafe practices visually observed, understanding that such undertakings will not relieve Contractor of its sole responsibility to ensure project site safety; prepare reports recording progress, including commentary as appropriate; take and catalog photographs illustrating progress and capturing items of note.
7. Act as the point of contact for the City's Project Manager (PM); advise the PM of issues arising, especially as they may impact on the time and cost to complete the Work understanding that such advice will not relieve Contractor of its schedule or financial obligations and commitments; provide a monthly progress report to include at a minimum, status reporting of performance in the areas of safety, environmental management, progress, schedule, cost, and quality.
8. Review and approve the Contractor's initial schedule of values for the purpose of measuring the Work achieved; agree each month the quantities achieved against the pay items and confirm the details of the pay application; recommend to City the amount to be paid to the Contractor subject to retention and any other hold-backs authorized under the Contract; provide take-offs of quantities, invoices and delivery tickets for materials supplied, and any other appropriate documentation required to support the pay application.
9. Process Contractor submittals; upon receipt, perform a check for compliance with the Specifications; distribute to designated reviewers within the City, and others if appropriate; collate comments received from reviewer(s) and respond to the Contractor indicating the action required.
10. Process Contractor Requests for Information (RFIs); upon receipt, review for compliance with the Contract; obtain comments from the City as appropriate, and discuss any potential commercial issues arising; respond to the Contractor.
11. Process change order requests from the Contractor; discuss with City and respond as necessary; issue field orders or directives as authorized under the Contract and as agreed with the City; prepare change orders where merited; review Contractor's assessment of cost and time impacts and negotiate appropriate quantum; prepare change order documentation and provide to City for processing; authorize payments against approved change orders in monthly pay applications.
12. Perform quality assurance duties as required under the Contract; inspect the Work for conformance with the Specifications; raise quality issues with the Contractor both through direct communication with the Contractor's field staff, and formally by the issue of a Non-Conformance Report (NCR) when merited; track the status of NCRs; maintain record drawings and review the Contractor's record drawings.

13. Perform quality assurance testing of the Work as required under the Specifications; review the results of the testing to verify compliance with the Specifications; maintain testing records and indicate test locations on plans when appropriate.

Task 4 – Post Construction Services

Issue punch list(s) to record Work to be completed or repaired and confirm final disposition of items on the punch list; confirm with City the issue of the Completion Certificate; seek to resolve any remaining commercial issues and make recommendation to City on final payment to the Contractor; provide electronic and hard copy files for archiving; provide as-built record drawings in approved format.

EXHIBIT B

PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS

FEE SCHEDULE/MANNER OF PAYMENT

1. **CONTRACTOR's Compensation.** The total of all fees paid to the CONTRACTOR for the performance of all services set forth in Exhibit A, including normal revisions (hereafter the "Services"), and for all authorized Reimbursable Expenses, shall not exceed the total sum of \$ 79,802.00.
2. **Billable Rates.** CONTRACTOR shall be paid for the performance of Services on an hourly rate, daily rate, flat fee, lump sum or other basis, as set forth in Attachment 1 to Exhibit B, attached hereto and incorporated herein.
3. **CONTRACTOR's Reimbursable Expenses.** Reimbursable Expenses shall be limited to actual expenditures of CONTRACTOR for expenses that are necessary for the proper completion of the Services and shall only be payable if specifically authorized in advance by CITY.
4. **Payments to CONTRACTOR.**
 - A. Payments to CONTRACTOR shall be made within a reasonable time after receipt of CONTRACTOR's invoice, said payments to be made in proportion to services performed or as otherwise specified in Attachment 1 to Exhibit B. CONTRACTOR may request payment on a monthly basis. CONTRACTOR shall be responsible for the cost of supplying all documentation necessary to verify the monthly billings to the satisfaction of CITY.
 - B. All invoices submitted by CONTRACTOR shall contain the following information:
 - (1) Job Name
 - (2) Description of services billed under this invoice, and overall status of project
 - (3) Date of Invoice Issuance
 - (4) Sequential Invoice Number
 - (5) CITY's Purchase Order Number
 - (6) Total Contract Amount
 - (7) Amount of this Invoice (Itemize all Reimbursable Expenses)
 - (8) Total Billed to Date
 - (9) Total Remaining on Contract
 - (10) Updated project schedule. This shall identify those steps that shall be taken to bring the project back on schedule if it is behind schedule.
 - C. Items shall be separated into Services and Reimbursable Expenses. Billings that do not conform to the format outlined above shall be returned to CONTRACTOR for correction. CITY shall not be responsible for delays in payment to CONTRACTOR resulting from CONTRACTOR's failure to comply with the invoice format described below.

D. Requests for payment shall be sent to:

City of Sacramento, Department of Utilities
1395 35th Avenue, Sacramento, CA 95822
916-808-1911
Attn: Dale Mathison

5. **Additional Services.** Additional Services are those services related to the scope of services of CONTRACTOR set forth in Exhibit A but not anticipated at the time of execution of this Agreement. Additional Services shall be provided only when a Supplemental Agreement authorizing such Additional Services is approved by CITY in accordance with CITY's Supplemental Agreement procedures. CITY reserves the right to perform any Additional Services with its own staff or to retain other consultants to perform said Additional Services.
6. **Accounting Records of CONTRACTOR.** During performance of this Agreement and for a period of three (3) years after completing all Services and Additional Services hereunder, CONTRACTOR shall maintain all accounting and financial records related to this Agreement, including, but not limited to, records of CONTRACTOR's costs for all Services and Additional Services performed under this Agreement and records of CONTRACTOR's Reimbursable Expenses, in accordance with generally accepted accounting practices, and shall keep and make such records available for inspection and audit by representatives of the CITY upon reasonable written notice.
7. **Taxes.** CONTRACTOR shall pay, when and as due, any and all taxes incurred as a result of CONTRACTOR's compensation hereunder, including estimated taxes, and shall provide CITY with proof of such payment upon request. CONTRACTOR hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of CONTRACTOR's breach of this Section 7.

City of Sacramento
CM Services for 7th Street Sewer Replacement

Estimated Hours and Budget		CM	Engineer	Inspector	Inspector	Inspector	Dec Control	Scheduler	Labor	Subs (5% markup)	Other Costs	Total Costs
Hatch Mott MacDonald		Doig	Moran	Alward	TBA	Greili	Louie		Hours	Fee	DDG (no markup)	
Project: 7th Street Sewer												
Task 1 (Phases 1A&B) Preconstruction Services (5 weeks, see SOW for detailed scope)												
1.1 Review Plans and Specs	28			30					58	\$ 11,207	\$ 500	\$ -
1.2 Prepare Project Schedule	40								60	\$ 13,971	\$ 500	\$ -
1.3 Establish/Implement Procedures	24					92			116	\$ 14,578	\$ 2,000	\$ -
1.4 Meetings with City Key Staff	24								24	\$ 5,890	\$ 150	\$ -
1.5 Conferences/reviews with Contractor	16		20	30					66	\$ 11,639	\$ 0	\$ -
Subtotal, Task 1 (hours)	132	20	30	92	0	92	4,487	0	324	\$ 57,084	\$ 3,150	\$ -
Subtotal, Task 1 (\$)	\$ 31,296	\$ 3,277	\$ 9,136	\$ -	\$ 8,888	\$ 4,487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,234
Task 2 (Phases 1A&B) Observing Utility Company Relocations												
2.1 Coordinate Utility Relocations	44	0	60	0	0	0	0	0	104	\$ 19,568	\$ 0	\$ -
Subtotal, Task 2 (hours)	44	0	60	0	0	0	0	0	104	\$ 19,568	\$ -	\$ 19,568
Subtotal, Task 2 (\$)	\$ 10,432	\$ -	\$ 9,136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,568
Total, Phase 1A & 1B (hours)	176	20	120	92	0	92	20	428	\$ 76,652	\$ 3,150	\$ -	\$ 79,802
Total, Phase 1A & 1B (\$)	\$ 41,728	\$ 3,277	\$ 18,272	\$ -	\$ 8,888	\$ 4,487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,802
Task 3 (Phase 2) Construction Management Services During Construction												
3.1 Project Coordination	96	20				52			168	\$ 31,291	\$ -	\$ 31,291
3.2 Schedule Management	60					80		40	100	\$ 23,418	\$ -	\$ 23,418
3.3 Payment Recommendations	96		48			140			224	\$ 38,109	\$ -	\$ 38,109
3.4 Submittals Management	204					40			344	\$ 62,402	\$ -	\$ 62,402
3.5 Requests for Information	80					40			120	\$ 23,020	\$ -	\$ 23,020
3.6 Change Orders and Claims	80					40			120	\$ 23,020	\$ -	\$ 23,020
3.7 Inspection Services			604		300				904	\$ 138,405	\$ -	\$ 138,405
3.8 Materials Sampling/Testing			160						200	\$ 34,125	\$ 41,784	\$ 41,784
3.7 Quality Assurance Testing	40								200	\$ 34,125	\$ 20,892	\$ 55,016
Subtotal, Task 3 (hours)	656	20	812	352	40	2180	\$ 373,789	\$ 62,676	\$ -	\$ -	\$ -	\$ 436,464
Subtotal, Task 3 (\$)	\$ 156,816	\$ 3,277	\$ 124,655	\$ 45,881	\$ 34,284	\$ 9,075	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 436,464
Task 4 (Phase 2) Post Construction Services												
4.1 Project Closeout	28								28	\$ 6,826	\$ -	\$ 6,826
4.2 Consolidate Punch Lists	16		12						28	\$ 5,778	\$ -	\$ 5,778
4.3 Compile Record Drawing Info	8		8						24	\$ 3,994	\$ -	\$ 3,994
4.4 All Project Files to City						12			12	\$ 1,189	\$ -	\$ 1,189
4.5 Construction Debrief Meeting	8								8	\$ 1,950	\$ -	\$ 1,950
Subtotal, Task 4 (hours)	60	0	20	0	20	1,982	\$ 19,737	\$ -	\$ -	\$ -	\$ -	\$ 19,737
Subtotal, Task 4 (\$)	\$ 14,627	\$ -	\$ 3,128	\$ -	\$ 1,982	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,737
Total, Phase 2 (hours)	716	20	832	300	372	40	2280	\$ 393,525	\$ 62,676	\$ -	\$ -	\$ 456,202
Total, Phase 2 (\$)	\$ 171,443	\$ 3,277	\$ 127,784	\$ 45,881	\$ 36,266	\$ 9,075	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 456,202
TOTAL, Phase 1 & Phase 2 (hours)	892	40	952	300	464	60	2708	\$ 470,179	\$ 65,826	\$ -	\$ -	\$ 536,004
TOTAL, Phase 1 & Phase 2 (\$)	\$ 213,170	\$ 6,555	\$ 146,036	\$ 45,881	\$ 45,154	\$ 13,563	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 536,004

RATE SUMMARY			2014
Name	Title	Rate	
Doig	Resident Engineer	\$237.09	
Moran	Structural Engineer	\$163.86	
Alward	Construction Inspector	\$152.27 (REG & OT)	
TBA	Construction Inspector	\$152.27 (REG & OT)	
Greili	Document Controls	\$96.61	
Louie	Scheduler	\$224.36	

CLM
DM

City of Sacramento

CM Services for Contract X14010063 - 7th St. Sewer Replacement, P to K Street

Assumptions

August 29, 2014

1. Schedule

- a. Commencement of CM services: August 27, 2014 (Date of Preconstruction Meeting)

NTP for construction contract: September 2, 2014

Estimated date of completion (EDC) for construction contract: February 7, 2015

Anticipated non-working weekdays:

November 27/28, 2014

December 25/26, 2014

January 1, 2015

January 19, 2015

Estimated date for completion of CM services: February 20, 2015 (includes two weeks post-construction activities)

2. Payments

- a. 2014 Rates/hr (inclusive of ODCs):

Patrick Doig, Resident Engineer \$237.09

Eric Moran, Structural Engineer \$163.86

Eric Alward, Day Shift Inspector, straight time \$152.27

Eric Alward, Day Shift Inspector, overtime* \$152.27

TBA, Night Shift Inspector, straight time \$152.27

TBA, Night Shift Inspector, overtime* \$152.27

Sandi Grelli, Document Controls, straight time \$96.61

Ray Louie, Scheduler \$224.36

*Sundays & public holidays at double the straight time rate

- b. 2015 Rate: 2014 rates escalated by 3%

- c. No stoppage for City of Sacramento moratorium. Should the project be stopped for the full five week duration of the moratorium, time shifting that work into 2015 could increase overall cost by approximately \$16,500.

3. Inspectors Time:

- a. D/S inspector: 40 to 44 hours per week during work other than boring
50 hours per week during jack and bore operations (estimated at six week period)
N/S inspector: 50 hours per week during jack and bore operations.
Overtime will be as determined by the Resident Engineer so as to meet project requirements.

- b. This estimate is based on Contractor's planned work hours as provided to HMM in email from Mathison to Strom, dated August 21, 2014 @ 10:49AM. Should Contractor's operations require inspector overtime in excess of what has been assumed in preparing this estimate, HMM would expect to be able to revisit how overtime hours are compensated.
- 4. Other Direct Costs
 - Estimated cost Included in labor rate, with no mark-up.
- 5. City of Sacramento to provide following at no cost to HMM:
 - a. Office space at City's 35th Ave office facility, to include copying services and computer access
 - b. Parking in vicinity of work site during working hours
- 6. Subcontractors
 - Materials testing at subcontractor's billed cost plus 5% administrative fee.
- 7. Schedule
 - Services to include only review of Contractor's baseline schedule and updates; preparation and subsequent update of CM's schedule is excluded.

EXHIBIT C

PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS

FACILITIES AND EQUIPMENT TO BE PROVIDED BY CITY

CITY shall [check one] _____ Not furnish any facilities or equipment for this Agreement; or

_____ X furnish the following facilities or equipment for the Agreement [list, if applicable]:

- Furnished office/cubicle
- Phone services and equipment
- Network and internet access
- Printers and copy machines
- General office supplies
- Electronic document management system (DOU Shared Drive)
- Parking

EXHIBIT D

PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS

GENERAL PROVISIONS

1. Independent Contractor.

- A. It is understood and agreed that CONTRACTOR (including CONTRACTOR's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither CONTRACTOR nor CONTRACTOR's assigned personnel shall be entitled to any benefits payable to employees of CITY. CITY is not required to make any deductions or withholdings from the compensation payable to CONTRACTOR under the provisions of this Agreement, and CONTRACTOR shall be issued a Form 1099 for its services hereunder. As an independent contractor, CONTRACTOR hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of CONTRACTOR's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any Services under this Agreement. (As used in this Exhibit D, the term "Services" shall include both Services and Additional Services as such terms are defined elsewhere in this Agreement.)
- B. It is further understood and agreed by the parties hereto that CONTRACTOR, in the performance of its obligations hereunder, is subject to the control and direction of CITY as to the designation of tasks to be performed and the results to be accomplished under this Agreement, but not as to the means, methods, or sequence used by CONTRACTOR for accomplishing such results. To the extent that CONTRACTOR obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the CONTRACTOR's sole discretion based on the CONTRACTOR's determination that such use will promote CONTRACTOR's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the CITY does not require that CONTRACTOR use CITY facilities, equipment or support services or work in CITY locations in the performance of this Agreement.
- C. If, in the performance of this Agreement, any third persons are employed by CONTRACTOR, such persons shall be entirely and exclusively under the direction, supervision, and control of CONTRACTOR. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by CONTRACTOR. It is further understood and agreed that CONTRACTOR shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of CONTRACTOR's assigned personnel and subcontractors.
- D. The provisions of this Section 1 shall survive any expiration or termination of this Agreement. Nothing in this Agreement shall be construed to create an exclusive relationship between CITY and CONTRACTOR. CONTRACTOR may represent, perform services for, or be employed by such additional persons or companies as CONTRACTOR sees fit provided that CONTRACTOR does not violate the provisions of Section 5, below.

- 2. Licenses; Permits, Etc.** CONTRACTOR represents and warrants that CONTRACTOR has all licenses, permits, City Business Operations Tax Certificate, qualifications, and approvals of whatsoever nature that are legally required for CONTRACTOR to practice its profession or provide any services under the

Agreement. CONTRACTOR represents and warrants that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for CONTRACTOR to practice its profession or provide such Services. Without limiting the generality of the foregoing, if CONTRACTOR is an out-of-state corporation, CONTRACTOR warrants and represents that it possesses a valid certificate of qualification to transact business in the State of California issued by the California Secretary of State pursuant to Section 2105 of the California Corporations Code.

3. **Time.** CONTRACTOR shall devote such time and effort to the performance of Services pursuant to this Agreement as is necessary for the satisfactory and timely performance of CONTRACTOR's obligations under this Agreement. Neither party shall be considered in default of this Agreement, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **CONTRACTOR Not Agent.** Except as CITY may specify in writing, CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to act on behalf of CITY in any capacity whatsoever as an agent. CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to bind CITY to any obligations whatsoever.
5. **Conflicts of Interest.** CONTRACTOR covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, that would conflict in any manner with the interests of CITY or that would in any way hinder CONTRACTOR's performance of Services under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, without the written consent of CITY. CONTRACTOR agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY at all times during the performance of this Agreement. If CONTRACTOR is or employs a former officer or employee of the CITY, CONTRACTOR and any such employee(s) shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any CITY department, board, commission or committee.
6. **Confidentiality of CITY Information.** During performance of this Agreement, CONTRACTOR may gain access to and use CITY information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the CITY. CONTRACTOR agrees to protect all City Information and treat it as strictly confidential, and further agrees that CONTRACTOR shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of CITY. In addition, CONTRACTOR shall comply with all CITY policies governing the use of the CITY network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions # 30. A violation by CONTRACTOR of this Section 6 shall be a material violation of this Agreement and shall justify legal and/or equitable relief.
7. **CONTRACTOR Information.**
 - A. CITY shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement. In this Agreement, the term "information" shall be construed to mean and include: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostating, photographing, computer models, and any other computerized data and every other means of recording any

form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. CONTRACTOR shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by CITY.

- B. CONTRACTOR shall fully defend, indemnify and hold harmless CITY, its officers and employees, and each and every one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. CITY shall make reasonable efforts to notify CONTRACTOR not later than ten (10) days after CITY is served with any such claim, action, lawsuit or other proceeding, provided that CITY's failure to provide such notice within such time period shall not relieve CONTRACTOR of its obligations hereunder, which shall survive any termination or expiration of this Agreement.
 - C. All proprietary and other information received from CONTRACTOR by CITY, whether received in connection with CONTRACTOR's proposal to CITY or in connection with any Services performed by CONTRACTOR, will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to CITY, CITY shall give notice to CONTRACTOR of any request for the disclosure of such information. The CONTRACTOR shall then have five (5) days from the date it receives such notice to enter into an agreement with the CITY, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorney fees) incurred by CITY in any legal action to compel the disclosure of such information under the California Public Records Act. The CONTRACTOR shall have sole responsibility for defense of the actual "trade secret" designation of such information.
 - D. The parties understand and agree that any failure by CONTRACTOR to respond to the notice provided by CITY and/or to enter into an agreement with CITY, in accordance with the provisions of subsection C, above, shall constitute a complete waiver by CONTRACTOR of any rights regarding the information designated "trade secret" by CONTRACTOR, and such information shall be disclosed by CITY pursuant to applicable procedures required by the Public Records Act.
8. **Standard of Performance.** CONTRACTOR shall perform all Services required pursuant to this Agreement in the manner and according to the standards currently observed by a competent practitioner of CONTRACTOR's profession in California. All products of whatsoever nature that CONTRACTOR delivers to CITY pursuant to this Agreement shall be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in CONTRACTOR's profession, and shall be provided in accordance with any schedule of performance specified in Exhibit A. CONTRACTOR shall assign only competent personnel to perform Services pursuant to this Agreement. CONTRACTOR shall notify CITY in writing of any changes in CONTRACTOR's staff assigned to perform the Services required under this Agreement, prior to any such performance. In the event that CITY, at any time during the term of this Agreement, desires the removal of any person assigned by CONTRACTOR to perform Services pursuant to this Agreement, because CITY, in its sole discretion, determines that such person is not performing in accordance with the standards required herein, CONTRACTOR shall remove such person immediately upon receiving notice from CITY of the desire of CITY for the removal of such person.
9. **Term; Suspension; Termination.**

- A. This Agreement shall become effective on the date that it is approved by both parties, set forth on the first page of the Agreement, and shall continue in effect until both parties have fully performed their respective obligations under this Agreement, unless sooner terminated as provided herein.
- B. CITY shall have the right at any time to temporarily suspend CONTRACTOR's performance hereunder, in whole or in part, by giving a written notice of suspension to CONTRACTOR. If CITY gives such notice of suspension, CONTRACTOR shall immediately suspend its activities under this Agreement, as specified in such notice.
- C. CITY shall have the right to terminate this Agreement at any time by giving a written notice of termination to CONTRACTOR. If CITY gives such notice of termination, CONTRACTOR shall immediately cease rendering Services pursuant to this Agreement. If CITY terminates this Agreement:
 - (1) CONTRACTOR shall, not later than five days after such notice of termination, deliver to CITY copies of all information prepared pursuant to this Agreement.
 - (2) CITY shall pay CONTRACTOR the reasonable value of Services rendered by CONTRACTOR prior to termination; provided, however, CITY shall not in any manner be liable for lost profits that might have been made by CONTRACTOR had the Agreement not been terminated or had CONTRACTOR completed the Services required by this Agreement. In this regard, CONTRACTOR shall furnish to CITY such financial information as in the judgment of the CITY is necessary for CITY to determine the reasonable value of the Services rendered by CONTRACTOR. The foregoing is cumulative and does not affect any right or remedy that CITY may have in law or equity.

10. Indemnity.

- A. Indemnity: CONTRACTOR shall defend, hold harmless and indemnify CITY, its officers and employees, and each and every one of them, from and against any and all claims, actions, damages, costs, liabilities, demands, losses, judgments, penalties and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by CITY's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Claims"), including but not limited to Claims arising from personal injury or death, damage to personal, real, or intellectual property, or the environment, contractual or other economic damages, or regulatory penalties, that arise out of, pertain to, or relate to any negligent act or omission, recklessness, or willful misconduct of CONTRACTOR, its sub-consultants, subcontractors, or agents, and their respective officers and employees, in connection with performance of or failure to perform this Agreement, whether or not such Claims are litigated, settled, or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage, or expense to the extent arising from (i) the sole negligence or willful misconduct of, or defects in design furnished by, CITY, its agents, servants, or independent contractors who are directly responsible to CITY, or (ii) the active negligence of CITY.
- B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by CITY of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of CITY's rights under this Section 10, nor shall the limits of such insurance limit the liability of

CONTRACTOR hereunder. This Section 10 shall not apply to any intellectual property claims, actions, lawsuits, or other proceedings subject to the provisions of Section 7.B., above. The provisions of this Section 10 shall survive any expiration or termination of this Agreement.

- 11. Insurance Requirements.** During the entire term of this Agreement, CONTRACTOR shall maintain the insurance coverage described in this Section 11.

Full compensation for all premiums that CONTRACTOR is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Services provided by CONTRACTOR under this Agreement. No additional compensation will be provided for CONTRACTOR's insurance premiums.

It is understood and agreed by the CONTRACTOR that its liability to the CITY shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the CONTRACTOR in connection with this Agreement.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance, providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the CONTRACTOR.

No automobile liability insurance shall be required if CONTRACTOR completes the following certification:

"I certify that a motor vehicle will not be used in the performance of any work or services under this agreement." _____ (CONTRACTOR initials)

- (3) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Worker's Compensation policy shall include a waiver of subrogation for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

_____ Workers' Compensation waiver of subrogation in favor of the City is required for all work performed by the CONTRACTOR.

No Workers' Compensation insurance shall be required if CONTRACTOR completes the following certification:

"I certify that my business has no employees, and that I do not employ anyone. I am exempt from the legal requirements to provide Workers' Compensation insurance." _____ (CONTRACTOR initials)

- (4) Professional Liability Insurance providing coverage on a claims made basis for errors, omissions or malpractice with limits of not less than one million (\$1,000,000) dollars if required by the CITY under Exhibit A, Section 2.

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The CITY, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of activities performed by or on behalf of CONTRACTOR, products and completed operations of CONTRACTOR, and premises owned, leased or used by CONTRACTOR. The general liability additional insured endorsement must be signed by an authorized representative of the insurance carrier for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

_____ Additional insured endorsement must be signed by an authorized representative of the insurance carrier.

If the policy includes a blanket additional insured endorsement or contractual additional insured coverage, the above signature requirement may be fulfilled by submitting that document with a signed declaration page referencing the blanket endorsement or policy form.

- (2) Automobile Liability Insurance: The CITY, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Except for professional liability, CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its officials, employees and volunteers. Any insurance or self-insurance maintained by CITY, its officials, employees or volunteers shall be in excess of CONTRACTOR's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its officials, employees or volunteers.
- (3) Coverage shall state that CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) CITY will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:V. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 11 must be declared to and approved by the CITY Risk Management Division in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) CONTRACTOR shall furnish CITY with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the CITY representative named in Exhibit A. Copies of policies shall be delivered to the CITY on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.
- (2) The CITY may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The CITY may withhold payments to CONTRACTOR and/or cancel the Agreement if the insurance is canceled or CONTRACTOR otherwise ceases to be insured as required herein.

F. Subcontractors

CONTRACTOR shall require and verify that all sub-consultants and subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

12. **Equal Employment Opportunity.** During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: CONTRACTOR shall comply with the Executive Order 11246 entitled "Equal Opportunity in Federal Employment", as amended by Executive Order 11375 and 12086, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), hereinafter collectively referred to as the "Regulations".
- B. Nondiscrimination: CONTRACTOR, with regards to the work performed by it after award and prior to completion of the work pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. CONTRACTOR shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by CONTRACTOR for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by CONTRACTOR of CONTRACTOR's obligation under this Agreement and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: CONTRACTOR shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the CITY to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish this information, CONTRACTOR shall so certify to the CITY, and shall set forth what efforts it has made to obtain the information.

E. Sanctions for Noncompliance: In the event of noncompliance by CONTRACTOR with the nondiscrimination provisions of this Agreement, the CITY shall impose such sanctions as it may determine to be appropriate including, but not limited to:

- (1) Withholding of payments to CONTRACTOR under this Agreement until CONTRACTOR complies;
- (2) Cancellation, termination, or suspension of the Agreement, in whole or in part.

F. Incorporation of Provisions: CONTRACTOR shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. CONTRACTOR shall take such action with respect to any subcontract or procurement as the CITY may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, CONTRACTOR may request CITY to enter such litigation to protect the interests of CITY.

13. **Entire Agreement.** This document, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement shall be valid unless approved in writing by CONTRACTOR, and by CITY, in accordance with applicable provisions of the Sacramento City Code.
14. **Severability.** If any portion of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
15. **Waiver.** Neither CITY acceptance of, or payment for, any Service or Additional Service performed by CONTRACTOR, nor any waiver by either party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.
16. **Enforcement of Agreement.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
17. **Assignment Prohibited.** The expertise and experience of CONTRACTOR are material considerations for this Agreement. CITY has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on CONTRACTOR under this Agreement. In recognition of this interest, CONTRACTOR shall not assign any right or obligation pursuant to this Agreement without the written consent of the CITY. Any attempted or purported assignment without CITY's written consent shall be void and of no effect.
18. **Binding Effect.** This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 17, above.
19. **Use Tax Requirements.** During the performance of this Agreement, CONTRACTOR, for itself, its

assignees and successors in interest, agrees as follows:

- A. Use Tax Direct Payment Permit: For all leases and purchases of materials, equipment, supplies, or other tangible personal property used to perform the Agreement and shipped from outside California, the Contractor and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit from the California State Board of Equalization ("SBE") in accordance with the applicable SBE criteria and requirements.
- B. Sellers Permit: For any construction contract and any construction subcontract in the amount of \$5,000,000 or more, Contractor and the subcontractor(s) shall obtain sellers permits from the SBE and shall register the jobsite as the place of business for the purpose of allocating local sales and use tax to the City. Contractor and its subcontractors shall remit the self-accrued use tax to the SBE, and shall provide a copy of each remittance to the City.
- C. The above provisions shall apply in all instances unless prohibited by the funding source for the Agreement.

20. Clarifications. Notwithstanding and superseding anything in this Professional Services Agreement to the contrary, City and Contractor agree that:

- A. Contractor is appointed by City as its agent for the limited purpose of performing Construction Management Services as defined in this Agreement.
- B. Contractor shall not be responsible for liabilities arising from acts or omissions of the City's engineers, contractors, or subcontractors, except to the extent otherwise provided in Section 10 above.
- C. In Section 10 (a) (i) above, delete the word "sole".
- D. In Article 10 (a) (i) above, it is understood the words "independent contractors" includes the City's engineers and contractors.

EXHIBIT E

REQUIREMENTS OF THE NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

INTRODUCTION

The Sacramento Non-Discrimination In Employee Benefits Code (the "Ordinance"), codified as Sacramento City Code Chapter 3.54, prohibits City contractors from discriminating in the provision of employee benefits between employees with spouses and employees with domestic partners, and between the spouses and domestic partners of employees.

APPLICATION

The provisions of the Ordinance apply to any contract or agreement (as defined below), between a Contractor and the City of Sacramento, in an amount exceeding \$100,000.00. The Ordinance applies to that portion of a contractor's operations that occur: (i) within the City of Sacramento; (ii) on real property outside the City of Sacramento if the property is owned by the City or if the City has a right to occupy the property; or (iii) at any location where a significant amount of work related to a City contract is being performed.

The Ordinance does not apply: to subcontractors or subcontracts of any Contractor or contractors; to transactions entered into pursuant to cooperative purchasing agreements approved by the Sacramento City Council; to legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the City; where the requirements of the ordinance will violate or are inconsistent with the terms or conditions of a grant, subvention or agreement with a public agency or the instructions of an authorized representative of any such agency with respect to any such grant, subvention or agreement; to permits for excavation or street construction; or to agreements for the use of City right-of-way where a contracting utility has the power of eminent domain.

DEFINITIONS

As set forth in the Ordinance, the following definitions apply:

"Contract" means an agreement for public works or improvements to be performed, or for goods or services to be purchased or grants to be provided, at the expense of the City or to be paid out of moneys deposited in the treasury or out of the trust money under the control or collected by the City. "Contract" also means a written agreement for the exclusive use ("exclusive use" means the right to use or occupy real property to the exclusion of others, other than the right reserved by the fee owner) or occupancy of real property for a term exceeding 29 days in any calendar year, whether by singular or cumulative instrument, (i) for the operation or use by others of real property owned or controlled by the City for the operation of a business, social, or other establishment or organization, including leases, concessions, franchises and easements, or (ii) for the City's use or occupancy of real property owned by others, including leases, concessions, franchises and easements.

"Contract" shall not include: a revocable at-will use or encroachment permit for the use of or encroachment on City property regardless of the ultimate duration of such permit; excavation, street construction or street use permits; agreements for the use of City right-of-way where a contracting utility has the power of eminent domain; or agreements governing the use of City property that constitute a public forum for activities that are primarily for the purpose of espousing or advocating causes or ideas and that are generally protected by the First Amendment to the United States Constitution or that are primarily recreational in nature.

"Contractor" means any person or persons, firm, partnership, corporation, company, or combination thereof, that enters into a Contract with the City. "Contractor" does not include a public entity.

"Domestic Partner" means any person who has a currently registered domestic partnership with a governmental entity pursuant to state or local law authorizing the registration.

"Employee Benefits" means bereavement leave; disability, life, and other types of insurance; family medical leave; health benefits; membership or membership discounts; moving expenses; pension and retirement benefits; vacation; travel benefits; and any other benefit given to employees. "Employee benefits" shall not include benefits to the extent that the application of the requirements of this chapter to such benefits may be preempted by federal or state.

CONTRACTOR'S OBLIGATION TO PROVIDE THE CITY WITH DOCUMENTATION AND INFORMATION

Contractor shall provide the City with documentation and information verifying its compliance with the requirements of the Ordinance within ten (10) days of receipt of a request from the City. Contractors shall keep accurate payroll records, showing, for each City Contract, the employee's name, address, Social Security number, work classification, straight time pay rate, overtime pay rate, overtime hours worked, status and exemptions, and benefits for each day and pay period that the employee works on the City Contract. Each request for payroll records shall be accompanied by an affidavit to be completed and returned by the Contractor, as stated, attesting that the information contained in the payroll records is true and correct, and that the Contractor has complied with the requirements of the Ordinance. A violation of the Ordinance or noncompliance with the requirements of the Ordinance shall constitute a breach of contract.

EMPLOYER COMPLIANCE CERTIFICATE AND NOTICE REQUIREMENTS

- (a) All contractors seeking a Contract subject to the Ordinance shall submit a completed Declaration of Compliance Form, signed by an authorized representative, with each proposal, bid or application. The Declaration of Compliance shall be made a part of the executed contract, and will be made available for public inspection and copying during regular business hours.
- (b) The Contractor shall give each existing employee working directly on a City contract, and (at the time of hire), each new employee, a copy of the notification provided as Attachment "A."
- (c) Contractor shall post, in a place visible to all employees, a copy of the notice provided as Attachment "B."

Attachment A



YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

On _____ (date), your employer (the "Employer") entered into a contract with the City of Sacramento (the "City") for _____ (contract details), and as a condition of that contract, agreed to abide by the requirements of the City's Non-Discrimination In Employee Benefits Code (Sacramento City Code Section 3.54).

The Ordinance does not require the Employer to provide employee benefits. The Ordinance does require that if certain employee benefits are provided by the Employer, that those benefits be provided without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouse or domestic partner of employees.

The Ordinance covers any employee working on the specific contract referenced above, but only for the period of time while those employees are actually working on this specific contract.

The included employee benefits are:

- | | |
|---|-------------------------------|
| - Bereavement leave | - Moving expenses |
| - Disability, life and other types of insurance | - Pension and retirement |
| - Family medical leave | benefits |
| - Health benefits | - Vacation |
| - Membership or membership discounts | - Travel benefits |
| | - Any other benefits given to |
| | employees |

(Employee Benefits does not include benefits that may be preempted by federal or state law.)

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, or in the application of these employee benefits, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of the Ordinance, and after having exhausted all remedies with your employer,

You May . . .

- ☐ Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:

City of Sacramento
Procurement Services Division
5730 24th Street, Bldg. 1
Sacramento, CA 95822

- Bring an action in the appropriate division of the Superior Court of the State of California against the Employer and obtain the following remedies:
 - Reinstatement, injunctive relief, compensatory damages and punitive damages
 - Reasonable attorney's fees and costs

Attachment B



YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

If your employer provides employee benefits, they must be provided to those employees working on a City of Sacramento contract without discriminating between employees with spouses and employees with domestic partners.

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to employees

If you feel you have been discriminated against by your employer . . .

You May . . .

- ☐ Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:

City of Sacramento
Procurement Services Division
5730 24th Street, Bldg. 1
Sacramento, CA 95822
- ☐ Bring an action in the appropriate division of the Superior Court of the State of California against the employer and obtain reinstatement, injunctive relief, compensatory damages, punitive damages and reasonable attorney's fees and costs.

Discrimination and Retaliation Prohibited.

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of this Ordinance . . .

You May Also . . .

Submit a written complaint to the City of Sacramento, Contract Services Unit, at the same address, containing the details of the alleged violation.

**LOCAL BUSINESS ENTERPRISE (LBE) PROGRAM
5% PREFERENCE FORM**

NOTE: Proposers must provide responses to the following items. Failure to provide a response to each of the items in this section may be grounds for rejection of the proposal.

1. LBE FIVE PERCENT (5%) PREFERENCE

On April 3, 2012, the Sacramento City Council adopted a Local Business Enterprise (LBE) Preference Program to provide enhanced opportunities for the participation of local business enterprises (LBEs) in the City's contracting and procurement activities. On November 19, 2013, City Council increased the LBE preference and authorized City departments to require minimum LBE participation levels in individual contracts.

Local Business Enterprise means a business enterprise, including but not limited to, a sole proprietorship, partnership, limited liability company, corporation, or other business entity that has a legitimate business presence in the city or unincorporated county of Sacramento. Evidence of legitimate business presence in the city or unincorporated county of Sacramento shall include:

1. Having a current City of Sacramento Business Operation Tax or County of Sacramento Business License for at least twelve (12) consecutive months prior to submission of bid; and
2. Having either of the following types of offices or workspace operating legally within the city or unincorporated county of Sacramento for at least twelve (12) consecutive months prior to submission of bid:
 - a. The LBE's principle business office or workspace; or
 - b. The LBE's regional, branch or satellite office with at least one full time employee located in the city or unincorporated county of Sacramento.

A. LOCAL BUSINESS ENTERPRISE (LBE)

Is the firm submitting the bid qualified as a local business enterprise? Check the appropriate box below:

☒ **YES** - the firm submitting the bid is qualified as a local business enterprise.

☐ **NO** - the firm submitting the bid is not qualified as a local business enterprise.

If the response to the above is YES, provide the City of Sacramento Business Operations Tax Certificate Number and/or County of Sacramento Business License Number:

BOTC# 139532

If the response to the above is YES, provide a current copy of the City of Sacramento Business Operations Tax Certificate and/or County of Sacramento Business License.

If the response to the above is YES, provide business office or workspace address*:

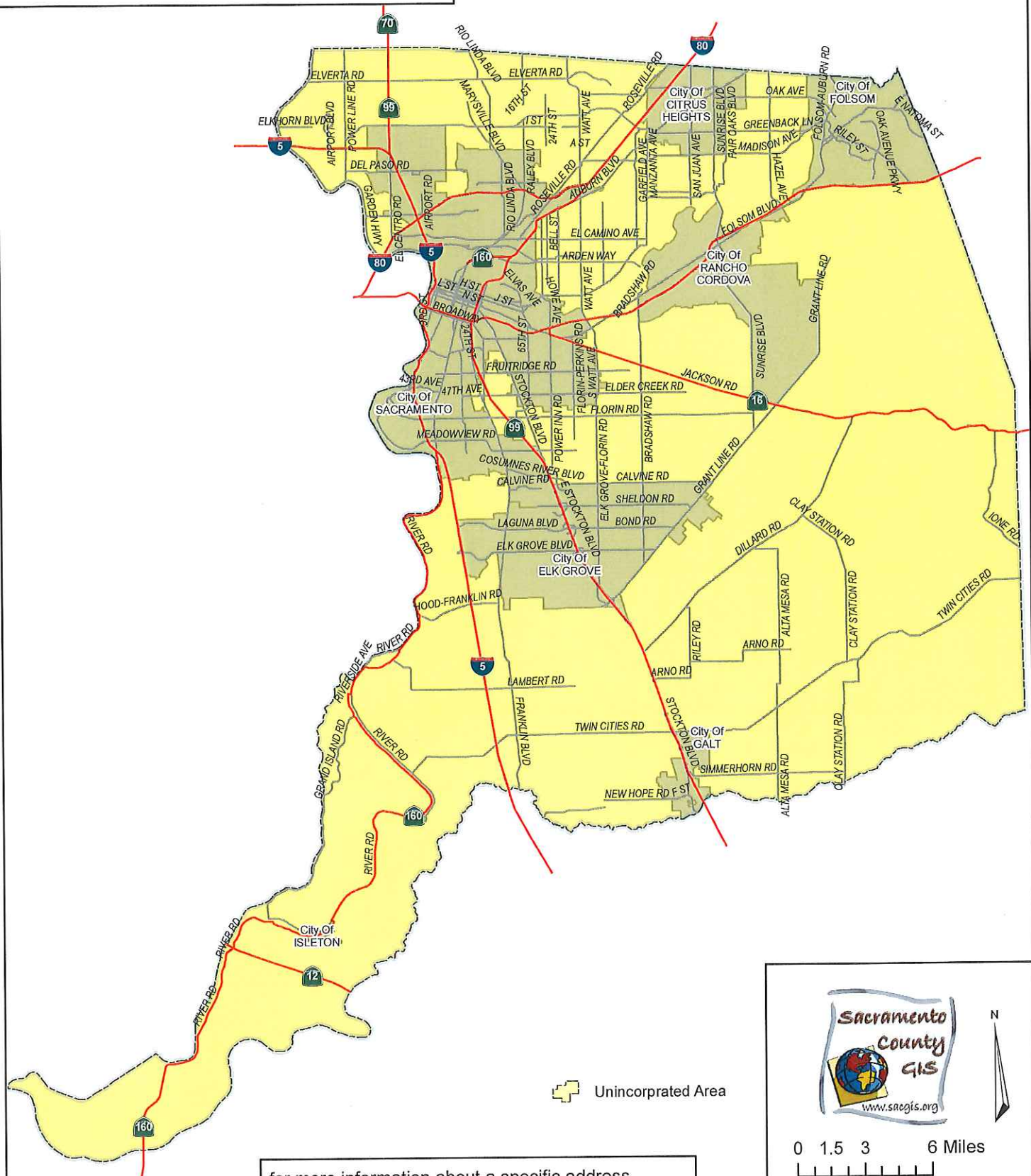
Hatch Mott MacDonald, LLC

2495 Natomas Park Drive, Suite 530

Sacramento, CA 95833

* Address must be a physical address for the basis of location, this excludes P.O. Box addresses.

UNINCORPORATED AREAS



**Request for Taxpayer
Identification Number and Certification**

Give Form to the
requester. Do not
send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return) Hatch Mott MacDonald Holdings, Inc.	
Business name/disregarded entity name, if different from above Hatch Mott MacDonald, LLC	
Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input checked="" type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see Instructions) ▶ _____	
<input type="checkbox"/> Exempt payee	
Address (number, street, and apt. or suite no.) 111 Wood Avenue South	Requester's name and address (optional)
City, state, and ZIP code Iselin, NJ 08830-4112	
List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I Instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number								
			-				-	

Employer identification number								
2	2	-	3	8	3	1	8	0
6								

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶ <i>[Signature]</i>	Date ▶ <i>7/1/13</i>
-----------	---	----------------------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

YEAR

CALIFORNIA FORM

2014 Withholding Exemption Certificate**590**

The payee completes this form and submits it to the withholding agent.

Withholding Agent (Type or print)

Name

Payee

Name

☐ SSN or ITIN ☒ FEIN ☐ CA Corp no. ☐ CA SOS file no.

HATCH HOT T. MACDONALD, LLC

16-1006700

Address (apt./ste., room, PO Box, or PMB no.)

4301 HACIENDA DR #300

City (If you have a foreign address, see instructions.)

PLEASANTON

State ZIP Code

CA 94588

Exemption Reason

Check only one reason box below that applies to the payee.

By checking the appropriate box below, the Payee certifies the reason for the exemption from the California income tax withholding requirements on payment(s) made to the entity or individual.

☐ **Individuals — Certification of Residency:**

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

☐ **Corporations:**

The corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

☒ **Partnerships or limited liability companies (LLCs):**

The partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.

☐ **Tax-Exempt Entities:**

The entity is exempt from tax under California Revenue and Taxation Code (R&TC) Section 23701 _____ (insert letter) or Internal Revenue Code Section 501(c) _____ (insert number). If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

☐ **Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit Sharing Plans:**

The entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

☐ **California Trusts:**

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return. If the trustee or noncontingent beneficiary becomes a nonresident at any time, I will promptly notify the withholding agent.

☐ **Estates — Certification of Residency of Deceased Person:**

I am the executor of the above-named person's estate or trust. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return.

☐ **Nonmilitary Spouse of a Military Servicemember:**

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

CERTIFICATE OF PAYEE: Payee must complete and sign below.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Payee's name and title (type or print)

Craig Velazquez

Telephone

925 469-8010

Payee's signature

Date

9/2/14

MUST BE POSTED IN CONSPICUOUS PLACE



CITY OF SACRAMENTO
BUSINESS OPERATIONS TAX CERTIFICATE

139532

139532

Business Name HATCH MOTT MACDONALD, LLC
Business Address 2495 NATOMAS PARK DR 530
Owner CARA STROM
Type of Business CONST/ENGINEERING FIRM
Tax Classification 402A

FROM
Mo. Day Yr.

07/01/2013

TO
Mo. Day Yr.

06/30/2014

Expires

CITY OF SACRAMENTO

AUG 28 2013

VOID

PAID
IF NOT
VALIDATED

HATCH MOTT MACDONALD, LLC
2495 NATOMAS PARK DR 530
SACRAMENTO, CA 95833-2980

TOTAL
PAID: \$1,201.00

THIS STUB MAY BE
FOLDED/DETACHED
BEFORE POSTING

This certificate is not to be construed as a business license or imply that the City of Sacramento has investigated, or approves or recommends, the holder of this certificate. Any representation to the contrary is fraudulent. (This certificate must be renewed within 30 days of expiration).



CERTIFICATE OF LIABILITY INSURANCE

Page 1 of 2

DATE (MM/DD/YYYY)
08/29/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Willis of New Jersey, Inc. c/o 26 Century Blvd. P.O. Box 305191 Nashville, TN 37230-5191	CONTACT NAME: PHONE (A/C, NO, EXT): 877-945-7378 FAX (A/C, NO): 888-467-2378 E-MAIL ADDRESS: certificates@willis.com	
	INSURER(S) AFFORDING COVERAGE INSURER A: Charter Oak Fire Insurance Company NAIC#: 25615-000 INSURER B: Hartford Fire Insurance Co. 19682-004 INSURER C: Hartford Insurance Company of the Midwest 37478-002 INSURER D: Underwriters at Lloyd's London 15792-001 INSURER E: INSURER F:	
INSURED Hatch Mott MacDonald LLC 2495 Natomas Park Drive Suite 530 Sacramento, CA 95833		

COVERAGES

CERTIFICATE NUMBER: 21985993

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L SUBR INSRD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	Y	630-9B510634	6/30/2014	6/30/2015	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR					MED EXP (Any one person) \$ 5,000
						PERSONAL & ADV INJURY \$ 1,000,000
						GENERAL AGGREGATE \$ 5,000,000
						PRODUCTS - COMP/OP AGG \$ 2,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				
B	AUTOMOBILE LIABILITY	Y	13UENVY8062	6/30/2014	6/30/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO					BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS	<input checked="" type="checkbox"/> NON-OWNED AUTOS				PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB					EACH OCCURRENCE \$
	EXCESS LIAB					AGGREGATE \$
	DED					
	RETENTION \$					
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	Y	13WBAA9788	6/30/2014	6/30/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				E.L. EACH ACCIDENT \$ 1,000,000
						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
						E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Professional Liab		B080120388P14	6/30/2014	6/30/2015	\$1,000,000 Per Occurrence \$1,000,000 Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach Acord 101, Additional Remarks Schedule, If more space is required)

Division/Location - WNC / SNA

HMM Project #342220 - City of Sacramento

The City, its officials, employees and volunteers are included as Additional Insureds as respects to General Liability and Auto Liability as per written contract or agreement.

General Liability and and Auto Liability policy shall be Primary and Non-Contributory with any

CERTIFICATE HOLDER**CANCELLATION**

City of Sacramento Department of Utilities Attn: Dale Mathison, PE 1395 35th Avenue Sacramento, CA 95822	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE Dennis A. Fony

Call: 4503110 Tpl: 1832303 Cert: 21985993 © 1988-2010 ACORD CORPORATION. All rights reserved.

AGENCY CUSTOMER ID: 33005335

LOC#: _____



ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY Willis of New Jersey, Inc.		NAMED INSURED Hatch Mott MacDonald LLC 2495 Natomas Park Drive Suite 530 Sacramento, CA 95833	
POLICY NUMBER See First Page		EFFECTIVE DATE: See First Page	
CARRIER See First Page	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE
 other insurance in force for or which may be purchased by Additional Insureds.

Waiver of Subrogation applies in favor of City with respects to Workers Compensation as required by written contract and as permitted by law.

Policy Number 630-9B510634
Effective 6/30/2014

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**BLANKET ADDITIONAL INSURED – WRITTEN
CONTRACTS (ARCHITECTS, ENGINEERS AND
SURVEYORS)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:

- a. Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
- b. If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.

The insurance provided to such additional insured is limited as follows:

- c. In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III – Limits Of Insurance.
- d. This insurance does not apply to the rendering of or failure to render any "professional services" or construction management errors or omissions.
- e. This insurance does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured ap-

plies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

2. The following is added to Paragraph 4.a. of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

The insurance provided to the additional insured is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover. However, if you specifically agree in the "written contract requiring insurance" that this insurance provided to the additional insured under this Coverage Part must apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But this insurance provided to the additional insured still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under any "other insurance".

3. The following is added to SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

Duties Of An Additional Insured

As a condition of coverage provided to the additional insured:

- a. The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:



COMMERCIAL GENERAL LIABILITY

- i. How, when and where the "occurrence" or offense took place;
 - ii. The names and addresses of any injured persons and witnesses; and
 - iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against the additional insured, the additional insured must:
- i. Immediately record the specifics of the claim or "suit" and the date received; and
 - ii. Notify us as soon as practicable.
- The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- d. The additional insured must tender the defense and indemnity of any claim or "suit" to

any provider of other insurance which would cover the additional insured for a loss we cover. However, this condition does not affect whether this insurance provided to the additional insured is primary to that other insurance available to the additional insured which covers that person or organization as a named insured.

4. The following is added to the DEFINITIONS Section:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed;

- a. After the signing and execution of the contract or agreement by you;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.

INSURER CANCELLATION TERMS

NAMED INSURED Hatch Mott MacDonald LLC	POLICY NO. 6309B510634 EFFECTIVE DATE SEE PAGE 1
--	--

Holder Name: City of Sacramento

Project:

Cancellation Terms:

Should the General Liability policy be cancelled before the expiration date thereof, the insurer will send 30 days notice of cancellation to the Certificate Holder, but failure to do so shall impose no obligation or liability of any kind upon the insurer, its agents or representatives.

Cancellation Terms Apply to the Following Coverages:

General Liability



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO CERTIFICATE HOLDER(S)

This policy is subject to the following additional Conditions:

- A. If this policy is cancelled by the Company, other than for nonpayment of premium, notice of such cancellation will be provided at least thirty (30) days in advance of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.
- B. If this policy is cancelled by the Company for nonpayment of premium, or by the insured, notice of such cancellation will be provided within (10) days of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.

If notice is mailed, proof of mailing to the last known mailing address of the certificate holder(s) on file with the agent of record or the Company will be sufficient proof of notice.

Any notification rights provided by this endorsement apply only to active certificate holder(s) who were issued a certificate of insurance applicable to this policy's term.

Failure to provide such notice to the certificate holder(s) will not amend or extend the date the cancellation becomes effective, nor will it negate cancellation of the policy. Failure to send notice shall impose no liability of any kind upon the Company or its agents or representatives.

Policy 13UENVY8062 and 13UENAL4011
Number:
Effective 6/30/2014
Date:
Named Insured and Hatch Mott MacDonald Group, Inc.
Address:
111 Wood Avenue
Iselin, NJ 08830



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO CERTIFICATE HOLDER(S)

Policy Number: 13 WB AA9788

Endorsement Number:

Effective Date: Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Address: HATCH MOTT MACDONALD GROUP INC

111 WOOD AVENUE SOUTH
ISELIN NJ

This policy is subject to the following additional Conditions:

- A. If this policy is cancelled by the Company, other than for non-payment of premium, notice of such cancellation will be provided at least thirty (30) days in advance of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.
- B. If this policy is cancelled by the Company for non-payment of premium, or by the insured, notice of such cancellation will be provided within ten (10) days of the cancellation effective date to the certificate holder(s) with mailing addresses on file with the agent of record or the Company.

If notice is mailed, proof of mailing to the last known mailing address of the certificate holder(s) on file with the agent of record or the Company will be sufficient proof of notice.

Any notification rights provided by this endorsement apply only to active certificate holder(s) who were issued a certificate of insurance applicable to this policy's term.

Failure to provide such notice to the certificate holder(s) will not amend or extend the date the cancellation becomes effective, nor will it negate cancellation of the policy. Failure to send notice shall impose no liability of any kind upon the Company or its agents or representatives.

Endorsement No. 1

NEW JERSEY CANCELLATION / NON-RENEWAL ENDORSEMENT

Wherever used in this endorsement: 1) "we", "us", "our", and "Insurer" mean the insurance company which issued this policy; and 2) "you", "your", "named Insured", "First Named Insured", and "Insured" mean the Named Corporation, Named Organization, Named Sponsor, Named Insured, or Insured stated in the declarations page; and 3) "Other Insured(s)" means all other persons or entities afforded coverage under the policy.

In consideration of the premium charged, it is hereby understood and agreed that the cancellation provision of this policy is amended as follows:

"Pursuant to New Jersey law, this policy cannot be cancelled or non-renewed for any underwriting reason or guideline(s) which is arbitrary, capricious or unfairly discriminatory or without adequate prior notice to the Insured. The underwriting reasons or guidelines that an Insurer can use to cancel or non-renew this policy are maintained by the Insurer in writing and will be furnished to the Insured and/or the Insured's lawful representative upon written request.

This shall not apply to any policy which has been in effect for less than sixty (60) days at the time notice of cancellation is mailed or delivered, unless the policy is a renewal policy."

All other terms and conditions of the policy remain the same.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF OUR RIGHT TO RECOVER
FROM OTHERS ENDORSEMENT**

Policy Number: 13 WB AA9788

Endorsement Number:

Effective Date: 06/30/14 Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Address: HATCH MOTT MACDONALD GROUP INC

111 Wood Avenue South
Iselin, NJ 08830

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule.

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

SCHEDULE

ANY PERSON OR ORGANIZATION
FROM WHOM YOU ARE REQUIRED BY
WRITTEN CONTRACT OR AGREEMENT
TO OBTAIN THIS WAIVER OF
RIGHTS FROM US.

AS REQUIRED BY CONTRACT

Countersigned by _____

Authorized Representative

Form WC 00 03 13 Printed in U.S.A.
Process Date: 06/26/14

Policy Expiration Date: 06/30/15