

STAFF REPORT



ITEM NO. **8**
CITY OF OCEANSIDE

DATE: September 19, 2012

TO: Honorable Mayor and City Councilmembers

FROM: Water Utilities Department

SUBJECT: **PROFESSIONAL SERVICES AGREEMENTS WITH CAROLLO ENGINEERS, INFRASTRUCTURE ENGINEERING CORPORATION AND TRUSSELL TECHNOLOGIES FOR ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES; RMC WATER AND ENVIRONMENT FOR GRANT SUPPORT SERVICES; ATKINS NORTH AMERICA, INC. FOR PUBLIC OUTREACH SERVICES; CAROLLO ENGINEERS FOR ON-CALL FINANCIAL ASSISTANCE SERVICES AND PARC CIVIL FOR AS-NEEDED PROJECT MANAGEMENT SERVICES**

SYNOPSIS

Staff and the Utilities Commission recommend that the City Council approve professional services agreements each in an amount not to exceed \$50,000 with Carollo Engineers of Oceanside for water and wastewater engineering services, Infrastructure Engineering Corporation of Oceanside for water and wastewater engineering services, RMC Water and Environment of San Diego for grant support services, Atkins North America, Inc. of San Diego for public outreach services; approve a professional services agreement in an amount not to exceed \$75,000 with Carollo Engineers of San Diego for on-call financial assistance services; approve professional services agreements each in an amount not to exceed \$100,000 with Parc Civil of Oceanside for as-needed project management services and Trussell Technologies for on-call water and wastewater technical services; and authorize the City Manager to execute the agreements.

BACKGROUND

During the year, the Department contracts for various technical services. Typically, separate smaller contracts are issued for each task and the contract may be amended several times to allow for the additional work. The current process is bureaucratic and time intensive for administrative staff. A more efficient means to accomplish the contracting is to issue one larger contract for as-needed services. The contract also allows for the Department to effectively work through peaks in workload without hiring city staff. For example, specialty engineering firms supplement staff activities and projects are easily accomplished through as needed contracts. The contracts are typically used to evaluate, analyze, provide recommendations and design minor repairs and/or improvements.

Contracts are also used to meet accelerated grant application processes, to analyze and evaluate the water and sewer funds financial stability and to recommend rates, to provide project oversight and management services on various water and wastewater projects, and to conduct public outreach.

ANALYSIS

Seven firms were evaluated and selected based on their technical skills, capabilities, experience, knowledge of the City's existing facilities, and competence within the industry. The consultants and their area of expertise is as follows:

Carollo Engineers specializes in water and wastewater treatment facilities; Infrastructure Engineering Corporation specializes in water distribution and sewage collection systems; Trussell Technologies specializes in process evaluations and optimization; and RMC Water and Environment specializes in grant writing applications.

Three firms were selected to provide additional services; Atkins North America, Inc. for public relations services, Parc Civil for project management services and Carollo Engineers for financial assistance services.

Breakdown of Costs

Account	Consultant	Service	Extended
908748500712	Water Mission Basin Desalter	\$50,000	
5207.10600	Carollo Engineers	On-Call Water and Wastewater Design Services	\$12,500
5207.10600	Infrastructure Engineering Corporation	On-Call Water and Wastewater Engineering Services	\$12,500
5207.10600	Trussell Technologies	On-Call Water and Wastewater Technical Services	\$25,000
908125400712	Weese Filtration Plant	\$50,000	
5305.10100	Carollo Engineers	On-Call Water and Wastewater Design Services	\$12,500
5305.10100	Infrastructure Engineering Corporation	On-Call Water and Wastewater Engineering Services	\$12,500
5305.10100	Trussell Technologies	On-Call Water and Wastewater Technical Services	\$25,000
750010711	Water Admin	\$87,500	
5305	RMC Water and Environment	Grant Support Services	\$25,000
5305	Atkins North America	Public Relations Services	\$25,000
5305	Carollo Engineers	On-Call Financial Services	\$37,500
800010721	Sewer Admin	\$87,500	
5305	RMC Water and Environment	Grant Support Services	\$25,000
5305	Atkins North America	Public Relations Services	\$25,000
5305	Carollo Engineers	On-Call Financial Services	\$37,500
800812722	Misc. Sewer	\$50,000	
5305	Parc Civil	As-Needed Project Management Services	\$50,000
909122700722	La Salina Wastewater Treatment Plant	\$50,000	
5305.10100	Carollo Engineers	On-Call Water and Wastewater Design Services	\$12,500

5305.10100	Infrastructure Engineering Corporation	On-Call Water and Wastewater Engineering Services	\$12,500
5305.10100	Trussell Technologies	On-Call Water and Wastewater Technical Services	\$25,000
909125500722	San Luis Rey Wastewater Treatment Plant	\$50,000	
5305.10100	Carollo Engineers	On-Call Water and Wastewater Design Services	\$12,500
5305.10100	Infrastructure Engineering Corporation	On-Call Water and Wastewater Engineering Services	\$12,500
5305.10100	Trussell Technologies	On-Call Water and Wastewater Technical Services	\$25,000
750771712	Misc. Water	\$50,000	
5305	Parc Civil	As-Needed Project Management Services	\$50,000
		Total:	\$475,000

FISCAL IMPACT

The Fiscal Year 12-13 adopted budget for the Water and Sewer Funds have balances as indicated in the following table:

Name	Fund	Available Budget	Allocated Amount
La Salina WWTP	909122700722.5305.10100	\$381,150	\$50,000
SLR WWTP	909125500722.5305.10100	\$173,174	\$50,000
Weese Filtration Plant	908125400712.5305.10100	\$94,900	\$50,000
Desalting Facility	908748500712.5702.10600	\$250,000	\$50,000
Misc. Sewer	800812722.5305	\$73,950	\$50,000
Misc. Water	750771712.5305	\$66,321	\$50,000
Water Admin	750010711.5305	\$532,027	\$87,500
Sewer Admin	800010721.5305	\$124,027	\$87,500

The fees will be divided between the water and sewer accounts as indicated in the table and therefore, adequate funds are available for the project.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

COMMISSION OR COMMITTEE REPORT

The Utilities Commission will review staff's recommendation at its regularly scheduled meeting on September 18, 2011.

RECOMMENDATIONS

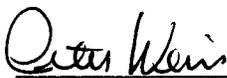
Staff and the Utilities Commission recommend that the City Council approve professional services agreements each in an amount not to exceed \$50,000 with Carollo Engineers of Oceanside for water and wastewater engineering services, Infrastructure Engineering Corporation of Oceanside for water and wastewater engineering services, RMC Water and Environment of San Diego for grant support services, Atkins North America, Inc. of San Diego for public outreach services; approve a professional services agreement in an amount not to exceed \$75,000 with Carollo Engineers of San Diego for on-call financial assistance services; approve professional services agreements each in an amount not to exceed \$100,000 with Parc Civil of Oceanside for as-needed project management services and Trussell Technologies for on-call water and wastewater technical services; and authorize the City Manager to execute the agreements.

PREPARED BY:



Jason Dafforn
Acting Water Utilities Division Manager

SUBMITTED BY:



Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs-Lawrence, Deputy City Manager

Cari Dale, Water Utilities Director

Teri Ferro, Financial Services Director







- Exhibit A – Professional Services Agreement
- Exhibit B – Professional Services Agreement
- Exhibit C – Professional Services Agreement
- Exhibit D – Professional Services Agreement
- Exhibit E – Professional Services Agreement
- Exhibit F – Professional Services Agreement
- Exhibit G – Professional Services Agreement

CITY OF OCEANSIDE

PROFESSIONAL SERVICES AGREEMENT**PROJECT: ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES**

THIS AGREEMENT, dated _____, 2012 for identification purposes, is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and CAROLLO ENGINEERS, hereinafter designated as "CONSULTANT."

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **SCOPE OF WORK.** The CONSULTANT desires to provide on-call water and wastewater engineering services and is more particularly described in the CONSULTANT'S proposal date July 17, 2012, attached hereto and incorporated herein as Exhibit A.
2. **INDEPENDENT CONTRACTOR.** CONSULTANT'S relationship to the CITY shall be that of an independent contractor. CONSULTANT shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the City Engineer. The CONSULTANT shall not be authorized to communicate directly with, nor in any way direct the actions of, any bidder or the construction contractor for this project without the prior written authorization by the City Engineer. CONSULTANT shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this Agreement. CONSULTANT shall report to the CITY any and all employees, agents, and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.
3. **WORKERS' COMPENSATION.** Pursuant to Labor Code section 1861, the CONSULTANT hereby certifies that the CONSULTANT is aware of the provisions of Section 3700 of the 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 the CONSULTANT will comply with such provisions, and provide certification of such compliance as a part of this Agreement.
4. **LIABILITY INSURANCE.**
 - 4.1. CONSULTANT shall, throughout the duration of this Agreement maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of CONSULTANT, its agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES

4.2 CONSULTANT shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance
(bodily injury and property damage)

Combined Single Limit Per Occurrence	\$ 1,000,000
General Aggregate	\$ 2,000,000*

Commercial General Liability Insurance
(bodily injury and property damage)

General limit per occurrence	\$ 1,000,000
General limit project specific aggregate	\$ 2,000,000

<u>Automobile Liability Insurance</u>	\$ 1,000,000
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*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of CONSULTANT under this Agreement.

4.3 If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the CONSULTANT to restore the required limits. The CONSULTANT shall also notify the CITY'S Project Manager promptly of all losses or claims over \$25,000 resulting from work performed under this contract, or any loss or claim against the CONSULTANT resulting from any of the CONSULTANT'S work.

4.4 All insurance companies affording coverage to the CONSULTANT for the purposes of this Section shall add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed under this agreement. Insurance coverage provided to the City as additional insured shall be primary insurance and other insurance maintained by the City of Oceanside, its officers, agents, and employees shall be excess only and not contributing with insurance provided pursuant to this Section.

4.5 All insurance companies affording coverage to the CONSULTANT pursuant to this agreement shall be insurance organizations admitted by the Insurance Commissioner of the State of California to transact business of insurance in the state or be rated as A-X or higher by A.M. Best.

4.6 CONSULTANT shall provide thirty (30) days written notice to the CITY should any policy required by this Agreement be cancelled before the expiration date. For

ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES

the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

- 4.7 CONSULTANT shall provide evidence of compliance with the insurance requirements listed above by providing, at minimum, a Certificate of Insurance and applicable endorsements, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.
- 4.8 CONSULTANT shall provide a substitute Certificate of Insurance no later than thirty (30) days prior to the policy expiration date. Failure by the CONSULTANT to provide such a substitution and extend the policy expiration date shall be considered a default by CONSULTANT and may subject the CONSULTANT to a suspension or termination of work under the Agreement.
- 4.9 Maintenance of insurance by the CONSULTANT as specified in this Agreement shall in no way be interpreted as relieving the CONSULTANT of any responsibility whatsoever and the CONSULTANT may carry, at its own expense, such additional insurance as it deems necessary.
5. **PROFESSIONAL ERRORS AND OMISSIONS INSURANCE.** Throughout the duration of this Agreement and four (4) years thereafter, the CONSULTANT shall maintain professional errors and omissions insurance for work performed in connection with this Agreement in the minimum amount of One Million Dollars (\$1,000,000.00).

CONSULTANT shall provide evidence of compliance with these insurance requirements by providing a Certificate of Insurance.

6. **CONSULTANT'S INDEMNIFICATION OF CITY.** To the greatest extent allowed by law, CONSULTANT shall indemnify and hold harmless the CITY and its officers, agents and employees against all claims for damages to persons or property arising out of CONSULTANT'S work, including the negligent acts, errors or omissions or wrongful acts or conduct of the CONSULTANT, or its employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of the CITY, its officers, agents, or employees. CONSULTANT'S indemnification shall include any and all costs, expenses, attorneys' fees, expert fees and liability assessed against or incurred by the CITY, its officers, agents, or employees in defending against such claims or lawsuits, whether the same proceed to judgment or not. Further, CONSULTANT at its own expense shall, upon written request by the CITY, defend any such suit or

ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES

action brought against the CITY, its officers, agents, or employees founded upon, resulting or arising from the conduct, tortuous acts or omissions of the CONSULTANT.

CONSULTANT'S indemnification of CITY shall not be limited by any prior or subsequent declaration by the CONSULTANT.

7. **OWNERSHIP OF DOCUMENTS.** All plans and specifications, including details, computations and other documents, prepared or provided by the CONSULTANT under this Agreement shall be the property of the CITY. The CITY agrees to hold the CONSULTANT free and harmless from any claim arising from any use, other than the purpose intended, of the plans and specifications and all preliminary sketches, schematics, preliminary plans, architectural perspective renderings, working drawings, including details, computation and other documents, prepared or provided by the CONSULTANT. CONSULTANT may retain a copy of all material produced under this Agreement for the purpose of documenting their participation in this project.
8. **COMPENSATION.** CONSULTANT'S compensation for all work performed in accordance with this Agreement, shall not exceed the total contract price of \$50,000.

No work shall be performed by CONSULTANT in excess of the total contract price without prior written approval of the City Engineer. CONSULTANT shall obtain approval by the City Engineer prior to performing any work that results in incidental expenses to CITY.
9. **TIMING REQUIREMENTS.** Time is of the essence in the performance of work under this Agreement and the timing requirements shall be strictly adhered to unless otherwise modified in writing. All work shall be completed in every detail to the satisfaction of the Engineer within 365 calendar days from the Council approval of the agreement.
10. **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between CITY and CONSULTANT concerning the work to be performed for this project and supersedes all prior negotiations, representations, or agreements.
11. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY.

The CONSULTANT shall be responsible for complying with all local, state, and federal laws whether or not said laws are expressly stated or referred to herein.

ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES

Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

12. **AGREEMENT MODIFICATION.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.

13. **TERMINATION OF AGREEMENT.** Either party may terminate this Agreement by providing thirty (30) days written notice to the other party. If any portion of the work is terminated or abandoned by the CITY, then the CITY shall pay CONSULTANT for any work completed up to and including the date of termination or abandonment of this Agreement. The CITY shall be required to compensate CONSULTANT only for work performed in accordance with the Agreement up to and including the date of termination.

14. **SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY.

IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Professional Services Agreement to be executed by setting hereunto their signatures on the dates set forth below.

CAROLLO ENGINEERS
By: [Signature]
Name/Title **B. NARAYANAN, CEO**

CITY OF OCEANSIDE
By: _____
Peter Weiss, City Manager

Date: 8/13/12

Date: _____

By: [Signature] **SECRETARY**
Name/Title **MICHAEL BARNES**

APPROVED AS TO FORM:
[Signature]
City Attorney

Date: 8/13/2012

86.0899222
Employer ID No.

NOTARY ACKNOWLEDGMENTS OF CONSULTANT MUST BE ATTACHED.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of CONTRA COSTA

On 8/13/2012 before me, SUSAN LYNN WELSH NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared B. NARAYANAN AND MICHAEL BARNES
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that ~~he~~~~she~~/they executed the same in ~~his~~~~her~~/their authorized capacity(ies), and that by ~~his~~~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Susan Lynn Welsh
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____

Corporate Officer — Title(s): _____ Corporate Officer — Title(s): _____

Individual Individual

Partner — Limited General Partner — Limited General

Attorney in Fact Attorney in Fact

Trustee Trustee

Guardian or Conservator Guardian or Conservator

Other: _____ Other: _____

Signer Is Representing: _____ Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

RIGHT THUMBPRINT OF SIGNER

Top of thumb here



July 17, 2012
300.21

City of Oceanside
Water Utilities Department
300 North Coast Highway
Oceanside, CA 92054

Attention: Mr. Jason Dafforn, Acting Water Utilities Division Manager

Subject: On-Call Water and Wastewater Engineering Services

Dear Mr. Dafforn:

Carollo Engineers would be pleased to provide on-call water and wastewater engineering services. The services could include planning, design, operations assistance, or regulatory assistance depending on the City's needs. We expect that most of the work would involve the City's four treatment plants. The tasks would be time sensitive and relatively small in scope and fee.

We will continue to commit key staff to execute these projects. The project team would include Jeff Weishaar, P.E. and Dennis Wood. They would manage the projects, provide technical overview, and in most cases, execute the work. Both have significant experience with the City's facilities.

For each on-call project, we will provide a brief scope of work and estimated budget for your approval before work commences.

We suggest that a total aggregate budget of \$50,000 be set. The contract term could run through the end of Fiscal Year 2013 or when the budget is expended. Billings would be based on our published fee schedule, and the current schedule is enclosed.

Please let us know if you have any questions.

Sincerely,

CAROLLO ENGINEERS, P.C.

Dennis K. Wood, P.E.

DKW:dkw

Enclosures: 2012 Fee Schedule

**CAROLLO ENGINEERS, INC.
FEE SCHEDULE**

**As of March 1, 2012
California**

	<u>Hourly Rate</u>
Engineers/Scientists	
Assistant Professional	\$144.00
Professional	176.00
Project Professional	209.00
Lead Project Professional	229.00
Senior Professional	249.00
Senior Process Specialist	335.00
Technicians	
Technicians	107.00
Senior Technicians	152.00
Support Staff	
Document Processing / Clerical	96.00
Project Equipment Communication Expense (PECE) Per DL Hour	9.90
Other Direct Expenses	
Travel and Subsistence	at cost
Mileage at IRS Reimbursement Rate Effective January 1, 2012:	\$.555 per mile
Subconsultant	cost + 10%
Other Direct Cost	cost + 10%
Expert Witness	Rate x 2.0

This fee schedule is subject to annual revisions due to labor adjustments.

CITY OF OCEANSIDE

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2. **INDEPENDENT CONTRACTOR.** CONSULTANT'S relationship to the CITY shall be that of an independent contractor. CONSULTANT shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the City Engineer. The CONSULTANT shall not be authorized to communicate directly with, nor in any way direct the actions of, any bidder or the construction contractor for this project without the prior written authorization by the City Engineer. CONSULTANT shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this Agreement. CONSULTANT shall report to the CITY any and all employees, agents, and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.
3. **WORKERS' COMPENSATION.** Pursuant to Labor Code section 1861, the CONSULTANT hereby certifies that the CONSULTANT is aware of the provisions of Section 3700 of the 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 the CONSULTANT will comply with such provisions, and provide certification of such compliance as a part of this Agreement.
4. **LIABILITY INSURANCE.**
 - 4.1. CONSULTANT shall, throughout the duration of this Agreement maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of CONSULTANT, its agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES

4.2 CONSULTANT shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance
(bodily injury and property damage)

Combined Single Limit Per Occurrence	\$ 1,000,000
General Aggregate	\$ 2,000,000*

Commercial General Liability Insurance
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General limit per occurrence	\$ 1,000,000
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<u>Automobile Liability Insurance</u>	\$ 1,000,000
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*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of CONSULTANT under this Agreement.

- 4.3 If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the CONSULTANT to restore the required limits. The CONSULTANT shall also notify the CITY'S Project Manager promptly of all losses or claims over \$25,000 resulting from work performed under this contract, or any loss or claim against the CONSULTANT resulting from any of the CONSULTANT'S work.
- 4.4 All insurance companies affording coverage to the CONSULTANT for the purposes of this Section shall add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed under this agreement. Insurance coverage provided to the City as additional insured shall be primary insurance and other insurance maintained by the City of Oceanside, its officers, agents, and employees shall be excess only and not contributing with insurance provided pursuant to this Section.
- 4.5 All insurance companies affording coverage to the CONSULTANT pursuant to this agreement shall be insurance organizations admitted by the Insurance Commissioner of the State of California to transact business of insurance in the state or be rated as A-X or higher by A.M. Best.
- 4.6 CONSULTANT shall provide thirty (30) days written notice to the CITY should any policy required by this Agreement be cancelled before the expiration date. For

ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES

the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

- 4.7 CONSULTANT shall provide evidence of compliance with the insurance requirements listed above by providing, at minimum, a Certificate of Insurance and applicable endorsements, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.
- 4.8 CONSULTANT shall provide a substitute Certificate of Insurance no later than thirty (30) days prior to the policy expiration date. Failure by the CONSULTANT to provide such a substitution and extend the policy expiration date shall be considered a default by CONSULTANT and may subject the CONSULTANT to a suspension or termination of work under the Agreement.
- 4.9 Maintenance of insurance by the CONSULTANT as specified in this Agreement shall in no way be interpreted as relieving the CONSULTANT of any responsibility whatsoever and the CONSULTANT may carry, at its own expense, such additional insurance as it deems necessary.
5. **PROFESSIONAL ERRORS AND OMISSIONS INSURANCE.** Throughout the duration of this Agreement and four (4) years thereafter, the CONSULTANT shall maintain professional errors and omissions insurance for work performed in connection with this Agreement in the minimum amount of One Million Dollars (\$1,000,000.00).

CONSULTANT shall provide evidence of compliance with these insurance requirements by providing a Certificate of Insurance.

6. **CONSULTANT'S INDEMNIFICATION OF CITY.** To the greatest extent allowed by law, CONSULTANT shall indemnify and hold harmless the CITY and its officers, agents and employees against all claims for damages to persons or property arising out of CONSULTANT'S work, including the negligent acts, errors or omissions or wrongful acts or conduct of the CONSULTANT, or its employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of the CITY, its officers, agents, or employees. CONSULTANT'S indemnification shall include any and all costs, expenses, attorneys' fees, expert fees and liability assessed against or incurred by the CITY, its officers, agents, or employees in defending against such claims or lawsuits, whether the same proceed to judgment or not. Further, CONSULTANT at its own expense shall, upon written request by the CITY, defend any such suit or

ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES

action brought against the CITY, its officers, agents, or employees founded upon, resulting or arising from the conduct, tortuous acts or omissions of the CONSULTANT.

CONSULTANT'S indemnification of CITY shall not be limited by any prior or subsequent declaration by the CONSULTANT.

7. **OWNERSHIP OF DOCUMENTS.** All plans and specifications, including details, computations and other documents, prepared or provided by the CONSULTANT under this Agreement shall be the property of the CITY. The CITY agrees to hold the CONSULTANT free and harmless from any claim arising from any use, other than the purpose intended, of the plans and specifications and all preliminary sketches, schematics, preliminary plans, architectural perspective renderings, working drawings, including details, computation and other documents, prepared or provided by the CONSULTANT. CONSULTANT may retain a copy of all material produced under this Agreement for the purpose of documenting their participation in this project.
8. **COMPENSATION.** CONSULTANT'S compensation for all work performed in accordance with this Agreement, shall not exceed the total contract price of \$50,000.

No work shall be performed by CONSULTANT in excess of the total contract price without prior written approval of the City Engineer. CONSULTANT shall obtain approval by the City Engineer prior to performing any work that results in incidental expenses to CITY.
9. **TIMING REQUIREMENTS.** Time is of the essence in the performance of work under this Agreement and the timing requirements shall be strictly adhered to unless otherwise modified in writing. All work shall be completed in every detail to the satisfaction of the Engineer within 365 calendar days from the Council approval of the agreement.
10. **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between CITY and CONSULTANT concerning the work to be performed for this project and supersedes all prior negotiations, representations, or agreements.
11. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY.

The CONSULTANT shall be responsible for complying with all local, state, and federal laws whether or not said laws are expressly stated or referred to herein.

ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES

Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

- 12. **AGREEMENT MODIFICATION.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.
- 13. **TERMINATION OF AGREEMENT.** Either party may terminate this Agreement by providing thirty (30) days written notice to the other party. If any portion of the work is terminated or abandoned by the CITY, then the CITY shall pay CONSULTANT for any work completed up to and including the date of termination or abandonment of this Agreement. The CITY shall be required to compensate CONSULTANT only for work performed in accordance with the Agreement up to and including the date of termination.
- 14. **SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY.

IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Professional Services Agreement to be executed by setting hereunto their signatures on the dates set forth below.

INFRASTRUCTURE ENGINEERING CORPORATION
By: Paul Weck / CFO
Name/Title

CITY OF OCEANSIDE
By: _____
Peter Weiss, City Manager

Date: 8/13/2012

Date: _____

By: Vin Jones / Secretary
Name/Title

APPROVED AS TO FORM:
Andrew Samuelson, ASST.
City Attorney

Date: 8/13/2012

01-0617154
Employer ID No.

NOTARY ACKNOWLEDGMENTS OF CONSULTANT MUST BE ATTACHED.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of SAN DIEGO

On AUG. 13, 2012 before me, NANCY M. CARLISLE, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared ROBERT S. WEBER
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Nancy M. Carlisle
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

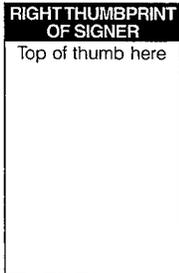
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

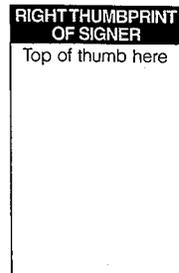
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of SAN DIEGO }

On AUG. 13, 2012 before me, NANCY M. CARLISLE NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared VICKI E. SHAW
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Nancy M. Carlisle
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

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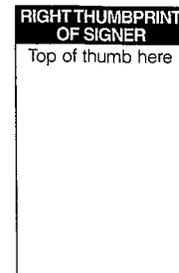
Signer Is Representing: _____



Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____



Infrastructure Engineering Corporation

July 18, 2012

Mr. Jason Dafforn
Water Utilities Project Manager
City of Oceanside
300 North Coast Highway
Oceanside, CA 92054

Subject: Proposal for On-Call Services – Fiscal Year 2013

Dear Mr. Dafforn:

Infrastructure Engineering Corporation is pleased to submit this proposal to provide on call engineering services for various City projects.

IEC proposes to provide on-call water and wastewater engineering services for the City of Oceanside. The services could include, but are not limited to, planning, design, operations assistance, or regulatory assistance depending on the City's needs. The tasks would be time sensitive and relatively small in scope and fee. For each on-call project, we will provide a brief scope of work and estimated budget for your approval before work commences.

We suggest that a total aggregate budget of \$50,000 be established. The contract terms run through the end of the Fiscal Year 2013 or when the budget is expended. Billings would be based on our published fee schedule, and the current schedule is enclosed.

We sincerely appreciate the opportunity to provide this proposal and assist the City with accomplishing its project goals. Please contact me at (858) 413-2400 should you have any questions or need further information.

Sincerely,



Robert S. Weber, P.E.
Senior Project Manager

**HOURLY CHARGE RATE AND
EXPENSE REIMBURSEMENT SCHEDULE**

Professional

Engineering Intern/Technician	\$ 65
CADD Designer I/Engineer I	\$ 105
Graphic Designer.....	\$ 110
CADD Designer II/Engineer II	\$ 115
CADD Designer III/Engineer III.....	\$ 125
Designer/Project Engineer	\$ 135
Senior Project Engineer	\$ 155
Senior Project Engineer Planning & IS..	\$ 175
Project Manager	\$ 175
Senior Project Manager.....	\$ 185
Principal.....	\$ 190
Principal Planning & IS.....	\$ 200

Surveying

Principal Surveyor.....	\$ 150
Project Surveyor	\$ 130
Field – 2 Man Crew	\$ 170
Office-Survey Drafting	\$ 130

Administrative

Administrative Clerk.....	\$ 60
Word Processor/Admin Support.....	\$ 75

Environmental

Intern/Technician	\$ 65
Env Specialist I/Project Coord I	\$ 95
Technical Editor	\$ 90
Lead Technical Editor	\$ 110
Graphic Artist	\$ 110
Env Specialist II/Project Coord II.....	\$ 105
Env Specialist III/Project Coord III.....	\$ 115
Project Manager I	\$ 125
Project Manager II.....	\$ 135
Senior Technical Staff.....	\$ 160
Senior Project Manager.	\$ 185
Principal	\$ 190

***Construction**

Construction Inspector.....	\$ 110
Senior Construction Inspector	\$ 125
Resident Engineer	\$ 140
Construction Manager	\$ 160
Sr. Construction Manager	\$ 175
CM Coordinator	\$ 95
Asst CM Coordinator	\$ 75

Flow Monitoring

Field Tech I	\$ 60
Field Tech II.....	\$ 80
Field Tech III	\$ 90
Field Supervisor	\$ 100
Field Operations Manager.....	\$ 125
Project/Data Manager	\$ 135

Sub-consultants will be billed at cost plus 10% unless specified otherwise in the agreement.

Reimbursable Costs

Reproduction, special photography, postage, delivery services, express mail, printing, travel, parking, and any other specialty services performed by subcontractor will be billed at cost plus 15%.

Mileage will be billed at the current IRS allowed rate.

* Field personnel rates are inclusive of vehicle, mileage, phone, computer, etc. Inspection rates shown are for prevailing wage projects. Inspection rates for non-prevailing wage contracts are \$15 dollars an hour less than the listed rate. Inspection rates for overtime are \$30 dollars an hour more than the listed rate.

CITY OF OCEANSIDE

PROFESSIONAL SERVICES AGREEMENT

PROJECT: FY 2012/2013 GRANT SUPPORT SERVICES

THIS AGREEMENT, dated 8-27-12, 2012 for identification purposes, is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and RMC WATER AND ENVIRONMENT, hereinafter designated as "CONSULTANT."

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **SCOPE OF WORK.** The CONSULTANT desire to provide grant support services and is more particularly described in the CONSULTANT'S proposal date July 19, 2012, attached hereto and incorporated herein as Exhibit A.
2. **INDEPENDENT CONTRACTOR.** CONSULTANT'S relationship to the CITY shall be that of an independent contractor. CONSULTANT shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the CITY. CONSULTANT shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this Agreement. CONSULTANT shall report to the CITY any and all employees, agents, and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.
3. **WORKERS' COMPENSATION.** Pursuant to Labor Code section 1861, the CONSULTANT hereby certifies that the CONSULTANT is aware of the provisions of Section 3700 of the 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 the CONSULTANT will comply with such provisions, and provide certification of such compliance as a part of this Agreement.
4. **LIABILITY INSURANCE.**
 - 4.1. CONSULTANT shall, throughout the duration of this Agreement maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of CONSULTANT, its agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

4.2 CONSULTANT shall maintain liability insurance in the following minimum limits:

<u>Comprehensive General Liability Insurance</u> (bodily injury and property damage)	
Combined Single Limit Per Occurrence	\$ 1,000,000
General Aggregate	\$ 2,000,000*
<u>Commercial General Liability Insurance</u> (bodily injury and property damage)	
General limit per occurrence	\$ 1,000,000
General limit project specific aggregate	\$ 2,000,000
<u>Automobile Liability Insurance</u>	\$ 1,000,000

*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of CONSULTANT under this Agreement.

- 4.3 If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the CONSULTANT to restore the required limits. The CONSULTANT shall also notify the CITY promptly of all losses or claims over \$25,000 resulting from work performed under this contract, or any loss or claim against the CONSULTANT resulting from any of the CONSULTANT'S work.
- 4.4 All insurance companies affording coverage to the CONSULTANT for the purposes of this Section shall add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed under this agreement. Insurance coverage provided to the City as additional insured shall be primary insurance and other insurance maintained by the City of Oceanside, its officers, agents, and employees shall be excess only and not contributing with insurance provided pursuant to this Section.
- 4.5 All insurance companies affording coverage to the CONSULTANT pursuant to this agreement shall be insurance organizations admitted by the Insurance Commissioner of the State of California to transact business of insurance in the state or be rated as A-X or higher by A.M. Best.
- 4.6 CONSULTANT shall provide thirty (30) days written notice to the CITY should

any policy required by this Agreement be cancelled before the expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

- 4.7 CONSULTANT shall provide evidence of compliance with the insurance requirements listed above by providing, at minimum, a Certificate of Insurance and applicable endorsements, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.
- 4.8 CONSULTANT shall provide a substitute Certificate of Insurance no later than thirty (30) days prior to the policy expiration date. Failure by the CONSULTANT to provide such a substitution and extend the policy expiration date shall be considered a default by CONSULTANT and may subject the CONSULTANT to a suspension or termination of work under the Agreement.
- 4.9 Maintenance of insurance by the CONSULTANT as specified in this Agreement shall in no way be interpreted as relieving the CONSULTANT of any responsibility whatsoever and the CONSULTANT may carry, at its own expense, such additional insurance as it deems necessary.
- 5. **PROFESSIONAL ERRORS AND OMISSIONS INSURANCE.** Throughout the duration of this Agreement and four (4) years thereafter, the CONSULTANT shall maintain professional errors and omissions insurance for work performed in connection with this Agreement in the minimum amount of One Million Dollars (\$1,000,000.00).

CONSULTANT shall provide evidence of compliance with these insurance requirements by providing a Certificate of Insurance.

- 6. **CONSULTANT'S INDEMNIFICATION OF CITY.** To the greatest extent allowed by law, CONSULTANT shall indemnify and hold harmless the CITY and its officers, agents and employees against all claims for damages to persons or property arising out of the negligent acts, errors or omissions or wrongful acts or conduct of the CONSULTANT, or its employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of the CITY, its officers, agents, or employees. CONSULTANT'S indemnification shall include any and all costs, expenses, attorneys' fees, expert fees and liability assessed against or incurred by the CITY, its officers, agents, or employees in defending against such claims or lawsuits, whether the same proceed to judgment or not. Further, CONSULTANT at its own expense shall, upon written request by the CITY, defend any such suit or action brought against the CITY, its

officers, agents, or employees resulting or arising from the conduct, tortuous acts or omissions of the CONSULTANT.

CONSULTANT'S indemnification of CITY shall not be limited by any prior or subsequent declaration by the CONSULTANT.

7. **COMPENSATION.** CONSULTANT'S compensation for all work performed in accordance with this Agreement, shall not exceed the total contract price of \$50,000.

No work shall be performed by CONSULTANT in excess of the total contract price without prior written approval of the CITY. CONSULTANT shall obtain approval by the CITY prior to performing any work that results in incidental expenses to CITY.

8. **TIMING REQUIREMENTS.** Time is of the essence in the performance of work under this Agreement and the timing requirements shall be strictly adhered to unless otherwise modified in writing. All work shall be completed in every detail to the satisfaction of the CITY within 365 calendar days from the Council approval of the agreement.

9. **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between CITY and CONSULTANT concerning the work to be performed for this project and supersedes all prior negotiations, representations, or agreements.

10. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY.

The CONSULTANT shall be responsible for complying with all local, state, and federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

11. **AGREEMENT MODIFICATION.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.
12. **TERMINATION OF AGREEMENT.** Either party may terminate this Agreement by providing thirty (30) days written notice to the other party. If any portion of the

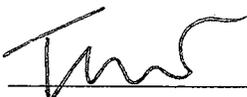
work is terminated or abandoned by the CITY, then the CITY shall pay CONSULTANT for any work completed up to and including the date of termination or abandonment of this Agreement. The CITY shall be required to compensate CONSULTANT only for work performed in accordance with the Agreement up to and including the date of termination.

- 13. **SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY.

IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Professional Services Agreement to be executed by setting hereunto their signatures on the dates set forth below.

RMC WATER AND ENVIRONMENT

CITY OF OCEANSIDE

By:  THOMAS WEST
Name/Title VICE PRESIDENT

By: _____
Peter Weiss, City Manager

By:  MELEK TAHA
Name/Title C.F.O.

APPROVED AS TO FORM:


City Attorney

94-3295090
Employer ID No.

NOTARY ACKNOWLEDGMENTS OF CONSULTANT MUST BE ATTACHED.

SEE ATTACHED DATE 8/27/12
NOTARIZED CERTIFICATE INITIAL AE

Certificate of Acknowledgment

State of California

County of Los Angeles

On August 27, 2012 before me, A. Escobar, Notary Public,
personally appeared Thomas West

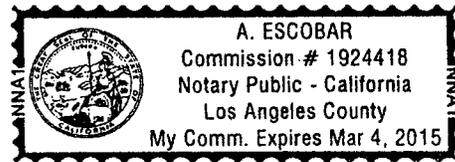
who proved to me on the basis of satisfactory evidence to be the person(s)
whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged
to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized
capacity(~~ies~~), and that by his/~~her/their~~ signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed
the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of
California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature of Notary Public



(Notary Seal)

ADDITIONAL INFORMATION

Description of the Attached Document

Professional Service Agreement

(Title or Description of Attached Document)

Number of Pages 5 Document Date 8/27/12

(Additional Information)

ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Sau Francisco } SS.

On 08/29/2012, before me, Ira Komarovska, Notary Public,

personally appeared Melcer Totah, who proved to me on the

basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Signature]
NOTARY'S SIGNATURE

PLACE NOTARY SEAL IN ABOVE SPACE

OPTIONAL INFORMATION

The information below is optional. However, it may prove valuable and could prevent fraudulent attachment of this form to an unauthorized document.

CAPACITY CLAIMED BY SIGNER (PRINCIPAL)

- INDIVIDUAL
- CORPORATE OFFICER _____ TITLE(S)
- PARTNER(S)
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: _____

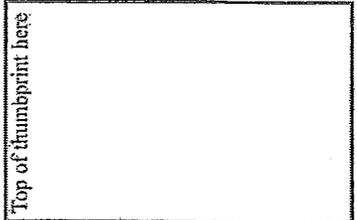
DESCRIPTION OF ATTACHED DOCUMENT

Professional Services Agreement
TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

08/29/2012
DATE OF DOCUMENT

OTHER



RIGHT THUMBPRINT OF SIGNER

SIGNER (PRINCIPAL) IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)



July 19, 2012

Mr. Jason Dafforn
 Water Utilities Project Manager
 City of Oceanside
 300 North Coast Highway
 Oceanside, CA 92054

Subject: Proposal for FY 2013 Grant Support

Dear Mr. Dafforn:

Thank you for the opportunity to submit this letter proposal to the City of Oceanside Water Utilities Department for FY 2013 Grant Support. RMC's in-depth understanding of local, state, and federal grant programs, our technical expertise, and our innovative approaches to project development have helped California agencies and municipalities obtain over \$849 million for water projects over the past 10 years, including \$49 million within the San Diego region. RMC works closely with our clients and stakeholders to develop well-supported grant proposals that are based on a thorough understanding of the needs of our clients, expectations of funding agencies, and specific program requirements.

RMC UNDERSTANDS THE GRANT FUNDING PROCESS

- 90+ Funding applications
- 64 Clients
- 12 Funding programs
- 7+ Funding agencies
- \$849+ million obtained

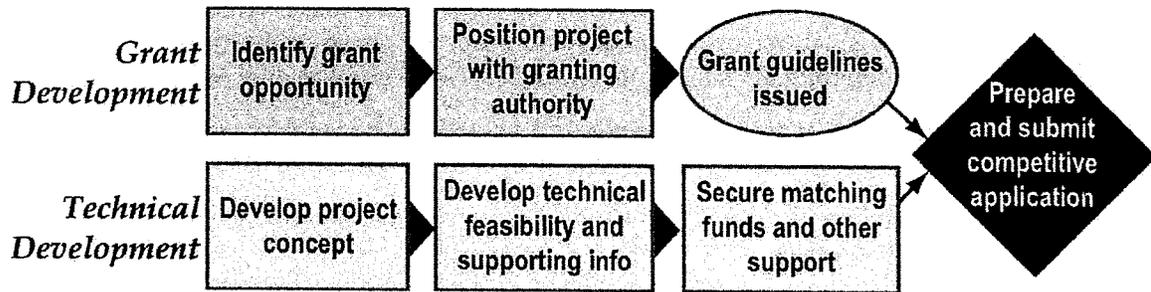
RMC's approach to grant applications ensures that proposed projects are as competitive as possible and includes:

- A clear strategy to maximize points in the application, based on a thorough understanding of the grant requirements and guidelines,
- Engaging with staff at the funding agencies to specifically craft the application for the particular project to best reflect the grant's intent, and
- A team and other firm resources with demonstrated success in preparing successful grant applications.

4225 Executive Square
 Suite 750
 San Diego, CA 92037
 ph: 858.875.7400
 fax: 858.875.7401
 www.rmewater.com

Understanding and Approach

The City of Oceanside seeks consultant support for FY 2013 grant funding opportunities, including but not limited to U.S. Bureau of Reclamation's WaterSMART grant program and California Department of Water Resources' IRWM grant program. RMC's overall approach to helping the City of Oceanside acquire grants would entail providing grant development and technical project development support in parallel, as illustrated below.



Our proposed approach:

- **Ensures a strong match between project and funding opportunity:** Technical support for project definition, coupled with understanding of funding program requirements, allows pursuit of the most appropriate sources of funding. RMC will use customized tools to ensure that proposed projects align with a grant's scoring criteria.
- **Secures confidence of funding and partner agencies:** Engaging funding and partner entities as soon as possible creates awareness of a project and provides confidence that it is viable and ready for funding. RMC's extensive experience preparing cost-benefit analysis for IRWM grant applications will provide the City with a robust benefit analysis and justification of results.
- **Creates a "win" for all parties:** Feedback from funding entities and potential partners can be used to structure a project so that the City, its partners, and the funding entities all benefit mutually by achieving their objectives for funding. If there are improvements to the project that may garner more points in grant scoring, RMC will discuss these with the City to determine the appropriateness of any changes.

Based on this proven approach, RMC proposes to provide the City of Oceanside with the grant support services outlined below.

Technical Development

Dozens of water system programs and projects have been developed throughout the State, many seeking grant funding support. Although projects are generally developed and engineered to meet a particular need for a particular agency, this does not always ensure that the projects are consistent with the goals and objectives of particular grant programs. For example, collaboration and integration is being stressed by nearly all granting agencies today, in particular those dealing with water supply and water quality. Thus, in order to be competitive, projects need to incorporate multi-benefit objectives and demonstrate the benefits of integration. RMC's approach to reviewing, modifying, and developing water system projects includes:

RMC GRANT APPLICATION RESOURCES

- Internal Funding Tech Committee tracks both current and upcoming funding opportunities
- Over 20 engineers with grant writing experience
- Proven track record preparing 33 complex IRWM grant applications

- Reviewing projects with City staff to prioritize which are most important to the City for securing grant funding and most likely to be successful in the upcoming grant solicitation
- Identifying and incorporating modifications to the projects that will improve their chances to secure funding, including technical modifications and partnerships with other departments, cities, or agencies

Grant Development

RMC understands that City staff will need assistance during the grant writing process to both develop important information about the project and to meet grant application deadlines, which are often short. RMC's approach to helping City staff write and submit successful technical grants includes:

- Understanding the grant requirements and guidelines thoroughly, so that appropriate project description and analysis is prepared for each solicitation
- Working closely with City staff to review grant application data needs, share information, and discuss draft materials
- Providing the necessary resources to complete grant applications under tight deadlines in a timely fashion

RMC's Experience

RMC has a wealth of experience in water supply, wastewater treatment, recycled water, flood protection, groundwater management, and integrated regional water management ideally suited to support the City of Oceanside in successful pursuit of funding to implement its water supply projects. With a staff of nearly 100 engineers and support staff, RMC has worked with over 200 agencies, municipalities, and special districts in the water industry throughout California and has a reputation for innovation. Funding assistance is one of RMC's core businesses and we have several internal processes to help our grant writers to be effective and efficient in preparation of grant applications for our clients. We are well positioned to provide superior technical project analysis and prioritization techniques and to help establish a strategic long-term grant planning process to support the City's ongoing water supply needs.

RMC has extensive experience working with Southern California water agencies to secure local, state, and federal funding from various granting agencies. In addition, RMC has worked with organizations such as the WateReuse Research Foundation to secure funding for innovative projects. We have:

- Provided engineering analysis of projects to determine grant funding options and strategies,
- Evaluated and determined project eligibility for grant funding,
- Completed full grant funding applications for a variety of projects,
- Monitored and provided support during the grant approval process,
- Communicated with funding agency representatives, and
- Provided post-award support during the grant execution process.

RMC's breadth of experience is reflected in the selected projects described below. At RMC, identifying funding is a central aspect of project planning and development. RMC's water industry experience as well as associated funding support is described below.

San Diego Integrated Regional Water Management (IRWM) Program | *San Diego County Water Authority, City of San Diego, and County of San Diego*

Description: RMC supports the region in developing an integrated, consensus-based approach to ensuring the long-term viability of San Diego's water supply, water quality, and natural resources. RMC positions the region for and prepares grant applications for Proposition 50 and 84 grant funding through the Department of Water Resources. RMC also facilitates the 32-member multi-disciplinary Regional Advisory Committee to identify water resources issues and prioritize projects that contribute to attainment of the region's objectives. This effort will result in update of the San Diego IRWM Plan.

Funding Support: RMC has prepared successful Proposition 50 implementation grant (\$25 million), Proposition 84 planning grant (\$1 million), and Proposition 84 implementation grant (\$8) applications, which secured a total of \$34 million for water resources planning and development in the region.

Groundwater Reliability Improvement Program and As-Needed Grant Support | *Water Replenishment District (WRD)*

Description: RMC conducted planning and alternatives analysis to identify projects that will offset the need for imported replenishment water used in the Central and Main San Gabriel groundwater basins. Together, proposed projects involve increasing groundwater recharge with recycled water by 40,000 AFY, providing advanced treatment, and developing collaborative groundwater storage projects. RMC also provides WRD with project development and grant funding support services for its Groundwater Reliability Improvement Program, including developing sufficient technical detail on WRD projects to be able to effectively engage potential grant funding agencies, preparing grant pre-applications or full grant applications for WRD projects, and working with staff to examine technical, institutional and financial ways to package projects to improve overall project implementation.

Funding Support: RMC has prepared three successful WaterSMART grant applications for WRD – one Title XVI Feasibility Study for the Groundwater Reliability Improvement Program, one Title XVI Feasibility Study for the Goldsworthy Desalter Expansion, and one for System Optimization Review.

Pasadena Recycled Water Project | *Pasadena Water and Power*

Description: RMC prepared a feasibility study for the first three phases of the City's recycled water system that meets the requirements of Reclamation's Title XVI funding and the State of California's Recycled Water Planning Grant. RMC is also responsible for overseeing preliminary and final design of Phase 1 of the system; CEQA/NEPA documentation; preparation of a Title 22 Engineering Report; evaluation of indirect potable reuse via groundwater recharge of advanced treated water; assistance with grants and loans for planning, design, and construction; customer coordination and retrofit design; and permitting.

Funding Support: RMC has prepared a successful WaterSMART grant application, which received funding for a Title XVI Feasibility Study for the Pasadena Recycled Water Project.

Key Personnel

RMC has assembled a team that has proven successful at preparing complicated grant applications on a fast timeline. Resumes can be provided upon request.

Tom West, P.E. – Principal in Charge

RMC's team will be led by Tom West who will take responsibility for clarifying the funding vision, guiding project development to ensure grant success, and managing all aspects of project work. Tom specializes in leading multi-faceted projects that integrate watershed management, flood protection, water resources planning, water quality and treatment, and stakeholder involvement. Over the past 20 years, Tom has served as project manager, water quality and treatment specialist, and management consultant for more than two dozen agencies throughout California. He brings a proven ability to work cooperatively with grant entities to secure funding for client projects.

Key Experience:

- ✓ Project Manager for three successful WaterSMART grant applications for Water Replenishment District – two for Title XVI Feasibility Studies and one for System Optimization Review
- ✓ Project Manager for four Proposition 50 IRWM grant applications for the Greater Los Angeles County region resulting in more than \$50 million in grant funding
- ✓ Project Advisor to multiple agencies on grant funding including the San Diego County Water Authority, Santa Fe Irrigation District, and Palmdale Water District
- ✓ Project Manager and Engineer for more than forty drinking water quality and treatment projects, including Metropolitan Water District, City of San Diego, San Francisco Public Utilities Commission, and Seattle Public Utilities

Rosalyn Prickett, AICP – Project Manager

Rosalyn Prickett is a project manager with experience providing water resources planning, environmental compliance, permitting, and funding support for projects throughout California. She effectively manages several integrated water resources planning (IRWM) programs and associated funding applications, including securing \$24 million for San Diego agencies in 2010/2011. She also brings a unique understanding of the environmental and regulatory processes required under various state and Federal grant programs.

Key Experience:

- ✓ Project Manager for two Proposition 84 IRWM grant applications for the San Diego region, which resulted in the successful award of \$9 million for regional water planning and implementation
- ✓ Project Manager for two Proposition 84 IRWM grant applications for the Coachella Valley region, which resulted in the successful award of \$5 million for regional water planning and implementation
- ✓ Project Manager for Proposition 1E Stormwater-Flood Management grant application for the City of Escondido's Lake Wohlford Dam Replacement Project, which received a \$15 million award
- ✓ Chair of RMC's Funding Tech Committee, which is the company's central resources for information on all local, state, and federal grant programs

Kathy Caldwell – Grant Application Support

Kathy Caldwell specializes in public policy with extensive experience in water resource planning and policy, public outreach, and stakeholder facilitation. She has a significant background in acquiring and administering grant and loan funding, and has also managed several integrated regional water management projects in California. Over the last 14 years, Kathy has prepared grant and loan applications for many water agencies throughout the state of California.

Key Experience:

- ✓ Project Manager for several WaterSMART grant applications including Water and Energy Efficiency Grants (West Basin MWD, 2010 and 2011), Field Conservation Grant (now part of the WaterSMART Program) (West Basin MWD, 2009), and Reclamation/CALFED Water Use Efficiency Grant Program (now part of the WaterSMART Program) (West Basin MWD and City of Santa Maria, 2009)
- ✓ Project Manager for multiple grant and loan applications for clients throughout California, including Santa Barbara County Water Agency, Los Angeles Department of Water and Power, Metropolitan Water District of Southern California, West Basin Municipal Water District, Mojave Water Agency, City of Santa Maria, Long Beach Water Department, Eastern Municipal Water District, Coachella Valley Water District, Three Valleys Municipal Water District, Monte Vista Water District, Crescenta Valley Water District, Otay Water District, and Semitropic Water Storage District.
- ✓ Coordinator for the Southern California Water Dialogue since 2001, monitoring water resource, water use efficiency, and watershed legislation and updates stakeholders on grant opportunities

Leslie Dumas – Grant Application Support

Leslie Dumas is a hydrologist and project manager with experience providing hydrogeologic, hydrologic, environmental, and funding consultation for projects throughout the State. She specializes in preparing funding applications for Title XVI Water Reclamation funding and State Revolving Fund programs, as well as applications under the State's IRWM grant program.

Crystal Mohr – Grant Application Support

Crystal Mohr is a project planner with experience working on Federal and State-level grant and loan applications, completing permitting applications, writing environmental documents in compliance with CEQA regulations, conducting research and biological field surveys, and using GIS and database tools. She has contributed to the development of nine grant applications.

Dawn Flores – Grant Application Support

Dawn Flores has a background in environmental science and planning as it relates to water resources management. She is experienced in water resources planning, grant writing, water quality evaluation, advanced data analysis, water resources modeling, and cartography. She has contributed to the development of five grant applications.

Scope of Work

RMC will assist the City of Oceanside in preparing grant applications, upon request. These services may include, but are not limited to:

- Review of grant solicitation materials, including project qualification requirements
- Meetings with City staff to determine which project(s) will qualify and be competitive for the grant solicitation
- Meetings with City staff to discuss grant application data needs, review provided materials (background materials, planning studies, and relevant plans and specifications), and to discuss draft materials
- Preparation of grant application outline and list of data needs

- Support to City staff for development of resolutions and/or other necessary support materials for grant submittal
- Preparation of grant application materials, including draft work plan, maps, and attachments
- Preparation of construction quantities and cost estimates, as needed to demonstrate cost effectiveness and economic benefits
- Completion of environmental compliance forms associated with grant applications
- Production of digital (PDF) and hard copy versions of grant applications
- Support for upload of grant application materials to grantee websites

Fee Estimate

As directed, RMC proposes to provide the City with FY 2013 Grant Support for a not to exceed amount of \$50,000. RMC proposes to bill on a time and materials basis according to our 2012 standard rate sheet. Key personnel billing rates include:

Name	Title	Hourly Rate
Tom West, P.E.	Principal Project Manager I	\$240
Rosalyn Prickett, AICP	Project Manager II	\$200
Kathy Caldwell	Sr Project Manager I	\$220
Leslie Dumas	Sr Project Manager I	\$220
Crystal Mohr	Project Planner I	\$165
Dawn Flores	Project Planner II	\$175

Thank you for the opportunity to submit this proposal; we look forward to your review and feedback. If you have any questions, please contact me at (858) 875-7420.

Sincerely,



Rosalyn Prickett, AICP
Project Manager

CITY OF OCEANSIDE

PROFESSIONAL SERVICES AGREEMENT**PROJECT: OCEANSIDE WATER UTILITIES PUBLIC RELATIONS SERVICES**

THIS AGREEMENT, dated _____, 2012 for identification purposes, is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and ATKINS NORTH AMERICA, INC., hereinafter designated as "CONSULTANT."

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **SCOPE OF WORK.** The CONSULTANT desires to provide public relations services and services are more particularly described in the CONSULTANT'S rate schedule dated July 12, 2012, attached hereto and incorporated herein as Exhibit A.
2. **INDEPENDENT CONTRACTOR.** CONSULTANT'S relationship to the CITY shall be that of an independent contractor. CONSULTANT shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the CITY. CONSULTANT shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this Agreement. CONSULTANT shall report to the CITY any and all employees, agents, and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.
3. **WORKERS' COMPENSATION.** Pursuant to Labor Code section 1861, the CONSULTANT hereby certifies that the CONSULTANT is aware of the provisions of Section 3700 of the 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 the CONSULTANT will comply with such provisions, and provide certification of such compliance as a part of this Agreement.
4. **LIABILITY INSURANCE.**
 - 4.1. CONSULTANT shall, throughout the duration of this Agreement maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of CONSULTANT, its agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

OCEANSIDE WATER UTILITIES PUBLIC RELATIONS SERVICES

4.2 CONSULTANT shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance
(bodily injury and property damage)

Combined Single Limit Per Occurrence	\$ 1,000,000
General Aggregate	\$ 2,000,000*

Commercial General Liability Insurance
(bodily injury and property damage)

General limit per occurrence	\$ 1,000,000
General limit project specific aggregate	\$ 2,000,000

<u>Automobile Liability Insurance</u>	\$ 1,000,000
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*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of CONSULTANT under this Agreement.

- 4.3 If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the CONSULTANT to restore the required limits. The CONSULTANT shall also notify the CITY promptly of all losses or claims over \$25,000 resulting from work performed under this contract, or any loss or claim against the CONSULTANT resulting from any of the CONSULTANT'S work.
- 4.4 All insurance companies affording coverage to the CONSULTANT for the purposes of this Section shall add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed under this agreement. Insurance coverage provided to the City as additional insured shall be primary insurance and other insurance maintained by the City of Oceanside, its officers, agents, and employees shall be excess only and not contributing with insurance provided pursuant to this Section.
- 4.5 All insurance companies affording coverage to the CONSULTANT pursuant to this agreement shall be insurance organizations admitted by the Insurance Commissioner of the State of California to transact business of insurance in the state or be rated as A-X or higher by A.M. Best.

OCEANSIDE WATER UTILITIES PUBLIC RELATIONS SERVICES

- 4.6 CONSULTANT shall provide thirty (30) days written notice to the CITY should any policy required by this Agreement be cancelled before the expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.
- 4.7 CONSULTANT shall provide evidence of compliance with the insurance requirements listed above by providing, at minimum, a Certificate of Insurance and applicable endorsements, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.
- 4.8 CONSULTANT shall provide a substitute Certificate of Insurance no later than thirty (30) days prior to the policy expiration date. Failure by the CONSULTANT to provide such a substitution and extend the policy expiration date shall be considered a default by CONSULTANT and may subject the CONSULTANT to a suspension or termination of work under the Agreement.
- 4.9 Maintenance of insurance by the CONSULTANT as specified in this Agreement shall in no way be interpreted as relieving the CONSULTANT of any responsibility whatsoever and the CONSULTANT may carry, at its own expense, such additional insurance as it deems necessary.
5. **PROFESSIONAL ERRORS AND OMISSIONS INSURANCE.** Throughout the duration of this Agreement and four (4) years thereafter, the CONSULTANT shall maintain professional errors and omissions insurance for work performed in connection with this Agreement in the minimum amount of One Million Dollars (\$1,000,000.00).

CONSULTANT shall provide evidence of compliance with these insurance requirements by providing a Certificate of Insurance.

6. **CONSULTANT'S INDEMNIFICATION OF CITY.** To the greatest extent allowed by law, CONSULTANT shall indemnify and hold harmless the CITY and its officers, agents and employees against all claims for damages to persons or property arising out of the negligent acts, errors or omissions or wrongful acts or conduct of the CONSULTANT, or its employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of the CITY, its officers, agents, or employees. CONSULTANT'S indemnification shall include any and all costs, expenses, attorneys' fees, expert fees and liability assessed against or incurred by the CITY, its officers, agents, or employees in defending against such claims or lawsuits, whether the same proceed to judgment or not. Further, CONSULTANT at its own expense shall, upon written

OCEANSIDE WATER UTILITIES PUBLIC RELATIONS SERVICES

request by the CITY, defend any such suit or action brought against the CITY, its officers, agents, or employees resulting or arising from the conduct, tortious acts or omissions of the CONSULTANT.

CONSULTANT'S indemnification of CITY shall not be limited by any prior or subsequent declaration by the CONSULTANT.

7. **COMPENSATION.** CONSULTANT'S compensation for all work performed in accordance with this Agreement, shall not exceed the total contract price of \$50,000.

No work shall be performed by CONSULTANT in excess of the total contract price without prior written approval of the CITY. CONSULTANT shall obtain approval by the CITY prior to performing any work that results in incidental expenses to CITY.

8. **TIMING REQUIREMENTS.** Time is of the essence in the performance of work under this Agreement and the timing requirements shall be strictly adhered to unless otherwise modified in writing. All work shall be completed in every detail to the satisfaction of the CITY within 365 calendar days from the Council approval of the agreement.

9. **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between CITY and CONSULTANT concerning the work to be performed for this project and supersedes all prior negotiations, representations, or agreements.

10. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY.

The CONSULTANT shall be responsible for complying with all local, state, and federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

11. **AGREEMENT MODIFICATION.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.

OCEANSIDE WATER UTILITIES PUBLIC RELATIONS SERVICES

12. **TERMINATION OF AGREEMENT.** Either party may terminate this Agreement by providing thirty (30) days written notice to the other party. If any portion of the work is terminated or abandoned by the CITY, then the CITY shall pay CONSULTANT for any work completed up to and including the date of termination or abandonment of this Agreement. The CITY shall be required to compensate CONSULTANT only for work performed in accordance with the Agreement up to and including the date of termination.
13. **SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY.

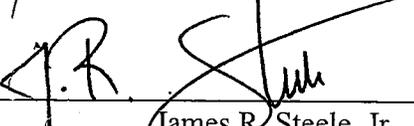
IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Professional Services Agreement to be executed by setting hereunto their signatures on the dates set forth below.

ATKINS NORTH AMERICA, INC.

CITY OF OCEANSIDE

By: 
Name/Title L. Dean Fox
President

By: _____
Peter Weiss, City Manager

By: 
Name/Title James R. Steele, Jr.
Assistant Secretary

APPROVED AS TO FORM:

City Attorney

Employer ID No.

NOTARY ACKNOWLEDGMENTS OF CONSULTANT MUST BE ATTACHED.



July 12, 2012

Public Affairs/Community Relations - CALIFORNIA RATES

Grade/Position	Hourly Rate
E 15 Principal in Charge	\$160
E14 Project Manager	\$140
E11 Assistant Project Manager	\$115
E10 Account Executive	\$95
N8 Account Coordinator	\$75
N9 Graphics Designer	\$85
N6 Support Staff	\$65

Mileage is \$.0555 per mile.

In addition, identifiable, non-salary costs that are directly attributable to the project (i.e., travel, meals, lodging, auto rentals, printing and copies, graphic materials, phone charges, equipment and specialized computer charges, etc.) and subcontractor fees include a 15% administration charge to cover overhead and administration.

1. This schedule is effective until March 31, 2013 and is subject to annual and/or periodic revisions thereafter, as necessary to accommodate inflationary trends, salary adjustments, and the general costs of business.
2. Invoices will be submitted by Consultant monthly. Client will notify Consultant, in writing, of any objections to an invoice within ten (10) days of the date of invoice. Otherwise, the invoice shall be deemed acceptable by the Client. Amounts indicated on invoices are due and payable immediately upon receipt.
3. A late payment finance charge at a rate of 18% per annum (or the maximum amount allowed per law if lower) will be applied to any unpaid balance commencing 30 days after the date of the original invoice.
4. Fees for litigation and expert witness services will be charged at \$450.00 per hour with a 4-hour minimum per day.

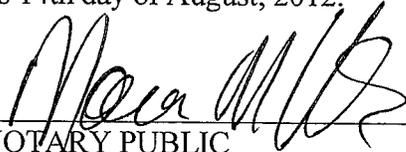
NOTARY ACKNOWLEDGEMENT
Atkins North America, Inc.

STATE OF FLORIDA }

COUNTY OF HILLSBOROUGH }

PERSONALLY APPEARED before me, the undersigned authority, L. Dean Fox
and James R. Steele, Jr., well known to me or who has produced
_____ as identification and known
by me to be the President and Assistant Secretary of the corporation named
above, and acknowledged before me that they executed the foregoing instrument on behalf of said
corporation as its true act and deed, and that they were duly authorized to do so.

WITNESS my hand and official seal this 14th day of August, 2012.



NOTARY PUBLIC

Print Name: Monica M. Vazquez

My Commission Expires: Nov. 18, 2015



CITY OF OCEANSIDE

PROFESSIONAL SERVICES AGREEMENT**PROJECT: ON-CALL FINANCIAL ASSISTANCE SERVICES**

THIS AGREEMENT, dated _____, 2012 for identification purposes, is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and CAROLLO ENGINEERS, hereinafter designated as "CONSULTANT."

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **SCOPE OF WORK.** The CONSULTANT desires to provide on-call financial assistance services and is more particularly described in the CONSULTANT'S proposal date August 17, 2012, attached hereto and incorporated herein as Exhibit A.
2. **INDEPENDENT CONTRACTOR.** CONSULTANT'S relationship to the CITY shall be that of an independent contractor. CONSULTANT shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the City Engineer. The CONSULTANT shall not be authorized to communicate directly with, nor in any way direct the actions of, any bidder or the construction contractor for this project without the prior written authorization by the City Engineer. CONSULTANT shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this Agreement. CONSULTANT shall report to the CITY any and all employees, agents, and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.
3. **WORKERS' COMPENSATION.** Pursuant to Labor Code section 1861, the CONSULTANT hereby certifies that the CONSULTANT is aware of the provisions of Section 3700 of the 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 the CONSULTANT will comply with such provisions, and provide certification of such compliance as a part of this Agreement.
4. **LIABILITY INSURANCE.**
 - 4.1. CONSULTANT shall, throughout the duration of this Agreement maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of CONSULTANT, its agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES

4.2 CONSULTANT shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance
(bodily injury and property damage)

Combined Single Limit Per Occurrence	\$ 1,000,000
General Aggregate	\$ 2,000,000*

Commercial General Liability Insurance
(bodily injury and property damage)

General limit per occurrence	\$ 1,000,000
General limit project specific aggregate	\$ 2,000,000

<u>Automobile Liability Insurance</u>	\$ 1,000,000
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*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of CONSULTANT under this Agreement.

4.3 If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the CONSULTANT to restore the required limits. The CONSULTANT shall also notify the CITY'S Project Manager promptly of all losses or claims over \$25,000 resulting from work performed under this contract, or any loss or claim against the CONSULTANT resulting from any of the CONSULTANT'S work.

4.4 All insurance companies affording coverage to the CONSULTANT for the purposes of this Section shall add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed under this agreement. Insurance coverage provided to the City as additional insured shall be primary insurance and other insurance maintained by the City of Oceanside, its officers, agents, and employees shall be excess only and not contributing with insurance provided pursuant to this Section.

4.5 All insurance companies affording coverage to the CONSULTANT pursuant to this agreement shall be insurance organizations admitted by the Insurance Commissioner of the State of California to transact business of insurance in the state or be rated as A-X or higher by A.M. Best.

4.6 CONSULTANT shall provide thirty (30) days written notice to the CITY should any policy required by this Agreement be cancelled before the expiration date. For

ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES

the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

- 4.7 CONSULTANT shall provide evidence of compliance with the insurance requirements listed above by providing, at minimum, a Certificate of Insurance and applicable endorsements, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.
- 4.8 CONSULTANT shall provide a substitute Certificate of Insurance no later than thirty (30) days prior to the policy expiration date. Failure by the CONSULTANT to provide such a substitution and extend the policy expiration date shall be considered a default by CONSULTANT and may subject the CONSULTANT to a suspension or termination of work under the Agreement.
- 4.9 Maintenance of insurance by the CONSULTANT as specified in this Agreement shall in no way be interpreted as relieving the CONSULTANT of any responsibility whatsoever and the CONSULTANT may carry, at its own expense, such additional insurance as it deems necessary.
5. **PROFESSIONAL ERRORS AND OMISSIONS INSURANCE.** Throughout the duration of this Agreement and four (4) years thereafter, the CONSULTANT shall maintain professional errors and omissions insurance for work performed in connection with this Agreement in the minimum amount of One Million Dollars (\$1,000,000.00).

CONSULTANT shall provide evidence of compliance with these insurance requirements by providing a Certificate of Insurance.

6. **CONSULTANT'S INDEMNIFICATION OF CITY.** To the greatest extent allowed by law, CONSULTANT shall indemnify and hold harmless the CITY and its officers, agents and employees against all claims for damages to persons or property arising out of CONSULTANT'S work, including the negligent acts, errors or omissions or wrongful acts or conduct of the CONSULTANT, or its employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of the CITY, its officers, agents, or employees. CONSULTANT'S indemnification shall include any and all costs, expenses, attorneys' fees, expert fees and liability assessed against or incurred by the CITY, its officers, agents, or employees in defending against such claims or lawsuits, whether the same proceed to judgment or not. Further, CONSULTANT at its own expense shall, upon written request by the CITY, defend any such suit or

ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES

action brought against the CITY, its officers, agents, or employees founded upon, resulting or arising from the conduct, tortuous acts or omissions of the CONSULTANT.

CONSULTANT'S indemnification of CITY shall not be limited by any prior or subsequent declaration by the CONSULTANT.

7. **OWNERSHIP OF DOCUMENTS.** All plans and specifications, including details, computations and other documents, prepared or provided by the CONSULTANT under this Agreement shall be the property of the CITY. The CITY agrees to hold the CONSULTANT free and harmless from any claim arising from any use, other than the purpose intended, of the plans and specifications and all preliminary sketches, schematics, preliminary plans, architectural perspective renderings, working drawings, including details, computation and other documents, prepared or provided by the CONSULTANT. CONSULTANT may retain a copy of all material produced under this Agreement for the purpose of documenting their participation in this project.
8. **COMPENSATION.** CONSULTANT'S compensation for all work performed in accordance with this Agreement, shall not exceed the total contract price of \$75,000.

No work shall be performed by CONSULTANT in excess of the total contract price without prior written approval of the City Engineer. CONSULTANT shall obtain approval by the City Engineer prior to performing any work that results in incidental expenses to CITY.
9. **TIMING REQUIREMENTS.** Time is of the essence in the performance of work under this Agreement and the timing requirements shall be strictly adhered to unless otherwise modified in writing. All work shall be completed in every detail to the satisfaction of the Engineer within 365 calendar days from the Council approval of the agreement.
10. **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between CITY and CONSULTANT concerning the work to be performed for this project and supersedes all prior negotiations, representations, or agreements.
11. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY.

The CONSULTANT shall be responsible for complying with all local, state, and federal laws whether or not said laws are expressly stated or referred to herein.

ON-CALL WATER AND WASTEWATER ENGINEERING SERVICES

Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

- 12. **AGREEMENT MODIFICATION.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.
- 13. **TERMINATION OF AGREEMENT.** Either party may terminate this Agreement by providing thirty (30) days written notice to the other party. If any portion of the work is terminated or abandoned by the CITY, then the CITY shall pay CONSULTANT for any work completed up to and including the date of termination or abandonment of this Agreement. The CITY shall be required to compensate CONSULTANT only for work performed in accordance with the Agreement up to and including the date of termination.
- 14. **SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY.

IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Professional Services Agreement to be executed by setting hereunto their signatures on the dates set forth below.

CAROLLO ENGINEERS
By: Robert S. Smetter / V.P.
Name/Title

CITY OF OCEANSIDE
By: _____
Peter Weiss, City Manager

Date: 8/28/12

Date: _____

By: James A. Myhr / V.P.
Name/Title

APPROVED AS TO FORM:

Date: 8/28/12

Andrew J. Hamilton, #887.
City Attorney

Employer ID No.

NOTARY ACKNOWLEDGMENTS OF CONSULTANT MUST BE ATTACHED.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange }

On 08/28/2012 before me, Leanne G. Hendricks, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Robert S. Grantham
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Leanne G. Hendricks
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: City of Oceanside Professional Services Agreement

Document Date: 08/28/2012 (sig date) Number of Pages: 5 + exhibits

Signer(s) Other Than Named Above: James A. Meyerhofer

Capacity(ies) Claimed by Signer(s)

Signer's Name: Robert S. Grantham

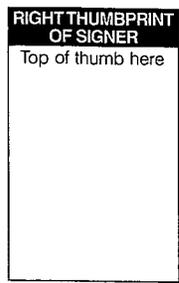
- Individual
- Corporate Officer — Title(s): V.P.
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: Carollo Engineers, Inc.

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange

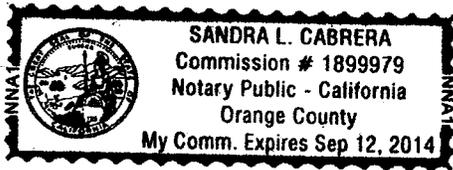
On 8/28/12 before me, Sandra L. Cabrera, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared James A. Meyerhofer
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature: Sandra L. Cabrera
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: City of Oceanside Professional Services Agreement

Document Date: 8/28/12 Number of Pages: 5 + exhibits

Signer(s) Other Than Named Above: Robert S. Grantham

Capacity(ies) Claimed by Signer(s)

Signer's Name: James A. Meyerhofer

- Corporate Officer — Title(s): V.P.
- Individual
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: Carollo Engineers, Inc.

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Individual
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____



CITY OF OCEANSIDE



FINANCIAL ASSISTANCE

August 2012

 **carollo**
Engineers...Working Wonders With Water®



August 17, 2012

Jason Dafforn, Acting Water Utilities Division Manager
City of Oceanside
Water Utilities Department
300 North Coast Highway
Oceanside, CA 92054

Subject: On-Call Proposal to Provide Financial Assistance

Dear Mr. Dafforn:

The water, regulatory, and economic environment for Southern California municipalities has rapidly changed. The City of Oceanside (City) is experiencing increased water supply costs and reduced water demands due to regional conservation and a slowdown in the construction market. Moreover, the Water Utilities Department faces competing needs for scarce financial resources, such as expanding local fresh and recycled water supplies, while also adequately investing in the maintenance and reinvestment in system infrastructure.

At your request, we have developed this on-call proposal, which delineates a list of possible services that Carollo Engineers, Inc. (Carollo) can provide to the City at your request. As required, we can function as an extension of staff, as well as provide an independent perspective.

We are committed to delivering the highest caliber level of work to the City. On behalf of our team, I would like express our sincere desire to continue to collaborate with and support the City.

Sincerely,

CAROLLO ENGINEERS, INC.

Robert S. Grantham
Vice President

RSG:alh

Enclosure



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Firm Experience

FIRM PROFILE

For 79 years, Carollo Engineers, Inc. (Carollo) has provided water and wastewater system planning and financial services to utilities throughout California. Collectively, our proposed project team for this study has provided financial planning services for more than 100 utilities. We have performed work for clients with service area populations ranging in size from several hundred to 4 million residents. Our comprehensive financial studies for public agencies include financial modeling, cost allocations, and rate and fee developments.



Carollo is currently ranked within ENR's top 500 design firms. More importantly, ENR's annual Source Book ranks Carollo among the top 17 firms for water and sewer/wastewater.

National Water and Wastewater Experts

Carollo is the nation's largest environmental engineering firm specializing exclusively in the planning, design, and construction of water and wastewater facilities. Since 1933, Carollo has successfully completed more than 20,000 projects for public sector clients. Carollo is currently ranked within *Engineering News-Record's* (ENR) top 100 design firms and among the top firms for water and wastewater treatment plant design.

CAROLLO BUSINESS SOLUTIONS GROUP

To achieve success in the cost-conscious and results-driven modern utility market, it is important for utilities to provide creative technical solutions executed within the context of sound business practices. The Carollo Business Solutions Group (BSG) works with utility managers to effectively administer business operations with creative solutions to evolving challenges. As a leading environmental engineering and consulting firm focused in the utility market, our experts understand the unique hurdles that agencies face. It is important for utilities to continue to provide creative technical solutions, however these solutions must be executed within the context of sound, innovative business practices to

be successful in the competitive and results-driven modern utility market. Our goal is to provide utilities with the information and advice to allow them to provide successful creative solutions.

The BSG is comprised of professionals who have proven and practical experience delivering innovative business practices to the public sector. Our services are grouped within one of the following six disciplines:

- Finance, Funding, and Economic Sustainability.
- Asset Management.
- Strategy and Business Case Evaluations.
- Information Management.
- Organizational Development.
- Operations and Maintenance Management.

Our mission is clear and simple: we serve our clients to build vibrant, high-performing organizations through value appreciation in both service and utility equity.

FINANCIAL AND MANAGEMENT SERVICES

Carollo has developed financial programs for agencies of all sizes incorporating only necessary study components. A utility must set capacity charges and rates not only to recover revenue needs, but also to equitably distribute costs among its customers. Adopted financial structures should reflect both policy objectives and community values. Carollo's engineering perspective allows us to provide our clients with detailed, supportable, cost allocations based on the functional design of the utility system. This approach ultimately provides equity and defensibility.

Likewise, Carollo has developed award-winning strategic master plans, as well as the financing strategies required to implement them. Integrating master planning and capital improvement program (CIP) needs with financial analyses is crucial to developing the appropriate funding levels and Carollo has successfully provided utilities nationwide with these services, as shown on the following pages.

Related Experience

Our knowledge of your capital plans, process, and organization provides us with the unique ability to efficiently allocate rates in a fair and equitable way

to ensure revenue stability. Our technical expertise, paired with proven financial strategies, will benefit you by allowing us to anticipate and meet the specific objectives for this study.

The summary matrix below demonstrates the breadth and depth of our financial services expertise. We encourage you to contact the agencies listed above to understand how Carollo delivered successful projects for them.

Carollo's Financial Experience Representative Projects	Capital Planning	Capital Funding Strategy	Cost-of-Service Rate Structure Analysis	Revenue Requirements	Fiscal Policy Review	Connection/Impact Fees	Financial Modeling	Bond Coverage Evaluation	Stakeholder Involvement/ Public Outreach
City and County of San Francisco Public Utility Commission, CA	●	●	●	●	●	●	●	●	●
City of Carlsbad, CA	●	●	●	●	●	●	●	●	●
City of Del Mar, CA	●	●	●	●	●	●	●	●	●
City of Modesto, CA	●	●	●	●	●	●	●	●	●
City of Oceanside, CA	●	●	●	●	●	●	●	●	●
City of Riverside, CA	●	●	●	●	●	●	●	●	●
City of Sacramento, CA	●	●	●	●	●	●	●	●	●
City of San Jose, CA	●	●	●	●	●	●	●	●	●
City of Simi Valley, CA	●	●	●	●	●	●	●	●	●
El Toro Water District, CA	●	●	●	●	●	●	●	●	●
Irvine Ranch Water District, CA	●	●	●	●	●	●	●	●	●
Orange County Sanitation District, CA	●	●	●	●	●	●	●	●	●
Sacramento County Department of Water Resources, CA	●	●	●	●	●	●	●	●	●
Sacramento Regional County Sanitation District, CA	●	●	●	●	●	●	●	●	●
Santa Margarita Water District, CA	●	●	●	●	●	●	●	●	●
Western Riverside County Regional Wastewater Authority, CA	●	●	●	●	●	●	●	●	●
City of Scottsdale, AZ	●	●	●	●	●	●	●	●	●
City and County of Honolulu, HI	●	●	●	●	●	●	●	●	●
City of Las Vegas, NV	●	●	●	●	●	●	●	●	●
Washoe County, NV	●	●	●	●	●	●	●	●	●
El Paso Water Utilities Public Service Board, TX	●	●	●	●	●	●	●	●	●

RATE FEE STUDY EXPERIENCE

Wastewater, Storm Drainage, and Water Rate Study

City of Sacramento, CA

Reference: Ms. Jamille Moens, Utilities Business Services Manager, 916-808-5988



Relevant Utility Fee Studied:

- Water Rates
- Wastewater Rates
- Storm Drainage Rates
- Capital Alternatives Analysis
- Financial Services
- Bond Issuance

Project Description:

Based on existing funding levels, the City of Sacramento was only able to achieve a 400- to 600-year pipeline replacement cycle for its water and wastewater systems. With increased regulatory requirements, the City faced a greater challenge in addressing its capital infrastructure needs. The financial planning study became central to successfully funding critical capital needs, meeting regulatory requirements, and implementing a 100-year replacement program.

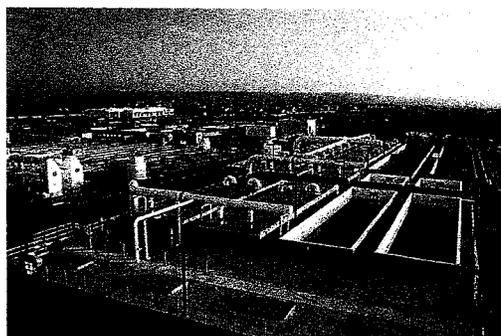
The project team created a cutting-edge financial model tailored to the needs of City staff. A simulation module was constructed to allow for up to six side by side scenarios. The flexibility of the model was invaluable for responding to questions raised by City Council and the Rate Advisory Committee, and ultimately achieving program endorsements from the Council.

The team served as an integral part of the City's year-long public outreach process. Despite the significant rate increases, the team was able to garner widespread public support for the accelerated capital replacement/asset management program.

Comprehensive Rate Study

City of Oceanside, CA

Reference: Ms. Cari Dale, Water Utilities Department Director, 760-435-5827



Relevant Utility Fee Studied:

- Water, Wastewater, and Recycled Water Rates
- Connection Fees
- GASB 34 Valuation
- Capital Alternatives Analysis

Project Description:

Carollo developed near- and long-term financial forecasts, update the capital facilities charges, and analyze the retail and wholesale rate structures for water, wastewater, and recycled water. The rate structures were developed in compliance with Proposition 218 and wholesale contract requirements.

The project included a Citizen's Advisory Committee (CAC) process designed to provide an overview of the facilities master plan and financial and rate program, facilitate open discourse, and garner buy-in from the Utilities Commission and Council.

The financial analysis evaluated bond sizing and timing. Carollo worked with City staff to prioritize projects based on sound engineering judgment, funding availability, and to optimize bond issuances.

The team developed a financial planning model in close collaboration with staff. An optimization module was incorporated in order to facilitate holistic decisions with respect to water resources, wastewater treatment and disposal, and energy demands and production. The model incorporates wholesale user allocations and invoices, reducing the administrative burden for annual invoicing.

OCSD Rate Work

Orange County Sanitation District, CA

Reference: Ms. Angela Brandt, Accounting Supervisor, 714-962-2411



Relevant Utility Fee Studied:

- Wastewater Rates
- Connection Fees

Project Description:

In response to user rates based on flow only, developed the current cost allocations that assign O&M and capital costs to flow, BOD, and TSS. This process included a rate advisory committee made up of citizens and businesses to help gain customer support for the new system.

Because Orange County Sanitation District (OCSD) user rates are collected on the property tax bill, we developed the tie between property tax use codes and the current equivalent dwelling unit assumptions for customer categories.

In order to help OCSD be business friendly, we developed the current supplemental capital facilities capacity charge that enables large industrial users to pay their capacity charges on a "pay-as-you-go" basis.

To simplify the administration the collection of capital facility capacity charges, we developed a three-tier commercial category charge because more than 20 OCSD service area Cities/Agencies collect the charges for OCSD at their permit counters.

Wastewater Rate and Connection Fees Study

Sacramento Regional County Sanitation District/Sacramento Area Sewer District, CA

Reference: Mr. Mike Huot, Senior Civil Engineer, 916-875-4297



Relevant Utility Fee Studied:

- Wastewater Rates
- Connection Fees
- Capital Alternatives Analysis

Project Description:

The Sacramento Regional County Sanitation District faces over \$2 billion in regulatory upgrades to its treatment processes for pathogen and ammonia removal. Consequently, the District must increase rates from roughly \$20 per month to nearly \$70 per month by 2020 due to projected debt service and operational expenditures.

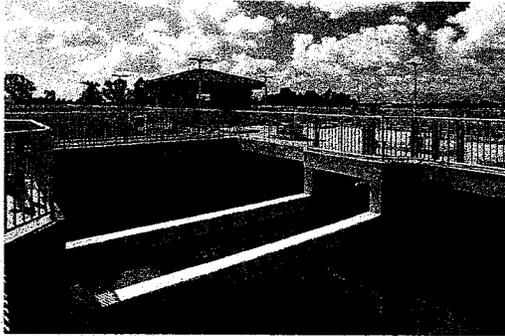
The change to the treatment process required the District to completely restructure its rates and impact fees in order to equitably and proportionally recover upgrade costs from ratepayers. The functional costs categories included flow, BOD₅, TSS, ammonia, and pathogens. The rate methodology recognizes the unique nature of the District's industrial discharges, preventing these users from being overcharged from pathogen and ammonia removal.

The team developed a financial model designed to be a central planning tool for the District's capital planning and financial leaders. The model was featured by the Water Environment Federation as a cutting-edge planning tool.

Water Rate Study

Sacramento County Water Agency, CA

Reference: Ms. Susan Purdin, Chief Financial Officer, 916-874-3190



Relevant Utility Fee Studied:

- Water Rates
- Organizational Assessment
- Capital Alternatives Analysis

Project Description:

The project team developed a cost-of-service water rate study for the Sacramento County Water Agency. The goals of this study include developing equitable rate structures; generating sufficient revenues to meet operating, debt service, and capital costs; and developing a financial plan that provides an optimal combination of new debt and a build-up of reserve funds for the purpose of cash-funding capital projects. The specific analyses conducted for this study involved a policy review, revenue requirement assessment, customer data review, and a detailed review of the City's fixed assets and capital improvement program.

An innovative rate structure was implemented for single-family residential customers, in which low volume users were provided a discount on their utility bill. The discount was fully based on cost-of-service and adhered to Proposition 218 requirements. A capacity lease back approach was developed, in which low volume users were effectively leasing capacity to large volume water users.

At the conclusion of the study, a computer rate model was provided to the Agency and an onsite workshop was held with staff to transition ownership of the program. The model was tailored to mirror the Agency's financial budgets and policies, and provide City staff with the capability of assessing "what-if" scenarios.

Connection Fee Study

City of San Jose, CA

Reference: Ms. Thuy Nguyen, Engineering Construction Services, 408-975-7388



Relevant Utility Fee Studied:

- Wastewater Fees
- Sanitary Sewer Collection Fees
- Recycled Water Fees
- Storm Drainage Fees
- Capital Funding Strategies

Project Description:

The project team developed new connection fees for the City of San Jose's Water Pollution Control Plant (WPCP), Sanitary Sewer System, Storm Drainage System, and South Bay Recycled Water Facility. The connection fees were developed in accordance with California Government Codes 54999 and 66000; implemented the City's policy objectives; provided a necessary capital funding source to meet future capital needs; and equitably recovered a proportionate share of system capacity costs from future users.

The analysis included a review of customer data, asset records and capital improvement plans in order to allocate system costs to existing and future customers based on exhausted and available capacities.

The team developed a capital revenue forecast, incorporating projected capital costs and estimated connection fee revenues. The forecast allows the City to evaluate the timing of projected capital expenditures against connection fee revenues and other capital funding sources (i.e., debt, reserves, and developer contributions).

Riverside Rate Work

City of Riverside, CA

Reference: Mr. Brent Mason, Finance Director,
916-826-5750



Relevant Utility Fee Studied:

- Wastewater Rates
- Connection Fees
- Capital Alternatives Analysis
- Bond Issuance

Project Description:

In 2008, Carollo completed an Integrated Master Plan for the City of Riverside that evaluated and recommended collection system and treatment plant improvements and culminated in revised user rate and connection fees for the City. The project included development of a \$700 million capital improvement plan; cost allocations to assign operation and maintenance and capital costs to flow, BOD, and TSS; and a five-year user rate and connection fee schedule that went through the Proposition 218 approval process. Without this effort, the City would not have been able to come into compliance with their bond covenants and finance the needed capital improvements.

In 2001, Carollo completed a rate study update for user rates to allow the City to obtain State Revolving Loans for a new headworks and a new cogeneration facility. This allowed the City to get a low-cost loan to finance their rehabilitation and expansion projects.

Wastewater Rate and Connection Fees Study

City of Las Vegas, NV

Reference: Ms. Thuy Nguyen, Engineering
Construction Services, 408-975-7388



Relevant Utility Fee Studied:

- Wastewater Rates
- Connection Fees
- Capital Alternatives Analysis

Project Description:

The City of Las Vegas last updated its wastewater rate structure in 1980. The City does not provide water service. By illustrating both the highly fixed basis of the utility's expenditures and the administrative burden of moving to a volumetric rate, the team was able to illustrate that converting to a water-usage-based rate did not provide the desired cost and equity benefit that the City Council originally believed it might.

The City wished to maintain competitive connection fees with surrounding Las Vegas Valley agencies and other national growth markets. A series of connection fee methodologies were developed creating a range of legally defensible charges. Ultimately, by basing the proposed connection fees on original asset costs and accounting for outstanding debt service, the team was able to validate the current fee level, meeting the City's legal obligations, equitably recovering capacity costs from future users, and retaining a competitive connection fee.

Wastewater and Water Rate Study

City of Scottsdale, AZ

Reference: Mr. Jim Dorf, Rate Study Project Manager, 408-312-5674



Relevant Utility Fee Studied:

- Wastewater Rates
- Capital Alternatives Analysis
- Integration of Asset Management Program

Project Description:

The City of Scottsdale had not updated its wastewater and water rate structure in a decade. The project team performed a comprehensive cost-of-service study, creating a greater linkage to current water consumption and sewer discharge patterns.

As with most agencies, the City serves standalone and mixed-use commercial properties. Mixed-use properties are charged a domestic-strength wastewater rate, which at times creates disparate charges between those high-strength and large-volume customers located within the mixed-use property and those that are standalone properties. In order to achieve a greater level of equity, the City is evaluating a three-tiered strength classification for mixed-use properties.

The City is nearing build-out, requiring the Water Resources Department to shift its focus from expanding system capacity to asset preservation. To meet this need, Carollo developed a comprehensive asset management program. The rate study created continuity between the asset management program and the financial planning process.



Key Project Staff

LEADERSHIP YOU CAN RELY ON

Successful Project Management



Robert Grantham has over 14 years experience and has worked successfully and continuously with the City for the past few years. He is familiar with your staff, policies, and your various utility operations, capital improvements, and asset management needs. He has developed rates and integrated long-range financial plans for almost 100 different agencies comparable in size and complexity. He has extensive experience developing joint powers authorities, developed reorganization programs for regional water and wastewater agencies, and has assisted with water and wastewater agencies issues over \$1.5 billion in new debt.

Robert has had recent successes implementing Storm Drainage rates through Proposition 218 requirements; a new and distinctly different process than most industry peers have had the opportunity to implement.

Robert is active in industry associations including the American Water Works Association (AWWA) National Rates and Charges Committee and has served on an advisory committee for the WaterReuse Association. He was a contributing author for the upcoming release of AWWA's updated M1 rates manual and an author of the 2013 Water Environment Federation's User Fee Supported Stormwater Manual. He has also published in the Underground Infrastructure Management Magazine on recycled water rates and cost of service allocations and in the WEF Journal.

He specializes in financial and management analyses for wastewater, water, stormwater, and solid waste utilities. He has worked with nearly 100 municipalities throughout the United States. He is currently completing or has recently completed financial consulting services for the cities of San Jose and Sacramento, California; Las Vegas, Nevada; and Scottsdale, Arizona, as well as the Sacramento Regional County Sanitation District, California.

Robert will be the City's primary contact and will be responsible for meeting the budget and schedule requirements, maintaining day-to-day office engineering responsibilities, and directing and

controlling overall activities of the project. He will be responsible for the commitment of resources, as well as the technical accuracy of the work.

FINANCIAL AND UTILITY EXPERTS

Pierce Rossum - Financial Consultant



With five years of experience and two B.A. degrees in Economics and Psychology, he has served as the project manager for multiple cost of service studies, he brings a depth of knowledge and expertise in Proposition 218 compliance, rate structure design, and brings strong financial modeling background.

Pierce can provides multiple service and rate alternatives that may demonstrate the effect that one model or structure has on other subsequent utilities. His previous work has made him keenly aware that one rational decision cannot be made without affecting another. He will collaborate with Robert, the City, and each of the team members to rationalize rate models and/or structures that may provide the best medium between them all. His approach to developing structures assists the City with overall defensibility and promotes City ownership of final decisions that can be easily communicated to the public.

Erika Barraza - Financial Analyst



Erika brings four years experience and a B.A. degree in English; she provides multiple financial and utility project considerations to every project she is part of. As the Business Solutions Group's Grant Funding Lead, Erika provides additional depth to utility considerations appropriate to project phasing, overall planning, and alternative financial avenues available. She is an expert in state and federal grant programs and has had recent success securing millions of dollars for public utilities.

For this study, she will support the team with data processing, financial analysis, and capital funding options. She will collaborate with the team to provide awareness of additional funding and regulatory considerations that may effect to the final rate model.



Task Plan

Our team has served as the Water Utilities Department's on-call financial advisor for many years. In that capacity, we have performed rate updates, developed tailored and sophisticated water and wastewater financial models, and provided a range of other financial services. We hope to continue to help the City make 'smart business decisions' and to achieve its overall strategic objectives as defined by its Mission Statement as follows:

"The mission of the Water Utilities Department is to provide a safe and reliable water supply to the citizens of Oceanside, and to collect, treat and dispose of wastewater in an environmentally acceptable way at the least possible cost."



Carollo will be available on an on-call basis to continue to provide (as needed) support to the Water Utilities Department. This support will include, but is not limited to, the following:

1. Discussion of fiscal issues and potential opportunities;
2. Examine fiscal trends;
3. Produce a long-range financial plan and credit rating strategy;
4. Assist in the evaluating and optimizing in the use of water resource alternatives, inclusive of imported water, groundwater desalination, and recycled water;
5. Assist in developing capital prioritization plans;
6. Assist in negotiating inter-local agreements (Vista, Fallbrook, Rainbow, etc.); and
7. Provide capital funding strategies in order to provide inter-generational equity and reduce the City's long-term cost of capital.

Key Outcomes:

Carollo will continue to serve as an extension of staff, providing advice and assistance as issues arise. It is our objective to assist the City in making sound business decisions related to the operations of the water, wastewater, and clean water systems.



BILLING RATES

**CAROLLO ENGINEERS, INC.
FEE SCHEDULE**

**As of March 1, 2012
California**

	<u>Hourly Rate</u>
Engineers/Scientists	
Assistant Professional	\$144.00
Professional	176.00
Project Professional	209.00
Lead Project Professional	229.00
Senior Professional	249.00
Senior Process Specialist	335.00
Technicians	
Technicians	107.00
Senior Technicians	152.00
Support Staff	
Document Processing / Clerical	96.00
Project Equipment Communication Expense (PECE) Per DL Hour	9.90
Other Direct Expenses	
Travel and Subsistence	at cost
Mileage at IRS Reimbursement Rate Effective January 1, 2012:	\$.555 per mile
Subconsultant	cost + 10%
Other Direct Cost	cost + 10%
Expert Witness	Rate x 2.0

This fee schedule is subject to annual revisions due to labor adjustments.

CITY OF OCEANSIDE

PROFESSIONAL SERVICES AGREEMENT**PROJECT: AS-NEEDED PROJECT MANAGMENT SERVICES**

THIS AGREEMENT, dated _____, 2012 for identification purposes, is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and PARC CIVIL, INC., hereinafter designated as "CONSULTANT".

RECITALS

- A. CITY desires to obtain professional capital improvement project management services from an independent contractor for the above named project.
- B. CONSULTANT has submitted a proposal to provide project management services for the CITY in accordance with the terms set forth in this Agreement.
- C. CITY desires to contract with CONSULTANT as an independent contractor and CONSULTANT desires to provide services to CITY as an independent contractor.
- D. CONSULTANT has demonstrated its competence and professional qualifications necessary for the satisfactory performance of the services designated herein by virtue of its experience, training, education and expertise.

NOW, THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1.0 **SCOPE OF WORK.** The CONSULTANT desires to provide water utility project management services for various water and wastewater projects. The Scope of work is more particularly described in the CONSULTANT's proposal dated July 24, 2012, attached hereto and incorporated herein as Exhibit A.
- 1.1 **PROFESSIONAL SERVICES PROVIDED BY CONSULTANT.** The professional services to be performed by CONSULTANT shall consist of but not be limited to the following:
 - 1.1.1 Work closely with the Water Utilities Director in performing work in accordance with this Agreement in order to receive clarification as to the result which the CITY expects to be accomplished by CONSULTANT. The Water Utilities Director, under the authority of the City Manager, shall be the CITY'S authorized representative in the interpretation and enforcement of all work performed in

Water Utilities CIP Project Management Services

connection with this Agreement. The Water Utilities Director may delegate authority in connection with this Agreement to the Water Utilities Director's designees. For the purposes of directing the CONSULTANT'S performance in accordance with this Agreement, the Water Utilities Director delegates authority to Jason Dafforn, Acting Water Utilities Division Manager.

- 1.1.2 In compliance with Government Code section 7550, the CONSULTANT shall include a separate section in the proposal prepared pursuant to this Agreement, which contains a list of all the subcontractors and dollar amounts of all contracts and subcontracts required for the preparation of work described in this Agreement.
- 1.1.3 Visit and carefully examine the location of the project as often as necessary to become acquainted with all conditions which are visible or could reasonably be discovered, and which might have an impact upon the construction of the project.
- 1.1.4 Provide office and field assistance to the City during the bidding and construction periods upon request by the Water Utilities Director to include the services listed below:
 - a. Provide consultation and advice to the City during construction of the projects.
 - b. Review and make recommendations on all construction contract change orders and requests for clarification from the contractor.
 - c. Prepare engineering cost estimates.
 - d. Prepare needed reports and notices.
 - e. Provide periodic visits to the site to monitor construction.
 - f. Attend meetings with the Water Utilities Director or his designees.
 - g. Provide construction management and inspection services as may be required.
- 1.2 **SERVICES PROVIDED BY CITY.** The CITY shall perform the following services:
 - 1.2.1 Provide access to all public improvement plans and records and furnish one copy of drawings and reports requested.

Water Utilities CIP Project Management Services

- 1.2.2 Obtain all necessary permits from other regulatory agencies and other Departments. CONSULTANT shall participate in the completion of such forms but CITY will submit these and pay for any applicable fees.
- 1.2.3 Upon request, verify the location of existing CITY owned utilities.
- 1.2.4 Provide all legal advertising mailings and postings required.
- 1.2.5 Duplicate all final plans and specifications.
- 1.2.6 Provide all necessary surveying and testing required for design, including geotechnical engineering services if required during construction.
- 1.2.7 Provide overall project management.
- 1.2.8 Provide coordination of all inquiries from prospective bidders during the bidding period.

2.0 TIMING REQUIREMENTS

- 2.1 Time is of the essence in the performance of work under this Agreement and the following timing requirements shall be strictly adhered to unless otherwise modified in writing as set forth in Section 2.3. Failure by CONSULTANT to strictly adhere to these timing requirements may result in termination of this Agreement by the CITY and the assessment of damages against the CONSULTANT for delays.
- 2.2 CONSULTANT shall perform as-needed project management services for a period of 365 calendar days of the execution of this Agreement. No work shall be performed by CONSULTANT beyond the scope of work without the written approval of the Water Utilities Director.
- 2.3 CONSULTANT shall submit all requests for extensions of time for performance in writing to the City engineer no later than ten (10) calendar days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. The City Engineer shall review all such requests and may grant reasonable time extensions for unforeseeable delays which are beyond CONSULTANT'S control.
- 2.4 For all time periods not specifically set forth herein, the CONSULTANT shall respond in the most expedient and appropriate manner under the circumstances, by either telephone, fax hand delivery or mail.

Water Utilities CIP Project Management Services

- 3.0 **DESIGN CRITERIA AND STANDARDS.** All work shall be performed in accordance with applicable CITY, state and federal codes and criteria. In the performance of its professional services, CONSULTANT shall use the degree of care and skill ordinarily exercised by consultants under similar conditions.

Contract specifications shall conform to the CITY'S specification procedures and the format of the CITY'S standard form Contract Documents for Public Works Construction.

- 4.0 **INDEPENDENT CONTRACTOR.** CONSULTANT'S relationship to the CITY shall be that of an independent contractor. CONSULTANT shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the City Engineer. The CONSULTANT shall not be authorized to communicate directly with, nor in any way direct the actions of, any bidder or the construction contractor for this project without the prior written authorization by the City Engineer. CONSULTANT shall be sole responsible for the performance of any of its employees, agents or subcontractors under this agreement.

CONSULTANT shall report to the CITY any and all employees, agents and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.

- 5.0 **CITY BUSINESS LICENSE.** Prior to the commencement of any work under this agreement, the CONSULTANT shall obtain and present a copy of an Oceanside City Business License to the City Engineer.

- 6.0 **WORKERS' COMPENSATION.** Pursuant to Labor Code section 1861, the CONSULTANT hereby certifies that the CONSULTANT is aware of the provisions of Section 3700 of the 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 the CONSULTANT will comply with such provisions and provide certification of such compliance as a part of these Award Documents. The certification shall be in accordance with Subsections 7.3 through 7.8 of this Agreement.

- 7.0 **LIABILITY INSURANCE.**

- 7.1 CONSULTANT shall, throughout the duration of this Agreement, maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of CONSULTANT, its agents and employees, performed in connection with this Agreement including, but not limited to, premises and automobile.

Water Utilities CIP Project Management Services

- 7.2 CONSULTANT shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance
(bodily injury and property damage)

Combined Single Limit Per Occurrence	\$ 1,000,000
General Aggregate	\$ 2,000,000*

Commercial General Liability Insurance
(bodily injury and property damage)

General limit per occurrence	\$ 1,000,000
General limit project specific	\$ 2,000,000

<u>Automobile Liability Insurance</u>	\$ 1,000,000
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*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of CONSULTANT under this Agreement.

- 7.3 If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the CONSULTANT to restore the required limits. The CONSULTANT shall also notify the CITY'S Project Manager promptly of all losses or claims over \$25,000 resulting from work performed under this contract, or any loss or claim against the CONSULTANT resulting from any of the CONSULTANT'S work.
- 7.4 All insurance companies affording coverage to the CONSULTANT for the purposes of this Section shall add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed under this Agreement. Insurance coverage provided to the CITY as an additional insured shall be primary insurance and other insurance maintained by the CITY, its officers, agents and employees shall be excess only and not contributing with insurance provided pursuant to this Section.
- 7.5 All insurance companies affording coverage to the CONSULTANT pursuant to this Agreement shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact business of insurance in the state or be rated as A-X or higher by A.M. Best.
- 7.6 CONSULTANT shall provide thirty (30) days written notice to the CITY should any insurance policy required by this Agreement be cancelled before the

Water Utilities CIP Project Management Services

expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

- 7.7 CONSULTANT shall provide evidence of compliance with the insurance requirements listed above by providing, at minimum, a Certificate of Insurance and applicable endorsements, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.
- 7.8 CONSULTANT shall provide a substitute Certificate of Insurance no later than thirty (30) days prior to the policy expiration date. Failure by the CONSULTANT to provide such a substitution and extend the policy expiration date shall be considered a default by CONSULTANT and may subject the CONSULTANT to a suspension or termination of work under the Agreement.
- 7.9 Maintenance of insurance by the CONSULTANT as specified in this Agreement shall in no way be interpreted as relieving the CONSULTANT of any responsibility whatsoever and the CONSULTANT may carry, at its own expense, such additional insurance as it deems necessary.
- 8.0 **PROFESSIONAL ERRORS AND OMISSIONS INSURANCE.** Throughout the duration of this agreement and four (4) years thereafter, the CONSULTANT shall maintain professional errors and omissions insurance for work performed in connection with this Agreement in the minimum amount of One Million dollars (\$1,000,000).

CONSULTANT shall provide evidence of compliance with these insurance requirements by providing a Certificate of Insurance.

- 9.0 **CONSULTANT'S INDEMNIFICATION OF CITY.** To the greatest extent allowed by law, CONSULTANT shall indemnify and hold harmless the CITY and its officers, agents and employees against all claims for damages to persons or property arising out of CONSULTANT'S work, including the negligent acts, errors or omissions or wrongful acts or conduct of the CONSULTANT, or its employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of the CITY, its officers, agents, or employees. CONSULTANT'S indemnification shall include any and all costs, expenses, attorneys' fees, expert fees and liability assessed against or incurred by the CITY, its officers, agents, or employees in defending against such claims or lawsuits, whether the same proceed to judgment or not. Further, CONSULTANT at its own expense shall, upon written request by the CITY, defend any such suit or action brought against the CITY, its officers, agents, or employees founded upon, resulting

Water Utilities CIP Project Management Services

or arising from the conduct, tortious acts or omissions of the CONSULTANT. CONSULTANT'S indemnification of CITY shall not be limited by any prior or subsequent declaration by the CONSULTANT.

- 10.0 **ERRORS AND OMISSIONS.** In the event that the City Engineer determines that the CONSULTANT'S negligence, misconduct, errors or omissions in the performance of work under this Agreement has resulted in expense to CITY greater than would have resulted if there were no such negligence, errors or omissions in the plans or contract specifications, CONSULTANT shall reimburse CITY for the additional expenses incurred by the CITY, including engineering, construction and/or restoration expense. Nothing herein is intended to limit CITY'S rights under Sections 7, 8 or 9.
- 11.0 **NO CONFLICT OF INTEREST.** The CONSULTANT shall not be financially interested in any other CITY contract for this project. For the limited purposes of interpreting this section, the CONSULTANT shall be deemed a "City officer or employee", and this Section shall be interpreted in accordance with Government Code section 1090. In the event that the CONSULTANT becomes financially interested in any other CITY contract for this project, that other contract shall be void. The CONSULTANT shall indemnify and hold harmless the CITY, under Section 9 above, for any claims for damages resulting from the CONSULTANT'S violation of this Section.
- 12.0 **OWNERSHIP OF DOCUMENTS.** All plans and specifications, including details, computations and other documents, prepared or provided by the CONSULTANT under this Agreement shall be the property of the CITY. The CITY agrees to hold the CONSULTANT free and harmless from any claim arising from any use, other than the purpose intended, of the plans and specifications and all preliminary sketches, schematics, preliminary plans, architectural perspective renderings, working drawings, including details, computation and other documents, prepared or provided by the CONSULTANT. CONSULTANT may retain a copy of all material produced under this Agreement for the purpose of documenting their participation in this project.
- 13.0 **COMPENSATION.**
- 13.1 For work performed by CONSULTANT in accordance with this Agreement, CITY shall pay CONSULTANT in accordance with the schedule of billing rates set forth in Exhibit "A", attached hereto and incorporated herein by reference. No rate changes shall be made during the term of this Agreement without prior written approval of the Water Utilities Director. CONSULTANT'S compensation for all work performed in accordance with this Agreement shall not exceed the total contract price of \$100,000.

Water Utilities CIP Project Management Services

No work shall be performed by CONSULTANT in excess of the total contract price without prior written approval of the City Engineer. CONSULTANT shall obtain approval by the City Engineer prior to performing any work which results in incidental expenses to CITY as set forth in Section 13.2.2.

- 13.2 CONSULTANT shall maintain accounting records including the following information:
- 13.2.1 Names and titles of employees or agents, types of work performed and times and dates of all work performed in connection with this Agreement which is billed on an hourly basis.
- 13.2.2 All incidental expenses including reproductions, computer printing, postage, mileage and subsistence.
- 13.3 CONSULTANT'S accounting records shall be made available to the City Engineer for verification of billings, within a reasonable time of the City Engineer's request for inspection.
- 13.4 CONSULTANT shall submit monthly invoices to CITY. CITY shall make partial payments to CONSULTANT not to exceed the total contract price within thirty (30) days of receipt of invoice, subject to the approval of the Water Utilities Director, and based upon the following partial payment schedule:
- 14.0 **TERMINATION OF AGREEMENT.** Either party may terminate this Agreement by providing thirty (30) days written notice to the other party.

If any portion of the work is terminated or abandoned by the CITY, then the CITY shall pay CONSULTANT for any work completed up to and including the date of termination or abandonment of this Agreement, in accordance with Section 13. The CITY shall be required to compensate CONSULTANT only for work performed in accordance with the Agreement up to and including the date of termination.

- 15.0 **ASSIGNMENT AND DELEGATION.** This Agreement and any portion thereof shall not be assigned or transferred, nor shall any of the CONSULTANT'S duties be delegated, without the express written consent of the CITY. Any attempt to assign or delegate this Agreement without the express written consent of the CITY shall be void and of no force or effect. Consent by the CITY to one assignment shall not be deemed to be a consent to any subsequent assignment.

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

Water Utilities CIP Project Management Services

16.0 **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between CITY and CONSULTANT concerning the work to be performed for this project and supersedes all prior negotiations, representations or agreements.

17.0 **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY.

The CONSULTANT shall be responsible for complying with all local, state and federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

18.0 **AGREEMENT MODIFICATION.** This Agreement may not be modified orally or in any manner other than by an Agreement in writing, signed by the parties hereto.

19.0 **DISPUTE RESOLUTION.**

- a. Any controversy or claim arising out of or relating to this Agreement, or concerning the breach or interpretation thereof, shall be first submitted to mediation, the cost of which shall be borne equally by the parties.
- b. No suit shall be brought on this contract unless all statutory claims filing requirements have been met.

20.0 **NOTICES.** All notices, demands, requests, consents or other communications which this Agreement contemplates or authorizes, or requires or permits either party to give to the other, shall be in writing and shall be personally delivered or mailed to the respective party as follows:

TO CITY:

City of Oceanside
Water Utilities Director
300 North Coast Highway
Oceanside, CA 92054

TO CONSULTANT:

Amy Czajkowski, P.E., CCM
Parc Civil, Inc.
301 Mission Ave., Suite 202
Oceanside, CA 92054

Either party may change its address by notice to the other party as provided herein.

Water Utilities CIP Project Management Services

Communications shall be deemed to have been given and received on the first to occur:

- a. Actual receipt at the offices of the party to whom the communication is to be sent, as designated above, or
- b. Three (3) working days following the deposit in the United States mail of registered or certified mail, postage prepaid, return receipt requested, addressed to the offices of the party to whom the communication is to be sent, as designated above.

21.0 **SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY.

IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Professional Services Agreement to be executed by setting hereunto their signatures on the dates indicated below:

PROJECT: AS-NEEDED PROJECT MANAGMENT SERVICES

PARC CIVIL, INC.

CITY OF OCEANSIDE

By: [Signature] / President
Name/Title

By: _____
City Manager

Date: 8/09/12

Date: _____

By: [Signature] / Assistant Secretary
Name/Title

APPROVED AS TO FORM:

Date: 8/9/2012

[Signature]
City Attorney

90-0598847
Employer ID No.

NOTARY ACKNOWLEDGMENTS OF CONSULTANT MUST BE ATTACHED.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of SAN DIEGO }

On AUG. 9, 2012 before me, NANCY M. CARLISLE, NOTARY PUBLIC,
Date Here Insert Name and Title of the Officer

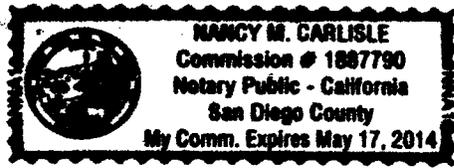
personally appeared AMY R. CZAJKOWSKI
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Nancy M. Carlisle
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

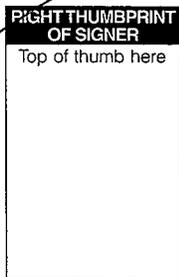
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

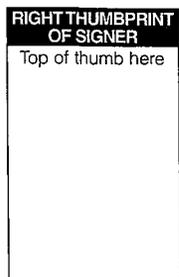
Signer Is Representing: _____



Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of SAN DIEGO }

On AUG. 9, 2012 before me, NANCY M. CARLISLE, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared VICKI E. SHAW
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Nancy M. Carlisle
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

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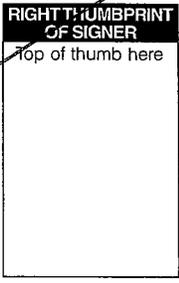
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

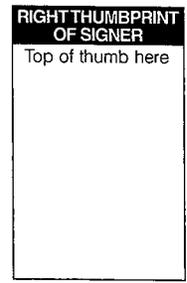
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

July 24, 2012

Mr. Jason Dafforn, Administration Manager
Water Utilities Department
City of Oceanside
300 North Coast Highway
Oceanside, CA 92054

Reference: **Proposal for As-Needed Project Management Services Fiscal Year
2012-2013**

Dear Mr. Dafforn:

PARC Civil (PARC) has the ideal candidate to provide Project Management Services for the City of Oceanside. Ms. Amy Czajkowski, P.E., CCM has spent over five years in the in-house Project Manager role for the City of Oceanside's Water Utilities Department. She has established working relationships with the engineering, operations, and administrative staff at the City's Water Utilities Department. Each of the roles/services required for a Project Manager within the Water Utilities Department Ms. Czajkowski has fulfilled over the past 5 years. She has performed the following tasks which demonstrate her ability to handle and successfully perform the Project Manager role:

- Designed the Loretta Street Waterlines Replacement Project
- Performed construction management services for the 14" Brine Line & Rancho Del Oro Road Extension Project (Water and Sewer Portions)
- Finalized and obtained adoption by the City Council of the Water, Sewer, and Reclaimed Water Design & Construction Manual
- Prepared numerous Request for Proposals and managed various design projects (including in-house design and projects designed by outside consultants)
- Assisted the City's Project Engineer in Water Utilities with review of various Water and Sewer Impact Studies and trained the engineers in the process



PARC's approach to the project is to provide a Project Manager, Ms. Amy Czajkowski on an as-needed basis. ***The big advantage to Ms. Czajkowski in this role is that she will come in when needed and will be efficient with her time. If there are no project activities and the City does not have work for her she will standby until these parameters change. Therefore, PARC will not waste the City's time or money on this contract and come in only when needed.***

Mr. Jason Dafforn
July 24, 2012
Page 2 of 5

Ms. Amy Czajkowski, P.E., has over 19 years experience in the planning, design, and construction management of municipal water and wastewater projects. Her commitment and enthusiasm to her work is unmatched. She not only has established working relationships with the Water Utilities Department Staff but with all of the other staff in the other City departments which are required to successfully complete design and construction projects.

Included in our proposal is a summary of Ms. Czajkowski's professional experience, her understanding and approach to the project, corporate information, and project budget. Ms. Czajkowski has a seven-year history of working with the City Staff and is excited about the possibility of continuing her service as a dedicated Project Manager with the City of Oceanside. Ms Czajkowski has recently worked with the Water Utilities Department other Project Manager, Mr. Bodman and therefore, workload and any other coordination can occur seamlessly.

Project Team

Ms. Amy Czajkowski, P.E., is a skilled Project Manager with strong technical and management capabilities. Besides the Water Utilities Department, Ms. Czajkowski has worked in the same role for Vallecitos Water District and Otay Water District. In both of these assignments she worked in the District's offices as an extension of staff. Her responsibilities included preparing consultant Requests for Proposals for capital improvement projects, performing preliminary engineering designs, preparing reports and studies, and managing consultant design contracts. Duties included managing projects from project inception, award to consultant, processing consultant/contractor contracts, processing pay requests, preparing and making presentations to District Boards, and coordinating projects with District staff. Ms. Czajkowski is a highly competent and well respected Project Manager. Included at the end of this proposal is Ms. Czajkowski's full professional resume. However, the following highlights Ms. Czajkowski's relevant experience, along with professional references.

City of Oceanside

- ***As-Needed Project Manager for the Water Utilities Department:*** Ms. Czajkowski has served as an in-house Project Manager for the City of Oceanside's Water Utilities Department for over five years. She has served as a Project Manager for construction management services, in-house design, managing design performed by other consultants, writing numerous RFPs, assisting in finalizing planning documents, etc. In addition, she has developed a great working relationship with the management, operations, and administrative staff. She has continuously worked to meet City deadlines and has helped in miscellaneous projects such as landscaping and other projects involving all of the other departments within the City. Ms. Czajkowski has also successfully represented the City in negotiations and arbitration proceedings for construction projects she managed.
- ***Project Engineer for the City of Oceanside's Water and Wastewater Master Plans:*** The experience Ms. Czajkowski gained working on the City's Master Plans provides her an in-depth understanding of the City's water and sewer system and Capital Improvement Program. As follow-up work to the master plans she also has completed numerous hydraulic modeling studies to determine impacts of proposed developments. She also assisted the City with computer hydraulic modeling instruction to Mr. Ken Knatz.

Mr. Jason Dafforn
July 24, 2012
Page 3 of 5

Otay Water District

- **As-Needed Project Manager:** Ms. Czajkowski worked as a full-time in-house Project Manager for the Otay Water District. Her responsibilities included managing CIP projects from inception through design and construction. Her responsibilities included issuing RFPs, managing consultant contracts, design reviews, and construction contract administration. Ms. Czajkowski also completed in-house design work, and prepared numerous engineering reports and studies.

Reference(s): Jim Peasley, P.E. / Pedro Porras, P.E.
(619) 670-2242 / (619) 670-2224

Vallecitos Water District

- **As-Needed Engineering:** Ms. Czajkowski served as an in-house as-needed engineer for Vallecitos Water District. Her responsibilities included project design reviews, plan checking, and in-house design services.
- **Capital Improvement Projects Design/Construction Administration Consultant:** Ms. Czajkowski has provided project engineering and management on numerous capital projects for Vallecitos Water District. Projects range from specialty coating projects, reservoir rehabilitations, pipeline replacements to major reservoirs and pump stations.

Reference(s): Dennis Lamb / Ken Gerdes, P.E.
(760) 744-0460 / Same

Other Local Agencies

- **Successful Project Manager:** Ms. Czajkowski is a successful Project Manager and has a proven track record for completing projects on schedule, within budget, and with limited change orders during construction. For example Ms. Czajkowski was the Project Manager/Engineer for the \$9 million **Miramar Road Pipeline** for the City of San Diego. Construction change orders for the project were limited to less than 1% of the total construction value. This project also involved overseeing the City's Environmental Assessment Services which secured the discretionary permits per CEQA for the project. Ms. Czajkowski has been the Project Manager for projects requiring discretionary permits from agencies such as the Coastal Commission, Fish and Game, Fish and Wildlife, and the Army Corp of Engineers. In addition, she has administered projects in which full Environmental Impact Reports (EIR) were required, along with extensive mitigation measures. Ms. Czajkowski understands project management from both the engineering aspects and the legal and administrative aspects, both of which are required for a successful Project Manager. This experience will ensure that the projects Ms. Czajkowski manages for the City of Oceanside will be done expeditiously and effectively.

Management Skills

Ms. Czajkowski's management skills are well documented by her success as a Project Manager. Early in her career she took classes in Project Management so that her management skills would match her technical abilities. In taking these classes, she has learned the emphasis on listening, planning, organizing, and budgeting, in addition to overseeing personnel working on the projects.

Mr. Jason Dafforn
July 24, 2012
Page 4 of 5

Being a successful Project Manager means to take responsibility of the entire project and learning to work with varying personalities and skill sets. Managing projects also means managing people and learning the best way to work with people in order to maximize their potential. Project Management can be divided into four categories: Project Planning, Project Start-up, Project Implementation, and Project Closeout. Each phase is critical to a successful project. Each of these phases has administrative items specific to the Water Utilities Department. Since Ms. Czajkowski has been at the City and learned each of these procedures, there is no learning curve.

Technical Skills

Ms. Czajkowski is fully capable of handling all of the tasks required of a Project Manager and has demonstrated this ability during the previous As-Needed Project Manager contracts. Some of the key tasks that Ms. Czajkowski will be able to provide include:

- Manage projects ranging in construction cost from \$10,000 to \$20,000,000
- Oversee discretionary reviews for agencies required under CEQA guidelines
- Prepare RFPs and manage multiple consultants
- Coordinate with City staff to ensure timely processing of project approvals
- Operate Requirements for City Facilities
- Prepare quantity takeoffs and the development of cost estimates
- Perform Constructability Investigations of proposed designs
- Perform Field Investigations of New Facilities
- Perform AutoCAD
- Prepare graphics for City Council and/or community relations meetings
- Perform and/or check engineering calculations and reports including grading calculations, steel pipe calculations, hydraulic calculations, flow generation, water demand calculations
- Respond to Contractor's Request for Information and/or clarification, process pay requests, review submittals, respond to change order requests
- Manage weekly construction meetings
- Ms. Czajkowski has the new Qualified SWPPP Developer (QSD) and Qualified SWPPP Practitioner (QSP)

Base Rate and Project Budget

Ms. Czajkowski's billing rate for the duration of any work during fiscal year 2012-2013 at \$150/hour. This is the same billing rate that has been used for the previous 2009 As-Needed PM contracts with the City.

Statements:

PARC Civil states that the Project Manager assigned to the project will not be substituted.

PARC Civil has reviewed the City's Professional Service Agreement and takes no exceptions.

Mr. Jason Dafforn
July 24, 2012
Page 5 of 5

Our Project Manager is available and ready to work for the City of Oceanside. Ms. Czajkowski is the ideal candidate for the City. She has demonstrated through the previous contracts the leadership, management/technical skills, experience, and desire to excel in this position. While on this assignment she will continue to serve the City with commitment and professionalism. We sincerely appreciate the opportunity to submit this proposal and continue our established working relationship with the City.

Sincerely,



Amy Czajkowski, PE, CCM, QSD/QSP

CITY OF OCEANSIDE

PROFESSIONAL SERVICES AGREEMENT**PROJECT: AS-NEEDED PROFESSIONAL ENGINEERING CONSULTING SERVICES**

THIS AGREEMENT, dated _____, 2012 for identification purposes, is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and TRUSSELL TECHNOLOGIES, INC., hereinafter designated as "CONSULTANT".

RECITALS

- A. CITY desires to obtain professional engineering services from an independent contractor for the above named project.
- B. CONSULTANT has submitted a proposal to provide engineering services for the CITY in accordance with the terms set forth in this Agreement.
- C. CITY desires to contract with CONSULTANT as an independent contractor and CONSULTANT desires to provide services to CITY as an independent contractor.
- D. CONSULTANT has demonstrated its competence and professional qualifications necessary for the satisfactory performance of the services designated herein by virtue of its experience, training, education and expertise.

NOW, THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1.0 **SCOPE OF WORK.** The CONSULTANT desires to perform as-needed professional engineering consulting services. The Scope of work is more particularly described in the CONSULTANT's proposal dated August 3, 2012, attached hereto and incorporated herein as Exhibit A.
- 1.1 **PROFESSIONAL SERVICES PROVIDED BY CONSULTANT.** The professional services to be performed by CONSULTANT shall consist of but not be limited to the following:
 - 1.1.1 Work closely with the City Engineer in performing work in accordance with this Agreement in order to receive clarification as to the result which the CITY expects to be accomplished by CONSULTANT. The City Engineer, under the authority of the City Manager, shall be the CITY'S authorized representative in the interpretation and enforcement of all work performed in connection with this Agreement. The City Engineer may delegate authority in connection with this

AS-NEEDED WATER AND WASTEWATER ENGINEERING SERVICES

Agreement to the City Engineer's designees. For the purposes of directing the CONSULTANT'S performance in accordance with this Agreement, the City Engineer delegates authority to Jason Dafforn.

- 1.1.2 In compliance with Government Code section 7550, the CONSULTANT shall include a separate section in the proposal prepared pursuant to this Agreement, which contains a list of all the subcontractors and dollar amounts of all contracts and subcontracts required for the preparation of work described in this Agreement.
- 1.1.3 Visit and carefully examine the location of the project as often as necessary to become acquainted with all conditions which are visible or could reasonably be discovered, and which might have an impact upon the construction of the project.
- 1.1.4 Design, prepare and submit to the City Engineer, plans and specifications for the construction of the project as described in the Scope of Work, and in the time and manner set forth in this Agreement.
- 1.1.5 Prepare and submit to the City Engineer, concurrently with the design plans, the following:
 - a. A written estimate of probable construction costs.
 - b. A written list of submittals, which the construction contractor will be required to provide during the construction phase of the project.
- 1.1.6 Upon completion of construction, prepare, approve and sign a set of As-Built record drawings.
- 1.1.7 Provide office and field assistance to the City during the bidding and construction periods upon request by City Engineer to include the services listed below:
 - a. Provide consultation and advice to the City during construction of the project.
 - b. Review and comment on detailed construction drawings, shop and erection drawings submitted by the contractor, subcontractors and suppliers for compliance with the construction contract documents.
 - c. Review and comment on laboratory, shop and mill test reports on materials and equipment.
 - d. Review and make recommendations on all construction contract change orders and requests for clarification from the contractor.

AS-NEEDED WATER AND WASTEWATER ENGINEERING SERVICES

- e. Prepare engineering cost estimates.
- f. Prepare design changes and clarifications to the plans and specifications.
- g. Prepare needed reports and notices.
- h. Provide periodic visits to the site to monitor construction.
- i. Attend meetings with the City Engineer or his designees.

1.2 **SERVICES PROVIDED BY CITY.** The CITY shall perform the following services:

- 1.2.1 Provide access to all public improvement plans and records and furnish one copy of drawings and reports requested.
- 1.2.2 Obtain all necessary permits from other regulatory agencies and other Departments. CONSULTANT shall participate in the completion of such forms but CITY will submit these and pay for any applicable fees.
- 1.2.3 Provide sample of title block for the plans and standard form Public Works Construction Contract Documents to be used with the General Provisions (Specifications).
- 1.2.4 Upon request, verify the location of existing CITY owned utilities.
- 1.2.5 Provide all legal advertising mailings and postings required.
- 1.2.6 Duplicate all final plans and specifications.
- 1.2.7 Provide all necessary surveying and testing required for design, including geotechnical engineering services if required during construction.
- 1.2.8 Provide overall project management.
- 1.2.9 Provide coordination of all inquiries from prospective bidders during the bidding period.

2.0 **TIMING REQUIREMENTS**

- 2.1 Time is of the essence in the performance of work under this Agreement and the following timing requirements shall be strictly adhered to unless otherwise modified in writing as set forth in Section 2.3. Failure by CONSULTANT to

AS-NEEDED WATER AND WASTEWATER ENGINEERING SERVICES

strictly adhere to these timing requirements may result in termination of this Agreement by the CITY and the assessment of damages against the CONSULTANT for delays.

- 2.2 CONSULTANT shall perform as-needed engineering services for a period of 365 calendar days of the execution of this Agreement. No work shall be performed by CONSULTANT beyond the scope of work without the written approval of the Water Utilities Director.
- 2.3 CONSULTANT shall submit all requests for extensions of time for performance in writing to the City engineer no later than ten (10) calendar days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. The City Engineer shall review all such requests and may grant reasonable time extensions for unforeseeable delays which are beyond CONSULTANT'S control.
- 2.4 For all time periods not specifically set forth herein, the CONSULTANT shall respond in the most expedient and appropriate manner under the circumstances, by either telephone, fax hand delivery or mail.
- 3.0 **DESIGN CRITERIA AND STANDARDS.** All work shall be performed in accordance with applicable CITY, state and federal codes and criteria. In the performance of its professional services, CONSULTANT shall use the degree of care and skill ordinarily exercised by consultants under similar conditions.

All plans shall be ink drawn on standard mylar sheets available from the CITY at no cost to CONSULTANT. Contract specifications shall conform to the CITY'S specification procedures and the format of the CITY'S standard form Contract Documents for Public Works Construction.

- 4.0 **INDEPENDENT CONTRACTOR.** CONSULTANT'S relationship to the CITY shall be that of an independent contractor. CONSULTANT shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the City Engineer. The CONSULTANT shall not be authorized to communicate directly with, nor in any way direct the actions of, any bidder or the construction contractor for this project without the prior written authorization by the City Engineer. CONSULTANT shall be sole responsible for the performance of any of its employees, agents or subcontractors under this agreement.

CONSULTANT shall report to the CITY any and all employees, agents and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.

AS-NEEDED WATER AND WASTEWATER ENGINEERING SERVICES

- 5.0 **CITY BUSINESS LICENSE.** Prior to the commencement of any work under this agreement, the CONSULTANT shall obtain and present a copy of an Oceanside City Business License to the City Engineer.
- 6.0 **WORKERS' COMPENSATION.** Pursuant to Labor Code section 1861, the CONSULTANT hereby certifies that the CONSULTANT is aware of the provisions of Section 3700 of the 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 the CONSULTANT will comply with such provisions and provide certification of such compliance as a part of these Award Documents. The certification shall be in accordance with Subsections 7.3 through 7.8 of this Agreement.

7.0 **LIABILITY INSURANCE.**

7.1 CONSULTANT shall, throughout the duration of this Agreement, maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of CONSULTANT, its agents and employees, performed in connection with this Agreement including, but not limited to, premises and automobile.

7.2 CONSULTANT shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance
(bodily injury and property damage)

Combined Single Limit Per Occurrence	\$ 1,000,000
General Aggregate	\$ 2,000,000*

Commercial General Liability Insurance
(bodily injury and property damage)

General limit per occurrence	\$ 1,000,000
General limit project specific	\$ 2,000,000

<u>Automobile Liability Insurance</u>	\$ 1,000,000
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*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of CONSULTANT under this Agreement.

7.3 If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY

AS-NEEDED WATER AND WASTEWATER ENGINEERING SERVICES

may require additional coverage to be purchases by the CONSULTANT to restore the required limits. The CONSULTANT shall also notify the CITY'S Project Manager promptly of all losses or claims over \$25,000 resulting from work performed under this contract, or any loss or claim against the CONSULTANT resulting from any of the CONSULTANT'S work.

- 7.4 All insurance companies affording coverage to the CONSULTANT for the purposes of this Section shall add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed under this Agreement. Insurance coverage provided to the CITY as an additional insured shall be primary insurance and other insurance maintained by the CITY, its officers, agents and employees shall be excess only and not contributing with insurance provided pursuant to this Section.
- 7.5 All insurance companies affording coverage to the CONSULTANT pursuant to this Agreement shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact business of insurance in the state or be rated as A-X or higher by A.M. Best.
- 7.6 CONSULTANT shall provide thirty (30) days written notice to the CITY should any insurance policy required by this Agreement be cancelled before the expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.
- 7.7 CONSULTANT shall provide evidence of compliance with the insurance requirements listed above by providing, at minimum, a Certificate of Insurance and applicable endorsements, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.
- 7.8 CONSULTANT shall provide a substitute Certificate of Insurance no later than thirty (30) days prior to the policy expiration date. Failure by the CONSULTANT to provide such a substitution and extend the policy expiration date shall be considered a default by CONSULTANT and may subject the CONSULTANT to a suspension or termination of work under the Agreement.
- 7.9 Maintenance of insurance by the CONSULTANT as specified in this Agreement shall in no way be interpreted as relieving the CONSULTANT of any responsibility whatsoever and the CONSULTANT may carry, at its own expense, such additional insurance as it deems necessary.
- 8.0 **PROFESSIONAL ERRORS AND OMISSIONS INSURANCE.** Throughout the duration of this agreement and four (4) years thereafter, the CONSULTANT

AS-NEEDED WATER AND WASTEWATER ENGINEERING SERVICES

shall maintain professional errors and omissions insurance for work performed in connection with this Agreement in the minimum amount of One Million dollars (\$1,000,000).

CONSULTANT shall provide evidence of compliance with these insurance requirements by providing a Certificate of Insurance.

- 9.0 **CONSULTANT'S INDEMNIFICATION OF CITY.** To the greatest extent allowed by law, CONSULTANT shall indemnify and hold harmless the CITY and its officers, agents and employees against all claims for damages to persons or property arising out of CONSULTANT'S work, including the negligent acts, errors or omissions or wrongful acts or conduct of the CONSULTANT, or its employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of the CITY, its officers, agents, or employees. CONSULTANT'S indemnification shall include any and all costs, expenses, attorneys' fees, expert fees and liability assessed against or incurred by the CITY, its officers, agents, or employees in defending against such claims or lawsuits, whether the same proceed to judgment or not. Further, CONSULTANT at its own expense shall, upon written request by the CITY, defend any such suit or action brought against the CITY, its officers, agents, or employees founded upon, resulting or arising from the conduct, tortious acts or omissions of the CONSULTANT. CONSULTANT'S indemnification of CITY shall not be limited by any prior or subsequent declaration by the CONSULTANT.
- 10.0 **ERRORS AND OMISSIONS.** In the event that the City Engineer determines that the CONSULTANT'S negligence, misconduct, errors or omissions in the performance of work under this Agreement has resulted in expense to CITY greater than would have resulted if there were no such negligence, errors or omissions in the plans or contract specifications, CONSULTANT shall reimburse CITY for the additional expenses incurred by the CITY, including engineering, construction and/or restoration expense. Nothing herein is intended to limit CITY'S rights under Sections 7, 8 or 9.
- 11.0 **NO CONFLICT OF INTEREST.** The CONSULTANT shall not be financially interested in any other CITY contract for this project. For the limited purposes of interpreting this section, the CONSULTANT shall be deemed a "City officer or employee", and this Section shall be interpreted in accordance with Government Code section 1090. In the event that the CONSULTANT becomes financially interested in any other CITY contract for this project, that other contract shall be void. The CONSULTANT shall indemnify and hold harmless the CITY, under Section 9 above, for any claims for damages resulting from the CONSULTANT'S violation of this Section.

AS-NEEDED WATER AND WASTEWATER ENGINEERING SERVICES

12.0 **OWNERSHIP OF DOCUMENTS.** All plans and specifications, including details, computations and other documents, prepared or provided by the CONSULTANT under this Agreement shall be the property of the CITY. The CITY agrees to hold the CONSULTANT free and harmless from any claim arising from any use, other than the purpose intended, of the plans and specifications and all preliminary sketches, schematics, preliminary plans, architectural perspective renderings, working drawings, including details, computation and other documents, prepared or provided by the CONSULTANT. CONSULTANT may retain a copy of all material produced under this Agreement for the purpose of documenting their participation in this project.

13.0 **COMPENSATION.**

13.1 For work performed by CONSULTANT in accordance with this Agreement, CITY shall pay CONSULTANT in accordance with the schedule of billing rates set forth in Exhibit "A", attached hereto and incorporated herein by reference. No rate changes shall be made during the term of this Agreement without prior written approval of the Water Utilities Director. CONSULTANT'S compensation for all work performed in accordance with this Agreement shall not exceed the total contract price of \$100,000.

No work shall be performed by CONSULTANT in excess of the total contract price without prior written approval of the City Engineer. CONSULTANT shall obtain approval by the City Engineer prior to performing any work which results in incidental expenses to CITY as set forth in Section 13.2.2.

13.2 CONSULTANT shall maintain accounting records including the following information:

13.2.1 Names and titles of employees or agents, types of work performed and times and dates of all work performed in connection with this Agreement which is billed on an hourly basis.

13.2.2 All incidental expenses including reproductions, computer printing, postage, mileage and subsistence.

13.3 CONSULTANT'S accounting records shall be made available to the City Engineer for verification of billings, within a reasonable time of the City Engineer's request for inspection.

13.4 CONSULTANT shall submit monthly invoices to CITY. CITY shall make partial payments to CONSULTANT not to exceed the total contract price within thirty (30) days of receipt of invoice, subject to the approval of the City engineer, and based upon the following partial payment schedule:

AS-NEEDED WATER AND WASTEWATER ENGINEERING SERVICES

- 14.0 **TERMINATION OF AGREEMENT.** Either party may terminate this Agreement by providing thirty (30) days written notice to the other party.

If any portion of the work is terminated or abandoned by the CITY, then the CITY shall pay CONSULTANT for any work completed up to and including the date of termination or abandonment of this Agreement, in accordance with Section 13. The CITY shall be required to compensate CONSULTANT only for work performed in accordance with the Agreement up to and including the date of termination.

- 15.0 **ASSIGNMENT AND DELEGATION.** This Agreement and any portion thereof shall not be assigned or transferred, nor shall any of the CONSULTANT'S duties be delegated, without the express written consent of the CITY. Any attempt to assign or delegate this Agreement without the express written consent of the CITY shall be void and of no force or effect. Consent by the CITY to one assignment shall not be deemed to be a consent to any subsequent assignment.

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

- 16.0 **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between CITY and CONSULTANT concerning the work to be performed for this project and supersedes all prior negotiations, representations or agreements.

- 17.0 **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY.

The CONSULTANT shall be responsible for complying with all local, state and federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

- 18.0 **AGREEMENT MODIFICATION.** This Agreement may not be modified orally or in any manner other than by an Agreement in writing, signed by the parties hereto.

AS-NEEDED WATER AND WASTEWATER ENGINEERING SERVICES

19.0 **DISPUTE RESOLUTION.**

- a. Any controversy or claim arising out of or relating to this Agreement, or concerning the breach or interpretation thereof, shall be first submitted to mediation, the cost of which shall be borne equally by the parties.
- b. No suit shall be brought on this contract unless all statutory claims filing requirements have been met.

20.0 **NOTICES.** All notices, demands, requests, consents or other communications which this Agreement contemplates or authorizes, or requires or permits either party to give to the other, shall be in writing and shall be personally delivered or mailed to the respective party as follows:

TO CITY:

City of Oceanside
Water Utilities Director
300 North Coast Highway
Oceanside, CA 92054

TO CONSULTANT:

R. Shane Trussell, Ph.D., P.E., BCEE
Trussell Technologies, Inc.
380 Stevens Ave., Suite 308
Solana Beach, CA 92075

Either party may change its address by notice to the other party as provided herein.

Communications shall be deemed to have been given and received on the first to occur:

- a. Actual receipt at the offices of the party to whom the communication is to be sent, as designated above, or
- b. Three (3) working days following the deposit in the United States mail of registered or certified mail, postage prepaid, return receipt requested, addressed to the offices of the party to whom the communication is to be sent, as designated above.

AS-NEEDED WATER AND WASTEWATER ENGINEERING SERVICES

21.0 **SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY.

IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Professional Services Agreement to be executed by setting hereunto their signatures on the dates indicated below:

PROJECT: AS-NEEDED PROFESSIONAL ENGINEERING CONSULTING SERVICES

TRUSSELL TECHNOLOGIES, INC.

CITY OF OCEANSIDE

By: B. Truell / President
Name/Title

By: _____
Peter Weiss, City Manager

Date: 8/10/12

Date: _____

By: _____
Name/Title

APPROVED AS TO FORM:

Date: _____

Brian D. Hamilton, ASST.
City Attorney

Employer ID No.

NOTARY ACKNOWLEDGMENTS OF CONSULTANT MUST BE ATTACHED.

ACKNOWLEDGMENT

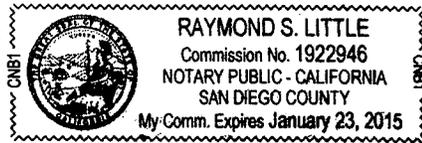
State of California
County of San Diego)

On August 10, 2012 before me, Raymond S. Little -- Notary Public
(insert name and title of the officer)

personally appeared Robert Trussell,
who proved to me on the basis of satisfactory evidence to be the person() whose name() is/are
subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in
his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature() on the instrument the
person(), or the entity upon behalf of which the person() acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.



Signature Raymond S. Little (Seal)



August 3, 2012

Mr. Jason Dafforn
Administration Manager
Water Utilities
300 North Coast Highway
City of Oceanside CA 92054

Subject: As-Needed Professional Engineering Consulting Services

Dear Jason,

We are pleased to submit this proposal to the City of Oceanside (City) for as-needed engineering consulting services for the 2012/2013 fiscal year. Trussell Technologies envisions assisting the City with:

- Implementing recommendations from the facility process evaluations
- Assisting with field measurements and coordinating laboratory samples
- Data analysis
- Further evaluating treatment processes and efficiency
- Optimizing and reducing operating costs
- Easing operations and increasing treatment reliability
- Troubleshooting treatment issues and concerns
- Planning and assisting with the implementation of future CIP projects

The primary goal of these efforts will be to improve treatment, performance, and reliability while reducing cost. Trussell Technologies will work diligently with the City to meet these goals on an as-needed basis not to exceed \$100,000 for the 2012/2013 fiscal year.

We are looking forward to working with the City on this project. I am available to discuss this proposal in further detail as needed.

Respectfully,
Trussell Technologies, Inc.

A handwritten signature in black ink, appearing to read "R. Trussell".

R. Shane Trussell, Ph.D., P.E., BCEE
President



TRUSSELL TECHNOLOGIES, INC.
HOURLY BILLING RATES
 Effective: September 1, 2012

Position	Billing Rate		Personnel
	Normal Hourly Rate ¹	Expert Daily Rate ²	
Senior Company Officer	\$ 291	\$ 3,490	R. Rhodes Trussell, Ph.D., P.E.
Principal Engineer III	\$ 232	\$ 2,787	
Principal Engineer II	\$ 215	\$ 2,581	R. Shane Trussell, Ph.D., P.E.
Principal Engineer I	\$ 199	\$ 2,390	David R. Hokanson, Ph.D., P.E., Céline Trussell, P.E.
Supervising Engineer III	\$ 184	\$ 2,213	Fred Geringer, D.Env., P.E.
Supervising Engineer II	\$ 171	\$ 2,049	Gordon Williams, Ph.D., P.E., Elaine Howe
Supervising Engineer I	\$ 158	\$ 1,897	
Senior Engineer III	\$ 146	\$ 1,756	Sangam Tiwari, Ph.D., P.E., Brian Pecson, Ph.D., Dan Gerrity, Ph.D.
Senior Engineer II	\$ 136	\$ 1,626	Joanne Chiu, P.E., Eileen Idica, Ph.D., P.E.
Senior Engineer I	\$ 125	\$ 1,506	
Engineer II	\$ 116	\$ 1,397	Teresa Venezia, Emily Owens, P.E.
Engineer I	\$ 108	\$ 1,294	Greg Stanczak
Associate Engineer II	\$ 100	\$ 1,198	Brett Faulkner
Associate Engineer I	\$ 92	-	Tina Jones
Office Manager III			
Assistant Engineer II	\$ 85	-	Liz Odle
Office Manager II			
Assistant Engineer I	\$ 79	-	John Kenny
Office Manager I			
Office Assistant II	\$ 73	-	Claire Parsons
Office Assistant I	\$ 68	-	Vivian Phan, Jennifer Perez

1. Time will be billed in 15 minute increments
2. Time will be billed in increments of one day

Other Direct Costs

Mileage for vehicle use to be reimbursed at current IRS rate.
 Travel, equipment rental and other direct costs to be reimbursed at actual cost plus five percent.

Outside Professional Services:

Outside professional services to be reimbursed at actual cost plus fifteen percent.