



## City Council Report

915 I Street, 1<sup>st</sup> Floor

Sacramento, CA 95814

[www.cityofsacramento.org](http://www.cityofsacramento.org)

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**File #:** 2016-01253

**Consent Item 09**

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**Title: Agreement: Construction Management and Inspection Services for the Accelerated Water Meter Program (Published for 10-Day Review 11/03/2016)**

**Recommendation:** Pass a Motion authorizing the City Manager, or the City Manager's designee to execute an agreement with Psomas to provide construction management and inspection services in an amount not to exceed \$1,602,716.

**Location:** Citywide

**Contact:** Dan Sherry, Engineering & Water Resources Manager, (916) 808-1419; Michelle Carrey, Supervising Engineer, (916) 808-1438, Ian Pietz, Project Manager (916) 808-1910, Department of Utilities

**Presenter:** None

**Department:** Department of Utilities

**Attachments:**

1-Description Analysis

2- Agreement

## Description/Analysis

**Issue Detail:** Staff recommends Council approve an agreement with Psomas for an amount not-to-exceed \$1,602,716 for construction management and inspection services during FY2017 for the Accelerated Water Meter program (AWMP).

**Policy Considerations:** City Council approval is required for agreements exceeding \$100,000. The project provides updated infrastructure for a safe and reliable drinking water supply and is consistent with City Council focus areas of public safety, economic development, livability, and sustainability.

**Economic Impacts:** None.

**Environmental Considerations:** City Staff has determined that the AWMP is exempt from the California Environmental Quality Act (CEQA) consistent with CEQA Guideline sections 15061(b) (2), 15301 and 15304. The AWMP would involve the installation of water meters and replacement of existing water main and would not result in an expansion of use beyond existing conditions (CEQA Guidelines section 15301). In addition, installation of the replacement water main would typically involve temporary excavation in existing streets; and minor modifications to install the meters at existing residential and commercial properties (CEQA Guidelines section 15303). Furthermore, consistent with CEQA Guidelines section 15304, because the proposed project involves the replacement of existing water main in existing street rights-of-way there would be minor alternations during construction that would be returned to pre-project conditions as installation is completed. There would not be an impact on environmental resources including a hazardous waste site, scenic highway, or a historical resource (CEQA Guidelines section 15300.2)

**Sustainability:** The project is consistent with the City's Sustainability Master Plan by providing a safe and reliable water supply for the Sacramento region.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** In May 2016, DOU issued an RFP for construction management services for the AWMP. Six firms submitted proposals through a Request for Proposal (RFP) process: Grid One, The Hanna Group, K&B Construction, MWH Americas, Psomas, and Salabar. The six firms were ranked based on staff qualifications, references, expertise, prior experience, and available staff and resources. Psomas was selected as the highest-ranking firm by a committee consisting of staff from the City and the City of Roseville. Approval of the agreement will authorize Psomas to perform construction management and inspection tasks that are critical to ensuring that the project is constructed in accordance with

contract requirements and that impacts to the City's water distribution facilities are minimized. These tasks are critical to ensure the timely completion of the project.

**Financial Considerations:** The proposed agreement is for a not-to-exceed amount of \$1,602,716. Sufficient funds are available in the Residential Water Meter Program (Z14010000) for these services. There are no General Funds planned or allocated for this project.

**Local Business Enterprise (LBE):** Psomas is an LBE.

**Background:** City staff recommends approving an agreement with Psomas for construction management and inspection services for the Accelerated Water Meter program. The scope of work includes, but is not limited to the following items:

- Construction Management
  - Documenting and maintaining schedule, budget, and scope for construction project
  - Submitting quality management and reporting using the program's cost controls
- Resident Engineer and Construction Support
  - Acting as a facilitator for construction meetings
  - Providing input on contractor performance
  - Customer outreach and communication plan
  - Construction submittals, drawings, Request for Information (RFI) review and processing
  - Daily Extra Work Requests and Change Order documentation review and processing
  - Progress Payment review and processing
- Construction Inspection
  - Quality assurance, including materials testing and overseeing construction
  - Field administration, including documenting construction progress and contractor compliance, water quality testing coordination, water operations coordination for shutdowns, and public works coordination for streets, traffic, events, etc.

PROJECT #:  
PROJECT NAME:  
DEPARTMENT:  
DIVISION:

CITY OF SACRAMENTO

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

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**THIS AGREEMENT** is made at Sacramento, California, as of November 10, 2016, by and between the **CITY OF SACRAMENTO**, a municipal corporation ("CITY"), and

***Psomas***  
***3550 Watt Avenue, Suite 140***  
***Sacramento, CA 95821***  
***Phone: (916) 979-7640 / Fax: (916) 788-0600 / E-mail: fmartin@psomas.com***

("CONTRACTOR"), who agree as follows:

1. **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 the 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 the 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 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.
2. **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.
3. **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 CONTRACTOR to perform 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.

4. **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 this Agreement, including without limitation any document relating to the scope of services or payment therefor, the General Provisions shall control over those 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. **Additional Requirements for Surveying, Material Testing, and Inspection Services.** If this Agreement includes any land surveying, material testing, or inspection services provided for a City construction project, during the design, pre-construction, construction, or post-construction phases of the project, the Contractor and any subcontractor or subconsultant performing any such services shall comply with the provisions specified in Exhibit F.
7. **Authority.** The person signing this Agreement for CONTRACTOR 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.
8. **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: \_\_\_\_\_

Title: \_\_\_\_\_

For: John F. Shirey, City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

ATTEST:

\_\_\_\_\_  
City Clerk

## 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  
Exhibit F      Additional Requirements for Surveying,  
                    Material Testing, and Inspection Services

## CONTRACTOR:

Psomas  
NAME OF FIRM

95-2863554  
Federal I.D. No.

00705477  
State I.D. No.

103000  
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: \_\_\_\_\_)

  
Signature of Authorized Person

Frank C. Martin, III, Vice President  
Print Name and Title

\_\_\_\_\_  
Additional Signature (if required)

\_\_\_\_\_  
Print Name and Title

**DECLARATION OF COMPLIANCE**  
**Equal Benefits Ordinance**

Name of Contractor: Psomas

Address: 3550 Watt Avenue, Suite 140, Sacramento, CA 95821

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.

**UNANIMOUS WRITTEN CONSENT  
OF THE  
BOARD OF DIRECTORS  
OF  
PSOMAS  
a California corporation**

March 15, 2016

**THE UNDERSIGNED**, being all of the members of the Board of Directors of Psomas, a California corporation (the "Corporation"), hereby adopt the following resolutions without a meeting as of the date set forth above, pursuant to Section 307(b) of the General Corporation Law of California:

**RESOLVED** that the following, being the Officers of the Corporation, be and hereby are authorized to execute any and all documents required to conduct the business of the Corporation, including, but not limited to contracts, leases and certifications;

**IT IS FURTHER RESOLVED** that any one signature of the Officers listed herein shall be sufficient to bind the Corporation;

TIMOTHY G. PSOMAS	Chairman Emeritus
BLAKE N. MURILLO	Chairman
RYAN E. McLEAN	Chief Executive Officer
LOREN L. SOKOLOW	Chief Financial Officer, Treasurer, Assistant Secretary
DEBRA TILSON LAMBECK	Vice President, Secretary
CRAIG AHRENS	Vice President
CHRISTINA ANDERSEN	Vice President
ALEJANDRO ANGEL	Vice President
ROSS W. BARKER	Vice President
BRETT BARNETT	Vice President
TEDDY C. BOLDEN, II	Vice President
JOSEPH L. BOYLE	Vice President
KATHLEEN BRADY	Vice President
BRIAN E. BULLOCK	Vice President
AGUSTIN CHANG	Vice President
JEFFREY CHESSE	Vice President
HAN CHU	Vice President
MATTHEW D. CLARK	Vice President
MICHAEL J. CREHAN	Vice President
MIKE DALY	Vice President
PAUL J. ENNEKING	Vice President
JEREMY L. EVANS	Vice President
PETER FITZPATRICK	Vice President
STEVEN FRIESON	Vice President
HARVEY GOBAS	Vice President
ERNEST GOMEZ	Vice President
CRAIG GOOCH	Vice President
DANNIE B. GREEN	Vice President
ANDREW N. GUST	Vice President
TIMOTHY G. HAYES	Vice President
CHARLES HEFFERNAN	Vice President
GREGORY A. HELMER	Vice President
MELISSA HOWE	Vice President
ROBERT J. IANNARINO	Vice President
ANN JOHNSTON	Vice President
JOAN PATRONITE KELLY	Vice President
BRUCE KIRBY	Vice President



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Blake Murillo

Matthew D. Clark

Steve Margaroni

Avedick B. Poladian

Donald L. Whiteley

Alejandro Angel

Gary H. Hunt

Ryan E. McLean

Cliff Simental

- 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.

CE CML

Signature of Authorized Representative

10-7-16

Date

Frank C. Martin, III

Print Name

Vice President

Title

## EXHIBIT A

### PROFESSIONAL SERVICES AGREEMENT

#### SCOPE OF SERVICES

**1. Representatives.**

The CITY Representative for this Agreement is:

***Ian Pietz, Senior Engineer  
1395 35<sup>th</sup> Avenue, Sacramento, CA 95822  
Phone: (916) 808-1910 / E-mail: ipietz@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:

***Frank Martin  
1075 Creekside Ridge Drive, Suite 200  
Roseville, CA 95678  
Phone: (916) 788-8122 / E-mail: fmartin@psomas.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 or e-mail 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. Insurance.** Insurance requirements are specified in Exhibit D, Section 11.

**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: \_\_\_\_\_ yes      X   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.**

*[Describe services to be provided here, or, if scope of services is described in an attachment, label the attachment "Attachment 1 to Exhibit A" and include the following sentence:]*

The services provided shall be as set forth in Attachment 1 to Exhibit A, attached hereto and incorporated herein.

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.



## ATTACHMENT 1 TO EXHIBIT A

### Proposed Work Plan

Psomas will implement an agreed upon Scope of Services that addresses the needs and desires of the City of Sacramento's Department of Utilities. We have broken the tasks in two major categories, Contract Management and Project Management. These categories have then been divided into sub-tasks that include all services requested by the Department.

Our approach will be to serve as the Department's Representative to the various Contractors and the public at the construction sites; confirmation that Contractor is performing pre-construction site documentation at each location; access the acceptability of the Contractors' work in conformance to the project plans, specifications, and other contract documents, and assist the Department and Project Management Team at Carollo Engineers with on-site public relations support. Psomas will verify the acceptability of the Contractor's work by visual observation, photo and video documentation, and by application of soil and material testing. Psomas will manage requests for clarification, coordinate work with the Department and Carollo Engineers as required, manage project changes, evaluate Contractors' claims, and prepare progress pay estimates. This work is outlined by the following task descriptions.

### Contract Management Services

Meeting with Department Project Manager and Carollo Engineers — Our Resident Engineer attend meetings between the Department's Project Manager and the Project Manager or Responsible Person from Carollo Engineers, to review key aspects of each project's plans, specific areas of concern, develop problem-resolution paths, establish open and cooperative lines of communication, and review contract administration procedures. Our Principal in Charge or Construction Manager will report to the Department on the progress being made by each Contractor and will provide any salient information to the Department if asked to comment on the Contractor's abilities to perform work as desired by the Department.

Establish and Maintain Project Records and Contract Administration Procedures — Our Construction Manager, with input from the Department and Carollo Engineers, and with assistance from the Resident Engineer and Administrative Assistant, will establish the proposed contract administration and record keeping procedures to be implemented during the construction phase of each project. All project records will conform to the category index system proposed by Carollo Engineers in their Accelerated Program Plan. Prior to implementation, all administration and record keeping procedures will be submitted to the Department Project Manager for review and approval. These files will be clear, concise, updated and maintained on a daily basis by our Assistant Resident Engineer and/or our Administrative Assistant and will be available for review by concerned parties at all times.

Public Relations Administration — Our Principal in Charge and Construction Manager will meet with the Department and Carollo Engineers to discuss programed Public

Relations activities and how the CM Team can support these activities. Contacts for prompt resolution will be established, as will communication protocols. The Psomas Team will implement the public relations activities as determined by the Department. Our Principal in Charge will communicate all public relations information to the CM Team and will report back all public relations updates to the Department.

## **Construction Management Services**

*Documentation of Pre-Construction Conditions* — Contractors will be required to document pre-construction conditions using photographs, written notes and video recordings. Psomas will verify that the Contractor is performing this responsibility in accordance with project requirements. Any damage attributable to the Contractor's actions will be documented and tracked until the Contractor repairs the damage to pre-project conditions or to the requirements of the contract plans and specifications. Special or sensitive areas will be noted and extra documentation, including potentially videotaping the site, will be provided.

*Pre-Construction Meeting* — The Psomas Team will attend and participate in pre-construction meetings with each Contractor prior to the start of construction activities on the specific project. At the meeting we generally review the project plan and specification requirements highlighting areas such as project communication lines, safety issues, labor compliance, schedule, material testing, scheduling of regular progress meetings, progress payments and other salient features of this contract. Also at this meeting, we will provide all necessary reporting and/or accounting forms to the Contractor for submittal in accordance with the Project Management Plan prepared by Carollo Engineers and the Department. A project specific meeting agenda is developed by the Psomas Team, attendees are recorded, and meeting minutes will be summarized for distribution to the Department's Project Manager, the approved meeting participants and the project record files.

*Submittal Management* — The Psomas Team will log submittals received from the Contractor and, when appropriate, review and respond in a timely manner. Psomas will develop a submittal distribution list to identify parties responsible for review and acceptance. In cases where the Department or the designer of record must review the submittal, we will briefly review the submittal for completeness then forward the information to the appropriate individual for review. Upon receipt of the reviewed submittal, Psomas will return it to the Contractor. A complete tracking log of each submittal's status (i.e. approved, approved as noted, etc.) will be maintained in the PMIS system. Outstanding submittal issues will be addressed at each weekly progress meeting.

*Contractor Submitted Payment Recommendations* — Monthly progress pay estimates will be generated based upon quantities agreed upon between the Construction Inspector and the Contractor on a daily basis and reviewed for completeness by our Assistant Resident Engineer. All monthly payment requests received from the Contractor will be verified as to reasonableness, differences will be negotiated with the Contractor and quantities submitted are supported by field-measured documentation prepared by our field inspectors.

*Public Outreach* — Community outreach will be provided by the Department and Carollo Engineers. Our entire CM Team, including our Project Manager and Construction Inspectors, will support the community outreach effort, will verify that the Contractor is performing required notification, awareness, and care, and our Construction Inspectors and/or Lead Construction Inspectors will provide response and verify resolution of each individual concern/complaint. If requested, our Lead Construction Inspectors and/or Project Manager can attend community outreach events or participate in public outreach strategy sessions with the Department and Carollo Engineers. The Psomas Team will implement agreed upon field-level Public Outreach protocols as determined by the Department.

*Labor Compliance Monitoring* — As part of their respective field duties, our field inspector(s) will conduct periodic labor compliance interviews using accepted forms issued by the State Department of Industrial Relations (DIR) or City of Sacramento's Labor Compliance department. Field inspection diaries will note the presence of the Contractor and subcontractors on the project each day. This will allow for payroll verification, adherence to compliance with state prevailing wage and labor laws, apprenticeship requirement verification, and subcontractor/DBE utilization tracking. Our Administrative Assistant with assistance from field inspection staff will review the weekly submitted Contractor and subcontractor payroll reports and inform the Resident Engineer of any inconsistencies, irregularities or if any payroll submittals are missing.

*Requests for Information* — RFI's, contractor requested clarifications, interpretations of the contract plans and specifications requiring technical responses received from the Contractor will be logged and then reviewed and responded to in a timely manner by the Resident Engineer and appropriate staff. In some cases, the RFI's may need to be forwarded to the Designer-of-Record via transmittal for response. All related transmittals/responses will be logged in PMIS and reviewed at each weekly meeting with copies forwarded to the Department Project Manager.

*Weekly Project Meetings* — Our Resident Engineer and staff will conduct weekly progress meetings with the Contractor, the Department, and other interested project participants. Prior to holding the initial weekly project meeting, our Resident Engineer will meet with the Department Project Manager to develop a list of desired meeting participants. He will prepare all weekly meeting agendas that will cover areas such as the progress of the work, outstanding project issues, submittal status, RFIs, potential claims, changes, project safety, and public relations issues. Meeting minutes will be developed, placed in PMIS, and distributed to all parties on an on-going basis.

At our weekly progress meetings, the Contractor will be requested to submit and inform all meeting participants of their planned activities and their resources and efforts that will be dedicated to the project in the coming three weeks. The three-week schedule shall be updated by the Contractor on a weekly basis and will be utilized throughout the course of the project to confirm short-term activities, status of submittals in regards to the planned activities, to include ongoing local agency and utility coordination, and to schedule required material testing services.

*Change Orders and Potential Changes* — Our Resident Engineer and Assistant Resident Engineer will develop a Potential Change Order (PCO) tracking system in PMIS whereby



issues are given a PCO number and then reviewed in detail with the Department's Project Manager and responsible design engineer. The RE, ARE and field inspection staff will prepare a recommendation to accompany each PCO or Value Engineered Proposal upon its submittal to the Department. Corresponding cost analysis, time and schedule impacts, necessary drawings for corrections or changes, field reports, correspondence and supporting calculations will be placed in the project files with each approved change order or potential change issue. Approved PCO's or CRIP's that result in change orders will be issued in a format acceptable to the Department. Rejected potential change orders are recorded, logged, and filed as potential claims for further evaluation. Psomas' team will investigate and offer resolution to these potential claim issues promptly. Psomas will provide prompt review of any additional cost claims from the Contractor, develop an independent estimate, and provide a recommendation to the Department. Change orders or Notices of Potential Claims that involve, or could be inferred to involve extensions of contract time, will be incorporated into the current CPM project schedule for evaluation of possible impacts to controlling work operations. If requested, Psomas will be available, after the completion of each project, to perform claims administration, participate in a change order review committee, coordinate and monitor claims response preparation, log claims, and track claims status in PMIS.

*Project Coordination and Communication* — Upon start of construction activities, our RE will implement the agreed upon construction management procedures, policies and practices and will commit appropriate staff. Our Resident Engineer will serve as the point of contact with the Contractor and act as the liaison between the Department, the design engineer, Carollo Engineers, utilities and all other parties involved in the contract. The RE in turn will report directly to the Department's Project Manager. Contract administration duties will involve correspondence, project documentation records, weekly progress and coordination meetings, necessary reporting schedules and distribution of copies of the project control reports.

*Construction Observation/Inspection Services* — Psomas will use on-site inspectors on a daily basis to check the quality and quantity of the work performed by all trades and to verify provisions of the contract documents and City Standard Specifications are being fulfilled. Psomas field staff will inspect construction methods, materials, techniques, and sequences to evaluate the Contractor's compliance with the construction documents. Inspectors will assist with monthly progress payment recommendations by making measurements of bid items, agreeing with bid items on a daily basis, and assisting with Contractor meetings to resolve any item differences. Psomas inspectors will use hand-held devices to collect and log meter addresses, meter numbers, endpoint numbers (bar code only), and GPS coordinates of the meter and will verify that the Contractor is performing their data collection for each meter. Daily Inspection Reports will be prepared to document observed construction activities and will include the number, classification, and hourly summary of Contractor's activity and equipment, weather, and will include any salient discussions, abnormal occurrences, unforeseen conditions, and observations noted by the field inspector(s) during the course of their inspection duties. Daily Inspection Reports will be entered into PMIS for Department review the next construction day.

Digital photographs will be taken on a regular basis to document the progress of the project and will be stored in PMIS. In addition, our inspectors will document all special situations with digital photographs or video depending on what is most appropriate.

*Traffic Control Monitoring* —Traffic plans, including contingency plans, will be thoroughly reviewed and analyzed by our Resident Engineer and Construction Inspectors, with input from the Department's Project Manager prior to being approved by the Department of Public Works. In addition, if special conditions develop or unforeseen impacts occur, our Resident Engineer, with Department and Carollo Engineer's support, will initiate the necessary modifications to the approved plans. Our field inspectors, along with our Resident Engineer, will spend time observing the public's reaction to modified traffic patterns and if difficulties seem to be developing, will immediately pass this information to the Department Project Manager. Our assigned staff will verify that the Contractor complies on a daily basis with the approved traffic handling plans and will verify that continuous ingress and egress is provided to residences and businesses within the project limits. Our traffic handling plan and field installation reviews will also confirm that the Contractor is using traffic control equipment and devices that conform to the latest MUTCD Manual.

*Material Sampling and Testing* — Psomas will enter into a subcontract with Twining to provide the necessary services to fill the requirements set forth by the City of Sacramento Department of Utilities. Twining will assign a certified material testing and sampling manager that will be responsible for supervising and coordinating this program. Sampling frequencies will be discussed and agreed upon with the Department. All test procedures will conform to Caltrans accepted test methods and all testers will be pre-certified by the Caltrans Regional Lab for each test to be performed on the project. Both individual and laboratory certifications will be kept current throughout project duration. Twining will also be responsible for providing test results in a timely manner and copies of all test reports will be forwarded to the construction field office for inclusion in the project record files. Psomas will observe all testing and verify that appropriate methods as specified in the contract documents are used, and will review all test reports to substantiate contract compliance. Testing logs will be prepared to display test results and to assist in identifying testing trends and any requirements for re-testing and entered into PMIS. Re-tested areas will be tracked and cross-indexed so follow up reports can be noted for proper documentation of accepted re-tests. We will require the Contractor to correct any deficiencies in accordance with the contract documents.

*Health and Safety Awareness* – Our entire Psomas CM Team will maintain awareness of health and safety requirements and will enforce contract provisions for protection of public and project personnel in and around the construction site and detour areas. As always, Psomas cannot be responsible for the construction Contractor's means, methods, or techniques, or for safety measures, precaution or programs at the project site. However, we will stress to the Contractor that the safety of the public, the workers, and all project participants will be monitored at all times. Should safety issues develop during construction, Psomas will notify the Department, agree upon the necessary course of action and document the issue as thoroughly as possible.

*SWPPP Monitoring* —Once construction activities begin, our Resident Engineer, Assistant Resident Engineer, and Field Construction Inspectors will work directly with the Contractor to perform routine SWPPP monitoring reviews of the project. Project records will be developed for filing of weekly reviews to assure that all BMP's are in place and adequately maintained, that Contractor-performed pre-storm event, during-storm event and post-storm event documents are completed and filed within the project records. Project records will include any related correspondence to the Contractor pertaining to the compliance of the approved SWPPP.

## EXHIBIT B

### PROFESSIONAL SERVICES AGREEMENT

#### 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 \$1,602,716.00.
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 above.
  - D. Requests for payment shall be sent to:

*City of Sacramento, Department of Utilities  
1395 35<sup>th</sup> Avenue, Sacramento, CA 95822  
Phone: (916) 808-1910*

*Or Email to: [ipietz@cityofsacramento.org](mailto:ipietz@cityofsacramento.org)*

*Attn: Ian Pietz*

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.

# ATTACHMENT 1 TO EXHIBIT B

## Cost Proposal for City of Sacramento Department of Public Utilities Transaction #:P17141311005 Construction Management and Inspection Services for Accelerated Water Meter Program

### Project Cost Estimate for Fiscal Year 2016

TASK		ROLE		FISCAL YEAR 2016												Total Hours each	QTY	Hourly Rate	Cost
				2016						2017									
				Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun				
Project Management																			
	Principal in Charge (Frank Martin, PE, QSP)				0	64	64	40	40	40	40	40	40	368	1	\$205	\$75,440		
	Construction Manager (Fred Sharp)				0	80	168	160	152	184	160	176	176	1256	1	\$200	\$251,200		
	Resident Engineer (David Rossi)				0	80	168	160	152	184	160	176	176	1256	1	\$185	\$232,360		
	Assistant Resident Engineer (Rob Sharp)				0	80	168	160	152	184	160	176	88	1168	1	\$165	\$192,720		
	ODCs - See ODC Sheet																\$11,700		
Construction Inspection																			
	Lead Construction Inspectors (Psomas)				0	80	160	152	184	160	176	176	176	1088	1	\$160	\$174,080		
	Lead Construction Inspectors (VC&A)				0	80	160	152	184	160	176	176	176	1088	1	\$160	\$174,080		
	Construction Inspector 1 (Psomas)				0	0	0	80	184	160	176	176	176	776	1	\$150	\$116,400		
	Construction Inspector 2 (Psomas)				0	0	0	80	184	160	176	176	176	776	1	\$150	\$116,400		
	Construction Inspector 3 (Psomas)								0	80	176	176	176	432	1	\$150	\$64,800		
	Construction Inspector 4 (VC&A)								0	80	176	176	176	432	1	\$150	\$64,800		
	Construction Inspector 5 (Psomas)								0	0	0	176	176	176	1	\$150	\$26,400		
	Construction Inspector 6 (Vali Cooper)								0	0	0	176	176	176	1	\$150	\$26,400		
	Material Testing																\$20,000		
Contract Administration																			
	Contract Administration (Kim Yuson)			0	0	64	32	32	32	32	32	32	32	288	1	\$92	\$26,496		
General Administrative																			
	Administration (Kerri Serna)			0	0	40	40	40	40	40	40	40	40	320	1	\$92	\$29,440		
																Subtotal: \$1,602,716			
																0%		\$0.00	
																Total: \$1,602,716			

#### Assumptions Used:

1. Cost Proposal assumes work from Fiscal Year 2016 through Fiscal Year 2020.
2. Direct costs include inspection equipment allowance and web-based management tools including laptops, wireless hot spots, City of Sacramento subscriptions, etc.

#### Notes:

1. All rates include base pay, fringe benefits, and overhead.
2. All hours are billed in conformance to the California Labor Code and prevailing wage requirements.
3. This cost proposal is valid through Fiscal Year 2020.
4. Additional inspection support can be provided at a rates listed on for fiscal years on the 'Cost Summary' tab.
5. Rates do not include any overtime.

Cost Proposal for  
City of Sacramento Department of Public Utilities  
Transaction #: P17141311005  
*Construction Management and Inspection Services for Accelerated Water Meter Program*

**Project Cost Estimate for Fiscal Year 2017**

TASK	ROLE	FISCAL YEAR 2017												Total Hours each	QTY	Hourly Rate	Cost		
		2017						2018											
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun						
Project Management																			
	Principal in Charge (Frank Martin, PE, QSP)	40	40	40	40	40	40	24	24	24	24	24	24	384	1	\$209	\$80,294		
	Construction Manager (Fred Sharp)	160	184	160	168	160	160	168	152	100	88	88	84	1672	1	\$204	\$341,088		
	Resident Engineer (David Rossi)	160	184	160	168	160	160	168	152	176	168	176	168	2000	1	\$189	\$377,400		
	Assistant Resident Engineer (Rob Sharp)	80	92	120	126	80	80	84	76	88	84	88	84	1082	1	\$168	\$182,101		
	ODCs - See ODC Sheet																\$4,388		
Construction Inspection																			
	Lead Construction Inspectors (Psomas)	160	184	160	168	160	160	168	152	176	168	176	168	2000	1	\$163.20	\$326,400		
	Lead Construction Inspectors (VC&A)	160	184	160	168	160	160	168	152	176	168	176	168	2000	1	\$163.20	\$326,400		
	Construction Inspector 1 (Psomas)	160	184	160	168	160	160	168	152	176	168	176	168	2000	1	\$153.00	\$306,000		
	Construction Inspector 2 (Psomas)	160	184	160	168	160	160	168	152	176	168	176	168	2000	1	\$153.00	\$306,000		
	Construction Inspector 3 (Psomas)	160	184	160	168	160	160	168	152	176	168	176	168	2000	1	\$153.00	\$306,000		
	Construction Inspector 4 (VC&A)	160	184	160	168	160	160	168	152	176	168	176	168	2000	1	\$153.00	\$306,000		
	Construction Inspector 5 (Psomas)	160	184	160	168	160	160	168	152	176	168	176	168	2000	1	\$153.00	\$306,000		
	Construction Inspector 6 (Vali Cooper)	160	184	160	168						168	176	168	1184	1	\$153.00	\$181,152		
	Material Testing	160	184	160	168						168	176	168	1184	1	\$153.00	\$181,152		
Contract Administration																			
	Contract Administration (Kim Yuson)	32	32	32	32	32	32	40	40	40	40	40	40	432	1	\$94	\$40,539		
General Administrative																			
	Administration (Kerri Serna)	40	40	40	40	40	40	40	40	40	40	40	40	480	1	\$92	\$44,160		
																Subtotal:		\$3,329,073	
																0%		\$0.00	
Assumptions Used:																Total:		\$3,329,073	

**Assumptions Used:**

1. Cost Proposal assumes work from Fiscal Year 2016 through Fiscal Year 2020.
2. Direct costs include inspection equipment allowance and web-based management tools including laptops, wireless hot spots, City of Sacramento subscriptions, etc.

**Notes:**

1. All rates include base pay, fringe benefits, and overhead.
2. All hours are billed in conformance to the California Labor Code and prevailing wage requirements.
3. This cost proposal is valid through Fiscal Year 2020.
4. Additional inspection support can be provided at a rates listed on for fiscal years on the 'Cost Summary' tab.
5. Rates do not include any overtime.



Cost Proposal for  
City of Sacramento Department of Public Utilities  
Transaction #: P17141311005  
Construction Management and Inspection Services for Accelerated Water Meter Program

**Project Cost Estimate for Fiscal Year 2018**

Project Cost Estimate for Fiscal Year 2018																	
TASK	ROLE	FISCAL YEAR 2018												Total Hours each	QTY	Hourly Rate	Cost
		2018						2019									
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun				
Project Management																	
	Principal in Charge (Frank Martin, PE, QSP)	24	24	24	24	24	24	24	24	24	24	24	24	288	1	\$213	\$61,425
	Construction Manager (Fred Sharp)	84	92	76	88	80	80	84	76	84	88	88	80	1000	1	\$208	\$208,080
	Resident Engineer (David Rossi)	168	184	152	176	160	160	168	152	168	176	176	160	2000	1	\$192	\$384,948
	Assistant Resident Engineer (Rob Sharp)	84	92	76	88	80	80	84	76	84	88	88	80	1000	1	\$172	\$171,666
	ODCs - See ODC Sheet																\$4,388
Construction Inspection																	
	Lead Construction Inspectors (Psomas)	168	184	152	176	160	160	168	152	168	176	176	160	2000	1	\$166.46	\$332,928
	Lead Construction Inspectors (VC&A)	168	184	152	176	160	160	168	152	168	176	176	160	2000	1	\$156.06	\$312,120
	Construction Inspector 1 (Psomas)	168	184	152	176	160	160	168	152	168	176	176	160	2000	1	\$156.06	\$312,120
	Construction Inspector 2 (Psomas)	168	184	152	176	160	160	168	152	168	176	176	160	2000	1	\$156.06	\$312,120
	Construction Inspector 3 (Psomas)	168	184	152	176	160	160	168	152	168	176	176	160	2000	1	\$156.06	\$312,120
	Construction Inspector 4 (VC&A)	168	184	152	176	160	160	168	152	168	176	176	160	2000	1	\$156.06	\$312,120
	Construction Inspector 5 (Psomas)	168	184	152	176						176	176	160	1192	1	\$156.06	\$186,024
	Construction Inspector 6 (Vail Cooper)	168	184	152	176						176	176	160	1192	1	\$156.06	\$186,024
	Material Testing																\$60,000
Contract Administration																	
	Contract Administration (Kim Yuson)	40	40	40	40	32	32	40	40	40	40	40	40	464	1	\$96	\$44,413
General Administrative																	
	Administration (Kerri Serna)	40	40	40	40	40	40	40	40	40	40	40	40	480	1	\$92	\$44,160
																Subtotal:	\$3,265,462
																0%	\$0.00
																Total:	\$3,265,462

**Assumptions Used:**

1. Cost Proposal assumes work from Fiscal Year 2016 through Fiscal Year 2020.
2. Direct costs include inspection equipment allowance and web-based management tools including laptops, wireless hot spots, City of Sacramento subscriptions, etc.

**Notes:**

1. All rates include base pay, fringe benefits, and overhead.
2. All hours are billed in conformance to the California Labor Code and prevailing wage requirements.
3. This cost proposal is valid through Fiscal Year 2020.
4. Additional inspection support can be provided at a rates listed on for fiscal years on the 'Cost Summary' tab.
5. Rates do not include any overtime.



Cost Proposal for  
City of Sacramento Department of Public Utilities  
Transaction #: P17141311005  
*Construction Management and Inspection Services for Accelerated Water Meter Program*

**Project Cost Estimate for Fiscal Year 2019**

TASK	ROLE	FISCAL YEAR 2019												Total Hours	QTY	Hourly Rate	Cost		
		2019						2020											
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun						
Project Management																			
	Principal in Charge (Frank Martin, PE, QSP)	24	24	24	24	24	24	24	24	24	24	24	24	288	1	\$218	\$62,654		
	Construction Manager (Fred Sharp)	88	88	80	88	76	84	84	76	88	88	80	44	964	1	\$212	\$204,601		
	Resident Engineer (David Rossi)	176	176	160	176	152	168	168	152	176	176	160	176	2016	1	\$196	\$395,788		
	Assistant Resident Engineer (Rob Sharp)	88	88	80	88	76	84	84	76	88	88	80	88	1008	1	\$175	\$176,500		
	ODCs - See ODC Sheet																\$4,388		
Construction Inspection																			
	Lead Construction Inspectors (Psomas)	176	176	160	176	152	168	168	152	176	176	160	176	2016	1	\$169.79	\$342,303		
	Lead Construction Inspectors (VC&A)	176	176	160	176	152	168	168	152	176	176	160	176	2016	1	\$169.79	\$342,303		
	Construction Inspector 1 (Psomas)	176	176	160	176	152	168	168	152	176	176	160	176	2016	1	\$169.18	\$320,909		
	Construction Inspector 2 (Psomas)	176	176	160	176	152	168	168	152	176	176	160	176	2016	1	\$169.18	\$320,909		
	Construction Inspector 3 (Psomas)	176	176	160	176	152	168	168	152	176	176	160	176	2016	1	\$169.18	\$320,909		
	Construction Inspector 4 (VC&A)	176	176	160	176	152			152	176	176	160	176	1680	1	\$159.18	\$267,424		
	Construction Inspector 5 (Psomas)	176	176	160	176	152			152	176	176	160	176	1680	1	\$159.18	\$267,424		
	Construction Inspector 6 (Vali Cooper)	176	176	160						176	176	160	176	1200	1	\$159.18	\$191,017		
	Material Testing	176	176	160						176	176	160	176	1200	1	\$159.18	\$191,017		
Contract Administration																			
	Contract Administration (Kim Yuson)	40	40	40	40	32	32	40	40	40	40	40	40	464	1	\$98	\$45,301		
General Administrative																			
	Administration (Kerri Sema)	40	40	40	40	40	40	40	40	40	40	40	40	480	1	\$92	\$44,160		
																Subtotal:	\$3,236,700	0%	\$0.00
																Total:	\$3,236,700		
Assumptions Used:																			

**Assumptions Used:**

1. Cost Proposal assumes work from Fiscal Year 2016 through Fiscal Year 2020.
2. Direct costs include inspection equipment allowance and web-based management tools including laptops, wireless hot spots, City of Sacramento subscriptions, etc.

**Notes:**

1. All rates include base pay, fringe benefits, and overhead.
2. All hours are billed in conformance to the California Labor Code and prevailing wage requirements.
3. This cost proposal is valid through Fiscal Year 2020.
4. Additional inspection support can be provided at a rates listed on for fiscal years on the 'Cost Summary' tab.
5. Rates do not include any overtime.

Cost Proposal for  
City of Sacramento Department of Public Utilities  
Transaction #: P17141311005  
*Construction Management and Inspection Services for Accelerated Water Meter Program*

**Project Cost Estimate for Fiscal Year 2020**

Project Cost Estimate for Fiscal Year 2020																			
TASK	ROLE	FISCAL YEAR 2020												Total Hours	QTY	Hourly Rate	Cost		
		2020						2021											
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun						
Project Management																			
	Principal in Charge (Frank Martin, PE, QSP)	24	24	24	24	24	24								144	1	\$222	\$31,953	
	Construction Manager (Fred Sharp)	44	42	42	42	38	44								252	1	\$216	\$54,555	
	Resident Engineer (David Rossi)	176	168	168	168	152	176								1008	1	\$200	\$201,852	
	Assistant Resident Engineer (Rob Sharp)														0	1	\$179	\$0	
	ODCs - See ODC Sheet																	\$4,388	
Construction Inspection																			
	Lead Construction Inspectors (Psomas)	176	168	168	168	152	176								1008	1	\$173.19	\$174,575	
	Lead Construction Inspectors (VC&A)	176	168	168	168	152	176								1008	1	\$173.19	\$174,575	
	Construction Inspector 1 (Psomas)	176	168	168	168	152	176								1008	1	\$162.36	\$163,664	
	Construction Inspector 2 (Psomas)	176	168	168	168	152	176								1008	1	\$162.36	\$163,664	
	Construction Inspector 3 (Psomas)	176	168	168	168	152	176								512	1	\$162.36	\$83,131	
	Construction Inspector 4 (VC&A)	176	168	168											512	1	\$162.36	\$83,131	
	Construction Inspector 5 (Psomas)	176	168	168											512	1	\$162.36	\$83,131	
	Construction Inspector 6 (Vall Cooper)	176	168	168											512	1	\$162.36	\$83,131	
	Material Testing																	\$40,000	
Contract Administration																			
	Contract Administration (Kim Yuson)	40	40	40	40	40	40								240	1	\$100	\$23,900	
General Administrative																			
	Administration (Kerri Serna)	40	40	40	40	40	40								240	1	\$100	\$23,900	
																Subtotal:			\$1,389,548
																0%			\$0.00
																Total:			\$1,389,548

**Assumptions Used:**

1. Cost Proposal assumes work from Fiscal Year 2016 through Fiscal Year 2020.
2. Direct costs include inspection equipment allowance and web-based management tools including laptops, wireless hot spots, City of Sacramento subscriptions, etc.

**Notes:**

1. All rates include base pay, fringe benefits, and overhead.
2. All hours are billed in conformance to the California Labor Code and prevailing wage requirements.
3. This cost proposal is valid through Fiscal Year 2020.
4. Additional inspection support can be provided at a rates listed on for fiscal years on the 'Cost Summary' tab.
5. Rates do not include any overtime.

SHARP INSPECTION GROUP, INC.

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Cost Proposal for  
City of Sacramento Department of Public Utilities  
Transaction #:P17141311005  
Construction Management and Inspection Services for Accelerated Water Meter Program

**Project Cost Estimate Summary for Duration of Project (Fiscal Year 2016-2020)**

TASK	FY - 2016	FY - 2017	FY - 2018	FY - 2019	FY - 2020	Total Cost
Project Management	\$745,440	\$980,883	\$826,119	\$839,543	\$288,360	\$3,680,345
ODCs - See ODC Sheet	\$11,700	\$4,388	\$4,388	\$4,388	\$4,388	\$29,250
Construction Phase	\$774,240	\$2,239,104	\$2,286,383	\$2,243,309	\$1,009,000	\$8,552,036
Material Testing	\$20,000	\$20,000	\$60,000	\$60,000	\$40,000	\$200,000
Contract Administration Support	\$26,496	\$40,539	\$44,413	\$45,301	\$23,900	\$180,648
General Administrative Support	\$29,440	\$44,160	\$44,160	\$44,160	\$23,900	\$185,820
<b>Total Cost Before Contingency</b>	<b>\$1,607,316</b>	<b>\$3,329,073</b>	<b>\$3,265,462</b>	<b>\$3,236,700</b>	<b>\$1,389,548</b>	<b>\$12,828,099</b>
Contingency 0%	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Cost</b>	<b>\$1,607,316</b>	<b>\$3,329,073</b>	<b>\$3,265,462</b>	<b>\$3,236,700</b>	<b>\$1,389,548</b>	<b>\$12,828,099</b>

VARIABLES	
0%	Contingency Percentage
2%	Consumer Price Increase Percentage
40	Frank Martin Hours
	Kim Yuson Hours
40	Kerri Serna Hours

City's Estimated Budget: \$13,000,000  
Project Cost Estimate: \$12,828,099  
Dollar Amount Over / Under: \$171,901

PERCENTAGE BREAKDOWN				
Psomas	Sharp	Vall Cooper	Other	TOTAL
49%	29%	20%	2%	100%

**MODEL ASSUMPTION CONTROLS**

TASK	FY - 2016	FY - 2017	FY - 2018	FY - 2019	FY - 2020	FREQUENCY
Project Management						
Principal in Charge (Frank Martin, PE, QSP)	\$205	\$209.10	\$213.28	\$217.55	\$221.90	Hourly
Construction Manager (Fred Sharp)	\$200	\$204.00	\$208.08	\$212.24	\$216.49	Hourly
Resident Engineer (David Rossi)	\$185	\$188.70	\$192.47	\$196.32	\$200.25	Hourly
Assistant Resident Engineer (Rob Sharp)	\$165	\$168.30	\$171.67	\$175.10	\$178.60	Hourly
ODCs - See ODC Sheet	\$11,700	\$4,388	\$4,388	\$4,388	\$4,388	By Receipt
Construction Inspection						
Lead Construction Inspectors (Psomas)	\$160	\$163.20	\$166.46	\$169.79	\$173.19	Hourly
Lead Construction Inspectors (VC&A)	\$160	\$163.20	\$166.46	\$169.79	\$173.19	Hourly
Construction Inspector 1 (Psomas)	\$150	\$153.00	\$156.06	\$159.18	\$162.36	Hourly
Construction Inspector 2 (Psomas)	\$150	\$153.00	\$156.06	\$159.18	\$162.36	Hourly
Construction Inspector 3 (Psomas)	\$150	\$153.00	\$156.06	\$159.18	\$162.36	Hourly
Construction Inspector 4 (VC&A)	\$150	\$153.00	\$156.06	\$159.18	\$162.36	Hourly
Construction Inspector 5 (Psomas)	\$150	\$153.00	\$156.06	\$159.18	\$162.36	Hourly
Construction Inspector 6 (Vall Cooper)	\$150	\$153.00	\$156.06	\$159.18	\$162.36	Hourly
Material Testing	\$20,000	\$20,000	\$60,000	\$60,000	\$40,000	Hourly Plus Tests
Contract Administration						
Contract Administration (Kim Yuson)	\$92	\$93.84	\$95.72	\$97.63	\$99.58	Hourly
General Administrative						
Administration (Kerri Serna)	\$92	\$93.84	\$95.72	\$97.63	\$99.58	Hourly

**EXHIBIT C**

**PROFESSIONAL SERVICES AGREEMENT**

**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*]:

- Office Space, including:
  - Security
  - Janitorial Services
  - Utilities
  - Office Equipment (Desk, Chairs, Tables, etc.)
  - Copy/Fax Machine (Including Paper)
  - Wireless Internet
  - Internet DSL Access



## EXHIBIT D

### PROFESSIONAL SERVICES AGREEMENT

#### 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, photostatting, 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. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the CITY.

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, arising out of activities performed by or on behalf of CONTRACTOR, its sub-consultants, and subcontractors, products and completed operations of CONTRACTOR, its sub-

consultants, and subcontractors, and premises owned, leased, or used by CONTRACTOR, its sub-consultants, and subcontractors, 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 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 accident. 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) Excess Insurance: The minimum limits of insurance required above may be satisfied by a combination of primary and umbrella or excess insurance coverage; provided that any umbrella or excess insurance shall contain, or be endorsed to contain, a provision that it shall apply on a primary basis for the benefit of the CITY, and any insurance or self-insurance maintained by CITY, its officials, employees, or volunteers shall be in excess of such umbrella or excess coverage and shall not contribute with it.

- (4) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the CITY. If no work or services will be performed on or at CITY facilities or CITY Property, the CITY Representative may waive this requirement by selecting the option below:

Workers' Compensation waiver of subrogation in favor of the CITY is not required. \_\_\_\_\_ (CITY Representative initials)

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)

- (5) 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. Professional Liability (Errors and Omissions) insurance:

Is \_\_\_\_\_ 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. The retroactive date must be prior to the date this Agreement is approved or any Services are performed.

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, its sub-consultants, and subcontractors; products and completed operations of CONTRACTOR, its sub-consultants, and subcontractors; and premises owned, leased, or used by CONTRACTOR, its sub-consultants, and subcontractors.
- (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, including excess insurance, 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:VI. 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 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) For all insurance policy renewals during the term of this Agreement, CONTRACTOR shall send insurance certificates reflecting the policy renewals directly to:

City of Sacramento  
c/o EXIGIS LLC  
P.O. Box 4668 ECM- #35050  
New York, NY 10168-4668

Insurance certificates also may be faxed to (888) 355-3599 , or e-mailed to:  
certificates-sacramento@riskworks.com

- (3) 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 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.

## **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 September 6, 2016 (date), your employer (the "Employer") entered into a contract with the City of Sacramento (the "City") for Construction Management and Inspection Services (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 benefits       |
| - Family medical leave                          | - Vacation                              |
| - Health benefits                               | - Travel benefits                       |
| - Membership or membership discounts            | - 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  
915 I Street, Second Floor  
Sacramento, CA 95814

- 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  
915 I Street, Second Floor  
Sacramento, CA 95814
- 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.

## EXHIBIT F

### PROFESSIONAL SERVICES AGREEMENT

#### ADDITIONAL REQUIREMENTS FOR SURVEYING, MATERIAL TESTING, AND INSPECTION SERVICES

Land surveying, material testing, and inspection services provided for a City construction project during the design, pre-construction, construction, or post-construction phases of the project constitute "public works" under California Labor Code section 1720 *et seq.*, and are subject to the requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code and its implementing regulations set forth in Title 8 of the California Code of Regulations. If this Agreement includes any of these services (hereafter collectively referred to as "Public Work"), the Contractor and any subcontractor or subconsultant performing any Public Work shall comply with all applicable requirements of the California Labor Code and the Sacramento City Code, including the following requirements:

1. **Workers' Compensation Certification.** If this Agreement is for the performance of any Public Work, in accordance with California Labor Code section 1861 the Contractor shall sign the following certification:

I am aware of the provisions of section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

  
\_\_\_\_\_  
Contractor Signature

2. **DIR Registration.** California Labor Code section 1725.5 requires the Contractor and any subcontractor or subconsultant performing any Public Work under this Agreement to be currently registered with the California Department of Industrial Relations (DIR), as specified in Labor Code section 1725.5. Labor Code section 1771.1 provides that a contractor or subcontractor/subconsultant shall not be qualified to engage in the performance of any contract for public work, unless currently registered and qualified to perform public work pursuant to Labor Code section 1725.5.

***To be completed by the City Representative if this Agreement is for the performance of any Public Work:***

Contractor DIR registration #: \_\_\_\_\_

Prior to the performance of Public Work by any subcontractor or subconsultant under this Agreement, Contractor shall furnish City the subcontractor or subconsultant's current DIR registration number.

3. **Payment of Prevailing Wages.** If this Agreement is for the performance of any Public Work, and the amount of the Agreement is more than \$25,000, Contractor and any subcontractor or subconsultant performing any Public Work shall comply with the provisions of Sacramento City Code section 3.60.180 and applicable provisions of California Labor Code section 1770 *et seq.*, which require, among other things, that the Contractor and subcontractor(s)/subconsultant(s) pay not less than the prevailing rate of wages for Public Work, as determined by the Director of the California DIR pursuant to Labor Code section 1773. For any Public Work performed under this Agreement, Contractor and every subcontractor or subconsultant shall maintain payroll records and submit certified payroll records and other labor compliance documentation electronically to City staff when and as required by City. In addition, Labor Code section 1771.4 requires the Contractor and any subcontractor or subconsultant performing any Public Work to furnish electronic payroll records directly to the Labor Commissioner.

This Agreement is subject to compliance monitoring and enforcement by the California Department of Industrial Relations, as specified in Labor Code section 1771.4. The Contractor and any subcontractor or subconsultant performing Public Work will be subject to withholding and penalties for violation of prevailing wage requirements in accordance with applicable law, including Labor Code sections 1726, 1741, 1771.5, and 1775, and City Code section 3.60.180. Questions regarding the City's Labor Compliance Program should be directed to the contracts staff for the City Department issuing this Agreement.

4. **Apprentices.** If this Agreement is for the performance of any Public Work, and the amount of the Agreement is \$30,000 or more, the Contractor and any subcontractor or subconsultant performing any Public Work under this Agreement shall comply with Sacramento City Code section 3.60.190, section 1777.5 *et seq.* of the California Labor Code, and implementing regulations set forth in Title 8 of the California Code of Regulations, governing the employment of apprentices. The Contractor and any subcontractor or subconsultant performing Public Work will be subject to penalties for apprenticeship violations in accordance with Labor Code section 1777.7.
5. **Working Hours.** If this Agreement is for the performance of any Public Work, Contractor and any subcontractor or subconsultant performing any Public Work shall comply with, and be subject to enforcement under, the provisions of Sacramento City Code section 3.60.180 and California Labor Code section 1810 *et seq.*, governing the working hours of employees performing Public Work.
6. **Subcontractors.** The Contractor shall include these provisions in every subcontract or subagreement for every lower-tier subcontractor or subconsultant performing Public Work under this Agreement.